FRANCHISE DISCLOSURE DOCUMENT

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HAWAIIAN BROS FRANCHISING, LLC
A Missouri Limited Liability Company

720 Main Street
Kansas City, Missouri 64105
(816) 569-9663
www.hawaiianbros.com

The franchise is to operate a restaurant under the Hawaiian Bros® Island Grill trade name and business system that serves the traditional Hawaiian plate lunch and other fresh, high quality Hawaiian cuisine in a Hawaiian-themed atmosphere.

The total investment necessary to begin operation of a Hawaiian Bros Island Grill restaurant ranges from $1,739,000 to $3,242,000. This includes $106,000 to $141,000 that must be paid to the franchisor or affiliate. You sign the Development Agreement even if you want only one Restaurant. If you are granted development rights for more than one Restaurant, you must pay to the franchisor a franchise fee deposit of $25,000 for each additional Restaurant you commit to develop under the same Development Agreement.

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.**

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise,*" which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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: September 16, 2022.

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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 [N/A].
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 A 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 Hawaiian Bros Island Grill business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Hawaiian Bros Island Grill franchisee?	Item 20 or Exhibit [N/A] lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

TABLE OF CONTENTS

ITEM **PAGE**

ITEM 1. THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES 1
ITEM 2. BUSINESS EXPERIENCE 3
ITEM 3. LITIGATION 4
ITEM 4. BANKRUPTCY 5
ITEM 5. INITIAL FEES 5
ITEM 6. OTHER FEES 7
ITEM 7. ESTIMATED INITIAL INVESTMENT 13
ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 19
ITEM 9. FRANCHISEE'S OBLIGATIONS 22
ITEM 10. FINANCING 23
ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING 24
ITEM 12. TERRITORY 37
ITEM 13. TRADEMARKS 41
ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION 43
ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 43
ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 44
ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION 45
ITEM 18. PUBLIC FIGURES 56
ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS 56
ITEM 20. OUTLETS AND FRANCHISEE INFORMATION 58
ITEM 21. FINANCIAL STATEMENTS 60
ITEM 22. CONTRACTS 60
ITEM 23. RECEIPTS 61

Exhibits

EXHIBIT A FINANCIAL STATEMENTS
EXHIBIT B-1 FRANCHISE AGREEMENT
EXHIBIT B-2 ADDENDUM TO FRANCHISE AGREEMENT (REDUCED ROYALTIES)
EXHIBIT C DEVELOPMENT AGREEMENT
EXHIBIT D AGENTS FOR SERVICE OF PROCESS
EXHIBIT E SYSCO PARTICIPATION AGREEMENT
EXHIBIT F OPERATIONS MANUAL – TABLE OF CONTENTS
EXHIBIT G STATE SPECIFIC ADDENDA

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

Hawaiian Bros Franchising, LLC and Affiliates. Hawaiian Bros Franchising, LLC ("we," "us," and "our") offers the franchise described in this disclosure document. "You" means the individual or business entity (corporation, limited liability company, etc.) that buys a franchise. Except for sole proprietorships, "you" does not include a business entity's owners.

We are a Missouri limited liability company with our home office at 720 Main Street, Kansas City, MO 64105. We do business under our corporate name, Hawaiian Bros™ and Hawaiian Bros™ Island Grill and no other names. If we have an agent in your state for service of process, we disclose that agent in Exhibit D to this disclosure document.

Our affiliates have operated restaurants that offer the same or similar products and services as franchised Restaurants since February 2018 when the first Hawaiian Bros Island Grill restaurant was opened in Belton, Missouri. We organized as a limited liability company in February 2022 and began offering franchises for Hawaiian Bros Island Grill restaurants ("Restaurants") in September 2022. We have never offered franchises in another line of business.

We have no predecessors.

We are a wholly-owned subsidiary of Hawaiian Bros Inc., a Delaware corporation ("Parent"). Parent maintains its principal place of business at 720 Main Street, Kansas City, MO 64105. Parent does not own or operate any franchises nor has it offered franchises in any line of business.

Parent has licensed us the right to use and to license others to use the Hawaiian Bros™ Island Grill trademark and certain other marks that may be used in connection with the operation of Restaurants. Parent is also the owner of certain proprietary recipes and products required to be offered by the Restaurants, including our signature teriyaki sauce, and works with our approved distributor to supply such products to our franchisees. Parent has never conducted the type of business you will operate as a Hawaiian Bros Island Grill franchisee.

We do not have any affiliates that offer franchises in any line of business.

Hawaiian Bros Franchising, LLC's Business and Description of the Franchise. We sell and service Hawaiian Bros Island Grill restaurant franchises. We do not engage in or franchise any other business. Restaurants offer the traditional Hawaiian plate lunch in a modern Hawaiian-themed atmosphere. Restaurants also offer side dishes, desserts and beverages. Restaurants operate under the Hawaiian Bros Island Grill trade name and use a distinctive logo, which appears on this disclosure document's cover page. Restaurants also will operate under other trademarks, logos, and trade dress and use our uniform standards, exterior and interior Restaurant design, décor, color scheme, special recipes, operating procedures, products, and other items we determine and communicate to you through our confidential operating manuals ("Manual") and other means.

A Hawaiian Bros Island Grill franchise entitles you to operate one Restaurant at an approved location. Our Development Agreement gives you the right and obligation to develop one or more Restaurants and governs a Restaurant's development phase, location, and timeframe. The Development Agreement gives you the right to obtain a franchise for a Restaurant after you complete our site location procedures and sign a lease for a location that we have approved. After you sign a lease, you must sign a Franchise Agreement for the Restaurant as soon as the federally mandated, and any applicable state mandated, waiting period has passed. You must sign our Franchise Agreement in the form being offered at

the applicable time for each Restaurant you open. Each Franchise Agreement gives you the right to own and operate a single Restaurant at a specific location.

Your Development Agreement also states the terms on which you are required to develop more than one Restaurant if we allow you to become a multi-Restaurant operator. We offer multi-Restaurant development rights only to qualified persons. Typically, a prospective franchisee sends us a personal profile and application setting forth personal, financial, business, and other information on the prospective franchisee and its owners. You are required to pay a portion of the franchise fee for each Restaurant you have the right and obligation to develop under a Development Agreement as a deposit at the time of signing the Development Agreement. No portion of the franchise fee deposit is refundable if you fail to develop Restaurants according to your Development Agreement's terms. You must sign our then-current form of Franchise Agreement for each additional Restaurant you develop. That form may differ from the form of Franchise Agreement included in this disclosure document.

You must operate your Restaurant under the business system and operating procedures we have developed, as described in our Manual (the "System"). Our affiliates have developed certain proprietary sauces and seasonings, including our signature teriyaki sauce, that must be used in certain menu items. Our affiliates have also developed certain apparel and other merchandise that must be offered for sale at the Restaurants. Franchisees must buy these proprietary products from our designated suppliers. They also must use other ingredients meeting our grade and quality specifications. We may designate the suppliers from which you must purchase and we may add or delete proprietary items and suppliers as we choose.

Restaurants are designed to be located primarily in metropolitan areas and are typically located in re-purposed free-standing, permanent buildings of various sizes and configurations and/or in shopping center spaces. Restaurants feature a modern Hawaiian-themed décor, and may offer drive-thru services in addition to dine-in and carry-out options.

Restaurants market their products to customers of all ages who are seeking high quality, reasonably priced food with quick service.

Industry Specific Regulation and Competition

The restaurant industry is heavily regulated. Many of the laws, rules, and regulations that apply to businesses generally, such as the Americans with Disabilities Act, Federal Wage and Hour Laws, and the Occupation, Health and Safety Act, also apply to restaurants.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and state and local health departments administer and enforce laws and regulations governing food preparation and service and restaurant sanitary conditions. State and local agencies inspect restaurants to ensure they comply with these laws and regulations. You should consider these and other applicable laws and regulations when evaluating your purchase of a franchise.

Restaurants compete with national, regional and local quick service restaurant chains that provide food, beverages and services to the general public. Your direct competitors will include other restaurants in the area of your Restaurant. We believe, however, that the Restaurants have particular appeal because of their distinctive atmosphere and high-quality, traditional island comfort food that is unlike foods traditionally served at other quick-service restaurants.

ITEM 2
BUSINESS EXPERIENCE

President and Co-CEO: Scott Ford

Scott Ford has served as our President and Co-CEO from February 2022 to present, in Kansas City, Missouri, the President of our Parent from November 2019 to present, in Kansas City, Missouri, and the President and Co-CEO of our Parent from July 2021 to present, in Kansas City, Missouri. Mr. Ford served as a principal of DKA Services LLC in Kansas City, Missouri, from May 2018 to November 2019. Mr. Ford held various executive roles at Mr. Goodcents Franchise Systems, Inc. from July 2010 to May 2018, most recently serving as President/CEO from November 2014 to May 2018, in DeSoto, Kansas.

Co-CEO: Cameron McNie

Cameron McNie has served as our Co-CEO from February 2022 to present, in Kansas City, Missouri, the Co-CEO of our Parent from July 2021 to present, in Kansas City, Missouri, a Manager of our Parent from October 2019 to July 2021, in Kansas City, Missouri, and an employee of our Parent from August 2017 to October 2019, in Kansas City, Missouri.

Co-CEO: John Tyler McNie

John Tyler McNie has served as our Co-CEO from February 2022 to present, in Kansas City, Missouri, the Co-CEO of our Parent from July 2021 to present, in Kansas City, Missouri, a Manager of our Parent from October 2019 to July 2021, in Kansas City, Missouri, and an employee of our Parent from August 2017 to October 2019, in Kansas City, Missouri.

Chief Financial Officer: Breck Templeton

Breck Templeton has served as our Chief Financial Officer and Chief Financial Officer of our Parent from May 2022 to present and served in a transitional accounting and finance position with our Parent from March 2022 to May 2022, in Houston, Texas. Mr. Templeton served as Chief Financial Officer of SPB Hospitality from December 2020 to March 2022 in Houston, Texas, and as Special Assistant to the CEO from December 2020 to December 2021 and Chief Financial Officer from July 2013 to December 2020 at 9th Wonder in Houston, Texas.

Chief Development Officer: Carey Malloy

Carey Malloy has served as our Chief Development Officer and Chief Development Officer of our Parent from March 2022 to present, in Fort Lauderdale, Florida. Ms. Malloy served as Chief Financial Officer of Edible Brands from May 2019 to March 2022 in Atlanta, Georgia; Director, Finance Global Markets, for ConAgra Foods from July 2017 to November 2018 in Chicago, Illinois; and Director, US FP&A, for McDonald's Corporation from December 1995 to July 2017 in Oak Brook, Illinois.

Executive Director of Operations: Daniel Hill

Daniel Hill has served as Executive Director of Operations of our Parent from June 2020 to present, in Ft. Worth, Texas. Mr. Hill served as General Manager of Cool River Café from June 2019 to January 2020, in Ft. Worth, Texas; District Manager for Hat Creek Burger Co from January 2018 to June 2019, in Ft. Worth, Texas; and District Manager for Slim Chickens from before September 2017 to January 2018, in Ft. Worth, Texas.

Executive Director of Operations Services: Paul McDaniel

Paul McDaniel has served as Executive Director of Operations Services of our Parent from July 2021 to present, in Kansas City, Missouri. Mr. McDaniel served as Vice President of Logistics of Mac Facility Solutions, from February 2021 to June 2021, in Kansas City, Missouri; and as Director of Operations Services for AFC Brands, from September 2016 to February 2021, in Kansas City, Missouri.

Senior Vice President, Technology and Customer Experience: Lee Patterson

Lee Patterson has served as Senior Vice President, Technology and Customer Experience for us and our Parent from February 2022 to present, in Minneapolis, Minnesota. Mr. Patterson has served as a consultant for Patterson Consulting from January 2017 to present in Minneapolis, Minnesota.

Vice President, Development: Mitch Truster

Mitch Truster has served as our VP-Development from February 2022 to present, in Kansas City, Missouri and as Vice President, Development of our Parent from April 2021 to present, in Kansas City, Missouri. Mr. Truster served as DVP-Real Estate and Construction of Helzberg Diamonds, Inc. from October 2017 to April 2021 in North Kansas City, Missouri, and as Director of Real Estate for AMC Entertainment Holdings, Inc. from November 2016 to October 2017 in Leawood, Kansas.

Vice President, Franchise Development: Grant Kreutzer

Grant Kreutzer has served as our Vice President, Franchise Development from March 2022 to present, in Denver, Colorado. Mr. Kreutzer held the following positions for Jack in the Box, Inc. in San Diego, California: Director, Franchise & License Business Development Qdoba and Jack in the Box from April 2016 to January 2019; Director, Franchise Business Development Qdoba and Jack in the Box from September 2013 to April 2016; and Director, Franchise Business Development Jack in the Box from February 2011 to September 2013.

Vice President, Marketing: Amy Howarter

Amy Howarter has served as our Vice President, Marketing from February 2022 to present, in Overland Park, Kansas and as Vice President, Marketing of our Parent from February 2021 to present, in Overland Park, Kansas. Ms. Howarter served as an Account Supervisor for GlynnDevins (n/k/a Attane) from October 2018 to February 2021, in Kansas City, Missouri, and as Vice President, Marketing for Mr. Goodcents Franchise Systems, Inc. from May 2014 to June 2018, in DeSoto, Kansas.

Director, Restaurant Training: Leslie Pecor

Leslie Pecor has served as Director, Restaurant Training, for Parent from July 2020 to present, in Kansas City, Missouri. Ms. Pecor served as a General Manager for Old West Café from August 2015 to July 2020, in Arlington, Texas.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

The Restaurant franchise program involves two types of agreements: a Development Agreement and a Franchise Agreement. The initial franchise fee due under a Franchise Agreement is $50,000. The initial franchise fee deposit is specified in the Development Agreement based on the number of Restaurants to be developed. There are no separate development fees.

The Development Agreement gives you the right and obligation to develop one or more Restaurants. You will sign a Franchise Agreement after you secure a suitable Restaurant site during the period between when you sign the Development Agreement and the date by which the Development Agreement requires you to have secured a lease for an approved Restaurant site. You pay a $50,000 franchise fee deposit for the first Restaurant to be developed under the Development Agreement when you sign the Development Agreement. If you are granted development rights for additional Restaurants under the same Development Agreement, you must pay a franchise fee deposit equal to $25,000 for each additional Restaurant that you commit to develop when you sign the Development Agreement. The franchise fee deposit is fully earned in consideration of the development rights granted in the Development Agreement and is not refundable. The franchise fee deposit will be credited against the franchise fee due under the Franchise Agreement for the Restaurant to which it applies if you timely open the Restaurant. If you fail to timely open a Restaurant, you will forfeit the franchise fee deposit allocated to such Restaurant and it will become our property. You must pay the remaining balance of the franchise fee for a Restaurant upon signing a Franchise Agreement for that Restaurant.

If you purchase an existing franchise, you do not pay an initial franchise fee unless the term of the franchise agreement issued to you for the existing franchise is extended, in which case, a prorated non-refundable franchise fee may be charged based on our then-current initial franchise fee. In addition, if you purchase an existing franchise, you pay us a transfer fee (which is not refundable) of $10,000 for each existing Restaurant and $10,000 for each Restaurant remaining to be developed under an applicable Development Agreement. We may require you to pay these transfer fees when you request approval of a transfer.

If we visit a site that you propose as a potential site for a Restaurant, you must reimburse us for the costs and expenses that we incur for our representatives' travel, lodging, and food in connection with such site visit. We also must review and approve the final construction documents for your Restaurant before you begin construction and you must pay us our current construction document review fee for such review. We currently charge $5,000.

If you (or your employees who are required to complete our initial training) are unable to complete the initial training course to our satisfaction, you or such employee will be required to re-take the initial training program at your cost, including payment to us of our then-current training fee. Currently, our training fee for our initial training course is $5,000.

We provide a pre-opening team to assist franchisees with their first four new Restaurant openings (NROs) for two weeks (one week before and one week after opening). We may provide an additional week of opening assistance at our option or your request based on your readiness to independently operate the Restaurant, but we are not obligated to do so. The chart below describes the level of Restaurant opening

support that we provide, the estimated amount of our training team's meal, travel and lodging expenses for which you will be required to reimburse us, the number and level of certified trainers that you are required to employ for each of your first four NROs, and when you are required to have a certified training Restaurant.

New Restaurant Opening	Hawaiian Bros NRO Assistance	Franchisee Requirements and NRO Assistance after 1st and subsequent NROs	Estimated Reimbursements Paid to Us for Food, Travel and Lodging Costs Incurred for NRO Assistance
1	Up to 15 trainers (including team leaders)	Certified Designated Principal General Manager, Assistant General Manager, Restaurant Manager, Operations Leader (if restaurant staffs an Operations Leader)	$46,000 - $81,000
2	Up to 10 trainers	5 certified trainers	$50,000
3	Up to 5 trainers	10 certified trainers, 3 team leaders in training, one certified training restaurant	$25,000
4	1 trainer and 1 team leader	15 certified trainers, and one certified training restaurant	$10,000

If we deploy our team to your Restaurant and your Restaurant experiences any delay in opening, you are required to reimburse us for all travel, lodging and meal expenses that we incur for our new restaurant opening team during the delay. We will not provide NRO assistance for your fifth and subsequent NROs, and you are required to have a Certified Restaurant Manager, certified trainers as indicated in the above table, and a designated NRO leader who conducts your NRO training at a certified training Restaurant you operate. We may provide opening assistance at our option or your request based on your readiness to independently operate your fifth or subsequent Restaurants, but we are not obligated to do so. If we provide additional opening assistance for your fifth or subsequent NROs, you are required to reimburse us for all wages, travel, lodging and meal expenses that we incur for our new restaurant opening team.

The initial fees and payments in this Item 5 are uniform in all cases, except as expressly stated with respect to the reimbursement of travel, lodging and food, that we incur to provide our NRO assistance. Reimbursement costs for NRO assistance will vary based on the factors described in this Item 5. All fees described in Item 5 are non-refundable.

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ITEM 6
OTHER FEES

(1) Type of fee[1]	(2) Amount	(3) Due Date	(4) Remarks
Royalty Fee[2]	6% of Gross Sales, provided the royalty fee for the first 50 franchise-operated Restaurants will be 5% of Gross Sales for the first 5 years of the franchise term and 6% of Gross Sales thereafter	Payable weekly, on or before Wednesday	Royalty Fees are calculated based on the Gross Sales for the immediately preceding week (Sunday through Saturday). Amounts due will be withdrawn by electronic fund transfer (EFT) from your designated bank account. See below in this chart for the late fee associated with submitting late reports of Gross Sales.
Advertising and Development Fund (Ad Fund)[3]	Currently 3% of Gross Sales	Payable weekly, on or before Wednesday	The amount you must contribute to the Ad Fund is calculated based on the Gross Sales for the immediately preceding week (Sunday through Saturday). We may require you to contribute or allocate different amounts to the Ad Fund or to local advertising (individually or through a cooperative), but the total amount of all Ad Fund contributions and any minimum local advertising spend that we require will not exceed 4% of Gross Sales. This limit does not apply to amounts that an advertising cooperative may require. Amounts due will be withdrawn by EFT from your designated bank account.
Local Advertising	Currently 1% of Gross Sales	Determined by the billing protocol of local advertiser	You must spend monthly the percentage of Gross Sales that we specify on local advertising. We have the right to set, decrease and increase the required percentage of Gross Sales that you are required to spend on local advertising, but this rate, when combined with your Ad Fund contribution rate, may not exceed 4% of your Gross Sales. You will pay the local advertiser directly. We may require you to submit copies of your paid invoices for auditing. Your costs and expenses for in-house marketing personnel or payments

(1) Type of fee[1]	(2) Amount	(3) Due Date	(4) Remarks
			made to a creative agency or ad fund do not count towards the minimum you must spend. If you contribute to a local advertising cooperative, those contributions will count toward the minimum amount that you are required to spend on local advertising.
Cooperative Advertising	As determined by cooperative	As determined by cooperative	If an advertising cooperative is formed in the area that includes your Restaurant(s), you must join that cooperative. We will have no vote in these cooperatives unless our Restaurants are in the market. If so, our vote will be determined in the same way your vote is determined.
Additional Training[4]	Then-current hourly fee or initial training fee, as applicable, plus your expenses The current fee is $350 per hour The current initial training fee is $5000	As incurred	If it becomes necessary to re-train or provide additional training beyond our initial training program to a certain individual, we reserve the right to charge you our then-current training fee.
Additional On-Site Training	Then-current hourly fee, plus the trainer's expenses The current fee is $350 per hour	Upon demand	If you request or if we require that we provide additional training at your Restaurant(s), you must pay our hourly fee for each trainer we send to your Restaurant(s), and you must reimburse each trainer's expenses, including travel, lodging, and meals.
Audit Fee	Our actual costs	Upon demand	We have the right to audit your books and records and we will generally pay the costs and expenses related to such audits. However, if an audit reveals that you have understated Gross Sales by 2% or more for any period, you must pay our entire cost of the audit, any underpayments revealed by the audit,

(1) Type of fee[1]	(2) Amount	(3) Due Date	(4) Remarks
			and interest on such payments. Our cost of the audit may include the allocable salary and benefits of an internal audit team, the costs of an external auditor, and the costs and expenses of travel, lodging, and meals for any auditor(s) who conducted or attempted to conduct the audit.
Transfer Fee – Franchise Agreement[5]	$10,000	Prior to transfer	If Franchisee is an individual or partnership assigning the franchise to a business entity in which the Franchisee will own all of the ownership interests, the transfer fee is limited to reimbursing us for any legal expenses we incur to prepare or review documentation related to the transfer.
Transfer Fee – Development Agreement[5]	$10,000 for each Restaurant remaining to be developed	Prior to transfer	If Developer is an individual or partnership assigning the franchise to a business entity in which the Developer will own all of the ownership interests, the transfer fee is limited to reimbursing us for any legal expenses we incur to prepare or review documentation related to the transfer.
Relocation[5]	$7,500, plus expenses	Upon demand	You may not relocate your Restaurant to a new premises without our written consent. If we approve your relocation, you must pay a $7,500 relocation fee and take all actions we require to de-brand and de-identify the former premises at your expense.
Renewal	50% of the then-current initial franchise fee	Upon renewal of the Franchise Agreement	In addition to satisfying the other requirements for renewing your Franchise Agreement, you must pay a renewal fee equal to 50% of the initial franchise fee charged under our then-current Franchise Agreement.
Non-Renewal and/or Termination Compliance	Our actual costs	Upon demand	You have certain obligations after non-renewal of your Franchise Agreement or if we terminate your Franchise Agreement. If you fail to

(1) Type of fee[1]	(2) Amount	(3) Due Date	(4) Remarks
			satisfy your obligations within 7 days of the non-renewal or termination of your Franchise Agreement, we may enter the premises to bring it into compliance, and you must reimburse our actual costs.
Technology Fee	Currently we do not charge a technology fee	Payable at the same time and in the same manner as the Royalty Fee	We have the right to implement and charge you a reasonable license fee or technology fee to use any Intranet or other communications network through which franchisees may communicate or any other computer systems, software, apps, APIs or other technology that we or our third party supplier provides or administers for the System.
Management Fee	Currently, 20% of Gross Sales, plus expenses	Upon demand	We have the right to step in and manage your Restaurant(s) under certain circumstances. If this happens, we will charge you a reasonable management fee to manage your Restaurant(s), and you must reimburse us for the expenses for providing such management, including travel, lodging, and meals.
Attorneys' Fees and Costs[6]	Our actual costs	Upon demand	If you default under your Franchise Agreement or Development Agreement, you must pay our costs and fees to enforce or terminate the Agreement.
Indemnification	Our actual costs	Upon demand	If we are sued or held liable for claims that arise in connection with your Restaurant's operations, the alleged or actual acts or omissions of your personnel, or your breach of your Franchise Agreement, you must reimburse us for the costs we incur to defend such claims.
Insurance	Our actual costs	Upon demand	Item 8 discusses the insurance you are required to maintain. If you fail to maintain the required insurance coverages, we have the right (but not the obligation) to obtain insurance coverage on your behalf and require

(1) Type of fee[(1)]	(2) Amount	(3) Due Date	(4) Remarks
			that you reimburse us for our costs upon demand.
Product and Service Purchases	Amount will vary with the circumstances	As incurred	You must purchase your supply of proprietary products from our designated supplier. Item 8 discusses product and service purchases.
Annual Convention	Registration fee, plus your expenses No registration fee has been established at this time.	Not more than annually; fee due upon registration; expenses as incurred	We may hold a franchisee convention no more frequently than annually. If we hold a franchisee convention, you are required to attend and pay the registration fee for the convention. You must also pay your expenses, including travel, lodging, meals, and employee wages, if applicable.
Interest	1.5% per month or the highest rate allowed by applicable law, whichever is less	Upon demand	We have the right to charge interest on any payments you owe us or our affiliates if you do not pay the amount owed within 5 business days after the payment is due.
Late Fee for report of Gross Sales	$250 per occurrence	As incurred	This fee will be deducted via EFT at the same time as the estimated Royalty Fee and Ad Fund Fee are deducted from your designated bank account.
Guest Complaint Chargeback	Amount will vary with the circumstances	Upon demand	If we receive a customer complaint relating to an experience at your Restaurant, we may compensate the guest as we determine appropriate and you must reimburse us for the retail value of the compensation provided.
Additional copies of Operations Manual or Training Materials	Currently, $25	Upon demand	We have the right to charge you a reasonable fee for additional copies of the Operations Manual or training materials

Notes:

(1) All fees described in this Item 6 are non-refundable. Except as otherwise provided in this Item 6, all fees are imposed uniformly and collected by and payable to us.

As provided in this Item 6, your Royalty Fee and Advertising and Development Fund (Ad Fund) contribution must be paid by an electronic funds transfer (EFT) from your designated bank account. This requires you to provide us with the amount of Gross Sales for your Restaurant(s) in a report that includes the information we request in the format we request it, by a particular deadline. If you

do not submit the report by the deadline, we will estimate your Gross Sales for the week, deduct the Royalty Fee from your bank account via EFT based on that estimate, and you will be charged a $250 non-refundable fee that will be withdrawn in the same manner. After you provide us with the missed Gross Sales report, we have the option to adjust our estimate and settle the accounts accordingly.

(2) For purposes of determining the fees to be paid under the Franchise Agreement, "Gross Sales" means the aggregate revenues or other consideration you receive from the sale of products and services through operation of your Restaurant (including sales of food, beverages, and tangible property of every kind and nature, promotional or otherwise, sales of food and beverage to employees and delivery service fees), whether for cash or credit or any other means of payment, from all services performed from or at your Restaurant, and from all orders taken or received at your Restaurant, regardless of where such orders are filled (including revenue from direct delivery, catering, and/or delivery services through third parties), less (i) applicable sales taxes you collect and remit to the appropriate tax authority, and (ii) revenue you derive from selling or issuing Hawaiian Bros Island Grill gift or loyalty cards (although revenue you derive from selling products and services to customers using those gift cards for payment is included in Gross Sales), but without deduction of any other costs or expenses whatsoever. Gross Sales will not be reduced by any deductions for cash shortages incurred in connection with the transaction of business with customers or theft.

We may authorize certain other items to be excluded from Gross Sales. We have the right to revoke or withdraw any exclusion at any time. See Note 1 for specific information about the EFT to be withdrawn from your bank account for payment of the Royalty Fee. If any state imposes a sales or other tax on the Royalty Fee, we will collect this tax from you.

(3) We administer a national Advertising and Development Fund (Ad Fund) on behalf of the System to provide national or regional creative materials and ongoing brand development programs for the benefit of the System. The Ad Fund is described further in Item 11.

(4) If you are a business entity, you are required to designate one (or more) of your owners who will oversee and supervise your Restaurant's management and operation and to be the primary contact for us with respect to any notices or communications. This individual is referred to by us as the "Designated Principal." You are also required to designate an individual to supervise and manage all aspects of your Restaurant's day-to-day operations and with whom we may deal exclusively for purposes of administering and coordinating the franchise relationship. This individual is referred to by us as the "General Manager". The General Manager may or may not be the franchisee (if the franchisee is an individual) or the Designated Principal. The General Manager must be an employee of the franchisee or one of its affiliates and must devote his or her full business time and efforts to performing his or her assigned duties for the franchisee.

(5) After the effective date of a Franchise Agreement or Development Agreement, we have the right to adjust any fixed fee specified in those agreements by a percentage that is equal to the change in percentage of the Consumer Price Index that we select.

(6) You must reimburse us for the internal and external costs and expenses we incur to enforce our rights or your obligations under the Franchise Agreement, regardless of whether there is a formal legal proceeding to enforce its terms. Such costs and expenses include reasonable accounting, attorneys', arbitrators', and related fees. If we do begin a formal legal proceeding against you to enforce the terms of the Franchise Agreement, the reimbursement obligation applies to all costs and expenses we incur to prepare for, commence, and prosecute the entire legal proceeding (including appeals and settlements).

ITEM 7
ESTIMATED INITIAL INVESTMENT

(1) Type of expenditure	(2) Amount	(3) Method of payment	(4) When due	(5) To whom payment is to be made
Franchise Fee Deposit[1]	$50,000 for your first Restaurant under a Development Agreement $25,000 for each additional Restaurant you commit to develop under the same Development Agreement	Lump Sum	Upon execution of Development Agreement	Us
Security Deposits and Utility Deposits [2]	$8,500 to $40,000	Lump Sum	As incurred	Landlord, Utility Companies
Construction, Remodeling, and Leasehold Improvements, Landscaping [3]	$628,340 to $1,550,000	As arranged	As incurred	Landlord and/or General contractor(s)
Decor, Fixtures, and Furnishings [4]	$137,000 to $221,000	As arranged	As incurred	Approved supplier(s)
Equipment [5]	$463,000 to $500,000	As arranged	As incurred	Approved supplier(s)
Computer, Point of Sale Equipment, Software, Network/WiFi, Low Voltage wiring, Internet Circuit/Modem, Safes, Monitors (install parts Busstops), Fire Alarm/Suppression, Standard Speakers, Music System, HME System, Phones,	$102,000 to $105,000	As arranged	As incurred	Third party supplier

(1) Type of expenditure	(2) Amount	(3) Method of payment	(4) When due	(5) To whom payment is to be made
Security Cameras, Alarms, Future remote ordering, 6 pack Walkie Talkies, Office Printer [6]				
Insurance [7]	$1,860 to $5,300	As arranged	Monthly, As Incurred for Specialty Coverages	Insurance Companies
Permits and Licenses [8]	$600 to $15,000	As billed	As incurred	Governmental agencies
Initial Inventory [9]	$12,000 to $15,000	As arranged	As incurred	Approved suppliers
Signage [10]	$67,000 to $110,000	As arranged	As incurred	Approved suppliers
Grand Opening Advertising and VIP Events [11]	$22,000 to $50,000	As arranged	As incurred	Approved suppliers and media
Architectural / Engineering Plans, Construction Documents [12]	$25,000 to $70,000	As arranged	As incurred	Architect, and/or approved suppliers
Construction Document Review Fee [13]	$5,000	Lump sum	As incurred	Us
Training Expenses – managers' salaries, travel and lodging expenses (14)	$54,000 to $134,000	As arranged	As incurred	Providers of travel, lodging, and food services
New Restaurant Opening Assistance - Travel, Lodging, meal reimbursement (15)	$46,000 to $81,000	As arranged	Prior to Opening	Us
Apparel (Uniforms and Merchandise)	$2,700 to $3,500	As incurred	Prior to Opening	Approved suppliers
Professional Fees[16]	$1,000 to $10,400	As arranged	As incurred	Your attorney, accountant, and other professionals

(1) Type of expenditure	(2) Amount	(3) Method of payment	(4) When due	(5) To whom payment is to be made
Additional Funds – 3 Months – includes pre-opening expenses [(17)]	$113,000 to $276,800	As arranged	As incurred	Employees, Suppliers, Utilities
Total[(18)]	$1,739,000 to $3,242,000			

Notes:

(1) The initial franchise fee and franchise fee deposit is discussed in detail in Item 5.

(2) We do not require any prepaid security deposits before you begin the operation of your franchise location, but if you lease the space for your franchised unit, your particular landlord may require a security deposit in connection with your leased commercial property. In addition, the utility companies may require a security deposit in connection with providing your electricity, gas, water, or other utilities. The higher amount includes estimated costs for security deposits on build-to-suit projects funded by preferred developers.

(3) The total estimated initial investment does not include the acquisition of real estate. The cost of constructing or remodeling the premises to meet our design specifications depends upon the condition and configuration of the existing retail space and whether or not your landlord agrees to provide an allowance for tenant improvements. Site improvement costs for free-standing drive-thru locations may vary based upon soil and environmental conditions, availability of utilities to the site, the topography of the site, the size of the parcel, local zoning, and other building requirements. Building costs will vary depending on commercial construction costs and union activity in your assigned development area. We cannot precisely estimate the range of your initial real estate investment. Site improvement and building costs vary widely from location to location, and for remodels of existing buildings versus ground-up new construction of our prototype Restaurant. We estimate the site improvement and building costs to remodel existing buildings to range from $628,000 to $1,550,000 depending on your location, not including the cost of land, based on the Restaurants operated and developed by our affiliates. You will need approximately 3,300 - 5,767 square feet for the Restaurant based on the site and building improvements of existing remodeled locations operated and developed by our affiliates. Ground up new construction of the prototype restaurant requires approximately 4,000 square feet. Rent varies widely from location to location depending upon the size, condition, and location of the leased premises, but we estimate the rent (including common area maintenance and other similar charges) to range from $9,996 to $29,687, per month. If you elect to purchase the site for your Restaurant, your land acquisition costs will vary depending upon a multitude of factors including the size and location of the property and the availability of financing on commercially reasonable terms. We are unable to estimate the cost of purchasing a site. The cost per square foot of commercial space and the related buildout costs vary considerably depending upon the location and market conditions affecting commercial property. This figure does not include the cost of security deposits of one or two months' rent which may be required by your landlord. Your estimated construction, remodeling and site improvement costs and rent above is based on our affiliate-owned locations that were constructed by remodeling existing real estate sites, and in some cases, by build-to-suit developers that then lease the finished

Restaurant to our affiliates with rents at the high end of the range listed above to cover their development costs, fees, and any finance charges.

(4) You will need to install Hawaiian Bros Island Grill proprietary building and design elements, furniture, and décor items that comply with our specifications. The investment range varies depending on the size and square footage of the Restaurant's front of house, dining room, retail display, quantity of seats, trash receptacles, and interior and exterior décor items, including patio furniture, as applicable to your location.

(5) Costs may vary by region.

(6) The price range is based on the experiences of our affiliates in implementing a Toast point-of-sale system ("POS System"). The price of your POS System will vary based on the number of POS terminals you need and the modules you decide to purchase. The number of POS terminals needed will depend on the size and configuration of your Restaurant. You may be required to pay ongoing license fees or support / help desk fees for your POS System as set forth in Item 11.

(7) You must purchase insurance coverage in accordance with the standards set forth in the Franchise Agreement, the Manual and any Franchise Insurance Bulletin that we issue from time to time. You must also comply with any requirements for insurance coverage provided in your lease for the premises and you may need to comply with insurance requirements under state laws. Generally, for the Property and General Liability policies, you would pay a deposit premium of one month with 11 scheduled monthly payments. Often times the deposit premium and 1st month are included in the first billing with 10 monthly installments. Specialty lines coverages like Umbrella and Employment Practices usually require full payment upon placement.

(8) You are required to comply with all federal, state, and local laws and government regulations applicable to the business, and you must provide us with copies of any licenses and/or permits required to operate your location.

(9) You are required to purchase an opening inventory of food, beverage and supplies prior to opening the Restaurant for business. This amount includes $5,000 in paper product supplies. We estimate that the range given will be sufficient to cover initial supplies of food and beverage inventory and paper products.

(10) This amount will vary depending on the location of your Restaurant and what signage you determine is necessary to help your customers locate the premises.

(11) We must approve your grand opening marketing plan. Your plan may include an advertising campaign to promote the opening of your Restaurant. You will be able to utilize the marketing and public relations and media materials that we have developed or approved. The cost of the initial grand opening advertising depends greatly upon the market and media costs. This amount includes the estimated cost of advertising media for the grand opening and the first eight weeks of business. It does not include your national ad fund contribution or minimum local advertising spend. Pre-opening advertising is in addition to a required VIP grand-opening event, where you will incur food costs by giving away Hawaiian Bros Plate Lunches at your Restaurant opening. Additionally, prior to opening your Restaurant, you will be required to incur expenses on employee recruitment advertising, soft opening invitations, menus, gift cards, "Now Open" banners and flags, a prize wheel, giveaway prizes, printed materials, brand ambassadors (feet on the street marketers), Social wall back-drop, and other in-restaurant marketing tools and promotional items.

(12) These fees can vary greatly depending upon the condition of the premises and its location. As discussed above in Note 4 to this table, depending on the extent of the work that must be done, the cost of the construction documents will vary. You must retain one of our designated architects, to create your preliminary floorplan at your cost, and use this designated architect to prepare your construction documents.

(13) We must review and approve the final construction documents for your Restaurant before you may begin construction and you must pay us our current construction document review fee for such review. Hawaiian Bros will provide input on the placement of trade dress elements, general restaurant layout, and other input as deemed appropriate.

(14) We will provide training for your Designated Principal, and all of your salaried managers, including your General Manager, Assistant General Manager, and Restaurant Manager, as a part of your initial franchise fee, but you will need to arrange for their transportation, lodging, food, and, for employees, payment of wages. The cost of these expenses will depend on the distance you must travel and the type of accommodations you choose. All of your salaried managers will be required to complete the designated training program to our satisfaction and become certified by our training department. Designated Principal training may require up to 4 weeks of Restaurant Manager training as we may require based on the Designated Principal's role and responsibility in the franchise organization.

(15) See the detailed description in Item 5 regarding the pre-opening assistance team that we provide and your requirements to reimburse us for the food, lodging, and travel costs that we incur for our pre-opening trainers.

(16) These are estimates for fees that will be charged by your attorney to review the franchise agreement and other documents, review and negotiate the lease for your Restaurant location, and to advise you and to incorporate a business entity on your behalf if desired. This estimate also includes fees charged by an accountant and/or financial advisor. These amounts are only estimates and your actual fees may vary significantly depending on the specific work you request, the advisors you select, and the rates for professional fees in your area. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity and our franchise documents. It is also advisable for these professionals to review other contracts you will sign as part of opening your franchise.

(17) The total estimates pre-opening initial expenses and operating expenses through the first three months of operation. These additional funds will be required to finance operations during the pre-opening phase and the initial three months of operations. The pre-opening expenses include food costs for training simulations at the Restaurant and labor costs incurred during required pre-opening training. Operating expenses through the first three months of operation include working capital, occupancy costs, payroll costs for managers and minimum crew labor, employee recruitment, supplies, utilities, ordinary maintenance, and other expenses normal in operating a Restaurant. These figures are estimates based on the experience of our affiliates in operating our company-owned Restaurants in Kansas, Missouri, Texas and Oklahoma since 2018. We cannot guarantee that you will not have additional expense starting the business. Your costs will depend on factors such as the Restaurant size and location; your management skill, experience and business acumen; local economic conditions; the local prevailing wage rate; competition; sales level reached during the initial period; and other factors, including landlord contributions and whether you are remodeling an existing restaurant location into a Hawaiian Bros Restaurant.

(18) None of the payments described in Item 7 are refundable, except that security deposits you must make to a third party may be refundable. We do not finance any portion of your initial investment.

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ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to maintain the uniform high standards of appearance, service, and food and beverage quality necessary to retain and enhance the goodwill and acceptance of the Restaurants, you must adhere to our current and future requirements, specifications and standards for the following: form, content and media of any advertising and online presence; the selection, purchase, and distribution and preparation of all food and beverage products and packaging; site selection and acquisition, construction, site work and remodeling criteria; all equipment, computer systems, signs, interior and exterior furnishings and décor; fixtures; uniforms; disposables and smallwares; guest satisfaction surveys; and all other materials and supplies that we require for the operation of your Restaurants.

We develop and modify our specifications internally. As part of this process, we may consult with suppliers, professionals or other third parties. Our standards, operating specifications and procedures for developing and operating a Restaurant are communicated to you via our Manual as described in Item 11. You must obtain our prior written approval to deviate from these specifications and recommendations. Certain detailed specifications for equipment, food and other products may only be communicated to suppliers. We will promptly notify you in writing of any modification of any of our specifications previously disclosed to you.

You must offer all foods and beverages included on our standard menu, which we may periodically revise. You may not offer any foods, beverages or other merchandise that are not included on our authorized merchandise list without our prior written consent. We may periodically revise our authorized merchandise list.

We require you to offer third-party delivery services that comply with our delivery standards and procedures, which we may establish and modify from time to time. You must use one or more of the third-party delivery service providers currently used by our affiliates. You must receive our approval of any additional delivery service providers that you would like to use.

All advertising and promotional materials, signs, paper goods and other items we designate must bear the Hawaiian Bros Island Grill trademark in the form, color, location and manner we prescribe. In addition, all your advertising and promotion in any medium must conform to the standards and requirements in the Manual.

You must obtain our approval of the site for your Restaurant before you acquire the site. You must use a licensed real estate broker to assist you with selecting and securing a site. If we have a preferred real estate broker in your market, you must use our preferred broker. If we do not have a preferred broker in your market, we have the right to approve your real estate broker. You must also use a licensed and experienced real estate attorney to negotiate your lease for the Restaurant location and obtain our approval of the lease before you sign it. We have the right to approve your site surveyors, permit expeditors, and architectural and engineering consultants.

Except for your local advertising, you must purchase or lease all of the above items necessary to establish and operate your Restaurant from sellers, distributors or suppliers that we designate or approve in writing. We will provide you a list of pre-approved or designated distributors or suppliers for the items that we require you to purchase from pre-approved or designated suppliers. During 2021, neither we nor our affiliates received any revenue from selling or leasing any products or services directly to franchisees.

Currently, neither we nor our affiliates are designated suppliers of any required goods or services, but we reserve the right to be, or to designate an affiliate as, an approved or sole source of supply of a required product or service in the future.

We have negotiated a Master Distribution Agreement with Sysco Kansas City, Inc ("Sysco"). Franchisees are required to purchase certain food products from Sysco and must sign a participation agreement to participate in the terms of the negotiated contract. The form of participation agreement is attached as Exhibit E.

We have also entered into an agreement with PepsiCo Sales, Inc. and Pepsi-Cola Advertising and Marketing, Inc. (collectively, "PepsiCo") under which PepsiCo is the exclusive supplier of certain beverage types for the System. Franchisees must use PepsiCo to supply their fountain and, if applicable, frozen beverage products. We reserve the right to implement and require Franchisees to sign a participation agreement to participate in the terms of our contract with PepsiCo. If our company and franchised Restaurants meet certain performance obligations under our agreement with PepsiCo, PepsiCo will accrue discretionary advertising and marketing funds on our behalf at the rate of $0.50 per gallon (excluding gallons of certain specified products). Currently, we are reimbursed by PepsiCo from such discretionary funds for advertising and marketing of the System, as approved by PepsiCo. We do not receive any other payments based on franchisee purchases from PepsiCo.

We may in the future negotiate other purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System.

You must use a Toast point-of-sale system and a computer system (including all future updates, supplements and modifications) comprised of such hardware and software as we may require from time to time in the operation of your Restaurant. The required point-of-sale and computer system is described in Item 11.

You must participate in, and comply with the requirements of, any gift card, customer loyalty or retention, SMS/mobile, or special promotional program that we implement for all or part of the System, and sign the forms and take the other action that we require for you to participate in these programs. You may not have any type of competing or conflicting programs at the local or area cooperative level.

If you wish to purchase, lease or use any required products or other items from an unapproved supplier, you must submit a written request for approval. We must approve any product or supplier of any product that we require you to use in operating the Restaurant in writing before you make any purchases for your Restaurant of that product or from that supplier. We can require the right to inspect the supplier's facilities and that samples from the supplier be delivered to us or an independent laboratory that we specify for testing. We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier fails to continue to meet any of our standards. Our supplier approval procedure does not obligate us to approve any particular supplier. We will notify you within a reasonable time (typically 90 days or less) after we complete the inspection and evaluation process of our approval or disapproval of any proposed supplier or product. Under no circumstances will our failure to notify you be considered to mean we have given our approval. We are not required to make available to you or to any supplier our criteria for product or supplier approval. We may designate that certain required items may be purchased from any supplier.

As of the issuance date of this disclosure document, there are no purchasing or distribution cooperatives for any of the items described above in which you must participate.

When determining whether to grant new or additional franchises we consider many factors, including compliance with the requirements described above.

You must purchase and maintain during the term of your Franchise Agreement all of the insurance coverage that we require, using industry standard forms and with features acceptable to us. We may modify our insurance requirements during the term of your Franchise Agreement, and any modifications will be communicated to you in our Manual, through a Franchise Insurance Bulletin, or otherwise in writing. We do not specify the insurance providers from which you may purchase the required insurance; however, we do have minimum standards of quality that you must satisfy. Your insurance carrier(s) must have a U.S. Best Guide rating of A-VII or better and be authorized to do business in the state in which the Restaurant is located. Currently we require the following minimum insurance:

1) All risk property insurance;

2) Business interruption insurance covering actual loss sustained or otherwise in an amount sufficient to cover all of your continuing fixed payment obligations, specifically including but not limited to royalties, advertising fees and any other reoccurring amounts due to us under your Franchise Agreement;

3) Commercial general liability in an amount not less than $1,000,000 per occurrence and $2,000,000 in the aggregate;

4) Umbrella policy in an amount not less than $5,000,000;

5) Workers' compensation in amounts statutorily required by applicable state laws;

6) Cyber liability insurance in an amount not less than $1,000,000;

7) Other insurance required by the state or local authority; and

8) Any insurance coverage required by a lease relating to the Restaurant or Restaurant premises.

We recommend that you purchase various other insurance coverages, including trade name restoration insurance. If you choose to purchase trade name restoration insurance, we will require you to use the insurance company that we designate.

Except as described above, there are no other goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Restaurant that you currently must buy or lease from us (or an affiliate) or designated suppliers.

We estimate that your required purchases of equipment and supplies, and services, in accordance with our specifications or from our approved suppliers will represent approximately 89% to 92% of your total purchases in establishing your Restaurant and 93% to 95% of your total purchases in operating your Restaurant. Except as described above, we currently do not receive any rebate or other consideration from a designated supplier based on purchases of product or services by our franchisees, but we reserve the right to do so without any obligation to you.

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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.

(1) Obligation	(2) Section(s) in Franchise Agreement and/or Development Agreement	(3) Disclosure Document Item
a. Site selection and acquisition/lease	3(b) and 5 of Development Agreement; 7(b) of Franchise Agreement	8, 11 and 12
b. Pre-opening purchases/leases	6(a) and 7(b) of Franchise Agreement	5, 7, and 8
c. Site development and other pre-opening requirements	3 of Development Agreement; 6(a) and 7(a)-(c) of Franchise Agreement	5, 7, and 11
d. Initial and ongoing training	2 of Development Agreement; 6(a)(4), 6(b)(1)-(3), 7(d)(3), 7(d)(8), and 7(d)(10) and 7(d)(11) of Franchise Agreement	11
e. Opening	4(b) and 5 of Development Agreement; 7(d)(5)-(6) and Signature Page of Franchise Agreement	11
f. Fees	6, 10(b), and 15(d) of Development Agreement; 3, 6(a)(4)-(5), 6(b)(2)-(3), 7(d)(25), 7(d)(30), 8, 9(b)(3), 10, 11(b), 13(c)-(d), 13(f), 15, 17(d)(3), and 25(g) of Franchise Agreement	5, 6,and 7
g. Compliance with standards and policies/operating manual	2(c)(2), 5, 6(a)(5), 6(b)(7), 7(b)(2), 7(c), 7(d)(7), 7(d)(8), 7(d)(13), 7(d)(16), 7(d)(18), 7(d)(20), 7(d)(22), 7(d)(27)(i), 11(b), 12(b), 13(b), 17(a), and 25(c) of Franchise Agreement	8 and 11
h. Trademarks and proprietary information	7(d)(8), 7(d)(13), 7(d)(16), 7(d)(29), 12, and 17(a)-(b) of Franchise Agreement	13
i. Restrictions on products/services offered	2(c), 5(a), 5(c), 7(d)(7), 7(d)(12), and 12(a)(3) of Franchise Agreement	8 and 16
j. Warranty and customer service requirements	7(d)(8) of Franchise Agreement	Not applicable
k. Territorial development and sales quotas	4 and 7 of Development Agreement; 4 of Franchise Agreement	12
l. Ongoing product/service purchases	6(a)(2) and 7(d)(7) of Franchise Agreement	6, 8, and 16
m. Maintenance, appearance and remodeling requirements	5, 7(b)(2)-(3), 7(c), 7(d)(1), 7(d)(17)-(18), and 11(b) of Franchise Agreement	6, 11, and 17

(1) Obligation	(2) Section(s) in Franchise Agreement and/or Development Agreement	(3) Disclosure Document Item
n. Insurance	7(d)(27) of Franchise Agreement	6, 7, and 8
o. Advertising	7(d)(6), 7(d)(13)-(14), 8, 12(a)(10), and 13(b) of Franchise Agreement	6, 7, and 11
p. Indemnification	7(d)(28) of Franchise Agreement	6
q. Owner's participation/management/staffing	6(a)(4), 7(d)(3), 7(d)(10) and 7(d)(11) of Franchise Agreement	11 and 15
r. Records and reports	7(d)(21)-(28), 8(b)(4), 12(a)(8), and 16(a)(6) of Franchise Agreement	6
s. Inspections and audits	3(b)(iii) of Development Agreement; 6(b)(5), 7(b)(2), 7(d)(19), 7(d)(25)-(26), and 8(a)(5) of Franchise Agreement.	6 and 11
t. Transfer	9(f) and 10 of Development Agreement; 6(a)(4)(iv), 7(b)(3), 13, and 22 of Franchise Agreement	17
u. Renewal	8 of Development Agreement; 11(b)-(e) of Franchise Agreement	17
v. Post-termination obligations	12(a)(ii) of Development Agreement; 7(d)(28), 12(a)(10), 12(b)(2), 12(b)(6), 17, and 18(a)(2) of Franchise Agreement	17
w. Non-competition covenants	12 of Development Agreement; 7(a)(4), 16(a)(7), and 18 of Franchise Agreement	15 and 17
x. Dispute resolution	14 and 15(d)-(f) of Development Agreement; 23 and 25(g)-(h) of Franchise Agreement	17
y. Security interest	18(f) of Franchise Agreement	Not applicable
z. Participation in gift card programs	7(d)(31) of Franchise Agreement	6, 8, and 11

ITEM 10
FINANCING

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

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

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

Pre-Opening Assistance. We provide you the following assistance before your Restaurant opens:

(1) We will designate the Territory for your Restaurant. We will also give you general guidelines to consider in identifying a potential site for your Restaurant and provide you with site selection assistance as we deem advisable, but the selection of a site is your responsibility. (Development Agreement, Section 3(a); Franchise Agreement, Section 6(a)(1))

(2) We give you a list describing the steps you and your architect and general contractor must follow to build out and equip your Restaurant. (Development Agreement, Section 3(b)(vi)-(ix)) The list includes specifications for the fixtures and equipment you must install in your Restaurant.

(3) We will evaluate and critique the written site proposals you submit for our consideration. We may, at our option, visit your development area to inspect the sites you propose. (Development Agreement, Section 3(b)(iii)) Whether or not we physically visit a proposed site, you may not proceed with negotiations to lease or purchase the site before we approve it.

(4) We provide you a Lease Rider containing provisions we require to be attached to every Restaurant lease. (Development Agreement, Section 3(b)(iii)) We may review the final draft of your Restaurant's lease to determine if it contains any terms of which we do not approve, but we have no responsibility for evaluating or advising you with respect to your lease. We will give you written authorization to sign your lease when we are satisfied with its terms. (Development Agreement, Section 3(b)(v) and (viii))

(5) You must submit to us a complete set of proposed construction documents within 30 days after you select an architect. We will review the construction documents and your consultant must develop the documents in accordance with the standards and information we provide. The final construction documents are subject to our approval. (Development Agreement, Section 3(b)(vi)-(vii))

(6) We give you a list of any required furniture, fixtures and equipment that you must install in your Restaurant. If we require you to purchase such items from a pre-approved or designated distributor or supplier, we give you a list of pre-approved distributors and suppliers from which to purchase such items. (Franchise Agreement, Section 6(a)(2)

(7) We give you the names of any suppliers we have designated or approved for the supply of inventory and supplies for the Restaurant. (Franchise Agreement, Section 6(a)(3))

(8) Once you sign the Franchise Agreement we will loan you, or otherwise give you access to, one copy of the Manual and other relevant training materials. (Franchise Agreement, Section 6(a)(5)) The Manual always remains our property and must be kept inside the assigned location and in proper order at all times. You are required to hold the contents of the Manual in strict confidence. You may not disclose them to anyone other than your General Manager, executive management, supervisors and managerial-level employees of the Restaurant that need access to the information in the Manual to perform their job duties and who have agreed to hold the Manual and its contents in confidence. (Franchise Agreement, Section 12(b)) Exhibit F includes the Manual's Table of Contents as of the issuance date of this disclosure document

and the number of pages devoted to particular subjects. The total number of pages in the Manual as of the issuance date of this disclosure document is 1049 (which could increase or decrease).

(9) We will advise you with planning a local program for publicizing and promoting your Restaurant's opening. (Franchise Agreement, Section 6(a)(6))

(10) We provide you (or, if you are a business entity, your Designated Principal or another individual approved by us to attend the initial training in lieu of your Designated Principal), your General Manager and your other salaried managers initial training at one or more of the Restaurants owned by us or our affiliates located in the Kansas City metropolitan area or another location we designate. The training program must be completed to our satisfaction by you or your Designated Principal, your General Manager and your other salaried managers no later than 30 days before the date your Restaurant begins operation. (Franchise Agreement, Section 6(a)(4))

(11) We provide a team of pre-opening trainers to assist you with your new Restaurant opening (NROs) for one week before opening and up to two weeks after opening. The level of opening support will vary based on factors such as the number of Restaurants you operate, the number of certified trainers you employ and whether or not you are required to operate a certified training Restaurant. If this Restaurant is your fifth or subsequent Restaurant, you are required to have a Certified Restaurant Manager, Certified Trainer and a designated NRO Leader who conducts training at a certified training Restaurant you operate, and we are not required to provide you with a pre-opening assistance team. (Franchise Agreement, Section 6(b)(1))

Operational Assistance. We provide you the following assistance after your Restaurant opens:

(1) The pre-opening team provided to assist you with your new Restaurant opening will continue to assist you for one week after your Restaurant opens. We may, but are not obligated to, provide an extra week of opening assistance at your request or as we determine necessary. If this Restaurant is your fifth or subsequent Restaurant, you are required to have a Certified Restaurant Manager, Certified Trainer and a designated NRO Leader who conducts training at a certified training Restaurant you operate, and we are not required to provide you with a pre-opening assistance team. (Franchise Agreement, Section 6(b)(1))

(2) We will make available to you training programs and seminars and other related activities that we may conduct for our franchisees generally, some of which may be mandatory for you or certain of your personnel and may require payment of a fee. (Franchise Agreement, Section 6(b)(2))

(3) Subject to availability of trainers, we will provide additional on-site training at your Restaurant upon your request. You must pay our hourly training fee for each trainer as well as reimburse our costs and expenses incurred in connection with providing such additional training. (Franchise Agreement, Section 6(b)(3)) Our current hourly training fee is $350.

(4) We will maintain and administer the Ad Fund. Our costs and expenses incurred in connection with such administration may be paid out of the Ad Fund. (Franchise Agreement, Section 6(b)(4))

(5) We will occasionally send representatives to your Restaurant to conduct inspections to ensure you are complying with our standards. (Franchise Agreement, Section 6(b)(5))

(6) We will arrange for the production and distribution of our proprietary products used in the preparation of certain menu items. (Franchise Agreement, Section 6(b)(6)) Your failure to maintain a satisfactory payment history with your suppliers relieves us of any distribution obligations to you.

(7) We will give you access to additions and supplements to the Manual as they become available. (Franchise Agreement, Section 6(b)(7))

(8) If you comply with the Franchise Agreement's financial, operational, and reporting requirements, we will invite you to all conventions, seminars, and other franchisee-oriented functions we plan and sponsor and which are open to all of our franchisees generally. We may charge a fee to attend our annual convention to help defray the costs associated with the event. (Franchise Agreement, Section 6(b)(8))

(9) We will let you purchase equipment and inventory items from or through any distribution network we develop that includes your Territory. (Franchise Agreement, Section 6(b)(9))

Site Selection. The selection of a site is your responsibility. You must use a licensed real estate broker that we approve for all work related to selecting and securing your Restaurant's site. We may require you to use our preferred broker in specific markets. Restaurant sites must be located inside the development area described in your Development Agreement. After you provide us written information about a potential location, we will evaluate that information and approve or disapprove the proposed site. Our review process may involve a physical site inspection. If we do visit a proposed site, you are obligated to reimburse us for the costs and expenses we incur for our representatives' travel, lodging, and food in connection with the site visit. We are not obligated to approve or disapprove your site selection(s) within a specified time, but we will not unreasonably delay our review. We also will not unreasonably withhold our approval of a site. You have sole risk for your location's business and financial suitability. (Development Agreement, Section 3(b))

We will consider all factors that we deem relevant in evaluating a proposed Restaurant site, including (1) general location and neighborhood, (2) traffic patterns, (3) parking, (4) accessibility from adjacent streets, (5) the size, density, age, and income levels of the population in the surrounding area, including daytime worker population (6) the character of existing buildings, (7) site visibility, (8) the traffic drivers of adjacent retailers and restaurants, (9) mobile data, (10) existing building size and lot size, (11) interior seating capacity, (12) patio seating capacity, and (13) signage visibility. If we and you do not agree on a site, you must continue looking for a site that we will approve. You must be aware of the deadlines in your Development Agreement because you have certain opening deadlines. If you continually fail to find an acceptable site, the Development Agreement will be terminated. We do not sign the Franchise Agreement until you find and secure an acceptable site. If you cannot find an acceptable site, you will lose the franchise fee for that franchise. We generally do not own your site and lease it to you.

The Development Agreement requires you to complete all of your development obligations by the Expiration Date that we insert on the Development Agreement's signature page before you sign it. (Development Agreement, Section 2) Additionally, you must sign a lease and open each Restaurant that you commit to open under a Development Agreement on or before the dates we specify in Exhibit B to your Development Agreement. (Development Agreement, Sections 3(b) and 4(b)) If you are unable to secure a lease for any Restaurant by the required date specified in Exhibit B to your Development Agreement, you may apply for one 45-day extension of both the date by which you must sign a lease for the Restaurant and the date by which you must open the Restaurant. (Development Agreement, Section 5) We will only grant the 45-day extension described in your Development Agreement if we determine that you have made a good faith effort to comply with your development obligations but have experienced delays beyond your control. (Development Agreement, Section 5(a))

We sign the Franchise Agreement only after you have signed your Restaurant's lease. You must use a licensed and experienced real estate attorney to negotiate the lease for your Restaurant. The lease must have our required form of Lease Rider attached to it. (Development Agreement, Section 3(b)) The

Franchise Agreement requires you to open your Restaurant on or before the Scheduled Opening Date we insert on the Franchise Agreement's signature page. (Franchise Agreement, Section 7(d)(5)) We calculate the Scheduled Opening Date by estimating the time it will take you to finish out your Restaurant.

Typical Time Before Opening. The length of time between execution of the Development Agreement and the opening of your first Restaurant typically is 9 to 12 months. Factors affecting this length of time include the selection, approval, and leasing of the Restaurant's site, time required to obtain necessary permits, construction or remodeling of the facility, local ordinance and/or building code compliance, installation of equipment and signs, completion of our training program, delivery and stocking of inventory, and force majeure events that may arise outside of your control.

Advertising and Development Fund. We have created and established an Advertising and Development Fund (the "Ad Fund") to advertise the System and the products offered by Hawaiian Bros Island Grill locations on a regional or national basis. We may unilaterally require you to contribute to the Ad Fund at a rate that, when combined with any required minimum local advertising spend, does not exceed 4% of Gross Sales. Currently, the combined Ad Fund contribution rate and minimum local advertising spend is 4% of Gross Sales. All Restaurants using the Hawaiian Bros Island Grill name, including Restaurants owned by our affiliates, are currently required to contribute 3% of Gross Sales to the Ad Fund. We have the right to defer or reduce a Restaurant's required contributions to the Ad Fund at our discretion. (Franchise Agreement, Section 8(a)(1))

We direct all advertising and promotions that the Ad Fund finances, with sole control over the creative concepts, graphics, materials, communications media, and endorsements used and their geographic, market, and media placement and allocation. The Ad Fund may pay for creating, preparing, and producing video, audio, and written materials, graphics, and electronic media; developing, implementing, operating, and maintaining a Hawaiian Bros Island Grill Website, App, Intranet and/or related strategies; administering national, regional, multi-regional, and local advertising and promotions, including purchasing media advertising, conducting direct mail and other direct marketing campaigns, doing on-line Internet advertising and marketing; conducting research and other advertising and promotions tactics; using advertising, promotions, customer relation management, graphic design, marketing, and research agencies and other advisors to provide assistance; supporting public relations, market research, customer satisfaction surveys, and other advertising, promotions, and research activities; paying dues for membership and participation in franchising and industry associations; paying third-party vendors to customize advertising and promotions materials for in-restaurant and local use by franchisees; creating or placing advertisement for solicitation of franchisees; and engaging in other brand enhancement activities. (Franchise Agreement, Section 8(a)(2))

We will account for the Ad Fund separately from our other monies (although we need not keep Ad Fund contributions in a separate bank account) and not use the Ad Fund for our general operating expenses. However, we may use the Ad Fund to pay the salaries and benefits of personnel who manage and administer the Ad Fund and work on Ad Fund business; the Ad Fund's other administrative costs; travel expenses of personnel while they are on Ad Fund business; meeting costs, including franchisee conferences; overhead relating to Ad Fund business; a management fee for us (or an affiliate); and other expenses that we incur in activities reasonably related to administering or directing the Ad Fund and its programs and collecting and accounting for Ad Fund contributions, including taxes we must pay on Ad Fund contributions we receive, conducting market research, public relations, and creating, preparing, and producing advertising, promotions, and marketing materials. (Franchise Agreement, Section 8(a)(3))

The Ad Fund may spend in any fiscal year more or less than the total Ad Fund contributions in that year or the unspent contributions then available in the Ad Fund (if rolled over from a previous year), borrow from us or our affiliates to cover deficits, or invest any surplus for future use. At the end of our fiscal year,

unused Ad Fund contributions will roll over for use during the following fiscal year. (Franchise Agreement, Section 8(a)(4))

Currently the Ad Fund is not audited. We are not required to account to franchisees for the way we spend Ad Fund contributions, and we do not make financial statements of the fund available for your review.

We have no obligation to ensure that Ad Fund expenditures in any geographic area are proportionate or equivalent to Ad Fund contributions by Hawaiian Bros Island Grill restaurants operating in that geographic area or that any Hawaiian Bros Island Grill restaurant benefits directly or in proportion to its Ad Fund contributions. We have no obligation to spend any specific amount on advertising in your market area. (Franchise Agreement, Section 8(a)(6)) We have no fiduciary obligation to you for administering the Ad Fund or any other reason.

We may at any time defer or reduce a franchisee's Ad Fund contributions. We may also reduce the required Ad Fund contribution or suspend Ad Fund operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Ad Fund if we provide you with 30 days' advance notice. If we terminate the Ad Fund, we have the option to spend all remaining Ad Fund monies on permitted advertising and promotions activities or distribute all unspent monies to Ad Fund contributors in proportion to their respective Ad Fund contributions during the preceding fiscal year. (Franchise Agreement, Section 8(a)(8))

We currently use a full service advertising and digital marketing agency to create our advertising and promotional materials. Advertising may be disseminated through the Internet, social media, radio, print and television media on a local, regional or national basis.

We may structure the Ad Fund's organization and administration in ways that we believe will most effectively accomplish the Ad Fund's objectives. We may organize or reorganize the Ad Fund into whatever entity we deem appropriate and transfer the Ad Fund's assets to the entity. If we establish a separate or new entity to administer the Ad Fund, you must become a member of the entity and sign a participation agreement and take the other steps we specify. (Franchise Agreement, Section 8(a)(9))

We did not have a separate Ad Fund during our most recently concluded year. We do not use Ad Fund contributions principally to solicit new franchise sales.

Local Advertising. You must spend the percentage of your Gross Sales that we designate on local advertising and promotions, up to a total of 4% of Gross Sales when combined with your Ad Fund contribution rate. We currently require that 1% of your Gross Sales be spent on local advertising and promotions. We have the right to unilaterally increase the percentage of Gross Sales that you must spend on local advertising as long as such increased percentage, when combined with your Ad Fund contribution rate, does not exceed 4% of Gross Sales. We have the right to establish and implement mandatory standards and/or an approval or audit process for any advertising or advertising materials that you propose using to advertise your Restaurant, and you must comply with any such standards or process. Any advertising and promotional materials that you use in connection with advertising your restaurant business will become our property. We do not currently require you to submit your local advertising to us for pre-approval, but your advertising materials must comply with any specifications that we issue from time to time for use of the Hawaiian Bros™ Island Grill trademark and other marks that are licensed to you for use in connection with the operation of your Restaurant. We may require you to use the advertising materials we create. (Franchise Agreement, Section 8(b))

Grand Opening Campaign. You will conduct an advertising campaign promoting and announcing the grand opening of your Restaurant. Your grand opening campaign must be conducted in the manner and

during the period of time that we specify or otherwise approve in connection with the opening of your Restaurant. Your grand opening campaign program and materials are subject to our advance approval. We will determine the minimum amount that you must spend on your grand opening campaign based on such factors as we determine relevant, which may include the age of the market, grand opening campaigns conducted by similarly-situated franchisees, and whether the Restaurant is located in a geographic area with a local area cooperative. The minimum amount you must spend on your grand opening campaign will be specified in your Franchise Agreement. (Franchise Agreement, Section 7(d)(6))

Special Promotional Programs. We may periodically develop special advertising promotions or programs, including digital or social media promotional campaigns and special price promotions, designed to enhance the collective success of the System. These special promotional campaigns may be local, regional, or national in nature. You must participate in all advertising promotions in your area according to the terms and conditions we establish for these special programs. We also may create programs for loyalty and retention, gift cards, coupons, and vouchers. If we mandate a program, you must participate fully in that program. You must use the local advertising agency we designate and the advertising materials we create for any System-wide advertising campaigns or promotions. (Franchise Agreement, Sections 7(d)(31) and 8(b)(3))

Advertising Cooperatives. We may designate any geographic area in which two or more Restaurants are located as a region for purposes of establishing an area advertising cooperative. We also may approve of the formation of an area advertising cooperative by two or more of our franchisees. All operators of Restaurants located within the geographic area of an advertising cooperative, including us or our affiliates, must join and participate in the advertising cooperative. Each cooperative's members will set their own contribution rate for the cooperative, but we have the right to review each cooperative's contribution rate on an annual basis. If a cooperative's contribution rate exceeds the required minimum local advertising spend, your excess contributions will not count toward your Ad Fund contribution rate or any contributions in any time period. The members of an advertising cooperative will administer the cooperative; we will step in only to resolve disputes the members cannot settle in 45 days. We have the right to review and approve all governing documents for an area advertising cooperative. We can change, dissolve, or merge any cooperatives. We currently do not have any advertising cooperatives. (Franchise Agreement, Section 8(c))

Internet and Social Media Advertising. We advertise Hawaiian Bros Island Grill products, services, and Restaurants through a Website we maintain at https://hawaiianbros.com. We have sole discretion and control over the Website's design and contents and we may dismantle it at any time. We have the right to identify your Restaurant on the Website by name, address, telephone number, and e-mail address. Except as we may permit under a written policy or with our express written consent, you have no license or right to use the Hawaiian Bros Island Grill trademark or any other trademarks we license to you under the Franchise Agreement on or in connection with the Internet or social media. (Franchise Agreement, Section 9(a))

Computer Hardware and Software. The Franchise Agreement obligates you to install an electronic information system equipped and configured to our specifications. (Franchise Agreement, Sections 5(b) and 7(d)(22)) Your system must comply with and maintain established network security standards, including PCI compliance, and you are required to have a cyber/network security and PCI compliance service provider for each location, which is estimated to cost $100 per month per Restaurant. Your system must be configured to enable you to record and store financial information in the way we specify and enable us to communicate directly with your system. We have unlimited, independent access to all information on the system, excluding employee or employment-related information. We poll our franchisees' cash registers

regularly, and you must allow us to maintain continual access to your POS System. The system tracks your sales. (Franchise Agreement, Section 7(d)(23))

We currently require each Restaurant to install a Toast electronic point-of-sale system ("POS System"). Components of the POS System must be purchased from Toast and include the following:

- Kiosk technology (3 to 6 stations)
- Drive through cashier technology (2 to 4 stations)
- Toast handheld ordering devices (6 to 8)
- Kitchen station technology (3 screens and 1 printer per line)
- Cabling, plus network, wi-fi and internet equipment as specified in the current Network Requirements Diagram
- Drive thru timing, communications, and ordering technology as specified in the current Drive-thru Technology Requirements Diagram

The specific counts of each type of equipment will fluctuate based on the design of your Restaurant, drive through and kitchen.

Neither we nor any affiliate has any obligation to provide ongoing maintenance, repairs, upgrades, or updates. Ongoing help desk and hardware support are provided by Toast and other cloud-based solutions partners, covered by the monthly subscription fees paid for the Toast system. The typical monthly subscription fees are between $1,100 and $1,300. We estimate the annual costs for any optional or required maintenance, updating, upgrading, and support contracts for your POS System to be $13,200 - $15,600.

We will provide you with a minimum recommended list of tablets, laptops, and office printer for your Restaurant. You will self-source any additional hardware required for other solutions such as online ordering, food cost management and product ordering, timekeeping and labor and other store level functionality based on our recommended minimum list of tablets, laptops, and other hardware required. In many cases, a device can be used for multiple solutions with the exception of certain dedicated devices such as the timeclock tablet.

We reserve the right and discretion to modify the equipment standards to require new or different electronic data processing and communications equipment and facilities, and you must update or upgrade your computer and other electronic equipment at our request. (Franchise Agreement, Section 5(b)) There is no limit on the frequency with which we can require you to purchase, update or upgrade your equipment or on the costs you may incur in connection with your obligations to purchase, update and upgrade your equipment.

We may establish an intranet system or other communications network through which we can communicate with our franchisees. We may also establish policies for use of the intranet system or other communications network and you will be required to sign and agree to abide by any such policies, which may include, among other things, a privacy policy and terms of use. We may access and view all communications posted on or transmitted via any intranet system or communications network that we establish and all communications that are posted to it will become our property. Upon receipt of notice from us that an intranet system or other communications network has become functional, you must purchase and install all necessary additions to your computer system and establish and maintain electronic connection with the intranet or other network that allows us to communicate with you through the system. (Franchise Agreement, Section 9(b)).

Training Program. We require that your Designated Principal, and any of your other Controlling Principals that we designate, to complete a Hawaiian Bros cultural immersion program within two months of signing a Development Agreement. (Development Agreement, Section 2) The cultural immersion activities are separate from the required restaurant training, both of which are described in the table below. The cultural immersion training includes a five-day orientation, two to three days of which are located at a designated Restaurant location and/or any other designated facility in the Kansas City metropolitan area, where you will meet Hawaiian Bros leadership and begin to learn requirements, systems and processes to become a Hawaiian Bros franchisee. The cultural immersion experience includes the activities described in the table below.

We will also provide restaurant training to your Designated Principal and any other Controlling Principal that we may require to complete such training, and all of your salaried managers, including General Manager, Assistant General Manager, and Restaurant Manager. All of your salaried managers will be required to complete the designated training program to our satisfaction and become certified by Hawaiian Bros training department. (Franchise Agreement, Section 6(a)(4)(i))

The following table describes our current Hawaiian Bros Restaurant initial training program. The times indicated in the Hours of Training columns are estimates; we plan to spend as much or little time on a particular topic as our students need to master it. We use the Manual, menus, and other training aids during the restaurant training program.

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TRAINING PROGRAM

(1) Subject		(2) Hours of Classroom Training	(3) Hours of On-The-Job Training	(4) Location*
Cultural Immersion Activities				
Your Controlling Principals that we designate based on role and responsibility and your Designated Principal	Brand and customer experience preview at a Restaurant. The preview includes one day that include time in the kitchen, understanding guest service and Hawaiian Bros aloha hospitality and shadowing a Restaurant Manager		8 (1 day)	Hawaiian Bros Restaurant in the Kansas City, Missouri metropolitan area
Your Controlling Principals that we designate based on role and responsibility and your Designated Principal	Work with a Hawaiian Bros Territory Director in a designated Hawaiian Bros market		8 (1 day)	Hawaiian Bros Restaurant or any other designated facility in the Kansas City, Missouri metropolitan area
Your Controlling Principals that we designate based on role and responsibility and your Designated Principal	Review of the site selection, real estate and construction processes with Hawaiian Bros development team leaders		8 (1 day)	Hawaiian Bros Restaurant or other designated facility in the Kansas City, Missouri metropolitan area, or video conference call
Your Controlling Principals that we designate based on role and responsibility and your Designated Principal	Meet with Hawaiian Bros brand leadership to learn about growth strategy, marketing, information technology, administration, people and culture, operations, and generally to meet and develop relationships with Business and Operations support teams		8 (1 day)	Hawaiian Bros Restaurant or other designated facility in the Kansas City, Missouri metropolitan area, or video conference call
Your Controlling Principals that we designate based on role and responsibility and your Designated Principal	Complete three of the following miscellaneous experiences required to complete the cultural immersion program: attend a NRO (if applicable pending your opening schedule and NRO availability); participate in NRO pre-opening training, marketing, new restaurant hiring best practices and learning suggested recruitment and labor scheduling guides; attend a restaurant Level 10 management meeting.		8 (1 day)	A designated Hawaiian Bros Restaurant and/or video conference calls

Restaurant Training Program				
Level I	Restaurant Positions: Orientation, Kitchen, Assembly, Kitchen Safety, Dish/Utility, Rice/Vegetable	9	12	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level II	Restaurant Positions: Orientation, Dining & Customer Service Curbside, Cashier, Kitchen Assembly Panning, Oven/Cut, Service Line	9	18	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level III	Restaurant Positions: Orientation, Dining, Customer Service: Drive-Thru Window, Outside Order Taker, Parking Lot Director	8	18	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level IV	Restaurant Positions: Orientation, Food Prep, Recipes, Grill Cooking, Bagger, Grill Safety, Cleaning	8	6	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level V	Shift Leader 1 - Orientation and People Harassment, Bullying, Discrimination, Sexual Harassment, Security Alarm, Equipment Validation, Prep List, Technology Start up, KDS, Pre-Shift Mgmt. Cleanliness, Quality, Speed, Time Mgmt.	11	30	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level VI	Shift Leader 2 - Orientation and Restaurant Leadership, delegation, inventory and cash management, timekeeping, cleanliness, setup/breakdown of restaurant, food safety compliance, speed of service	12	30	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level VII	Hourly Manager – Orientation, Management, Quality Management of Quality, Cleanliness, Safety and Sanitation standards, Financial Management	24	30	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning

Level VIII*	Restaurant Manager – Orientation, Operations, Quality Management, Speed of Service, Hospitality, Operating Systems and Software Training (Inventory Management, HME, Scheduling)	37	240	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
Level IX*	Assistant GM – Orientation, New Restaurant Opening process, Operations, Quality Management, Speed of Service, Hospitality, Operating Systems and Software Training (Inventory Management, HME, Scheduling)	73	440	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
	Assistant GM – Attend NRO calls and opening		60	At a new Restaurant location that we designate, conference calls
Level X*	General Manager – New Restaurant Opening process, Operations, Quality Management, Speed of Service, Hospitality, Operating Systems and Software Training (Inventory Management, HME, Scheduling)	78	520	Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth, online training and systems learning
	General Manager – Attend NRO calls and opening		60	At a new Restaurant location that we designate, conference calls
Level XI*	Above Restaurant Leader - Processes, Leading Multiple Restaurants with Operations Coaching, including time with Operations Leadership and Company Territory Directors, attend two NROs, DMA Tour, shadows the Company Operations Leader	104	650	Training Restaurant, Restaurants in designated Hawaiian Bros market, conference calls

Food Safety Certification Training**		10		On-line learning
CPR training Levels VI-X		2		Approved Company Owned Restaurant in Kansas City or Dallas/Ft.Worth
Total Hours		Varies by position	Varies by position	

*Salaried Manager Levels VIII, IX, X, XI are required to complete Levels I-VII. On the job training hours estimated above to complete Levels VIII, IX, X, XI are total cumulative hours for all Levels I-XI. Portions of our classroom training and on the job training programs are provided at each of our authorized training restaurants, which are owned by us or our affiliates and are located in Kansas, Missouri, and Texas. We will designate at the time of training the authorized training restaurants where you will complete our initial training program and we may require that you complete a portion of our required training at each authorized training restaurant.

**Levels I-V complete 1-hour online food safety training. Food Safety Certification is required for Level VI-X per Restaurant at your expense. Manager training can be completed online through ServSafe for 10 hours that meets state and local food safety training requirements. Re-certification of this training must occur every 3 years.

No later than 30 days before the date your Restaurant begins operation, your Designated Principal and any of your other Controlling Principals that we may require, the General Manager and your salaried managers that will have authority over the Restaurant's operations must attend and complete, to our satisfaction, our initial restaurant training program. Initial training programs will be offered at various times designated by us depending on the number of new franchisees entering the System, replacement general managers and other personnel needing training, the number of new locations being opened and the timing of the scheduled openings of locations.

Instructors and training materials for the initial training of your Designated Principal, any other Controlling Principal we designate, and all your salaried managers including General Manager, Assistant General Manager, and Restaurant Manager, is included in the initial franchise fee, but you must pay the travel and lodging expenses incurred by you and your trainees while attending training. We will determine whether your Designated Principal and any other Controlling Principal that we require to complete initial training, and all of your salaried managers including General Manager, Assistant General Manager, and Restaurant Manager have satisfactorily completed initial training. If your Designated Principal or any other required Controlling Principal, and all your salaried managers including General Manager, Assistant General Manager, and Restaurant Manager do not complete the initial training course to our satisfaction, they must re-take the training program at your expense. We will charge you a fee of $5,000 for any re-training of your Designated Principal, other Controlling Principals, your General Manager or any of your other salaried managers. If your Designated Principal or any other Controlling Principal that we require to complete initial training, and your General Manager, do not successfully complete the training program a second time, we may terminate your Franchise Agreement. We have the right to postpone the Restaurant's opening until your General Manager and one other qualified salaried manager have satisfactorily completed our initial training program.

Any Designated Principal, and all of your salaried managers, including General Manager, Assistant General Manager, and Restaurant Manager, subsequently designated by you must also receive and complete the initial training to our satisfaction, even if this requires sending that manager to our initial training program, at your expense. We reserve the right to charge you our initial training fee if we provide initial training to a replacement or successor employee (see Item 6). You must also pay for all expenses you or

your Designated Principal, and all your salaried managers including General Manager, Assistant General Manager, and Restaurant Manager and other personnel incur for any training program, including costs of travel, lodging, meals and wages.

We may require supplemental or refresher training or recertification examination for you and your managers at your expense. If you propose to sell or transfer a Restaurant, we require any new owner designated as the Designated Principal for the transferee, any new General Manager of a Restaurant, or any new salaried managers of a Restaurant to complete our initial training program before the transfer or sale occurs. (§6(a)(4) of the FA)

Subject to availability of trainers, we will provide additional on-site training at your Restaurant upon your request. You must pay our hourly training fee for each trainer as well as reimburse our costs and expenses incurred in connection with providing such additional training. (Franchise Agreement, Section 6(b)(3)) Our current hourly training fee is $350.

You will be required to utilize and access Hawaiian Bros on-line training programs through our learning management system hosted by ExpandShare, and any other on-going Restaurant training programs implemented by us or our affiliates, to enhance your Restaurant crew member training at your expense.

Leslie Pecor, our Director of Restaurant Training, is primarily responsible for overseeing and supervising our franchisee and manager training classes. She has 20 years of experience in the restaurant industry and has been employed as Director, Restaurant Training by our affiliate since July 2020.

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ITEM 12
TERRITORY

Development Agreement Provisions. We call the geographic boundaries in which you may locate your Restaurant the "Development Area". Your Development Area will be specified in the Development Agreement and will depend on the availability of contiguous markets, our long range development plans, your financial and operational resources, population and market conditions, and other demographic features of the locale in which you want to locate your Restaurant. Your Development Area is typically described in terms of municipal or county boundaries, but it may be defined as a specified trade area or sector within a municipality. Our designation of a particular Development Area is not an assurance that there are a sufficient number of suitable sites for locations in the Development Area for you to meet your development obligations. The responsibility to locate and prepare a sufficient number of suitable sites is solely yours and we have no obligation to approve sites that do not meet our criteria so that you can meet your development obligations.

We will designate the Development Area in which you may develop and open one or more Restaurants in your Development Agreement. You may apply to develop and operate more than one Restaurant and, if you satisfy our application requirements for a multi-unit operator, we will discuss and jointly decide on the number of Restaurants you can develop under your Development Agreement. The Development Agreement contains no provision permitting us to change your Development Area during the term of your Development Agreement (unless you are in default). The Development Area in all cases excludes any and all "non-traditional venues" physically located within the Development Area, which we define to include a hospital or medical center, airport, public or private school, university or college campus, airport terminal, train or bus station, convention center, exhibition hall, amusement park, fairground, sports arena, ballpark, military base, state or national park, hotel, lodge, country club, social club, resort, casino, theater or other mass gathering location or event. This means that all such non-traditional venues will not be deemed to be a part of the definition of the Development Area, you may not operate at non-traditional venues, and there are no restrictions on our activities in or at those non-traditional venues, including our right to operate and grant others the right to engage in foodservice operations at those non-traditional venues under the Hawaiian Bros Island Grill trademark or other Marks that we have licensed to you. For this reason, 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.

Your Development Agreement will contain a schedule of the dates by which you must open each Restaurant to be developed under the Development Agreement. The Development Agreement requires you to sign a separate Franchise Agreement for each Restaurant. The first Franchise Agreement you sign will be substantially the same form of Franchise Agreement that was disclosed in the disclosure document you received before signing the Development Agreement, but all additional Franchise Agreements you sign for additional Hawaiian Bros Island Grill Restaurants will be our then-current form of Franchise Agreement. That form may differ from the form of Franchise Agreement included in this disclosure document. The Development Agreement only governs your development rights; it grants no operating rights and is not the equivalent of a franchise for the Development Area. Your failure to adhere to the Development Agreement's development schedule will be an event of default under the Development Agreement.

While your Development Agreement remains in effect, and assuming you are not in default, we will not grant anyone else the right to develop or operate a Restaurant in your Development Area (again, there are no restrictions on us in or at non-traditional venues physically located in the Development Area). We define a Restaurant in the Development Agreement to be a retail establishment at a fixed (permanent) location that operates on a continuous, year-round basis. You will not have any

competitive protection from Special Outlets, that we, our affiliates or another franchisee develops or operates in your Development Area. We define Special Outlets as a ghost kitchen, a kiosk, a food truck, a temporary or seasonal booth, or similar installation that is operated under the Hawaiian Bros Island Grill trade name and which may serve some or all of the same products and services as a Restaurant. The term also includes a mobile dispensing unit, such as a cart or customized RV, operated under the Hawaiian Bros Island Grill trade name.

Your competitive protection as a developer relates only to retail establishments operating under the Hawaiian Bros Island Grill trade name (with the exceptions noted above). The Development Agreement imposes no restrictions on our right to operate or franchise establishments operating under different trade names or to offer our proprietary products or Hawaiian Bros Island Grill merchandise through department stores, supermarkets, similar establishments, and other distribution channels. We and our affiliates have the right to operate, franchise, license, and otherwise permit restaurants, other retail establishments, and any other distribution channel under trademarks and brand names other than the Hawaiian Bros Island Grill trademark, whether located or operating inside or outside the Development Area, even if these restaurants, other retail establishments, and distribution channels offer and sell the same products and services your Restaurant(s) sell. Your competitive protection as a developer also does not prohibit or restrict us and our affiliates from engaging in any and all of the activities that we are otherwise permitted to engage in under the Franchise Agreement. We are not obligated to compensate you for any of these activities.

If you default under your Development Agreement, we may eliminate your protected development rights in the Development Area (in which case we may develop and allow others to develop Restaurants in the Development Area); decrease the number of Restaurants to be developed under the development schedule; reduce the size of the Development Area; and/or terminate all of your rights under the Development Agreement. We may choose the option or options we prefer. We may, but we are not obligated to, offer you an opportunity to cure a default under your Development Agreement.

After your Development Agreement expires or terminates, your right to develop Restaurants in the Development Area ends. We then may grant development rights and Restaurant franchises to others in the Development Area and may open our own Restaurants there. Expiration or termination of your development rights does not affect the status of your franchise for any Restaurant you are operating when the Development Agreement expires or terminates. You have a conditional right to renew the right to develop more Restaurants in the Development Area under a new Development Agreement if you meet the following conditions: you opened all the Restaurants in the original Development Agreement in compliance with the schedule; you did not default under the Development Agreement; you are operating all of your Restaurants in substantial compliance with their Franchise Agreements; you financially qualify to develop the number of Restaurants proposed; you notify us of your request to renew at least 60 days before the date you are required to sign the lease for the last Restaurant under your original Development Agreement; and you sign the new Development Agreement, pay us the new development fee and deliver to us a release of all claims by you and your affiliates, all within 20 calendar days (but not sooner than 15 days) after we send the new Development Agreement to you.

Franchise Agreement Provisions. The Franchise Agreement provides you with limited competitive protection within a two-mile radius around your Restaurant that we call the "Territory", except that we do not grant any Territory protection for a Restaurant that is located in a non-traditional venue (as described above) or in a densely populated metropolitan area. If you are granted a Territory, we will not open or grant a franchise for another Restaurant that is physically located in the Territory. A Restaurant's Territory might not always be completely inside the Development Area we assign in the Development Agreement. In all cases, a franchisee's Territory excludes non-traditional venues physically located within the Territory, meaning that all such non-traditional venues will not be deemed to be a part of the definition

of the Territory and there are no restrictions on our activities in or at those non-traditional venues, including our right to operate and grant others the right to engage in foodservice operations at such non-traditional venues under the Hawaiian Bros Island Grill trade name or other Marks that we have licensed to you. Additionally, the Franchise Agreement provides you no competitive protection from Hawaiian Bros Island Grill-brand competitors located outside the physical boundary of your Restaurant's Territory, whether or not these competitors market Hawaiian Bros Island Grill-brand products and services in, provide catering or delivery service in, or draw customers from your Territory using any channel of distribution. For these reasons, 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.

The competitive protection the Franchise Agreement provides relates to Restaurants operating at a fixed (permanent) location on a continuous, year-round basis under the Hawaiian Bros Island Grill trade name (but not operations at non-traditional venues). You will not have any competitive protection from Special Outlets that we, our affiliates or another franchisee develops or operates in your Territory. As under the Development Agreement, we are free to operate a Special Outlet or to grant to whoever satisfies our standards a franchise or license for a Special Outlet in your Territory.

The Franchise Agreement expressly permits us and our affiliates to operate, franchise, license, and otherwise permit restaurants, other retail establishments, and any other distribution channel under trademarks and brand names other than the Hawaiian Bros Island Grill trademark, whether located or operating inside or outside the Territory, even if these restaurants, other retail establishments, and distribution channels offer and sell the same products and services your Restaurant sells.

The Franchise Agreement expressly permits us and our affiliates to market our proprietary products and merchandise into your Restaurant's Territory through catalogues, Internet Websites, telemarketing campaigns, and other direct-order techniques. The Franchise Agreement also expressly permits us and our affiliates to distribute our proprietary products and memorabilia to or through commercial establishments that are not affiliated with the System. These establishments may operate inside your Restaurant's Territory; there are no geographic limitations on the territory in which we or our affiliates may distribute proprietary products, memorabilia or merchandise to non-affiliated commercial establishments. We have no obligation to compensate you for any of these activities.

Continuation of the competitive protection the Franchise Agreement provides in your Restaurant's Territory does not depend on your achieving or satisfying contingencies such as sales volumes, market penetration, or other goals.

You may advertise your Restaurant outside of its Territory, but may not without our prior written consent sell products through any distribution channel (such as the Internet, catalogs, telemarketing, or other direct marketing) other than at your Restaurant. You may not offer catering services from your Restaurant without our written permission. We reserve the right to require you to provide catering services subject to requirements that we impose. You are required to offer third party delivery services from your Restaurant and you must comply with our delivery standards and procedures, which we have the right to establish and modify from time to time. There are currently no restrictions on the retail customers that you may serve from your Restaurant, but we have the right to designate or approve the boundaries in which you may offer delivery services from your Restaurant.

The Franchise Agreement does not allow you to open more than one Restaurant in your Territory without our permission. The Franchise Agreement grants you the right to operate one Restaurant at a specific location that is found and secured in compliance with the terms of the Development Agreement as described above.

You may not relocate the Restaurant to new premises without our prior written consent, which we may grant or deny as we deem best. We may condition our consent, if any, of your relocation request on the new premises being located in the Territory and not infringing another Restaurant's protected territory; the new premises and its lease being acceptable to us; your paying us a non-refundable relocation fee of $7,500, which amount we may adjust from time to time by the percentage change in the Consumer Price Index we select; your confirming that your Franchise Agreement remains in effect and governs your operation of the Restaurant at the new premises with no change in the term or, at our option, your signing our then-current form of Franchise Agreement to govern your operation of the Restaurant at the new premises for a new franchise term; your signing a general release; your continuing to operate the Restaurant at its original location until we authorize its closure; and your taking all action at your own expense to de-brand and de-identify the Restaurant's former premises. If we approve the relocation, the documents that we and you sign in connection with the relocation will describe the Restaurant's new Territory. Your proposed relocation of the Restaurant outside the Territory (if approved) would be treated as your acquisition of a new franchise rather than a relocation.

The Franchise Agreement grants you no options, rights of first refusal, or similar rights to acquire additional franchises within or contiguous to your Restaurant's Territory. The Development Agreement alone embodies additional development and franchise acquisition rights.

We have no right to change your Territory during the term of your Franchise Agreement.

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ITEM 13
TRADEMARKS

We authorize you in the Franchise Agreement to operate a franchise under the principal trademark Hawaiian Bros™ Island Grill and under any other trade names, trademarks, service marks, logos and slogans that we adopt to identify the Hawaiian Bros franchise system or the products and services the Restaurants offer (the "Marks"). Our Parent owns the following Marks registered on the principal register or the supplemental register of the United States Patent and Trademark Office ("USPTO") as noted below:

MARK	REGISTRATION DATE	REGISTRATION NUMBER	PRINCIPAL OR SUPPLEMENTAL REGISTER
EAT HAWAIIAN	March 15, 2022	6670849	Principal
ALOHA SPIRIT	March 15, 2022	6670847	Principal
	March 15, 2022	6670846	Principal
HAWAIIAN BROS ISLAND GRILL	June 8, 2021	6382084	Principal
HAWAIIAN BROS	September 29, 2020	6163257	Principal
H. BROS	July 2, 2019	5791712	Principal
HAWAIIAN BROS island grill	July 2, 2019	5791703	Principal
HAWAIIAN BROS	April 23, 2019	5735653	Supplemental

All required affidavits for the above Marks have been filed.

The Marks are our Parent's valuable property. We or our affiliates are the owner of all right, title and interest in and to the Marks and all past, present, or future goodwill of the Restaurant and of the business conducted that is associated with or attributable to the Marks. Your use of the Marks will inure to our benefit or the benefit of our affiliates. You may not engage in any conduct that would infringe upon, harm or contest our rights in the Marks or the goodwill associated with the Marks, including any use of the Marks in a derogatory, negative, or other inappropriate manner.

You may not use or permit others to use any trademarks, trade names, logos, service marks or any other names or marks in connection with your Restaurant except those we authorize or direct in writing. You may use the Marks only in the form and manner we prescribe in writing, and only in connection with the products and services that we specify. You must comply with all trademark, trade name and service mark notice marking requirements.

You must conduct the operations of your Restaurant under the Hawaiian Bros Island Grill trade name unless otherwise approved by us in writing. You may not use the words "Hawaiian Bros Island Grill" or any other Mark designated by us for the System as part of the corporate or other legal name of your business entity.

If any person infringes the Marks or challenges your use or our use or ownership of the Marks, we will have sole control of all litigation and other proceedings, and we have the sole right and discretion to determine whether suit or other proceedings will be instituted, prosecuted or settled, the terms of settlement, and whether any other action will be taken. The franchise agreement requires you to promptly notify us of any infringement of which you become aware or any challenge or claim arising out of your use of the Marks. You must take reasonable steps, without compensation, to assist us with any action we undertake. We will be responsible for our fees and expenses incurred in connection with any action we take to protect, defend or enforce the Marks, unless the challenge or claim results from your misuse of a Mark in violation of your Franchise Agreement, in which case you must pay us for our costs and expenses including our attorneys' fees. We have no obligation to defend you in infringement or unfair competition actions that arise out of your use of the Marks or to indemnify you if you are forced to change or abandon your use of a Mark because we lose an infringement action.

You may not make any changes or substitutions to the Marks. We reserve the right to change, substitute, or discontinue any Mark at any time and you must comply, at your expense (which may include the cost of replacement signage and/or trade dress), with any changes, substitutions or discontinuances that we require within the timeframe we specify.

There is presently no effective determination of the USPTO, Trademark Trial and Appeal Board, the trademark administrator of any state, or any state or federal court, of any pending infringement, opposition or cancellation proceeding or any pending material litigation that may significantly affect the ownership, use or licensing of the Hawaiian Bros Island Grill trademark.

No agreements exist that significantly limit our right to use or license the use of the Hawaiian Bros Island Grill trademark except for the License Agreement between us and our Parent. The License Agreement is for a 50-year term and can be terminated if we breach the agreement. If the License Agreement is terminated, you may be required to stop using the Hawaiian Bros Island Grill trademark as well as other Marks that may have been designated by us for your use in connection with the operation of your Restaurant.

We do not know of any superior prior rights or infringing uses that could materially affect your use of the Hawaiian Bros Island Grill trademark.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any rights to any patent that is material to the franchise. We claim copyright protection for the Manual and for certain other written materials developed by us or our affiliates to assist you in the operation of the Restaurant. We do not have any pending patent applications that are material to the franchise. Item 11 describes limitations on the use of the Manual by you and your employees. You must also tell us when you learn about unauthorized use of this proprietary information. We are not required to take any action but we will respond to this information as we think appropriate. We will control any action we decide to bring or defend. We are not required to participate in your defense or indemnify you for use of copyrighted material or patents. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state and there are no agreements that limit our rights to use our copyrights or to allow others to use them.

The Franchise Agreement contains a definition of "Confidential Information", which includes records, contracts, correspondence, customer lists, addresses or similar items regarding customers, prospective customers, or sales operations of us or our affiliates or franchisees, business plans or strategy, marketing plans, marketing information, profit margin, prices, recipes, formulae, operating systems, suppliers or similar information with respect to our products or services, Restaurant layout, plans, and schematics, the contents of the Manual, any other information relating to the operation of the System, and any other information about us and our business as may reasonably be construed to be confidential or proprietary. We disclose to you Confidential Information through our Manual, training program, guidance during the term of the Franchise Agreement and otherwise, solely for your use in the development and operation of the Restaurant. We will require you, your owners, your General Managers, individuals that have authority over your Restaurant's operations and certain supervisory employees to sign an agreement, in the form attached to the Franchise Agreement, containing confidentiality, non-competition and non-solicitation covenants. We also require that you cause all persons with access to our trade secrets or other Confidential Information to execute a confidentiality agreement in the form attached to the Franchise Agreement.

If you develop or suggest an innovation or improvement that we decide to incorporate into the Hawaiian Bros Island Grill restaurant concept or System, you must assign ownership of the innovation or improvement to us without compensation other than the recognition and credit we will give you for the innovation or improvement in announcing it to our franchisees.

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

We do not require you to supervise personally your franchised Restaurant. Under each Franchise Agreement, you must designate one of your owners or an employee who will supervise the Restaurant and devote his or her full time, best efforts and constant personal attention to the day-to-day operation of the Restaurant. We refer to this individual as the "General Manager". The General Manager must refrain from all activities that would be detrimental to or interfere with the Restaurant and sign an agreement, in the form attached to the Franchise Agreement, containing confidentiality, non-competition and non-solicitation covenants. The General Manager must successfully complete our initial training program.

You must promptly notify us of any change in the General Manager and then recruit, hire and send for training a suitable qualified replacement General Manager within a reasonable time. Under no circumstances should this period be longer than 60 days from the date the former General Manager ceased to serve as the General Manager.

If you are a business entity, each of your Controlling Principals and their spouses (if any) must sign a guaranty in which they agree to be individually bound by obligations concerning confidentiality, non-competition and non-solicitation contained in the Development Agreement and Franchise Agreement and to jointly and severally personally guarantee your performance under the Development Agreement and Franchise Agreement. Your "Controlling Principals" are each of your owners, each individual who controls the operations of any business entity that is one of your owners, whether because of their ownership interests or actual management control, and any other person that we designate with an ownership interest in any business entity that is one of your owners, except for a passive investor that owns 10% or less of your ownership interests that we agree in writing will not be considered a Controlling Principal.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Franchise Agreement requires you to sell all food and beverage items included on our standard menu, as periodically revised. Some of these items are made with our proprietary sauces and you may not use any other sauces. You may not offer any foods, beverages, or other merchandise that is not included on our authorized Restaurant menu or merchandise list without first obtaining our written consent. We impose these requirements to control the quality and uniformity of the goods and services you and other franchisees offer using the Marks.

A Hawaiian Bros Island Grill franchise relates to the retail operation of a single Restaurant at a specific location. Without our prior written permission, you may not distribute at wholesale any of our proprietary or branded products. You may not offer retail delivery or catering services without our written permission, unless and until we design a delivery or catering program. We reserve the right to require you to provide delivery and catering services subject to requirements that we impose. Although there are no restrictions on the retail customers you may serve from your Restaurant, as a practical matter you will be limited to serving customers who choose to visit the Restaurant. You may only place approved advertisements in media that is targeted to customers and prospective customers located within your Territory, but you will not be considered in violation of your Franchise Agreement if those advertisements are viewed by prospective customers outside of the Territory due to the natural circulation or reach of the media.

We have the right to add items to and delete items from the standard Restaurant menu and to add or delete memorabilia and other merchandise from the list of approved Restaurant merchandise. There are no limits on our right to make these changes.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

FRANCHISE AGREEMENT

(1) Provision	(2) Section in Franchise Agreement	(3) Summary
a. Length of the franchise term.	11(a)	The term is 15 years. The term begins on the scheduled opening date.
b. Renewal or extension of the term.	11(b), (d)	If you meet certain qualifications, our current franchise agreement allows you to renew your franchise for one additional 15-year term by signing the then-current franchise agreement. This means that you may be asked to sign an agreement with different terms and conditions that are materially different from those in your original agreement. Even if you meet all of the renewal qualifications, we are not obligated to renew your franchise if we are withdrawing from, or not offering new or renewal franchises in, the market area that you serve.
c. Requirements for franchisee to renew or extend.	11(b)(i)-(viii)	You must: be in good standing; have satisfied all monetary and other material obligations owed to us; give timely notice of your intent to renew; sign our then-current franchise agreement; comply with our then-current training requirements; execute a release of claims against us and our affiliates; comply with all remodeling and redecoration requirements to bring your location into our then-current standards; and pay a renewal fee equal to 50% of the then-current Initial Franchise Fee.
d. Termination by franchisee.	Not applicable	Not applicable
e. Termination by franchisor without cause.	Not applicable	Not applicable
f. Termination by franchisor with cause.	16(b), 17	We can terminate your Franchise Agreement if you default and the default is not cured before the expiration of the related cure period. We can terminate your Franchise Agreement immediately if your default is non-curable under the Franchise Agreement.

(1) Provision	(2) Section in Franchise Agreement	(3) Summary
g. "Cause" defined – curable defaults.	16(a)-(b)	All breaches of the Franchise Agreement are curable, except those summarized in subsection h. of this table. If the breach is curable, you must cure it within 30 days, unless one of the following shorter cure periods applies: • You have 5 days to cure any monetary defaults. • You have 24 hours to cure defaults related to violations of laws, regulations, or standards relating to health, sanitation, or safety; and defaults related to you closing your franchise location for 48 hours without our prior consent. • You must cure on demand any defaults related to an imminent public health and/or safety risk. If the breach is curable under the Franchise Agreement and state law requires a longer cure period than specified in the Franchise Agreement, the longer period will apply if it cannot be waived.
h. "Cause" defined – non-curable defaults.	16(b)(5)	You have no right to cure the following defaults: • a default (of any nature) if, in the past 12 months, you have received 2 or more notices to cure a default that is the same or substantially similar to the default at issue; • bankruptcy; insolvency; a receiver or custodian is appointed for your business or your business assets; or your property is sold to satisfy a debt; • a conviction of, guilty plea, or a plea of no contest to a felony, crime involving moral turpitude, or any other offense we determine is injurious to our brand, by you or any person with direct or indirect ownership of your business; • commission of fraud on us, our affiliates, or any third party in relation to the franchised business, by you or any person with direct or indirect ownership of your franchise location; • use of your location for an unauthorized purpose; • a material misrepresentation or omission in your franchise application or in any other information you provide to us; • violations of any confidentiality, non-solicitation, or non-competition obligations by you or any person with direct or indirect ownership of your franchise location or a spouse of such person, if applicable; • termination of another franchise agreement between us or one of our affiliates and you or one of your affiliates due to default; • abandonment of your Restaurant; • intentional underreporting of your Gross Sales; and

(1) Provision	(2) Section in Franchise Agreement	(3) Summary
		• termination of the lease for the premises of your Restaurant.
i. Franchisee obligations on termination / nonrenewal.	17(a)-(b)	Upon termination or nonrenewal, you must: • discontinue use of trademarks and service marks, copyrighted materials, trade secrets, and our System; • return to us our entire Manual and any other materials that contain our trade secrets; • remove from your premises all signage, and anything else that bears our trademarks or service marks; • alter the premises to remove all trade dress and eliminate the distinctive features of our concept; and • cancel any assumed name registrations used with our trademarks and service marks.
j. Assignment of contract by franchisor.	13(a)	We have the right to assign your Franchise Agreement at any time without your consent, and we will have no further obligations under the contract, except for any liabilities that already accrued.
k. "Transfer" by franchisee - defined.	13(b)	"Transfer" includes any sale, sale and lease-back, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, grant of a profits or other interest based on the revenue or profits of your Restaurant, pledge, hypothecation, voluntary or involuntary inter-vivos transfer or testamentary disposition, and the grant of rights to convert any debt or other obligation or instrument into an ownership interest in you, including warrants, options, and convertible debt.
l. Franchisor approval of transfer by franchisee.	13(b)	You must have our written consent before any transfer of a direct or indirect ownership interest in you or any interest in or right under your Franchise Agreement, your Restaurant or the assets of your Restaurant (other than the sale of items in the ordinary course).
m. Conditions for franchisor approval of transfer.	13(b), 25(e)	Conditions include: • Proposed transferee qualifies; • You satisfy all outstanding obligations to us and our affiliates; • Your Restaurant and its premises are in compliance with our then-current standards;

(1) Provision	(2) Section in Franchise Agreement	(3) Summary
		• The proposed transferee and its general manager complete training; • The transferee signs our then-current form of franchise agreement and all related documents; • The transferee and its controlling principals and their spouse (if any) execute a guaranty; • You and your affiliates and each of your direct and indirect owners signs a release of all claims against us and our affiliates; • You comply with other conditions that we may require as part of our transfer policy; • Payment of the $10,000 (as may be adjusted by the percentage change in the CPI index we select) transfer fee.
n. Franchisor's right of first refusal to acquire franchisee's business.	13(g)	We have the option to match any offer to purchase any direct or indirect ownership interest in you or any interest in or right under your Franchise Agreement, your Restaurant or the assets of your Restaurant (other than the sale of items in the ordinary course).
o. Franchisor's option to purchase franchisee's business.	13(h), 17(d)(1)	We have the option to purchase all or any part of your signs, equipment, fixtures, and useable inventory for 60 days after your Franchise Agreement expires or is terminated.
p. Death or disability of franchisee.	13(i)	Your interest in the franchise or the ownership interest of any direct or indirect owner must be transferred within 12 months of death, or within 6 months of permanent disability. It is a material violation of your Franchise Agreement if you do not complete an approved transfer within the timeframe provided.
q. Non-competition covenants during the term of the franchise.	18(a)(1), a(3), (b)	Neither you nor your Controlling Principals may operate (directly or indirectly), or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any capacity for any Competitive Business that s located, operates, advertises, or provides services in the USA or any other country where a Restaurant is located. Additionally, neither you nor your Controlling Principals may solicit, serve, cater to, divert or attempt to divert to a Competitive Business any business or customer of your Restaurant or any other Restaurant. A “Competitive Business” means any Hawaiian-themed restaurant or restaurant that advertises and serves Hawaiian cuisine.

(1) Provision	(2) Section in Franchise Agreement	(3) Summary
		You and your Controlling Principals will be in violation of these obligations if a direct relative or affiliate engages in the prohibited activities.
r. Non-competition covenants after the franchise is terminated or expires.	18(a)(2), (a)(3), (b)	For 2 years after the expiration or termination of your Franchise Agreement, you may not own or operate (directly or indirectly), or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any capacity for any Competitive Business that is located, operates, advertises, or provides services within 20 miles of your Restaurant or any other then-existing Restaurant, or within 20 miles of the outer boundary of any territory for which we have granted development rights for the development of one or more Restaurants. Additionally, you may not solicit, serve, cater to, divert or attempt to divert to a Competitive Business any business or customer of your Restaurant or any other Restaurant during such 2-year period. Each Controlling Principal is bound by these same provisions for 2 years following either the termination of his/her/its ownership interest in your business, or the termination or expiration of the Franchise Agreement, whichever is earlier. You and your Controlling Principals will be in violation of these obligations if a direct relative or affiliate engages in the prohibited activities.
s. Modification of the agreement.	25(f)	Amendments, modifications, and rescission of your Franchise Agreement require a written document signed by you and us, except that we can make changes to the Manual and the System without your consent.
t. Integration/merger clause.	26(a)-(b)	Only the terms of the Franchise Agreement, along with any attached addenda or executed amendments to the Franchise Agreement are binding. Any other oral or written promises made outside of this disclosure document or your Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation.	Not applicable	Not applicable
v. Choice of forum.	23(b)	Any cause of action or claim related to the terms of your Franchise Agreement or your relationship with us must be

(1) Provision	(2) Section in Franchise Agreement	(3) Summary
		brought in a state or federal court in the county where our headquarters are located. Our current headquarters is in Kansas City, Missouri.
w. Choice of law.	23(a)	Except for federal trademark law and subject to any non-waivable state law, Missouri law applies.

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DEVELOPMENT AGREEMENT

(1) Provision	(2) Section in Development Agreement	(3) Summary
a. Length of the Development Agreement term.	2	Term is based on the time required to open the number of franchise locations you agree to develop under the development schedule. The Expiration Date of your Development Agreement will be printed on the signature page to your Development Agreement.
b. Renewal or extension of the term (i) Extension of Lease Execution Date and Scheduled Opening Date (ii) Renewal of development term	(i) 5 (ii) 8	(i) You may request only one 45-day extension for both the Lease Execution Date and the corresponding Scheduled Opening Date if you experience delays beyond your control in executing the lease or opening a location on its scheduled opening date. (ii) If you agree to develop more than one restaurant, you have a conditional right to renew the Development Agreement.
c. Requirements for Developer to renew or extend (i) Requirements for Lease Execution Date and Scheduled Opening Date Extension (ii) Requirements for Developer to renew development term	(i) 5 (ii) 8	(i) You must request the extension in writing at least 15 days before the relevant Lease Execution Date. We will grant to extension if we determine you have made a good faith effort to comply with the requirements to open your franchise locations(s) but have experienced delays beyond your reasonable control. (ii) You must have a Development Agreement to develop more than one Restaurant and be in good standing under that agreement; open the full number of Restaurants in compliance with the development schedule; be operating your Restaurants in compliance with our standards; and we must be satisfied that you are capable of completing the additional locations that you propose to develop. To renew, you must give us 60 days' notice and submit a new application, certain financial and other business information, and the proposed number of restaurants you seek to open in the Development Area. If we grant the renewal, you must sign our then-current form of Development Agreement that sets forth the Development Area boundaries, the number of Restaurants, and the development schedule, which may be different than your proposal and may have different terms and conditions that are materially different from those in your original Development Agreement.

(1) Provision	(2) Section in Development Agreement	(3) Summary
d. Termination by franchisee.	Not applicable	Not applicable
e. Termination by franchisor without cause.	Not applicable	Not applicable
f. Termination by franchisor with cause.	9	We can terminate your Development Agreement if you default under your Development Agreement (taking into account the 15-day cure period afforded to certain types of breaches).
g. "Cause" defined – curable defaults.	9(m)	You may cure any beach of your Development Agreement, except for those beaches summarized in subsection h of this table. If a breach is curable, you must cure it within 15 days of when we notify you that you are in default.
h. "Cause" defined – non-curable defaults.	9(a)-(l)	You have no right to cure the following defaults: • failing to sign an approved lease for any franchise location by the Lease Execution Date (allowing for any approved extensions); • signing a lease or proceeding with other development of a franchise location without our written authorization; • failing to open any Restaurant in compliance with our requirements, including opening it before the Scheduled Opening Date (allowing for any approved extensions); • failing to have open and operating the total cumulative number of Restaurants indicated in your Development Agreement by the Scheduled Opening Date (allowing for any approved extensions); • an event of default under your Franchise Agreement(s) that is not cured by the remedial period or is not curable; • attempting to transfer or transferring any interest (including ownership or asset interests) in violation of the Development Agreement; • bankruptcy; insolvency; a receiver or custodian is appointed for your business or your business assets; or your property is sold to satisfy a debt; • violation of any confidentiality, non-competition or non-solicitation obligations by you or any person with a direct or indirect ownership interest in your business;

(1) Provision	(2) Section in Development Agreement	(3) Summary
		• negotiating or obtaining a lease for a Restaurant location outside the Development Area (unless you have another agreement with us covering that area); • making a material misrepresentation or omission in your franchise application, reports, or other information you provide to us; • a conviction of, guilty plea, or a plea of no contest to a felony, crime involving moral turpitude, or any other offense we determine is injurious to our brand, by you or any person with direct or indirect ownership of your business; and • failing to use a licensed real estate broker or our preferred broker, if we require it.
i. Franchisee obligations on termination/nonrenewal.	4	Upon expiration or termination, your right to develop franchise locations in your Development Area ceases and we may grant such right to others and ourselves. Expiration or termination does not affect your rights and obligations under your Franchise Agreement(s).
j. Assignment of contract by franchisor.	Not applicable	Not applicable
k. "Transfer" by franchisee - defined.	10(a)	"Transfer" includes any sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, pledge, hypothecation, inter-vivos transfer or testamentary disposition, whether such actions are voluntary or involuntary.
l. Franchisor approval of transfer by franchisee.	10(a)	You must have our written consent before any transfer of a direct or indirect ownership interest in you or any interest in or right under your Development Agreement or in a site approved for development of a Restaurant.
m. Conditions for franchisor approval of transfer.	10(a)-(b), 15(g)	Conditions include: • Proposed transferee qualifies; • You satisfy all outstanding obligations to us and our affiliates; • The transferee signs our then-current form of Development Agreement and all other related documents; • You and each of your direct and indirect owners sign a general release of all claims against us and our affiliates; • You comply with other conditions that we may require as part of our transfer policy; and • You pay a non-refundable transfer fee equal to $10,000 (as may be adjusted by the percentage

(1) Provision	(2) Section in Development Agreement	(3) Summary
		change in the CPI index we select) multiplied by the number of Restaurants remaining to be developed under the Development Agreement.
n. Franchisor's right of first refusal to acquire franchisee's business.	10(f)	We have the option to match any offer to purchase any direct or indirect ownership interest in you or any interest in or right under your Development Agreement or in a site approved for development of a Restaurant.
o. Franchisor's option to purchase your business.	Not applicable	Not applicable
p. Death or disability of franchisee.	10(g)	Your interest in the franchise or the ownership interest of any direct or indirect owner must be transferred within 12 months of death, or within 6 months of permanent disability. It is a material violation of your Development Agreement if you do not complete an approved transfer within the timeframe provided.
q. Non-competition covenants during the term of the franchise.	12(a)(i), (a)(iii), (b)	Neither you or your Controlling Principals may operate (directly or indirectly), or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any capacity for any Competitive Business that is located, operates, advertises, or provides services in the USA or any other country where a Restaurant is located. Additionally, neither you nor your Controlling Principals may solicit, serve, cater to, divert or attempt to divert to a Competitive Business any business or customer of any Restaurant. A "Competitive Business" means any Hawaiian-themed restaurant or restaurant that advertises and serves Hawaiian cuisine. You and your Controlling Principals will be in violation of these obligations if a direct relative or affiliate engages in the prohibited activities.
r. Non-competition covenants after the franchise is terminated or expires.	12(a)(ii), (a)(iii), (b)	For 2 years after the expiration or termination of your Franchise Agreement, you may not own or operate (directly or indirectly), or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any capacity for any Competitive Business that is located, operates, advertises, or provides services in your Development Area or within 20 miles of your Development Area, within 20 miles of any then-existing Restaurant, or within 20 miles of the outer boundary of any territory for which we have granted development rights for the development of one or more Restaurants. Additionally, neither you nor your

(1) Provision	(2) Section in Development Agreement	(3) Summary
		Controlling Principals may solicit, serve, cater to, divert or attempt to divert to a Competitive Business any business or customer of any Restaurant during such 2-year period. Each Controlling Principal is bound by these same provisions for 2 years following either the termination of his/her/its ownership interest in your business, or the termination or expiration of the Development Agreement, whichever is earlier. You and your Controlling Principals will be in violation of these obligations if a direct relative or affiliate engages in the prohibited activities.
s. Modification of the agreement.	15(b)	Amendments, modifications, and rescission of your Development Agreement require a written document signed by you and us, except we can make changes to the Manual and the System without your consent.
t. Integration/merger clause.	16(a)-(b)	Only the terms of the Development Agreement, along with any attached addenda or executed amendments to the Development Agreement are binding. Any other oral or written promises made outside of this disclosure document or your Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation.	Not applicable	Not applicable
v. Choice of forum.	14(b)	Any cause of action or claim related to the terms of your Development Agreement or your relationship with us must be brought in a state or federal court in the county where our headquarters are located. Our current headquarters is in Kansas City, Missouri.
w. Choice of law.	14(a)	Subject to non-waivable state law, Missouri law applies.

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.

Our affiliates operate 32 Hawaiian Bros Island Grill restaurants as of September 14, 2022. Of those restaurants, 27 are traditional Restaurants. The below table provides the actual, historic Gross Sales of all 14 traditional Restaurants owned and operated by our affiliates in Kansas, Missouri and Texas that were in operation during the 12-month period beginning July 12, 2021 and ending July 10, 2022. These figures do not include data from 18 Restaurants that are operated by our affiliates: five of which are special outlets such as ghost kitchens and one digital to-go kitchen, and 13 Restaurants that were not in operation during the entire 12-month period.

Historical Gross Sales for 14 Company-Operated Restaurants in Operation for the 12-month period beginning 7/12/21 and ending 7/10/22	
Average Gross Sales	$4,024,147
Median Gross Sales	$3,981,785
Lowest Gross Sales Volume	$2,684,285
Highest Gross Sales Volume	$7,456,716
# of Restaurants Above Average	6
% of Restaurants Above Average	43%

Gross Sales for purposes of this financial performance representation is defined as total Restaurant revenue, less discounts and promotions. Gross Sales excludes applicable sales taxes collected from the customer and remitted to the appropriate tax authority. The financial results of your Restaurant may be affected by many factors, such as geographic location, Restaurant size, competition in the market, level and effectiveness of advertising and marketing efforts, market conditions, weather, and laws, rules and orders of local authorities concerning public health measures.

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

Written substantiation for the above financial performance representation will be made available to you upon reasonable request. Other than the financial performance representation above, 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 Grant Kreutzer, VP, Franchise Development, at 720 Main Street, Kansas City MO 64105, (720) 320-4898, the Federal Trade Commission, and the appropriate state regulatory agencies.

[Remainder of page intentionally left blank.]

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2019 to 2021

(1) Outlet Type	(2) Year	(3) Outlets at the Start of the Year	(4) Outlets at the End of the Year	(5) Net Change
Franchised	**2019**	**0**	**0**	**0**
	2020	**0**	**0**	**0**
	2021	**0**	**0**	**0**
Company-Owned	**2019**	**2**	**3**	**1**
	2020	**3**	**5**	**2**
	2021	**5**	**21**	**16**
Total Outlets	**2019**	**2**	**3**	**1**
	2020	**3**	**5**	**2**
	2021	**5**	**21**	**16**

Table No. 2

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

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

[Remainder of page intentionally left blank.]

Table No. 3

Status of Franchised Outlets
For Years 2019 to 2021

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

Table No. 4

Status of Company-Owned Outlets
For Years 2019 to 2021

(1) State	(2) Year	(3) Outlets at Start of the Year	(4) Outlets Opened	(5) Outlets Reacquired From Franchisee	(6) Outlets Closed	(7) Outlets Sold to Franchisee	(8) Outlets at End of the Year
Kansas	2019	1	1	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	3	0	0	0	5
Missouri	2019	1	0	0	0	0	1
	2020	1	2	0	0	0	3
	2021	3	2	0	0	0	5
Oklahoma	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Texas	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	11	0	0	0	11
Totals	2019	2	1	0	0	0	3
	2020	3	2	0	0	0	5
	2021	5	16	0	0	0	21

Table No. 5

Projected Openings as Of December 31, 2021

(1) State	(2) Franchise Agreements Signed But Outlet Not Opened	(3) Projected New Franchised Outlets in the Next Fiscal Year	(4) Projected New Company-Owned Outlets In the Next Fiscal Year
Illinois	0	0	2
Iowa	0	0	1
Missouri	0	0	4
Oklahoma	0	0	1
Texas	0	0	5
Total	**0**	**0**	**13**

We have no franchisees as of the issuance date of this disclosure document. Because we have no franchisees, we do not have the following information to provide: the names of all current franchisees and the address and telephone number of each of their outlets; and a list of the name, city and state and current business telephone number or last known home telephone of every franchisee who, in our most recent full fiscal year end had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily closed to do business under the Franchise Agreement or has not communicated with us within 10 weeks of this disclosure document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisee has signed a confidentiality clause during our last 3 fiscal years prohibiting the franchisee from discussing his or her personal experiences with the System.

Currently, there are no franchisee associations.

ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit A is an unaudited opening balance sheet dated September 16, 2022 We have been in business less than three years and so we cannot provide all of the financial statements that are required by law to be disclosed by franchisors that have been in business for three years or more.

ITEM 22
CONTRACTS

The following contracts are attached to this disclosure document:

EXHIBIT B-1	FRANCHISE AGREEMENT
EXHIBIT B-2	ADDENDUM TO FRANCHISE AGREEMENT (REDUCED ROYALTIES)
EXHIBIT C	DEVELOPMENT AGREEMENT
EXHIBIT E	SYSCO PARTICIPATION AGREEMENT

ITEM 23
RECEIPTS

The last two pages of this disclosure document (after the exhibits) are detachable documents that you will sign to acknowledge your receipt of this disclosure document. Please sign and date each receipt, return 1 copy to us and retain the other copy for your files.

[Remainder of page intentionally left blank.]

EXHIBIT A
Financial Statements

See attached.

MOSSADAMS

T (310) 477-0450
F (310) 477-0590

222 N. Pacific Coast Highway
Suite 1400
El Segundo, CA 90245

Consent of Independent Auditors

Moss Adams, LLP, agrees to the inclusion in the Franchise Disclosure Document issued by Hawaiian Bros Franchising, LLC ("Franchisor") on September 16, 2022, as it may be amended, of our report dated October 7, 2022, relating to the financial statement of the Franchisor, which is comprised of the balance sheet as of September 16, 2022, and the related notes to the financial statement.

Moss Adams LLP

Los Angeles, California
January 11, 2023

Assurance, tax, and consulting offered through Moss Adams LLP. ISO/IEC 27001 services offered through Cadence Assurance LLC, a Moss Adams company.
Investment advisory services offered through Moss Adams Wealth Advisors LLC.

Hawaiian Bros Franchising, LLC

Audited Financial Statement

As of September 16, 2022

HAWAIIAN BROS FRANCHISING, LLC
TABLE OF CONTENTS

Report of Independent Auditors **1-2**

Financial Statement

Balance sheet 3

Notes to financial statement 4-5

MOSSADAMS

Report of Independent Auditors

The Member
Hawaiian Bros Franchising, LLC

Report on the Audit of the Financial Statement

Opinion

We have audited the accompanying financial statement of Hawaiian Bros Franchising, LLC, (the "Company") which comprises the balance sheet as of September 16, 2022, and the related notes to the financial statement.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Company as of September 16, 2022, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Member

As discussed in Note 1 to the financial statement, the Company has an agreement with its Member related to administrative, management, support activities, and various other items. The accompanying financial statement may not be indicative of conditions that would have existed if the Company had been operated as an unaffiliated entity without the support of its Member. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement 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 a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statement is available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Moss Adams LLP

Los Angeles, California
October 7, 2022

HAWAIIAN BROS FRANCHISING, LLC
BALANCE SHEET

	September 16, 2022
ASSETS	
CURRENT ASSETS	
Cash	$ 100,000
TOTAL CURRENT ASSETS	100,000
TOTAL ASSETS	$ 100,000
LIABILITIES AND MEMBER'S EQUITY	
MEMBER'S EQUITY	100,000
TOTAL MEMBER'S EQUITY	100,000
TOTAL LIABILITIES AND MEMBER'S EQUITY	$ 100,000

- 3 -
See Notes to Financial Statement

HAWAIIAN BROS FRANCHISING, LLC
NOTES TO THE FINANCIAL STATEMENT

NOTE 1 Organization and description of business

Nature of Business

Hawaiian Bros Franchising, LLC (the Company) was established as a Missouri limited liability company on February 9, 2022. Hawaiian Bros Franchising, LLC is a wholly owned subsidiary of Hawaiian Bros Inc. The Company sells franchises of Hawaiian Bros Inc. a restaurant company that owns and operates restaurants that offers a plate lunch concept from Hawaii which consists of chicken or pork served with rice and a side of macaroni salad or fresh cooked vegetables. As of September 16, 2022, no franchises have been sold by the Company. The Company does not operate, and has never operated any Hawaiian Bros restaurants, and the Company's future operations are dependent upon the success Hawaiian Bros Inc.

Hawaiian Bros Inc is the owner of all intellectual property rights in certain systems, trademarks, service marks, and other intellectual property used in operations of Hawaiian Bros restaurants ("IP"), and has licensed the IP and other know-how and confidential information to the Company to develop the Hawaiian Bros franchise system to offer, sell and support of the franchised business.

The Company has relied on resources from its Member to support initial operations, and the Member has committed to continue to provide financial support to the Company sufficient for the Company during the start-up phase of the franchising operations. Until such time that the Company is actively selling franchises and opening up franchise locations, it is dependent on its Member to provide financial resources, administrative, management, support activities, and various other items. The accompanying financial statement may not be indicative of conditions that would have existed if the Company had been operated as an unaffiliated entity.

COVID-19 pandemic

The global crisis resulting from the spread of the novel coronavirus ("COVID-19"), which started in March 2020, along with government and consumer responses to the pandemic continues to have an impact on the Company's operations. The Company took early action regarding team member well-being in response to the COVID-19 pandemic, implementing comprehensive protocols to protect the health and safety of employees and its customers. The Company is optimistic that the dining rooms will remain open and the potential impacts of the COVID-19 pandemic on the Company's business will lessen throughout 2022. However, the impacts of COVID-19 may be difficult to assess or predict, as the disruption is currently expected to be temporary, there is uncertainty around the duration.

Basis of presentation

The Company's financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Company believes this information includes all adjustments, consisting of normal recurring accruals, necessary to fairly present the financial condition as of September 16, 2022. References to ASC and ASU included hereinafter refer to the Accounting Standards Codification and Accounting Standards Updates established by the Financial Accounting Standards Board (FASB) as the source of authoritative U.S. GAAP.

Fiscal year

The Company operates on a 52/53-week fiscal year, which includes 13 four-week periods in 52-week years, with the extra week included in the 13th period in 53-week years, and ends on the last Sunday of each calendar year. The Company's current fiscal year will end on December 25, 2022.

HAWAIIAN BROS FRANCHISING, LLC
NOTES TO THE FINANCIAL STATEMENT

NOTE 1 Organization and description of business (continued)

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Management's significant estimates and assumptions include estimates of the useful lives of property and equipment and certain amounts recorded as accrued liabilities. Actual results could differ from those estimates.

Cash

For purposes of this financial statement, cash is considered to be cash on hand and bank checking accounts.

Fair value of financial instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair market value due to the short maturities of these instruments. The carrying amount of long-term debt approximates fair value as the interest rates are based on established market rates or variable referenced rates.

Income taxes

The Company is an LLC and is classified as a partnership for income tax purposes. The Company's taxable income or loss is reportable by the Member on its income tax returns. Accordingly, no taxes payable of deferred tax assets or liabilities are reflected in this financial statement.

NOTE 2 Equity

The Company's LLC operating agreement has a perpetual life. Excess cash flow, tax liability distributions, and profits and losses are to be distributed to the Member in accordance with the operating agreement. The liability of the Company's Member is limited to its specific capital balance. Upon liquidation of the Company, the net assets shall be distributed to the Member in accordance with the operating agreement.

NOTE 3 Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statement is issued. The Company recognizes in the financial statement the effects of all subsequent events that provide additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statement. The Company's financial statement does not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before this financial statement is issued.

The Company has evaluated subsequent events through [DATE], which is the date this financial statement was available to be issued, and concluded that there were no additional events or transactions that need to be disclosed.

EXHIBIT B-1
Franchise Agreement

See attached.

Franchise Agreement
for a
Hawaiian Bros™ Island Grill Restaurant

2022

TABLE OF CONTENTS

SECTION		PAGE NO.
	GLOSSARY OF TERMS	
1.	RECITALS	1
2.	GRANT OF FRANCHISE	1
3.	FRANCHISE FEE	2
4.	COMPETITIVE PROTECTION	2
5.	MODIFICATION OF CONCEPT, TRADE DRESS AND EQUIPMENT STANDARDS	3
6.	COMPANY SERVICES AND ASSISTANCE	4
7.	FRANCHISEE'S PERFORMANCE	6
8.	ADVERTISING AND PROMOTIONS	14
9.	THE INTERNET AND INTRANET	17
10.	ROYALTIES	18
11.	TERM AND RENEWAL	19
12.	USE OF INTELLECTUAL PROPERTY	20
13.	TRANSFERS	23
14.	INTEREST ON DELINQUENT ACCOUNTS	26
15.	RESTAURANT RELOCATION	26
16.	DEFAULT	27
17.	TERMINATION; OTHER REMEDIES	28
18.	COVENANT AGAINST COMPETITION; SPECIAL REPRESENTATIONS AND WARRANTIES	30
19.	PARTIAL INVALIDITY	32
20.	NOTICES	32
21.	STATUS OF PARTIES	33
22.	BINDING EFFECT	34
23.	LAW GOVERNING; DISPUTE RESOLUTION	34
24.	CONDITION PRECEDENT	34
25.	MISCELLANEOUS	34
26.	FRANCHISEE'S ACKNOWLEDGMENTS	36

EXHIBITS:

A. DESCRIPTION OF TERRITORY
B. AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS
C. ASSIGNMENT OF TELEPHONE NUMBER(S) AND ONLINE PRESENCE
D. BUSINESS ENTITY INFORMATION
E. GUARANTY
F. CONFIDENTIALITY AND NON-COMPETE AGREEMENT
G. CONFIDENTIALITY AGREEMENT

GLOSSARY OF TERMS

The following terms are used in this Franchise Agreement (this "**Agreement**") with the meanings assigned in this Glossary.

Ad Fund means a separate and segregated advertising and development fund established by Company for the purpose of enhancing the goodwill and public image of the System through advertising and promotions.

Affiliate means a Person that controls, is controlled by, or is under common control with another Person by virtue of equity ownership, contract, or other means. For the purposes of this Agreement, "controlling", "controlled", or "control" (and all derivatives thereof) means the right to exercise, directly or indirectly, more than twenty percent (20%) of the voting rights of any Person or the power to direct or cause the direction of the management or policies of any Person.

Area Cooperative means a cooperative advertising association formed by at least two owners of Hawaiian Bros Restaurants located in certain designated geographic areas for the purpose of jointly advertising and promoting their Hawaiian Bros Restaurants.

Asset Interests means any interest in or right under this Agreement and any interest in the Franchised Restaurant or the assets of the Franchised Restaurant, including the Restaurant Premises.

Business Entity means a corporation, general or limited partnership, limited liability company, trust, or any other similar type or form of business organization.

Catering means the at-restaurant preparation of the standard menu items and delivery of those items, either in prepackaged portions or in bulk, to commercial accounts. Catering may or may not include on- site set up, food service and/or clean up.

Charter Documents means a corporation's articles of incorporation, bylaws and shareholders agreement (if any); a partnership's partnership agreement and, in the case of a limited partnership, its articles of limited partnership; a limited liability company's articles of organization and regulations or operating agreement; and comparable governing documents for any of the foregoing Business Entities or of any other type of Business Entity.

Collateral has the meaning set forth in Section 18(f).

Company has the meaning set forth in the introductory paragraph on the first page of this Agreement.

Competitive Business has the meaning set forth in Section 18(a).

Confidential Information any records, contracts, correspondence, customer lists, addresses or similar items regarding customers, prospective customers, or sales operations of Company, its Affiliates, or Company's franchisees, business plans or strategy, marketing plans, marketing information, profit margins, prices, recipes, formulae, operating systems, suppliers or similar information with respect to products or services of Company, Restaurant layout, plans, and schematics, the contents of the Operations Manual, any other information relating to the operation of the System, and such other information about Company and its business as may reasonably be construed to be confidential or proprietary to Company, whether designated as confidential or not and whether or not such information constitutes "trade secrets" under prevailing judicial interpretations. "Confidential Information" does not include any information (i) that has become publicly known through no act or omission of Franchisee, its Principals or Affiliates or any of their respective officers, directors, managers or employees, (ii) that has been received in good faith by Franchisee

from a Person having lawful and legitimate possession of the information and the right to disclose such information free of any duty of confidentiality to Company, or (iii) that Company has expressly approved in writing for public disclosure.

Controlling Principal(s) means, if Franchisee is a Business Entity, any Principal other than a Person (i) that owns 10% or less of Franchisee's Ownership Interests, (ii) is a passive investor in Franchisee, and (iii) whom Company has agreed in writing is not required to agree to be bound by the terms of this Agreement as a Controlling Principal. (If a "Controlling Principal" of Franchisee is also a Business Entity, a Controlling Principal will also mean and include the individuals who control the operations of such Controlling Principal, whether because of their Ownership Interests or actual management control and may, at Company's request, include any Person with an Ownership Interest in such Business Entity.) Each Controlling Principal, together with their spouse (if any), must agree to be individually bound by covenants concerning confidentiality, non-competition, and non-solicitation and will personally guarantee Franchisee's performance under this Agreement by signing a Guaranty.

Convention means a franchisee convention Company may hold or sponsor from time to time but not more often than annually, which may include meetings relating to new services or products, new operational procedures or programs, training, business management, sales or sales promotion, or similar topics.

Copyrighted Materials refers to and includes all versions, variations and adaptations of the following materials in tangible form, whether produced by Company, produced on its behalf as works for hire, or derived from works produced by or on behalf of Company: (i) all manuals used in a Hawaiian Bros Restaurant's development, operation and marketing activities, including, but not limited to, the Operations Manual; (ii) training materials (including printed, audio, video or electronic materials); (iii) Hawaiian Bros Restaurant plans and specifications; (iv) menu board designs and graphics; (v) product identification posters and photographs; (vi) advertising and marketing materials; (vii) labels, forms and reports provided by Company; (viii) any computer software developed by Company or as works for hire for use in the operation of Hawaiian Bros Restaurants; and (ix) any other materials protected by copyright law or marked or identified by Company as protected by copyright.

Delivery Service means the delivery, directly by Franchisee or indirectly through a third party delivery service, of food and beverages in prepackaged portions to residential customers. Delivery service does not include on-site set up, food service, or clean up.

Designated Principal means, if Franchisee is a Business Entity, the Principal who will be the designated operator who will oversee and supervise the Franchised Restaurant's management and operation and the individual designated as the primary contact for Company with respect to any notices or communications under this Agreement. There may be more than one Designated Principal.

Development Agreement means the Development Agreement between Company and Franchisee pursuant to which Franchisee was authorized to develop the Franchised Restaurant.

Effective Date means the date Company signs this Agreement, as indicated in its signature block.

Event of Default has the meaning set forth in Section 16 of this Agreement.

Event of Force Majeure has the meaning set forth in Section 25(e) of this Agreement.

Executive Management means all individuals, if any, in addition to the Designated Principal(s) and General Manager that have authority over the Franchised Restaurant's operations, including all salaried managers employed at the Franchised Restaurant.

Franchise Disclosure Document means Company's most recently-issued disclosure document prior to the Effective Date.

Franchised Restaurant means the Hawaiian Bros Restaurant located at the address set forth in Section 2(a).

Franchisee has the meaning set forth in the introductory paragraph on the first page of this Agreement.

General Manager means an individual who has successfully completed Company's training program and is designated by Franchisee to supervise and manage all aspects of the Franchised Restaurant's day-to-day operations, including, but not limited to, knowledge of and actively involved with the actual calculation of the cost of sales, labor, inventory, purchasing, and profit and loss statements, and with whom Company and its staff may deal exclusively for purposes of administering and coordinating the franchise relationship. The General Manager may or may not be the Franchisee of the Franchised Restaurant or the Designated Principal. The General Manager must devote his or her full business time and efforts to performing his or her assigned duties for Franchisee and comply with all applicable federal, state, and local laws, regulations, or ordinances in carrying out those duties. Franchisee's first General Manager is identified beneath the signature block of this Agreement. All General Managers must be individuals who are employed directly by Franchisee or one of its Affiliates. Franchisee may not enter into a contract with any non-employee individual or Business Entity for any aspect of the Franchised Restaurant's management.

Grand Opening Campaign has the meaning set forth in Section 7(d)(6).

Gross Sales means the aggregate revenues or other consideration Franchisee receives from the sale of products and services through operation of the Franchised Restaurant (including sales of food, beverages, and tangible property of every kind and nature, promotional or otherwise, and sales of food and beverage to employees), whether for cash, credit, or any other means of payment, from all services performed from or at the Premises, and from all orders taken or received at the Premises, regardless of where such orders are filled (including revenue from direct delivery, catering and/or delivery services through third parties), less (i) applicable sales taxes Franchisee collects and remits to the appropriate tax authority, and (ii) revenue Franchisee derives from selling or issuing Hawaiian Bros Island Grill gift or loyalty cards (although revenue Franchisee derives from selling products and services to customers using those cards for payment is included in Gross Sales), but without deduction of any other costs or expenses whatsoever. Gross Sales will not be reduced by any deductions for cash shortages incurred in connection with the transaction of business with customers or theft.

Guaranty means that form of document attached as **Exhibit D** to this Agreement.

Hawaiian Bros Restaurant means a retail establishment at a fixed (permanent) location outside a Non-Traditional Venue that operates continually on a year-round basis under the Hawaiian Bros Island Grill trade name and System. The term does not include any type of Special Outlet.

Indebtedness has the meaning set forth in Section 18(f)(1).

Indemnified Parties means Company and its Affiliates, and their successors and assigns, and each of their respective direct and indirect owners, directors, officers, managers, employees, agents, attorneys, and representatives.

Information System means electronic systems an operator uses to collect, compute, store and report a Hawaiian Bros Restaurant's Gross Sales, other financial data and operating information, such as cash registers, computers, peripheral equipment and related software programs.

Initial Franchise Fee has the meaning set forth in Section 3.

Inspections means physical, on-site inspections of a Hawaiian Bros Restaurant to determine the degree to which its operation satisfies the Standards.

Interests mean Ownership Interests and Asset Interests, collectively.

In-Term Restricted Period has the meaning set forth in Section 18(a)(1).

Internet means the world wide web.

Internet Website means a website on the world wide web and any mobile application available for download from a mobile app marketplace that provides information about the Hawaiian Bros Island Grill concept and the products and services that Hawaiian Bros Restaurants offer.

Intranet means an Intranet or other communications network that Company or its third-party supplier provides and/or administers for the Hawaiian Bros Island Grill restaurant chain through which members of the Hawaiian Bros Island Grill network of Hawaiian Bros Restaurants may communicate with each other and through which Company may disseminate updates to the Operations Manual and other Confidential Information. Company will have no obligation to maintain an Intranet and may dismantle or otherwise discontinue any Intranet at any time without liability to Franchisee.

Losses means all losses, obligations, liabilities, damages (actual, consequential, or otherwise), actions, fines, debts, penalties, taxes, interest and defense costs that any Indemnified Party incurs. Defense costs include, without limitation, accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, and alternative dispute resolution.

Marks refers to and includes (i) the Hawaiian Bros trademark and logo, (ii) the Hawaiian Bros Island Grill trade name, (iii) the elements and components of a Hawaiian Bros Island Grill Restaurant's Trade Dress, and (iv) any and all additional or different trade names, trademarks, service marks, logos and slogans that Company adopts to identify the Hawaiian Bros franchise system and the products and services Hawaiian Bros Restaurants offer.

Minimum Local Ad Spend has the meaning set forth in Section 8(b)(1).

Non-Traditional Venue means a hospital or medical center, airport, public or private school, university or college campus, airport terminal, train or bus station, convention center, exhibition hall, amusement park, fairground, sports arena, ballpark, military base, state or national park, hotel, lodge, country club, social club, resort, casino, theater or other mass gathering location or event.

Offer means a bona fide written offer for the purchase of (i) a Principal's Ownership Interest in Franchisee, whether direct or indirect, or (ii) Franchisee's Asset Interests.

Offer Notice has the meaning set forth in Section 13(g)(2).

Opening Restaurant Trainer means a Person designated by Company that may assist Franchisee in training its supervisory staff on the System. This training will not concern matters relating to labor relations and employment practices.

Operations Manual means and collectively includes all manuals, policy statements, directives, bulletins and memoranda, as revised from time to time, that contain prescribed or recommended Standards, procedures, policies and advice relating to a Hawaiian Bros Restaurant's operation and management and to marketing the products Hawaiian Bros Restaurants serve. The Operations Manual discloses the principal elements of Company's proprietary System, and its contents are and will remain Company's exclusive property.

Option has the meaning set forth in Section 13(g)(3).

Option Period has the meaning set forth in Section 13(g)(4).

Ownership Interests means (i) in relation to a corporation, the ownership of shares of stock in the corporation; (ii) in relation to a partnership, the ownership of a general or limited partnership interest; (iii) in relation to a trust, the ownership of the beneficial interest of such trust; (iv) in relation to a limited liability company, the ownership of a membership interest; (v) in relation to any other Business Entity, the ownership of any equity interest therein; and (vi) with respect to any Business Entity, any right or option to acquire any of the items described in provisions (i)-(v) of this definition, including warrants, options to purchase, and convertible debt instruments.

Person means an individual or a Business Entity.

Post-Term Restricted Period has the meaning set forth in Section 18(a)(2).

Principal means any Person with a direct or indirect Ownership Interest in Franchisee, if Franchisee is a Business Entity. A Principal includes a Controlling Principal and a Designated Principal.

Restaurant Premises means any real estate controlled or occupied by Franchisee and appurtenant to the Franchised Restaurant.

Scheduled Opening Date means the date the Franchised Restaurant is scheduled to first open for business.

Security Interest has the meaning set forth in Section 18(f).

Social Media means blogs, local guides or review sites, mapping applications, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools.

Special Outlet means a ghost kitchen, a kiosk, a food truck, a temporary or seasonal booth, or similar installation operated under the Hawaiian Bros Island Grill trade name and which may serve some or all of the same products and services as a Hawaiian Bros Restaurant. The term also includes a mobile dispensing unit, such as a cart or customized RV, operated under the Hawaiian Bros Island Grill trade name but does not include an automobile or van used for Catering or Delivery Service, if expressly approved.

Standards means standards, specifications, requirements and instructions for the development or operation of a Hawaiian Bros Restaurant designated by Company from time to time, including standards relating to quality, service, and cleanliness.

System means the compilation of operating procedures, marketing concepts, management techniques, and communications methods and procedures that Company has developed or adopted to govern the operation of Hawaiian Bros Restaurants, the marketing of their products and services, and the methods of

communication between and among Company and Hawaiian Bros Restaurant operators, all or some of which may be deleted, changed, improved or further developed by Company from time to time.

Term has the meaning set forth in Section 11(a).

Territory means the certain geographic area within a 2-mile radius of the Franchised Restaurant's front door; provided, however, if the Restaurant Premises is located in a Non-Traditional Venue or in a densely populated metropolitan area as determined by Company, no Territory protection is granted to Franchisee and Section 4(b) of this Agreement will be deemed to be deleted from this Agreement.

Trade Dress means decorative, non-functional components of a Hawaiian Bros Restaurant that provide the establishment a distinctive, memorable appearance.

Trade Secrets means the components of the System, the contents of the Operations Manual and of all training materials and computer programs developed by Company or in accordance with its specifications, any other Confidential Information that Company imparts to Franchisee with respect to a Hawaiian Bros Restaurant's operation or management, whether through the Operations Manual or otherwise, and any other information that constitutes "trade secrets" under prevailing judicial interpretations.

FRANCHISE AGREEMENT FOR A HAWAIIAN BROS™ ISLAND GRILL RESTAURANT

THIS AGREEMENT is entered into by and between Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Company**"), and _____ ("**Franchisee**"). Certain terms are used in this Agreement with the meanings assigned in the Glossary of Terms appearing at the beginning of this Agreement. The Glossary of Terms is incorporated into, and made an integral part of, this Agreement by reference.

1. RECITALS.

Company and its Affiliates have developed a System to guide and govern the operation of quick service restaurants that operate under the Hawaiian Bros™ Island Grill trade name and offer the traditional Hawaiian plate lunch and other fresh, high quality Hawaiian cuisine in a Hawaiian-themed atmosphere. Company franchises the operation of Hawaiian Bros Restaurants. Franchisee has completed the site selection requirements of a Development Agreement for a Hawaiian Bros Restaurant to be located at the address shown in Section 2. The parties desire to enter into a franchise relationship on the terms and conditions of this Agreement.

2. GRANT OF FRANCHISE.

(a) Subject to the terms, conditions and limitations of this Agreement, Company grants Franchisee a franchise to operate a Hawaiian Bros Restaurant at the following location: _____ _____. Franchisee's use of any of the Marks or any element of the System in the operation of a business at any other location or in any other channel of distribution without Company's express written authorization will constitute willful infringement of Company's rights in the Marks and the System.

(b) The franchise includes the following rights and licenses:

(1) Authorization to operate the Franchised Restaurant under the Hawaiian Bros Island Grill trade name, in association with the Hawaiian Bros Island Grill service mark and in accordance with the System;

(2) Authorization to install the Trade Dress and exterior and interior signs bearing the Hawaiian Bros Island Grill name and logo at the Franchised Restaurant;

(3) Authorization to sell approved food and approved memorabilia or other merchandise from the Franchised Restaurant; and

(4) Authorization to use the Marks to identify, advertise and promote the Franchised Restaurant's products and services.

(c) Franchisee will acquire no rights or authority under this Agreement or as an element of the franchise:

(1) To sell to any wholesale customer the ingredients (including Company's proprietary sauces or other condiments) from or with which any menu item is prepared or accompanied;

(2) To provide Delivery Service unless otherwise required or approved by Company and except in accordance with delivery standards and procedures as they are established and modified by Company from time to time in its discretion;

(3) To provide Catering from the Franchised Restaurant without Company's prior written permission;

(4) To sell Hawaiian Bros Island Grill brand food, memorabilia or other merchandise from an Internet Website or a Special Outlet without Company's express prior permission; or

(5) To operate a Special Outlet without Company's prior written permission.

(d) Company reserves all rights that this Agreement does not expressly grant to or confer upon Franchisee.

3. FRANCHISE FEE.

As partial consideration for the rights granted under this Agreement, Franchisee shall pay Company an initial franchise fee of $50,000 (the "**Initial Franchise Fee**"). The Initial Franchise Fee, less the amount of the Franchise Fee Deposit for the Franchised Restaurant paid to Company under the Development Agreement, shall be paid to Company simultaneously with the execution of this Agreement by certified check, wire transfer or electronic funds transfer. The Initial Franchise Fee is not refundable under any circumstances.

4. COMPETITIVE PROTECTION.

(a) Company does not grant exclusive territories, but provides Franchisee protection against some forms of competition inside the Territory solely to the extent set forth in this Section 4; provided, however, that if the Restaurant Premises is located in a Non-Traditional Venue or in a densely populated metropolitan area as determined by Company, Company does not grant Franchisee any Territory, and, therefore, no protection from competition, with respect to the Franchised Restaurant. Franchisee will have no protection against competition from Hawaiian Bros Restaurants, Special Outlets or other establishments the physical premises of which are located anywhere outside the Territory's physical boundaries, whether or not these establishments market their products and services in, provide Catering in, or draw customers from the Territory. Nor will Franchisee have any protection against competition from foodservice and other operations under the Marks in or at Non-Traditional Venues, whether such Non-Traditional Venues are physically located inside or outside the Territory. On the other hand, there will be no limitation on the geographic area from which the Franchised Restaurant may draw customers. Franchisee may only place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located within the Territory, provided Franchisee will not be deemed to be in violation of this Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective customers outside of the Territory. In addition, Franchisee will have no protection against competition from restaurants, other retail establishments, or any other distribution channel operated, franchised, licensed, or otherwise permitted by Company or any of its Affiliates under trademarks and brand names other than the Marks, whether located or operating inside or outside the Territory, even if such restaurants, other retail establishments, and distribution channels offer and sell the same products and services as the Franchised Restaurant.

(b) Company will not open or authorize anyone except Franchisee to operate a Hawaiian Bros Restaurant from a physical premises located in the Territory. However, this protection will not apply to, and Franchisee will have no competitive protection from, Special Outlets that Company or another franchisee or licensee (with Company's authorization) operates, either permanently, temporarily or seasonally.

(c) The Territory will in all cases be deemed to exclude any and all Non-Traditional Venues physically located within the Territory, meaning that all such Non-Traditional Venues will not be deemed to be a part of the definition of the Territory, Franchisee may not operate at such Non-Traditional Venues, and there are no restrictions whatsoever on Company's activities in or at those Non-Traditional Venues, including, but not limited to, its right to operate and grant others the right to engage in foodservice operations under the Marks at such Non-Traditional Venues.

(d) Nothing contained in this Section 4 will prohibit or restrict Company, its Affiliates or its licensees from engaging in the distribution of proprietary sauces, shirts or other memorabilia, food or merchandise, whether or not identified by or associated with the Hawaiian Bros Island Grill brand name or logo, to or through commercial establishments that are not affiliated with Company or associated with the System, including (for example) department stores or supermarkets. Company and its Affiliates may exercise their distribution rights, both inside and outside the Territory.

(e) Nothing contained in this Section 4 will prohibit or restrict Company, its Affiliates or its licensees from selling proprietary sauces, shirts or other memorabilia, food or merchandise to customers inside the Territory through catalogues, telemarketing campaigns, an Internet Website and other direct-order techniques. Company, its Affiliates or its licensees may distribute sales solicitation materials in the Territory and broadcast television and radio commercials for direct-order merchandise into the Territory, without being deemed to infringe Franchisee's competitive protection rights.

(f) Franchisee acknowledges and agrees that Company has no express obligation or implied duty to insulate or protect Franchisee's revenues from erosion as the result of competition that is not prohibited by this Section 4. Franchisee expressly waives and relinquishes any right to assert any claim against Company based on the actual or arguable existence of any such obligation or duty.

5. MODIFICATION OF CONCEPT, TRADE DRESS AND EQUIPMENT STANDARDS.

(a) Company reserves the right to modify the Franchised Restaurant concept, Trade Dress and Standards from time to time through changes to or a supplement of the Operations Manual for a variety of reasons to protect the quality of Company's brand, products, and services. These reasons include the need to (1) respond to changes in consumer expectations and buying trends, (2) take advantage of efficiencies made possible by growth of the Hawaiian Bros Island Grill restaurant chain, (3) implement efficiencies made possible by technological advances or as a result of Company's research and development activities, (4) implement co-branding alliances with other companies, or (5) meet competition. Without limiting the foregoing rights, Company specifically reserves the right and discretion to (i) change authorized or required menu items, or change their names, recipes or image, (ii) change the Trade Dress and equipment and fixtures Standards for Hawaiian Bros Restaurants, (iii) add or change the Standards for customer services (such as Catering and Delivery Service), (iv) change uniform requirements, and (v) require the use of new or different Information Systems. Depending on the nature of the required modification, Franchisee will have a minimum of five days and a maximum of six months to complete any changes, as specified in the Operations Manual or any changes or supplements thereto.

(b) Company requires that all Hawaiian Bros Restaurants install and maintain a computer-based Information System that permits communication between Company and Hawaiian Bros Restaurant

franchisees. The Information System may involve or include an Intranet network that Company designs and administers for the System. Franchisee acknowledges that this Section 5 obligates Franchisee to install the type and capacity of computer, POS cash register, modem and peripheral equipment, telephone system and audio/visual and any other equipment Company designates and to participate in the Information System in accordance with Standards, protocols, terms and procedures Company includes in the Operations Manual or any supplements or changes to the Operations Manual. Franchisee further agrees to install additions, substitutions and upgrades to the hardware, software, and other items in the Information System as modified from time to time through the Operations Manual.

(c) If Company allows the Franchised Restaurant to participate in any new product test, Franchisee will participate in the test in accordance with the Standards and will discontinue offering any product that Company decides not to add permanently to the authorized Hawaiian Bros Restaurant menu or other authorized merchandise list.

(d) If Franchisee develops or suggests an innovation or improvement that Company decides to incorporate into the Hawaiian Bros Island Grill restaurant concept or System, either temporarily or permanently, Franchisee will assign ownership of the innovation or improvement to Company without compensation within 90 days after such innovation or improvement is implemented. The sole consideration for the assignment will be Company's giving Franchisee recognition and credit for the innovation or improvement in announcing it to members of the System.

6. COMPANY SERVICES AND ASSISTANCE.

(a) Development Stage Assistance. Company will provide the following services and assistance to Franchisee before Franchisee opens the Franchised Restaurant:

(1) Company will designate the Territory and provide Franchisee with site selection guidelines and site selection assistance as Company deems advisable.

(2) Company will provide Franchisee a list of any required furniture, fixtures, and equipment that Franchisee must install in the Franchised Restaurant and, if such items must be purchased from a pre-approved or designated distributor or supplier, the list of pre-approved or designated distributors and suppliers from which Franchisee may or must purchase such items.

(3) Company will furnish Franchisee with the names of any designated or approved suppliers, which may include Company and its Affiliates, for supply of inventory and supplies for the Franchised Restaurant.

(4) (i) Company will provide an initial training program at Company's headquarters or other location(s) designated by Company at various dates and times specified by Company. Franchisee (if Franchisee is a Business Entity, its Designated Principal or another representative approved by Company to attend initial training in lieu of the Designated Principal), its General Manager and Franchisee's Executive Management must attend and complete the initial training program to Company's satisfaction no later than 30 days before the date the Franchised Restaurant begins operation. Company will provide such initial training program to Franchisee, its General Manager, and Franchisee's Executive Management without charging tuition or a training fee, provided Franchisee must pay all costs and expenses, including lodging, meals and transportation costs and wages and benefits for any employee, that Franchisee or its trainees incur in attending Company's initial training program. Company will determine whether Franchisee, the General Manager, and Franchisee's Executive Management have

satisfactorily completed initial training. If Franchisee, the General Manager or any of Franchisee's Executive Management does not complete the initial training course to Company's satisfaction, he or she must re-take the training program at Franchisee's expense, including payment of Company's then-current initial training fee. If Franchisee, its General Manager, or any of Franchisee's Executive Management does not successfully complete Company's initial training program a second time, Franchisee will be in material default under this Agreement. Notwithstanding the foregoing, if the Franchised Restaurant is Franchisee's second or later Restaurant, only the General Manager and other Restaurant-level Executive Management must complete the initial training program.

(ii) In addition to any other remedies available to Company, if Company determines that Franchisee (or the Designated Principal or other approved trainee) and/or the General Manager and/or any other Executive Management is unable to complete initial training to Company's satisfaction, Company has the right to postpone the opening of the Franchised Restaurant until two qualified and fully-trained candidates are available.

(iii) Company may, at its sole discretion, require supplemental, refresher training or recertification examination for Franchisee (or the Designated Principal) and its managers at Franchisee's expense.

(iv) If Franchisee is involved in the transfer or sale of any interest in the Franchised Restaurant, the potential owner or interest holder must be approved by Company through the normal application approval process and approved for training. Any new owner designated as Designated Principal, any new General Manager and any new Executive Management of the Franchised Restaurant are required to complete the training program before the transfer or sale occurs.

(5) Company will loan Franchisee one set of, or otherwise give Franchisee digital access to, the Operations Manual and other relevant training materials. Company may charge Franchisee a reasonable fee if Company agrees (although Company is not obligated to do so) to give Franchisee more than one physical copy of its Operations Manual or training materials or a physical copy of the Operations Manual or training materials if Company's standard practice is to provide digital access to the Operations Manual and/or other relevant training materials.

(6) Company will advise Franchisee in planning its Grand Opening Campaign.

(b) Operational Assistance. Company will provide the following services and assistance to Franchisee after the Franchised Restaurant opens:

(1) Subject to Company's then-current new Hawaiian Bros Restaurant opening assistance program, Company will provide Franchisee up to three weeks of pre-opening trainers. Franchisee must reimburse Company for all lodging, meals and transportation costs incurred by Company to provide such pre-opening trainers. The level of pre-opening support provided by Company will be determined in accordance with the criteria established by Company from time to time and may vary depending on factors such as the number of Hawaiian Bros Restaurants Franchisee operates, the number of certified trainers Franchisee employs, and whether or not Franchisee is required to maintain a certified training restaurant under Company's then-current opening assistance program.

(2) Company will make available to Franchisee training programs and seminars and other related activities as Company may conduct for its franchisees generally, which may be

mandatory for Franchisee, its General Manager, Executive Management and other location personnel and may require payment of a fee.

(3) Subject to availability of Company trainers, Company will provide additional on-site training at the Franchised Restaurant upon Franchisee's request. Franchisee must pay Company's hourly training fee for each trainer as well as reimburse Company's costs and expenses incurred in connection with providing such additional training.

(4) Company will maintain and administer the Ad Fund, provided Company's costs and expenses incurred in connection with such administration may be paid out of the Ad Fund.

(5) Company will occasionally visit the Franchised Restaurant to conduct Inspections.

(6) Company will arrange for the production and distribution of its proprietary products used in the preparation of certain menu items.

(7) Company will give Franchisee access to additions and supplements to the Operations Manual as they become available.

(8) So long as Franchisee complies with Franchisee's financial, operational and reporting obligations under this Agreement, Company will invite Franchisee to attend (at Franchisee's expense) all conventions, seminars and other franchisee-oriented functions Company from time to time plans and sponsors and which are open to all franchisees generally. Company may charge a fee to attend its Convention.

(9) Company will permit Franchisee to purchase equipment and inventory from or through any distribution network Company establishes for distribution within an area that includes the Franchised Restaurant. Company will not be liable to Franchisee for any loss or damage, or be deemed to be in breach of this Agreement, if Company cannot deliver or cause to be delivered, or if Company's Affiliates or designated sources or approved suppliers cannot deliver, Franchisee's orders for products, merchandise, equipment, supplies, and other items when such items are out-of-stock or discontinued. Company and its Affiliates have the right to receive payments from suppliers on account of their actual or prospective dealings with Company, its Affiliates, Franchisee, and other franchisees and to use all amounts received without restriction for any purposes Company and its Affiliates deem appropriate.

7. FRANCHISEE'S PERFORMANCE.

(a) Business Entity Requirements. If Franchisee is a Business Entity, the following requirements apply:

(1) Franchisee must be newly organized and its Charter Documents must provide that Franchisee's purposes and activities are restricted exclusively to operating Hawaiian Bros Restaurants.

(2) True, complete and duly authenticated copies of Franchisee's Charter Documents and of a resolution of Franchisee's board of directors, managers, general partner or other managing body authorizing Franchisee to enter into and perform this Agreement must be furnished to Company prior to the execution of this Agreement.

(3) Franchisee's Charter Documents must impose transfer restrictions that give effect to Section 13(a), and each certificate representing an Ownership Interest in Franchisee must contain or have conspicuously noted upon its face a statement in a form satisfactory to Company to the effect that any assignment or transfer of the certificate is subject to all restrictions this Agreement imposes on transfers and assignments.

(4) Franchisee must complete the information required in **Exhibit C** before signing this Agreement or opening the Franchised Restaurant, as Company specifies, and furnish a current version of the list to Company within ten days after any change (some of which changes are subject to Section 13) and upon Company's request. Each Person Company designates, including Principals, General Managers, Executive Management and any other person identified on **Exhibit C**, must sign an agreement undertaking to be bound by confidentiality, non-competition, and non-solicitation covenants in the form attached as **Exhibit E** ("**Confidentiality and Non-Competition Agreement**").

(b) Restaurant Premises. Franchisee is responsible for locating, financing, developing and purchasing or leasing the Restaurant Premises. Franchisee acknowledges that selection and procurement of the Restaurant Premises is its responsibility and Company's approval of the Restaurant Premises and rendering of assistance in the selection of the Restaurant Premises does not constitute any representation, guaranty or warranty by Company that the Franchised Restaurant operated at that Restaurant Premises will be successful. Franchisee's Restaurant Premises must meet the following conditions:

(1) Company has no responsibility for any lease; it is Franchisee's sole responsibility to evaluate, negotiate and enter into a lease or a purchase agreement for the Restaurant Premises in accordance with the terms of the Development Agreement. Franchisee must furnish Company with an executed lease within five days after its execution.

(2) Franchisee must maintain and periodically refresh the building, equipment, fixtures, furnishings, signage and Trade Dress (including the interior and exterior appearance) used in the operation of the Franchised Restaurant in accordance with Company's requirements established periodically and any Inspections or other periodic evaluations of the Restaurant Premises by Company's representatives. From time to time as Company requires, Franchisee must modernize and/or replace aspects of the Restaurant Premises, Trade Dress and equipment as may be necessary for the Franchised Restaurant and Restaurant Premises to conform to the Standards for similarly situated new Hawaiian Bros Island Grill franchisees, which modernization and/or replacement may include a comprehensive remodel of the Restaurant Premises.

(3) Each transfer subject to Section 13 and each renewal under Section 11 are expressly conditioned upon Franchisee's compliance with Company's then-current modernization or replacement requirements.

(c) Restaurant Construction. The Franchised Restaurant and Restaurant Premises must be designed, laid out, constructed or renovated, furnished, and equipped to meet the Standards, and Franchisee must satisfy any conditions to Company's approval of the development of the Restaurant Premises. Any deviations from the Standards must have Company's prior written approval. Any plans that Company provides to Franchisee, and Company's approval of any plans Franchisee submits to Company, relate solely to compliance with the Standards and should not be construed as a representation or warranty that the plans comply with applicable laws and regulations. Franchisee is solely responsible for ensuring that construction plans comply with applicable laws and regulations. At Company's request, Franchisee must promptly correct any unapproved deviations from the Standards in the development of the Franchised Restaurant or Restaurant Premises.

(d) Construction and Operations. In connection with the construction and operation of the Franchised Restaurant, Franchisee agrees to fulfill the following requirements and perform the obligations and observe the restrictions stated in this Section 7(d):

(1) After the Franchised Restaurant opens, Franchisee will not alter its furniture, fixtures, equipment, signs or Trade Dress without Company's express prior permission.

(2) Franchisee will affix to an exterior window or display prominently on an interior wall of the Franchised Restaurant a decal or placard containing the following statement: "This restaurant is owned, operated, and managed by _____ under a license from Hawaiian Bros Franchising, LLC," and never make a statement or representation to any Person that is contrary to or inconsistent with Section 21 of this Agreement.

(3) Franchisee will send its Designated Principal and any other Controlling Principal that we require, the General Manager and Franchisee's Executive Management to the training program described in Section 6(a)(4). The General Manager and at least one other member of Franchisee's Executive Management must complete Company's training program (including all training hours) with a passing grade before the Franchised Restaurant may open for business.

(4) As soon as Franchisee obtains a telephone number, Internet domain name registration or Social Media account for the Franchised Restaurant, Franchisee will sign and deliver to Company an Assignment of Telephone Number(s) and Online Presence for its telephone number(s), Internet domain name registration(s) and Social Media accounts in the form attached to this Agreement as **Exhibit B**. If the Franchised Restaurant's telephone number(s), Internet domain name registration(s) or Social Media accounts change during the Term, or if Franchisee adds an additional number, domain name registration or Social Media account, Franchisee will promptly sign and deliver to Company a new Assignment of Telephone Number(s) and Online Presence for the new or additional number(s), name(s) and account(s).

(5) Franchisee will open the Franchised Restaurant for business not later than the Scheduled Opening Date specified beneath the signature block of this Agreement and will operate it continuously throughout the entire Term solely under the Hawaiian Bros Island Grill trade name and System. If the Franchised Restaurant's completion is interrupted by a natural disaster, fire or other casualty, labor dispute, materials shortage, or similar event over which Franchisee lacks control (such "force majeure" events do not under any circumstances include Franchisee's financing delays or difficulties), the Scheduled Opening Date will be extended for the time reasonably necessary to remedy the effects of the occurrence. The extension provided in this Section will be available only if Franchisee gives Company prompt written notice of the event's occurrence and an estimate of the time required to remedy its effects.

(6) Franchisee must conduct an advertising campaign promoting and announcing the grand opening of the Franchised Restaurant (the "**Grand Opening Campaign**"). The Grand Opening Campaign must be conducted during a period of time approved by Company in connection with the opening of the Franchised Restaurant and be conducted in the manner that we specify or otherwise approve. You must spend on the Grand Opening Campaign the minimum amount specified on the signature page to this agreement.

(7) Franchisee will (i) comply with and adhere to the Standards, policies and procedures set forth in the Operations Manual, as revised and supplemented from time to time, (ii) follow Company procedures in the storage, preparation, presentation and dispensing of authorized menu items, and other authorized Hawaiian Bros Restaurant merchandise and the acquisition of

items from approved suppliers, (iii) purchase and use fresh, processed and prepackaged ingredients that satisfy or exceed the minimum grade or quality Standards Company from time to time specifies, (iv) purchase from Company or a source Company designates and exclusively use Hawaiian Bros Island Grill brand sauces and other proprietary products specially produced for the Hawaiian Bros Island Grill restaurant chain, and (v) purchase inventory and supplies only from suppliers Company designates or approves from time to time, the number of which may be limited by Company. Franchisee acknowledges that Company and/or a Company Affiliate may be a supplier of approved or required inventory, supplies, equipment or merchandise and Company or one of its Affiliates may be the only approved supplier with respect to certain of such items, some of which may be required.

(8) Franchisee will provide appropriate training, supervision (including any minimum levels of management as may be required by Company) and security for all personnel employed in the Franchised Restaurant, maintain standards of prompt and courteous customer service (consistent with the Aloha spirit and core value of the System to treat each other and customers like *Ohana* (Hawaiian for family)), and instruct all employees of the Franchised Restaurant in the proper use and display of the Marks and the confidential handling of the Trade Secrets and the Operations Manual, as stated in Section 12.

(9) Franchisee will ensure that all of the Franchised Restaurant's employees follow Company's grooming and dress code and wear only approved uniform items, including any uniform items required by Company.

(10) Franchisee will notify Company promptly of any change in the General Manager and then recruit, hire and send for training a suitable qualified replacement General Manager within a reasonable time, which, subject to Company's training schedule, will in no case exceed 60 days from the date the former General Manager departed or was no longer qualified to serve as General Manager. Franchisee will pay Company its then-current initial training fee to provide initial training to any replacement General Manager. Franchisee will also pay all costs and expenses, including lodging, meals and transportation costs, and wages and benefits for such trainee, that Franchisee or its trainee incurs in attending Company's initial training program.

(11) Franchisee will notify Company promptly of any change in its Executive Management and then, unless otherwise approved by Company in writing, recruit, hire and send for training a suitable qualified replacement for the open Executive Management position(s) within a reasonable time, which, subject to Company's training schedule, will in no case exceed 60 days from the date of departure of any individual in Franchisee's Executive Management. Franchisee will pay Company its then-current initial training fee to provide initial training to any replacement Executive Management team member. Franchisee will also pay all costs and expenses, including lodging, meals and transportation costs, and wages and benefits for such trainee, that Franchisee or its trainee incurs in attending Company's initial training program.

(12) Franchisee will offer all foods and beverages included on Company's standard menu, as revised from time to time and, without Company's prior written consent, will not offer any foods, beverages or other merchandise that is not included on Company's authorized Hawaiian Bros Restaurant menu or other merchandise list, as revised from time to time.

(13) Franchisee will imprint the Hawaiian Bros Island Grill logo on all cups, containers, bags, take-out menus and other paper goods used in the Franchised Restaurant to the extent required by Company and in accordance with any instructions contained in the Operations Manual, and will

purchase items imprinted with the Hawaiian Bros Island Grill logo only from suppliers Company designates or approves.

(14) Franchisee will purchase, as they become available, and display in the Franchised Restaurant all (i) product identification materials, (ii) point-of-purchase promotional materials, (iii) promotional memorabilia and merchandise, and (iv) other advertising and marketing materials Company creates or authorizes for use by Hawaiian Bros Restaurant operators. Franchisee will purchase these materials from a source Company designates or approves.

(15) At Company's request, Franchisee will display at its own expense in a prominent, accessible place a "franchise opportunity" display for the purpose of increasing public awareness of the availability of Hawaiian Bros Restaurant franchises.

(16) Franchisee will use the Marks, the Trade Secrets, the Operations Manual and other Copyrighted Materials in strict compliance with Section 12 and in a manner tending to promote the goodwill and public image of the System and comply with all of Company's requirements regarding use of Social Media in connection with the Franchised Restaurant's operation or otherwise referencing the System.

(17) Franchisee will maintain the Franchised Restaurant's equipment and fixtures, and the customer seating, kitchen, storage and restroom areas of the Franchised Restaurant in a safe and sanitary condition at all times and will follow any Company procedures with regard to maintaining and cleaning such items and areas.

(18) Franchisee will maintain the physical appearance and integrity of the Restaurant Premises in accordance with the repair, refurbishing and remodeling Standards stated in the Operations Manual.

(19) Franchisee will permit Company representatives to conduct unannounced Inspections of the Franchised Restaurant at any time during normal business hours (such Inspections will not include a review of records which Company has no authority to control and/or remedy, such as Restaurant employee records, as Franchisee controls exclusively its labor relations and employment practices) and to interview the Franchised Restaurant's employees and customers. Franchisee must promptly correct any condition noted as "unsatisfactory" or "needs improvement" in a report and Company may identify a specific time period required to promptly correct such condition.

(20) Franchisee will maintain Restaurant business hours and days of operation in accordance with the Operations Manual.

(21) Franchisee will comply strictly with all federal, state and local laws and government regulations applicable to Franchisee's franchised business, including those relating to taxation, employment and promotion practices, employee wages, child and immigrant labor, disabled persons, workers' compensation, truth-in-advertising, occupational safety and health, service of alcoholic beverages and sanitation. Franchisee also must furnish Company copies of any licenses and certifications it is required to have to operate the Franchised Restaurant.

(22) Franchisee will (i) adopt and follow Company's fiscal year for accounting purposes, (ii) adopt and follow the accounting principles, policies and practices Company prescribes, including use of Company's standard chart of accounts, (iii) acquire, install and use the Information System Company specifies from time to time in the Operations Manual, (iv) install

and continually maintain a telephone line for the Franchised Restaurant's modem, and (v) furnish Company the modem's telephone number, as originally assigned and as changed from time to time.

(23) Franchisee will accurately calculate and report Gross Sales to Company at the times and through the procedures Company from time to time specifies (including electronic means). Franchisee acknowledges that Company may electronically poll the Franchised Restaurant's Information System to obtain Gross Sales data as well as other financial and operating information, excluding employee or employment-related information that is identifiable to an employee. Franchisee agrees to maintain continual data network access to the Franchised Restaurant's Information System for use by Company.

(24) Within ten days of any Company requests, Franchisee will furnish Company copies of all annual returns for federal and state income, franchise, business occupation, commercial activity, excise, or similar taxes, and all sales tax returns, filed by Franchisee with respect to the Franchised Restaurant's income, business, or sales for the applicable time period. Franchisee hereby authorizes, and agrees to execute any documents deemed necessary to effect authorization from, all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other Persons with which Franchisee does business to disclose to Company any requested financial information in their possession relating to Franchisee or the Franchised Restaurant. Franchisee authorizes Company to disclose data, excluding employee or employment-related data that is identifiable to an employee, from Franchisee's reports (including to third parties) if Company determines that such disclosure is necessary or advisable.

(25) Franchisee must maintain up-to-date business records and will permit Company, at any time during the Term and for three years thereafter, to conduct an audit of Franchisee's books and records (other than the Franchised Restaurant's employee records, as Franchisee controls exclusively its labor relations and employment practices) relating to the Franchised Restaurant's operation. To assist Company in planning and conducting its audit program, Franchisee expressly authorizes Company to obtain from any vendor with which Franchisee does business copies of invoices and other sales data related to Franchisee's account with the vendor. Company also may require Franchisee to provide business records, including, but not limited to, bookkeeping and accounting records, invoices, and sales tax records. If an audit establishes that Franchisee's Royalties, Ad Fund contribution, local area marketing reports, or profit and loss statements have understated Gross Sales for any fiscal year or other period reviewed by 2% or more, or if Company's desire to audit is prevented or impeded by Franchisee's failure to maintain or provide the necessary records and information, Franchisee must pay the costs to conduct the audit, including the costs and expenses of travel, lodging, and food of the Persons who conduct or attempted to conduct the audit, as well as the costs of any external auditor or allocable salary and benefits of the Persons on any internal audit team. Otherwise, Company will bear the audit's entire cost. Franchisee must promptly pay Company any Royalties, Ad Fund contribution, and other payment deficiencies established by an audit, together with interest as provided in Section 14.

(26) Within 30 days after the end of each calendar quarter or other time period as may be communicated by Company from time to time, Franchisee must furnish Company with a balance sheet and profit and loss and cash flow statements for the Franchised Restaurant for the applicable time period. Franchisee will maintain complete and accurate books and records relating to the operation of the Franchised Restaurant in accordance with Section 7(d)(22) and Section 7(d)(25), permit Company representatives to inspect such books and records at reasonable times and, within 45 days after the end of each fiscal year of the Franchised Restaurant (90 days if required to be audited or reviewed), submit to Company a balance sheet, income statement and statement of cash flow for the year then ended. These financial statements must be prepared by an independent

certified public accountant, disclose separately the items specified by Company on forms it provides and be prepared in accordance with the accounting principles and practices Company prescribes, and be compiled, reviewed or audited at Company's election. If Franchisee is at any time required to furnish any lender, lessor, government agency or other person any financial statements with respect to Franchisee's franchised business, Franchisee must concurrently furnish Company a copy of such financial statements. Franchisee must maintain for at least three years from the dates of their preparation full, complete, and accurate books, records, and accounts, including, but not limited to, sales slips, coupons, purchase orders, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers in accordance with Company's requirements. Franchisee acknowledges that Company may disclose publicly anonymized or aggregated results of operations and other information of Hawaiian Bros Island Grill franchisees, including Franchisee, and certain former Hawaiian Bros Island Grill franchisees, and Franchisee gives Company permission to do so.

(27) (i) Franchisee will carry continuously during the Term insurance of the types, in the amounts, and with the coverages the Operations Manual specifies from time to time. Unless and until the Operations Manual specifies otherwise, Franchisee must carry the following minimum insurance:

- All risk property insurance;
- Business interruption insurance covering actual loss sustained or otherwise in an amount sufficient to cover all of your continuing fixed payment obligations, specifically including Royalties, Ad Fund contributions and any other reoccurring amounts due to Company under this Agreement;
- Commercial general liability in an amount not less than $1,000,000 per occurrence and $2,000,000 in the aggregate;
- Umbrella policy in an amount not less than $5,000,000;
- Workers' compensation in amounts statutorily required by applicable state laws;
- Cyber liability insurance in an amount not less than $1,000,000;
- Other insurance required by the state or local authority; and
- Any insurance coverage required by a lease relating to the Restaurant or Restaurant premises.

Each policy must (1) be obtained from an insurance carrier that has and maintains an A-VII or better and is authorized to do business in the state in which the Franchised Restaurant is located, (2) name Company and its parent companies, subsidiaries, and all other Affiliates, and their respective officers, directors, shareholders, agents, representatives, and employees, as additional insureds for claims arising from Franchisee's products and/or operations and include a waiver of subrogation in favor of Company (except in the case of employment practices liability and workers' compensation insurance), (3) respond on a primary and non-contributory basis to any insurance carried by Company or its Affiliates, and (4) provide for not less than 10 days' prior notice to Company of modification, cancellation or non-renewal.

(ii) Franchisee must furnish Company certificates of insurance and, at Company's request, actual policies to prove that such insurance coverage is in effect, both prior to the opening of the Franchised Restaurant and annually within five days after each policy renewal date. If Franchisee fails to maintain the required insurance, Company may obtain coverage on Franchisee's behalf and charge the cost to Franchisee. Franchisee agrees to reimburse Company for the premium costs it incurs to provide such coverage,

plus interest as provided in Section 14, within ten days after Company submits a statement for its costs.

(28) (i) Franchisee must defend (at Company's request and with counsel approved by Company), indemnify, and hold harmless the Indemnified Parties from and against all Losses arising out of or in any way related to (1) the Franchised Restaurant's operations, (2) any actual or alleged act or omission by Franchisee or any of its Principals, directors, managers, officers, agents, contractors, servants, employees or licensees (including the performance by Franchisee or Principal of any act required by, or performed pursuant to, any provision of this Agreement) or (3) Franchisee's breach of this Agreement.

(ii) It is the intention of the parties that Company shall not be deemed a joint employer with Franchisee for any reason; however, if Company incurs any Loss as a result of any actions or omissions of Franchisee or its employees, including any that relate to any party making a finding of any joint employer status, Franchisee will fully indemnify Company for any such Loss.

(iii) Franchisee has no obligation to indemnify or hold harmless an Indemnified Party for any Losses to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's gross negligence, willful misconduct, or willful wrongful omissions.

(iv) THE FOREGOING INDEMNITIES ARE INTENDED TO BE ENFORCEABLE IN ACCORDANCE WITH THE EXPRESS TERMS AND SCOPE THEREOF NOTWITHSTANDING ANY EXPRESS NEGLIGENCE RULE, DOCTRINE RELATING TO INDEMNIFICATION FOR STRICT LIABILITY OR ANY SIMILAR DIRECTIVE THAT WOULD PROHIBIT OR OTHERWISE LIMIT INDEMNITIES BECAUSE OF THE NEGLIGENCE (WHETHER SOLE, CONCURRENT, ACTIVE OR PASSIVE) OR OTHER FAULT OR STRICT LIABILITY OF ANY INDEMNIFIED PARTY.

(v) Franchisee's obligations in this Section 7(d)(28) will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

(29) Franchisee will not, without Company's prior written consent and without complying with Section 13, sell any interior or exterior sign bearing or representing any of the Marks, sell all or substantially all the Franchised Restaurant's assets, assign or sublease the Restaurant Premises to any Person, or assign, delegate, or otherwise transfer any rights to manage the Franchised Restaurant or make decisions with respect to the operations thereof.

(30) Franchisee, including the Designated Principal, General Manager, Executive Management, and any other Franchisee management personnel to the extent designated by Company must attend, at Franchisee's expense, any Convention Company may hold or sponsor. Franchisee's failure to attend a Convention is a material breach of this Agreement. Company reserves the right to charge Franchisee a fee to attend any Convention, and Company may collect such a fee from Franchisee whether Franchisee attends or not. Nothing in this Agreement is intended to require Company to hold any Conventions or other meetings.

(31) Franchisee must participate in, and comply with the requirements of, any gift card, customer loyalty or retention, SMS/text messaging, mobile app or similar program, or special

promotional program that Company implements for all or part of the Hawaiian Bros Restaurant chain and sign the forms and take the other action that Company requires in order for Franchisee to participate in such programs. Franchisee may not participate in any such type of programs at the local or Area Cooperative level, including but not limited to any collection of SMS numbers or sending of SMS messages, without Company's prior written consent.

(32) Franchisee must participate in, and comply with the requirements of, any guest satisfaction surveys or similar programs that Company implements for all or part of the Hawaiian Bros Restaurant chain from time to time. Without limiting the foregoing, if Company receives a complaint relating to an experience at the Franchised Restaurant, Company may compensate the guest as Company determines appropriate and Franchisee must reimburse Company for an amount equal to the retail value of the compensation provided.

(33) Franchisee will offer Delivery Services in accordance with all delivery standards and procedures as they are established and modified by Company in its discretion from time to time. Franchisee may only offer Delivery Services within the boundaries designated or approved by Company in its discretion. Third-party Delivery Services may be limited to certain approved or required vendors.

(34) Franchisee agrees to notify Company within five days after the commencement of any action, suit, arbitration, proceeding, or investigation, or the issuance of any order, writ, injunction, award, or decree, by any court, agency, or other governmental instrumentality which names Franchisee, any Controlling Principal, the Designated Principal, any individual in Franchisee's Executive Management, or the Franchised Restaurant's General Manager as a party or otherwise concerns the operation of the Franchised Restaurant or Franchisee's financial condition.

(35) Franchisee must furnish Company with copies of any amendments, riders, or renewals to the lease for the Restaurant Premises within five days after execution.

(36) Franchisee agrees to (i) pay promptly when due all payments, obligations, assessments and taxes due and payable to Company, its Affiliates, or any vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with Franchisee's business; (ii) promptly discharge and remove all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Franchised Restaurant; and (iii) timely pay all accounts and discharge other indebtedness of every kind incurred by Franchisee in connection with the operation of the Franchised Restaurant. If Franchisee defaults in making any such payment, Company is authorized, but not required, to pay and discharge the same on Franchisee's behalf and Company may debit Franchisee's account for any such payment as contemplated in Section 10(b).

8. ADVERTISING AND PROMOTIONS.

(a) Advertising and Development Fund.

(1) Company has established and administers an Ad Fund for the purpose of enhancing the goodwill and public image of the System through advertising and promotions. Franchisee agrees to make contributions to the Ad Fund in the manner and at the rate Company establishes from time-to-time on a system-wide basis. Company may not establish an Ad Fund contribution rate that, when combined with the Minimum Local Ad Spend is in excess of 4% of Gross Sales (*i.e.*, Company may unilaterally establish an Ad Fund contribution rate that, when combined with

the Minimum Local Ad Spend, is up to 4% of Gross Sales). As of the Effective Date, the Ad Fund contribution rate and the Minimum Local Ad Spend is an aggregate 4% of Gross Sales, with such amounts allocated between the Ad Fund and local advertising as determined by Company.

(2) Company will direct all advertising and promotions that the Ad Fund finances, with sole control over the creative concepts, graphics, materials, communications media, and endorsements used and their geographic, market, and media placement and allocation. The Ad Fund may be used to pay for creating, preparing, and producing video, audio, and written materials, graphics, and electronic media; developing, implementing, operating, and maintaining the Internet Website, App, Intranet and/or related strategies; administering national, regional, multi-regional, and local advertising and promotions, including, without limitation, purchasing media advertising, conducting direct mail and other direct marketing campaigns, doing on-line Internet advertising and marketing (including paying click-through charges to search engines, banner advertising sources, and advertising host sites), conducting research and other advertising and promotions tactics, and using advertising, promotions, customer relation management, graphic design, marketing, and research agencies and other advisors to provide assistance; supporting public relations, market research, customer satisfaction surveys, and other advertising, promotions, and research activities; paying dues for membership and participation in franchising and industry associations; paying third-party vendors to customize advertising and promotions materials for in-restaurant and local use by franchisees; creating or placing advertisement for solicitation of franchisees; and engaging in other brand enhancement activities.

(3) Company will account for the Ad Fund separately from its other monies (although Company need not keep Ad Fund contributions in a separate bank account) and not use the Ad Fund for any of its general operating expenses. However, Company may use the Ad Fund to pay (a) the salaries and benefits of personnel who manage and administer the Ad Fund and work on Ad Fund business/activities; (b) the Ad Fund's other administrative costs; (c) travel expenses of personnel while they are on Ad Fund business; (d) meeting costs, including Conferences; (e) overhead relating to Ad Fund business; (f) a management fee for Company (or an Affiliate); and (g) other expenses that Company incurs in activities reasonably related to administering or directing the Ad Fund and its programs and collecting and accounting for Ad Fund contributions, including, without limitation, taxes Company must pay on Ad Fund contributions Company receives, conducting market research, public relations, and creating, preparing, and producing advertising, promotions, and marketing materials.

(4) Company does not owe any fiduciary obligation to Franchisee for administering the Ad Fund. The Ad Fund may spend in any fiscal year more or less than the total Ad Fund contributions in that year or the unspent contributions then available in the Ad Fund (if rolled over from a previous year), borrow from Company or its Affiliates (paying reasonable interest) to cover deficits, or invest any surplus for future use. At the end of Company's fiscal year, any unused Ad Fund contributions will roll over for use during the following fiscal year.

(5) Company may have the Ad Fund audited annually, at the Ad Fund's expense, by an independent certified public accountant Company selects.

(6) Company intends the Ad Fund to maximize recognition, and enhance system protection, of the Marks and increase patronage of Hawaiian Bros Restaurants. Company need not ensure that Ad Fund expenditures in or affecting any geographic area are proportionate or equivalent to Ad Fund contributions by Hawaiian Bros Restaurants operating in that geographic area or that any Hawaiian Bros Restaurant, including the Franchised Restaurant, benefits directly

or in proportion to its Ad Fund contributions from the development of advertising and promotions materials or the execution of advertising and promotions activities and programs.

(7) Except as expressly provided in this Section 8(a), Company assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing, or administering the Ad Fund.

(8) Company may at any time defer or reduce a Hawaiian Bros Island Grill franchisee's contributions and, upon 30 days' prior written notice to Franchisee, reduce the required Ad Fund contribution or suspend Ad Fund operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Ad Fund. If Company terminates the Ad Fund, Company will at its option spend all remaining Ad Fund monies on permitted advertising and promotions activities or distribute all unspent monies to Ad Fund contributors in proportion to their respective Ad Fund contributions during the preceding fiscal year.

(9) Company reserves the right to structure the Ad Fund's organization and administration in ways that, in Company's judgment, most effectively and efficiently accomplish the Ad Fund's objectives. Company may therefore organize or reorganize the Ad Fund into whatever entity it deems appropriate and transfer the Ad Fund's assets to the entity. If Company establishes a separate or new entity to administer the Ad Fund, Franchisee agrees to become a member of the entity and, in that regard, to sign a participation agreement and take such other steps as Company reasonably specifies.

(b) Local Advertising.

(1) In addition to its Grand Opening Campaign and Ad Fund contribution obligations, Franchisee agrees to spend monthly the percentage of the Franchised Restaurant's Gross Sales as specified by Company to advertise and promote the Franchised Restaurant locally (the "**Minimum Local Ad Spend**"). Company may increase or decrease the percentage of Gross Sales Franchisee is required to spend as the Minimum Local Ad Spend, provided the percentage of Gross Sales required for the Minimum Local Ad Spend when combined with the Ad Fund contribution rate may not be in excess of 4% of Gross Sales (*i.e.*, Company may unilaterally increase the percentage of Gross Sales required for the Minimum Local Ad Spend to a percentage that, when combined with the Ad Fund contribution rate, is up to 4% of Gross Sales). As of the Effective Date, the combined Ad Fund contribution rate and Minimum Local Ad Spend is 4% of Gross Sales. Franchisee's Area Cooperative contributions under Section 8(c) below will be credited toward the Minimum Local Ad Spend. Only funds spent by Franchisee on the purchase of approved advertising and marketing activities will count toward the Minimum Local Ad Spend. Without limiting the generality of the foregoing, Franchisee's costs and expenses for in-house marketing personnel or payments made to creative agency or ad fund personnel do not count toward the Minimum Local Ad Spend.

(2) Company reserves the right to establish and implement mandatory standards and/or an approval or audit process for any advertising that Franchisee proposes to conduct or advertising materials that Franchisee proposes to use that have not been provided by the Company for current use by Hawaiian Bros Restaurants, and Franchisee must comply with any such standards or process. Any advertising or advertising materials used by Franchisee will become Company's property, and there will be no restriction on Company's use or distribution of such materials.

(3) Franchisee agrees to participate in all system-wide promotions Company originates. Franchisee also agrees to participate in all system-wide advertising campaigns Company

creates. Franchisee must use the local advertising agency Company designates and the advertising materials Company creates for any system-wide advertising campaigns or promotions.

(4) At such regular intervals as Company may require and at any time upon Company's request, Franchisee must submit a local area marketing report to Company on a form Company provides. Each local area marketing report must show the amount Franchisee spent for local advertising and promotions during the relevant time period requested by Company and the way Franchisee spent those funds. Upon Company's request, Franchisee also must submit documents substantiating that Franchisee incurred and paid particular expenditures during the relevant time period.

(c) Area Cooperatives.

(1) Company may designate any geographic area in which two or more Hawaiian Bros Restaurants are located as a region for purposes of establishing an Area Cooperative, or Company may approve of the formation of an Area Cooperative by two or more Hawaiian Bros Island Grill franchisees. The members of the Area Cooperative for any area will consist of all Hawaiian Bros Restaurants located within the designated area, whether operated by Company, Company's Affiliates or Hawaiian Bros Island Grill franchisees. Company has the right to dissolve, merge or change the structure of the Area Cooperatives. Each Area Cooperative will be organized for the exclusive purposes of administering advertising programs and developing, subject to Company's approval as described above, promotional materials for use by the Area Cooperative members in local advertising. All governing documents for an Area Cooperative are subject to Company review and approval.

(2) If, in connection with an Area Cooperative's formation or functioning, its members are unable to resolve differences with respect to any disagreement over organization, administration, "spill" policy, contribution waivers or exceptions, budget or other matters within 45 days, the issue will be referred to Company for resolution. Company's decision with respect to the issue's resolution will be binding on all members of the Area Cooperative. In addition, Company reserves the right to review each Area Cooperative's contribution rate on an annual basis. In no event will a contribution rate exceeding the Minimum Local Ad Spend be counted toward the Ad Fund contribution rate or any contributions in any past or future time period.

(3) Franchisee agrees (i) to join, participate in, and actively support any Area Cooperative established for the geographic area in which the Franchised Restaurant is located, and (ii) to make contributions to each such Area Cooperative on the payment schedule adopted by the Area Cooperative's members and at the contribution rate specified by the Area Cooperative and approved by Company.

9. THE INTERNET AND INTRANET.

(a) Internet Website.

(1) Company may establish and maintain an Internet Website that provides information about the Hawaiian Bros Island Grill concept and the products and services that Hawaiian Bros Restaurants offer. Company will have sole discretion and control over the Internet Website's design and contents. Company will have no obligation to maintain the Internet Website indefinitely and may dismantle it at any time without liability to Franchisee.

(2) The Internet Website may identify participating Hawaiian Bros Restaurants by name, address, telephone number, and e-mail address. Franchisee will not have the capability to modify any page(s) on the Internet Website.

(3) Franchisee will have no right, license or authority to use any of the Marks on or in connection with the Internet or Social Media, except as may be permitted under, and in strict compliance with, Company's written policies or with Company's specific and express written consent.

(b) Intranet.

(1) Company may, at its option, establish and maintain an Intranet through which franchisees of the System may communicate with each other and through which Company may disseminate updates to the Operations Manual and other Confidential Information. Company will have no obligation to maintain the Intranet indefinitely and may dismantle it at any time without liability to Franchisee.

(2) Company may establish policies for the Intranet's use by franchisees and require Franchisee to acknowledge and/or sign such policies. Franchisee acknowledges that, as administrator of any Intranet, Company can technically access and view any communication that any Person posts on the Intranet. Franchisee further acknowledges that the Intranet facility and all communications that are posted to it will become Company's property, free of any claims of privacy or privilege that Franchisee or any other Person may assert.

(3) Upon receipt of notice from Company that an Intranet has become functional, Franchisee agrees to purchase and install all necessary additions to the Franchised Restaurant's Information System and to establish and continually maintain electronic connection with the Intranet that allows Company to send messages to and receive messages from Franchisee. Franchisee's obligation to maintain connection with the Intranet will continue until this Agreement's expiration or termination or, if earlier, until Company dismantles or otherwise discontinues the Intranet.

(4) If Franchisee fails to comply with any term of this Agreement, or if Franchisee fails to comply with any policy or procedure governing the Intranet, Company may temporarily suspend Franchisee's access to the Intranet, including any chat room, bulletin board, list-serve or similar feature the Intranet includes, until such time as Franchisee fully cures the breach.

(5) Company reserves the right to charge Franchisee a reasonable license fee or technology fee to use the Intranet or to reimburse Company for certain expenses incurred in connection with the computer system, software, app, API, or any other technology developed for or used by the System.

10. ROYALTIES.

(a) In consideration for Franchisee's continuing use of the Marks and the System, Franchisee agrees to pay Company continuing royalties equal to 6% of Gross Sales ("**Royalties**").

(b) Royalties (and Ad Fund contributions under Section 8(a)) will be payable weekly by automatic debit of Franchisee's account. Franchisee will authorize Company and its bank to debit Franchisee's account directly for Royalties, Ad Fund contributions, Area Cooperative contributions (if applicable), and all other amounts due under this Agreement or in connection with the Franchised

Restaurant's operation, including amounts due for Franchisee's purchases of products and services from Company, its Affiliates and/or unaffiliated vendors. Franchisee must sign and deliver an Authorization Agreement for Preauthorized Payments in the form attached to this Agreement as **Exhibit A** or such other document/authorization that Company periodically specifies. Royalties and Ad Fund contributions will be payable without notice or demand on Wednesday of each week with respect to Franchisee's Gross Sales for the week ending the preceding Saturday. By notice in writing to Franchisee, Company may from time to time change the payment interval, the payment date and/or the manner of payment. Company may, on the day Company specifies, debit Franchisee's account for any other amounts Franchisee owes Company, its Affiliates and/or unaffiliated vendors.

(c) Franchisee must report Gross Sales for the week ending the prior Saturday night in accordance with Section 7(c)(23), and Company will calculate Franchisee's Royalties payment (using the applicable royalty rate determined under Section 10(a)) and Ad Fund contribution and draft Franchisee's account. If Franchisee fails to report the Gross Sales for any week by that week's deadline, Company will reasonably estimate Franchisee's Gross Sales and also charge a non-refundable fee of $250, to be electronically withdrawn in the same manner as Royalties and Ad Fund contributions, due to Franchisee's failure to report. At Company's discretion, adjustments to Company's estimate may be made after Franchisee furnishes the missed Gross Sales report.

(d) Franchisee will not be entitled to withhold payment of Royalties, Ad Fund contributions, or any other amounts due to Company or its Affiliates on account of Company's breach or alleged breach of its obligations under this Agreement; Company's performance under this Agreement constitutes no part of the consideration for Franchisee's obligation to make required payments.

(e) Franchisee is obligated to pay all state and local taxes, including, without limitation, taxes denominated as income or franchise taxes, that may be imposed on Company as a result of its receipt or accrual of the Initial Franchise Fee, Royalties, Ad Fund contributions, or other fees that are referenced in this Agreement, whether assessed against Franchisee through withholding or other means or whether paid by Company directly. In either case, Franchisee is obligated to pay Company (and the appropriate governmental authority) such additional amounts as are necessary to provide Company, after taking such taxes into account (including any additional taxes imposed on such additional amounts), the same amounts it would have received or accrued had such withholding or other payment, whether by Franchisee or Company, not been required.

11. TERM AND RENEWAL.

(a) Subject to earlier termination in accordance with Sections 16 and 17, the term of this Agreement (the "**Term**") commences on the Effective Date and ends fifteen years from the Scheduled Opening Date (specified beneath the signature block of this Agreement), at which time this Agreement will automatically terminate. Franchisee must operate the Franchised Restaurant in compliance with this Agreement for the entire Term unless this Agreement is properly terminated under Sections 16 and 17.

(b) Subject to Sections 11(c) and 11(d), Franchisee may renew its franchise for one renewal term of fifteen years; provided that: (i) Franchisee has given Company written notice of its request to renew at least 90 days but not more than 180 days prior to the end of the expiring Term, (ii) Franchisee signs Company's then-current form of franchise agreement (modified to the extent necessary to reflect that the agreement relates to the grant of a renewal), the terms of which may materially differ from this Agreement, including higher fees, (iii) Franchisee or Franchisee's Affiliates are not in default of this Agreement or any other agreement with Company or its Affiliates, (iv) Franchisee has satisfied all monetary and other material obligations owed to Company or its Affiliates on a timely basis during the Term, is in good standing, and has complied with Company's operating and quality Standards and procedures as set forth in the Operations

Manual or otherwise, (v) Franchisee complies with Company's then-current training requirements, (vi) Franchisee and each Principal execute a general release of claims against Company and its Affiliates and its respective officers, directors, employees and agents in a form Company prescribes, (vii) Franchisee complies with any remodeling, replacement, modernization or redecoration requirements Company prescribes to bring the Franchised Restaurant and Restaurant Premises into compliance with Company's then-current Standards for new Hawaiian Bros Island Grill franchises, and (viii) Franchisee pays a renewal fee of 50% of the then current Initial Franchise Fee.

(c) Franchisee's failure or refusal to comply with any of the conditions to renewal stated in Section 11(b), each of which Franchisee acknowledges to be reasonable and material, will be interpreted as a conclusive, irrevocable election on Franchisee's part not to renew the franchise for the Franchised Restaurant.

(d) If Company is withdrawing from, or not offering Hawaiian Bros Island Grill franchises (new or renewal franchises) in, the market area that Franchisee serves, then Company will not be required to renew this Agreement under this Section 11.

(e) Despite any other provision of this Agreement:

(1) If Franchisee continues to operate the Franchised Restaurant after the expiration of the Term without having entered into Company's then-current form of franchise agreement, Franchisee will be treated as an infringer of the Marks, Confidential Information and other proprietary aspects of the System until Franchisee and Company execute the then-current form of franchise agreement for the Territory; and

(2) If applicable law requires that Company give Franchisee notice before the expiration or non-renewal of this Agreement, and if Company has not given such notice in a timely manner, then this Agreement will remain in effect only from month-to-month until Company has given Franchisee such notice as required by applicable law.

12. USE OF INTELLECTUAL PROPERTY.

(a) Marks and Copyrighted Materials. Franchisee acknowledges that Company is authorized to prevent the unauthorized use of the Marks, to control the quality of goods and services associated with the Marks, and to control the copying and distribution of the Copyrighted Materials. Recognizing the importance to Company and other Hawaiian Bros Island Grill franchisees of the protection and preservation of the Marks and Copyrighted Materials, Franchisee agrees to perform and abide by the following provisions:

(1) Franchisee acknowledges that Company and/or its Affiliates is the lawful and rightful owner of each and all of the Marks and the Copyrighted Materials, that Franchisee's interest in the Marks and the Copyrighted Materials is solely that of a licensee, and that all uses of the Marks and the Copyrighted Materials by Franchisee will be attributed to Company for purposes of trademark and copyright law. Franchisee unconditionally disclaims any ownership interest in any of the Marks or the Copyrighted Materials.

(2) Franchisee must conduct the operations of the Franchised Restaurant under the Hawaiian Bros™ Island Grill trade name unless otherwise approved by Company in writing. Franchisee may not use "Hawaiian Bros Island Grill" or any of Company's other Marks, or any abbreviation, acronym or variation of the Marks, as part of its legal name, as part of the name of any Business Entity in which Franchisee owns or holds an interest, or as part of any email address,

domain name registration, Social Media name, or other identification of Franchisee's business, regardless of the medium. However, Franchisee may, if required by law, file an assumed name or fictitious name certificate to the effect that Franchisee is operating the Franchised Restaurant under the Hawaiian Bros Island Grill trade name or service mark. Franchisee must identify itself as a franchisee with an independently owned, operated, and managed business on all business forms (including letterhead, invoices, order forms, receipts, and contracts) upon which the Marks are used in an approved manner.

(3) Franchisee may not use any of the Marks or the Copyrighted Materials in connection with the advertisement, promotion, sale or distribution of any merchandise not listed in Company's authorized Hawaiian Bros Restaurant merchandise list or any service not customarily offered by Hawaiian Bros Restaurants. Specifically, Franchisee may not use menus, guest checks, carry-out containers, discount coupons, labels or other materials bearing the Marks to advertise, promote, sell or distribute any unapproved merchandise, product or service.

(4) Franchisee may not copy, distribute or otherwise disseminate any of the Copyrighted Materials in violation of the restrictions and limitations imposed by this Agreement.

(5) Franchisee may not use any of the Marks or the Copyrighted Materials in connection with the development or operation of any Hawaiian Bros Restaurant (except the one covered by this Agreement) until Company and Franchisee have both signed a Franchise Agreement for the additional Hawaiian Bros Restaurant, or of any Special Outlet until Company has given Franchisee written authorization to operate the Special Outlet.

(6) Franchisee must (i) adopt and use all additional trade names, trademarks, brand names, Copyrighted Materials, slogans, commercial symbols and logos Company develops from time to time, (ii) use all the Marks in the precise form Company prescribes, and (iii) observe Company directions regarding the use, copying and distribution of the Copyrighted Materials, the presentation of the Marks, and the manner of the Marks' display and use. Franchisee must promptly abandon and discontinue the use of any Mark or Copyrighted Materials that Company judges to be obsolete or no longer characteristic of the image Hawaiian Bros Restaurants should project. Franchisee must submit to Company all paper goods, advertisements and promotional materials not furnished by Company for Company's review and approval prior to use.

(7) Franchisee may not use any of the Marks on any goods and/or for any services otherwise than in compliance with specifications Company issues from time to time and with such other quality control measures that Company may adopt to promote and defend the goodwill associated with the Marks.

(8) Franchisee may not knowingly permit, and must promptly report to Company, any apparently unauthorized use of a Mark and any apparently unauthorized use or copying of any Copyrighted Materials by any Person, or the use by any Person of a trade name, trademark, service mark or symbol that might be construed as an infringement of any Mark or as unfair competition or passing-off at common law, and must actively cooperate with the Company in the investigation of infringement claims and in discovery and trial proceedings related to infringement actions. Company reserves the right to make the final determination of infringement or other unlawful use, to conduct all legal proceedings relating to the Marks and the Copyrighted Materials, and to compromise or settle all infringement claims.

(9) At no time may Franchisee make any written or oral admission that a Mark or any of Company's copyrights is in any way invalid, infringes the rights of any Person, or is open to any

other form of attack. Franchisee must promptly notify Company of any allegation of invalidity or infringement of which Franchisee becomes aware. Company intends to defend its rights in the Marks and the Copyrighted Materials vigorously, but does not warrant to Franchisee that Company's ownership of any of them is incontestable or that they do not infringe or conflict with the rights of any third party.

(10) Upon the expiration or termination of the Term, Franchisee must immediately discontinue all further uses of the Marks and Copyrighted Materials and take appropriate action to remove the Marks from the premises in which the Franchised Restaurant is located, to cancel and discontinue any advertising relating to Franchisee's use of the Marks or the Copyrighted Materials, including digital marketing, social media accounts and yellow page (or similar online or print) listings, and to cancel or withdraw any assumed or fictitious name filings covering Franchisee's use of Company's trade name. Franchisee acknowledges and agrees that failure or refusal to comply fully with these requirements will constitute willful trademark and copyright infringement.

(b) The System, Trade Secrets and Operations Manual. Franchisee acknowledges that the System and the Trade Secrets belong exclusively to Company and that the ideas and information in the Operations Manual are Company's sole and exclusive property. Franchisee further acknowledges that the unauthorized disclosure or use of any confidential element of the System, any Trade Secret or any other information the Operations Manual contains may adversely affect the business, competitive position, and goodwill of Company and its franchisees. Accordingly, Franchisee agrees to perform and abide by the following provisions and restrictions, each of which will survive the expiration or termination of this Agreement and be perpetually binding upon Franchisee:

(1) Franchisee agrees to hold the elements of the System, the Trade Secrets and the contents of the Operations Manual in strict confidence, not disclose any Trade Secret or any operating or management procedure to any Person other than Franchisee's General Manager, Executive Management, and supervisors and managerial-level employees of the Franchised Restaurant to whom such disclosure is necessary in relation to their job duties, and instruct and routinely remind Franchisee's supervisors and managerial-level employees that the System, the Trade Secrets and the contents of the Operations Manual are confidential and may not be disclosed, copied in whole or in part, or appropriated. If Franchisee is a Business Entity, it will not disclose any element of the System, any of the Trade Secrets or the contents of the Operations Manual, or make the Operations Manual available, to any Principal, director or officer of Franchisee other than its General Manager and Executive Management personnel, if any, who are actively and regularly involved in the Franchised Restaurant's management and have agreed to maintain the confidentiality of such items and information.

(2) Franchisee may not use any element of the System, any of the Trade Secrets or the operating, management or marketing procedures the Operations Manual contains in connection with the operation of any establishment or enterprise other than a Hawaiian Bros Restaurant, and must promptly discontinue use of the System, the Trade Secrets and the operating, management and marketing procedures the Operations Manual contains with respect to the Franchised Restaurant upon the expiration or termination of the Term.

(3) Franchisee may not, without Company's prior written consent, copy or permit any Person to copy or reproduce any part of the Operations Manual and any other printed, graphic or audio/visual item designated by Company as containing Trade Secrets or otherwise permit their use or inspection by any Person other than Franchisee, the General Manager, Executive Management, supervisors, and managerial-level employees of the Franchised Restaurant to whom

such disclosure is necessary in relation to their job duties, and authorized Company representatives, all of whom must agree to maintain the confidentiality of such items and information.

(4) Franchisee acknowledges and agrees that the version of the Operations Manual on file in Company's offices constitutes the standard, official version for purposes of resolving any question or dispute concerning the Operations Manual's contents.

(5) Franchisee must obtain a Confidentiality and Non-Competition Agreement from each of Franchisee's Controlling Principals, General Managers, Executive Management and other supervisors and managerial level employees. Further, Franchisee must require all Persons with access to Trade Secrets or other Confidential Information that have not signed a Confidentiality and Non-Competition Agreement or Guaranty to execute a non-disclosure agreement in the form attached as **Exhibit F**.

(6) Franchisee must keep the Operations Manual and any other printed, graphic or audio/visual item designated by Company as containing Trade Secrets in the Franchised Restaurant at all times and promptly return them to Company upon the expiration or termination of the franchise.

(7) Franchisee expressly acknowledges that all training materials (including DVDs and CD-ROM disks) and all computer programs developed by Company or in accordance with its specifications contain information, embody procedures, or facilitate business practices that are proprietary to Company and fall within the parameters of its Trade Secrets.

13. TRANSFERS.

(a) Company Transfers. Company has the right to transfer or assign this Agreement and all or any part of its rights, interests or obligations herein, or allow a transfer, assignment, or sale of any (or all) Ownership Interest in Company, to any Person without Franchisee's consent. Upon an assignment by Company of all of its rights and obligations herein, Company will have no further obligation under this Agreement, except for any accrued liabilities.

(b) Limitations and Conditions on Franchisee Transfers. Company entered into this Agreement based on the qualifications of Franchisee and the Principals. Any direct or indirect transfer of an Interest requires Company's prior written consent. As used in this Section 13, "transfer" includes any sale (except for the sale of food, merchandise and other products in the ordinary course of Restaurant operations), sale and lease-back, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, grant of a profits or other interest based on the revenue or profits of the Franchised Restaurant, pledge, hypothecation, inter-vivos transfer or testamentary disposition, in each case, whether voluntary or involuntary, and the grant of rights to convert any debt or other obligation or instrument into an Ownership Interest, including warrants, options, and convertible debt. Without limiting Company's right to consent or withhold consent to a proposed transfer, whether to an individual or any Business Entity, Company's consent to any transfer will be conditioned on the following: (1)a proposed transferee must meet Company's then-current criteria for new franchisees entering the System, (2) Franchisee must satisfy all of its outstanding obligations to Company or its Affiliates, (3) the Franchised Restaurant and Restaurant Premises must be in compliance with Company's then-current Standards, (4) the proposed transferee and the transferee's General Manager must satisfactorily complete Company's training program, (5) the transferee (or the Franchisee, if an Ownership Interest is transferred) must execute Company's then-current form of Franchise Agreement (which will limit the term of the transferee's franchise to the unexpired portion of the Term), Assignment of Telephone Number(s) and Online Presence, Authorization Agreement for Preauthorized Payments, and/or any other collateral

agreements Company may then require, (6) concurrent with the execution of the then-current form of Franchise Agreement, each Controlling Principal of the transferee and their spouse (if any), must execute a Guaranty, (7) Franchisee, its Affiliates, and each Principal must give Company an unconditional, general release, in form and substance satisfactory to Company, of all claims they may have against Company and its Affiliates and their respective owners, directors, officers, and agents, and (8) Franchisee must have complied with any other conditions that Company reasonably requires from time to time as part of its transfer policies. Franchisee may not place in any communication media or any form of advertising, any information relating to the sale of the franchise or the rights under this Agreement, without Company's prior written consent.

(c) Transfer Fee. Subject to Section 13(f), Franchisee must pay to Company a transfer fee in the amount equal to $10,000 prior to any transfer made with respect to the franchise. The transfer fee is nonrefundable and, at Company's option, may be required to be paid to Company at the time Franchisee submits its request for Company's approval of the applicable transfer. Franchisee acknowledges that any transfer fee paid under this Agreement does not limit Company's right to charge a separate transfer fee under any other agreement between Company and Franchisee.

(d) Involuntary Transfers. In the event of Franchisee's insolvency or the filing of any petition by or against Franchisee under any provisions of any bankruptcy or insolvency law, if its legal representative, successor, receiver or trustee desires to succeed to its interest in this Agreement or the Franchised Restaurant, such Person first must notify Company, tender the Offer Notice provided for in Section 13(g), and if Company does not exercise such right, must apply for and obtain Company's consent to the transfer, pay the transfer fee provided for in Section 13(c), and satisfy the transfer conditions described in Section 13(b). In addition, Franchisee or the proposed transferee must pay the attorneys' fees and costs that Company incurs in any bankruptcy or insolvency proceeding pertaining to Franchisee.

(e) Waiver of Interference Claims. Franchisee acknowledges that Company has legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with Franchisee. Franchisee also acknowledges that Company's contact with potential transferees for the purpose of protecting its business interests will not constitute improper or unlawful conduct. Franchisee expressly authorizes Company to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms with the transferee, to communicate candidly with the transferee regarding the nature of Franchisee's operation of the Franchised Restaurant, and to withhold consent to economically questionable transactions. Franchisee waives any claim that action Company takes in relation to a proposed transfer to protect its business interests constitutes tortious interference with contractual or business relationships.

(f) Special Transfers. If Franchisee is an individual or partnership who at any time advises Company that Franchisee wants to assign the franchise to a Business Entity in which Franchisee will own all of the Ownership Interests, Company will consent to the assignment and waive payment of a transfer fee upon its receipt of such documentation and information concerning the Business Entity and its Principals as Company may reasonably request. The required documentation will include, without limitation, (i) a certified list of the company's stockholders or beneficial owners (designating the amount and percentage of Ownership Interests each Principal owns), (ii) a Guaranty signed by each Controlling Principal and their spouse (if any), and (iii) an express assumption by the company of Franchisee's obligations under this Agreement. Franchisee must reimburse Company for any legal expenses incurred by Company in connection with review or preparation of any documentation with respect to any such transfer.

(g) Option to Purchase – Franchisee Desire to Sell. If at any time (i) a Principal(s) (or his or her estate or representative) desires to transfer direct or indirect Ownership Interests of such Principal(s) in Franchisee in one transaction or a series of related transactions, or (ii) Franchisee desires to transfer Asset

Interests (other than the disposal of inventory or supplies consumed in the ordinary course of business, the disposal of fixed assets used in the operation of the Franchised Restaurant and being replaced in the ordinary course of business, or the grant of a security interest (but not a sale-leaseback) solely relating to financing Franchisee's operations), the Principal or Franchisee, as the case may be, will do as follows:

(1) Principal or Franchisee, as applicable, will notify Company of that desire, in writing, 30 days before announcing that fact publicly or engaging the services of a broker or sales agent.

(2) If at any time any of the Principals or Franchisee, as applicable, obtains an Offer, the Principal or Franchisee, as applicable, will give written notice to Company that an Offer has been made (an "**Offer Notice**"), identifying the prospective purchaser by name and address, specifying the proposed purchase price and attaching a true and complete copy of the Offer. At Company's option, delivery of such notice may not be deemed received until Principal or Franchisee has delivered to Company an Asset Purchase Agreement or other similar agreement, signed by Franchisee or Principals, as applicable, and the proposed transferee, documenting in full the terms of the proposed sale.

(3) Company will have the option (the "**Option**") to purchase the Interests at the price and on the conditions set forth in the Offer, except that Company will not be obligated to pay any finder's or broker's fee, and if the Offer provides for payment of consideration other than cash, or if the Offer involves certain intangible benefits, Company may elect to purchase the Interests by offering a reasonable cash substitute for the non-cash part of the Offer, including securities of Company. Notwithstanding the foregoing, if Company exercises the Option, Company (i) will be entitled to receive representations and warranties from Franchisee and the Principals, jointly and severally, that are customarily received by similar purchasers, (ii) will be permitted to not close if it is not satisfied with the results of its business, legal and financial due diligence, and (iii) will not be required to purchase any assets unrelated to the operation of the Franchised Restaurant, in which case the purchase price will be reduced by the fair market value of such assets, as reasonably determined by Company.

(4) The Option will be exercisable by Company delivering to the Principals or Franchisee, as applicable, within 45 days after receipt of the Offer Notice and all information regarding the proposed transferee requested by Company in connection with its transfer approval process (the "**Option Period**"), a notice (i) stating that the Option is being exercised, and (ii) specifying the time, date and place at which such purchase and sale will take place, which date will be within 90 days after Company delivers such notice. Notwithstanding the foregoing, the time for the purchase and sale may be delayed by Company if such delay is required to obtain any licenses, permits or other approvals from any governmental authority, whether foreign, federal, state, provincial, municipal, local or other, to operate the Franchised Restaurants in accordance with the System, and/or to consummate the sale to Company if Company is diligently pursuing such license, permit or other approval.

(5) If the Option is not exercised, the Principal or Franchisee, as applicable, may sell the Interests to the Person that made the Offer, on conditions no more favorable to the third-party offeror than those set forth in the Offer, provided that Company approves the proposed transferee in accordance with this Section 13 and provided further that such sale takes place within 90 days after the expiration of the Option Period. The 90-day limitation described in the preceding sentence will not apply if at the end of the 90-day period the only issue that prevents completion of the purchase and sale is the need to effect transfers of any applicable licenses and such licenses are

being diligently pursued. In the event of such a delay, the purchase and sale will take place within seven days after those licenses have been transferred.

(6) If the Option is not exercised, the Principal or Franchisee, as applicable, will immediately notify Company in writing of any change in the terms of an Offer. For purposes of clarification, a change in the direct or indirect Ownership Interests of the proposed transferee will be deemed a change in the terms of an Offer. Any material change in the terms of an Offer will cause it to be deemed a new Offer, conferring upon Company a new Option pursuant to this Section. The Option Period with respect to the new Option will be deemed to commence on the day that Company receives written notice of a material change in the terms of the original Offer. Company will determine whether a change in an Offer is material in its sole discretion.

(h) Transfer Upon Death or Disability. Within 12 months from the death or six months after notice of permanent disability of Franchisee (if an individual) or any Principal, notwithstanding any agreement to the contrary, the legal representative of the deceased or disabled individual must propose to Company in writing to transfer the Ownership Interest of such individual to one or more transferees. Any such transfer must occur within 12 months from such individual's death or six months after notice of permanent disability, and is subject to Company's prior written consent, which will not be unreasonably withheld, in accordance with this Section 13. Failure to complete an approved transfer of this Agreement or the affected Ownership Interest, as applicable, within the applicable time period will be a material breach of this Agreement. During any transition period to an heir or successor-in-interest, the Franchised Restaurant still must be operated in accordance with the terms and conditions of this Agreement.

(i) Improper Restrictions. Franchisee will not, and will not permit any Principal to, enter into any arrangement with any third party that would require such third party's approval of the transactions set forth in Sections 13(g) or (h) or which may otherwise prevent or inhibit the ability of Franchisee to perform its obligations under Sections 13(g) or (h).

14. INTEREST ON DELINQUENT ACCOUNTS.

If Franchisee fails to make any Royalties, Ad Fund contribution or other payment to Company or its Affiliates (including Area Cooperative contributions) within five business days after it is due, the amount payable will bear interest from the date it became due through the date of payment at the lesser of 1.5% per month or the highest commercial contract rate of interest permitted by applicable law. Any interest collected is nonrefundable. Nothing in this Agreement obligates Franchisee or any guarantor of Franchisee's obligations to pay, or entitles Company to collect, interest in excess of the maximum rate allowed under applicable law.

15. RESTAURANT RELOCATION.

Franchisee may not under any circumstances relocate the Franchised Restaurant to new premises without Company's prior written consent. Among other things, Company may condition its consent, if any, of Franchisee's relocation request on: (a) the new premises being located in the Territory (as determined by Company in its sole judgment) and in no case infringing another Hawaiian Bros Restaurant's protected territory; (b) the new premises and its lease being acceptable to Company; (c) Franchisee paying Company a $7,500 relocation fee, which fee is nonrefundable and may be required by Company to be paid at the time Franchisee submits its relocation request and, if not so required, is due no later than five days after Company' request; (d) Franchisee confirming that this Agreement remains in effect and governs its operation of the Franchised Restaurant at the new premises with no change in the Term or, at Company's option, Franchisee signing Company's then-current form of Franchise Agreement to govern its operation of the Franchised Restaurant at the new premises for a new franchise term; (e) Franchisee and each Principal

signing a general release, in form and substance satisfactory to Company, of any and all claims against Company and its Affiliates and their respective owners, directors, officers, and agents; (h) Franchisee continuing to operate the Franchised Restaurant at its original location until Company authorizes its closure; and (i) Franchisee taking all action, within the timeframe Company specifies and at Franchisee's own expense, that Company requires to de-brand and de-identify the Franchised Restaurant's former premises so that they no longer are associated in any manner (in Company's opinion) with the System. If Company approves the relocation, the documents that Company and Franchisee sign in connection with the relocation will describe the Franchised Restaurant's new Territory. Franchisee's proposed relocation of the Franchised Restaurant outside the Territory, if approved by Company (though Company has no obligation to grant its consent), will be treated as Franchisee's acquisition of a new franchise rather than a relocation.

16. DEFAULT.

(a) Events of Default. If any of the following events or conditions occurs (each, an "**Event of Default**"), Franchisee will be in default under this Agreement:

(1) Franchisee breaches an obligation under this Agreement, or an obligation under another agreement, which agreement is necessary to the operation of the Franchised Restaurant.

(2) Franchisee files a petition in bankruptcy, is adjudicated bankrupt, or a petition in bankruptcy is filed against Franchisee and is either consented to by Franchisee or not dismissed within 30 days; or Franchisee becomes insolvent or makes an assignment for the benefit of creditors; or a bill in equity or other proceeding for the appointment of a receiver or other custodian for Franchisee's business assets is filed and is either consented to by Franchisee or not dismissed within 30 days; or a receiver or other custodian is appointed for Franchisee's business or business assets; or if Franchisee's real or personal property is sold at levy.

(3) Franchisee or any Principal is convicted of or pleads guilty or no contest to a felony or crime involving moral turpitude, or any other crime or offense that Company determines is injurious to either the System or the goodwill enjoyed by the Marks.

(4) Franchisee or any Principal commits a fraud upon Company or its Affiliates, or any third party relating to a business franchised or licensed by Company.

(5) Franchisee uses or permits the use of any business franchised or licensed by Company, including the Franchised Restaurant or Restaurant Premises, for an unauthorized purpose.

(6) Franchisee makes any material misrepresentation or omission in Franchisee's franchise application or other reports or information provided to Company.

(7) Violation of any confidentiality, non-solicitation or non-competition obligations by Franchisee, or by any Principal or his or her spouse to which such obligations apply during the time such Principal owns an Ownership Interest in Franchisee.

(8) Company or one of its Affiliates terminates any other franchise agreement with Franchisee or any Affiliate of Franchisee by reason of a default under such agreement.

Company's failure to take prompt action with respect to a particular Event of Default will not constitute a waiver of that or any subsequent Event of Default.

(b) Cure Rights. Franchisee will have the following cure rights with respect to an Event of Default.

(1) **Thirty-Day Cure Period**. Except as otherwise provided in this Section 16(b), Franchisee must cure any Event of Default within 30 days after Company's delivery of notice of default to Franchisee.

(2) **Five-Day Cure Period**. If Franchisee fails to pay in full when due any Royalties (including any fines) in accordance with Section 10, any Ad Fund or Area Cooperative contribution in accordance with Section 8, or any other amount owed to Company or its Affiliates, it must cure that Event of Default within five days after Company's delivery of notice of default to Franchisee.

(3) **Twenty-Four Hour Cure Period**. If Franchisee violates any law, regulation, order or Standard relating to health, sanitation or safety, or if Franchisee ceases to operate the restaurant for a period of 48 hours without Company's prior written consent, Franchisee must cure each such Event of Default within 24 hours regardless of whether Company provides any notice to Franchisee.

(4) **Cure on Demand**. Franchisee must destroy any product or cure any situation that, in Company's opinion, poses an imminent risk to public health and safety, at the time Company demands Franchisee to do so.

(5) **No Cure Period**. No cure period will be available upon an Event of Default under Sections 16(a)(2) through 16(a)(8); if Franchisee abandons the Franchised Restaurant; if Franchisee intentionally under-reports Gross Sales; or if Franchisee's lease for the Restaurant Premises is terminated. In addition, no cure period will be available for any Event of Default if Franchisee already has received two or more previous notices-to-cure for the same or a substantially similar Event of Default (whether or not you have cured the default), within the immediately preceding 12-month period under this Agreement or any other franchise agreement between Franchisee or its Affiliates and Company or its Affiliates.

(6) **Statutory Cure Period**. If an Event of Default is curable under this Agreement, and the non-waivable provision of applicable law requires a longer cure period than that specified in this Agreement, the longer period will apply.

17. TERMINATION; OTHER REMEDIES.

(a) If an Event of Default occurs and is not cured before expiration of the related cure period, if any, Company may at its sole discretion, but subject to compliance with applicable statutory notice and/or hearing requirements, terminate the franchise and Franchisee's rights under this Agreement. Upon termination or expiration of the Term, Franchisee's right and privilege to use the Marks, the Copyrighted Materials, the Trade Secrets and all components of the Operations Manual shall absolutely and unconditionally cease and Franchisee must immediately:

(1) discontinue use of the Marks, the Copyrighted Materials, the System and the Trade Secrets;

(2) return to Company the entire Operations Manual and any other printed, graphic or audio/visual item designated by Company as containing Trade Secrets;

(3) remove from the Restaurant Premises all interior and exterior signs bearing the Marks and other uses of the Marks; and

(4) alter the Restaurant Premises to remove all Trade Dress items and otherwise eliminate the distinctive features of the Franchised Restaurant concept.

(b) Upon termination or expiration of the Term, Company may immediately file with the applicable service provider all Assignments of Telephone Number(s) and Online Presence that Franchisee provided Company and may instruct the telephone company or other service provider to transfer use and control of the Franchised Restaurant's telephone number(s), Internet domain name registrations and Social Media accounts to Company or its designee. Franchisee irrevocably constitutes and appoints Company and its designees as Franchisee's agent and attorney-in-fact to effect the transfer of the Franchised Restaurant's telephone number(s), Internet domain name registrations and Social Media accounts, including authority to execute and deliver on Franchisee's behalf any Transfer of Service Agreement (or similar agreement) the telephone company or other service provider requires, and to revoke any call-forwarding or message forwarding or similar instructions Franchisee has given the applicable service provider. Company will have no liability to Franchisee on account of or arising from any action it authorizes or takes to effect the transfer of the Franchised Restaurant's telephone number(s), Internet domain name registration(s) or Social Media accounts in accordance with this Section 17(b). Franchisee also must take such action necessary to cancel any assumed name or equivalent registration used with Company's Marks and provide proof of same to Company. In addition, Company is entitled to injunctive or similar relief, without bond, against Franchisee and any other Person bound under Section 22 to enforce compliance with these requirements.

(c) If Franchisee does not comply with the requirements of Section 17(a) within seven days after the termination or expiration of the Term, Company may, at Franchisee's expense, enter the Franchised Restaurant's premises and effect Franchisee's compliance with all of that Section's requirements, including removal and storage of Franchisee's signs and alteration or removal and storage of Trade Dress items. Franchisee irrevocably constitutes and appoints Company and its designees as Franchisee's agent and attorney-in-fact to effect compliance with Section 17(a) and Company will have no liability to Franchisee, in trespass or otherwise, on account of or arising from any action it authorizes or takes to effect Franchisee's compliance. In addition, Company will be entitled to injunctive or similar relief, without bond, against Franchisee and any other Person bound under Section 22 to enforce compliance with these requirements.

(d) In addition to all the remedies provided elsewhere in this Agreement, at law or by statute Company also has the following remedies:

(1) Company will have an option (but no obligation) to purchase all or any part of the Franchised Restaurant's signs, equipment, fixtures and useable inventory from Franchisee for 60 days after the franchise expires or is terminated. The purchase price for signs and equipment will equal their net book value (cost, less depreciation) or fair market value, whichever is lower and the purchase price for useable inventory will equal its invoiced cost to Franchisee. The purchase price will be payable in cash (except that Company may assume any note or lease covering signs, equipment or fixtures). Franchisee agrees to provide Company the information necessary to establish the purchase price, to sign and deliver to Company a bill of sale or an assignment of lease, and otherwise to cooperate with Company in its taking title to and delivery of the items Company purchases. If Franchisee fails or refuses to comply with its obligations under this Section during the option period, Company's option will be extended until 15 days after Franchisee complies.

(2) Company will have an option (but no obligation) to require Franchisee to assign to Company or its designee the lease for the Restaurant Premises and/or allow Company to possess

the Restaurant Premises to the exclusion of Franchisee, whether or not Franchisee's landlord takes action to terminate Franchisee's occupancy rights.

(3) To prevent any interruption of the Franchised Restaurant operations and any injury to the goodwill and reputation of the Marks or the System which may be caused thereby, Franchisee authorizes Company, and Company shall have the right but not the obligation, to operate the Franchised Restaurant for as long as Company deems necessary and practical, and without terminating Franchisee's rights or obligations under this Agreement or waiving any other rights or remedies Company may have under this Agreement, if Franchisee is in material default of its obligations under this Agreement. If Company undertakes to operate the Franchised Restaurant, Company shall have the right to collect and maintain in a separate account the revenues of the Franchised Restaurant operations and pay from such revenues all expenses relating to the operation of the Franchised Restaurant, including all Royalties, Ad Fund contributions, and other amounts due Company and its Affiliates, employee salaries, reimbursement of Company's expenses incurred in connection with such operation, and a reasonable management fee. Franchisee must indemnify and hold Company harmless from any and all claims arising from its operation of the Franchised Restaurant under this Section 17(d)(3).

18. COVENANT AGAINST COMPETITION AND SOLICITATION; SPECIAL REPRESENTATIONS AND WARRANTIES.

(a) In consideration of Company's providing operations and training to Franchisee and disclosing to Franchisee the System and other Trade Secrets, Franchisee and its Controlling Principals agree to the following non-competition and non-solicitation covenants:

(1) During the Term, Franchisee and each Controlling Principal, for so long as such Controlling Principal has an Ownership Interest in Franchisee (as applicable, the "**In-Term Restricted Period**"), will not own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as guarantor for, or perform services in any capacity for, any Competitive Business (as defined below) that is located, operates, advertises or provides services in the United States or in any other country where a Hawaiian Bros Restaurant is located.

(2) Franchisee, for two years following the termination or expiration of this Agreement, or Controlling Principal, for two years following the termination of all of his (i) Ownership Interests in Franchisee; or (ii) the termination or expiration of this Agreement, whichever is first (as applicable, the "**Post-Term Restricted Period**"), may not own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as guarantor for, or perform services in any capacity for, any Competitive Business that is located, operates, advertises or provides services in any of the following:

(i) Within the area comprised of a 20-mile radius of the Franchised Restaurant; or

(ii) Within the area comprised of a 20-mile radius of any Hawaiian Bros Restaurant then existing or under development, whether franchised or owned by Company or any of its Affiliates or licensees; or

(iii) Within 20 miles of any outer boundary of any territory for which Company has granted development rights for the development of one or more Hawaiian Bros Restaurants.

(3) In addition, during the In-Term Restricted Period and the applicable Post-Term Restricted Period, neither Franchisee nor any Controlling Principal will, without Company's prior written consent, directly or indirectly, for itself, himself or herself, as applicable, or on behalf of any other Person, solicit, serve, cater to, divert or attempt to divert to a Competitive Business, any business or customer of the Franchised Restaurant or any other Hawaiian Bros Restaurant, by direct or indirect inducement or otherwise.

For purposes of calculating the duration of the two-year period, any time during which Franchisee or any Controlling Principal is in violation or breach of the covenant will be excluded. "**Competitive Business**" means any Hawaiian-themed restaurant or restaurant that advertises and serves Hawaiian cuisine.

(b) In order to give effect to Franchisee's and its Controlling Principals' obligations in this Section 18, Franchisee acknowledges and agrees that neither it nor any of its Controlling Principals will seek to violate this Section 18 directly or through any other person (for example, a direct relative or Affiliate) with whom Franchisee or the Controlling Principals are acting in concert or participating in connection with the prohibited activities. Franchisee and its Controlling Principals will be deemed to be in violation of the restrictions contained in this Section 18 if an Affiliate or direct relative such as a spouse, sibling, parent, child, or in-law is engaging in the activities described by this Section.

(c) Franchisee and its Controlling Principals acknowledge that their covenant not to compete is reasonable and necessary to protect the business and goodwill of the System and to avoid misappropriation or other unauthorized use of the System and Company's other Trade Secrets.

(d) Franchisee and its Controlling Principals acknowledge and confirm that they possess the education, training and experience necessary to earn a reasonable livelihood apart from operating or serving a Competitive Business.

(e) Franchisee represents and warrants to Company that none of Franchisee, any Principal or executive officer of Franchisee, or any of their respective Affiliates is identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control. Further, Franchisee represents and warrants that neither Franchisee nor any such Person referred to above has violated, and no such Person will violate, any law prohibiting corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government, including acts prohibited by the U.S. Patriot Act, U.S. Executive Order 13244 or any similar law. The foregoing constitute continuing representations and warranties, and Franchisee must immediately notify Company in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

(f) Franchisee grants Company a security interest ("**Security Interest**") in all of the furniture, fixtures, equipment, signage, and realty (including Franchisee's interests under all real property and personal property leases) of the Franchised Restaurant, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Franchised Restaurant. All items in which a security interest is granted are referred to as the "**Collateral**."

(1) The Security Interest is to secure payment of the following (the "**Indebtedness**"):

(i) All amounts due by Franchisee to Company under this Agreement or otherwise;

(ii) All sums which Company (or its Affiliates) may, at its option, expend or advance for the maintenance, preservation, or protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness;

(iii) All expenses, including reasonable attorneys' fees, which Company (or its Affiliates) incurs in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting its rights under the Security Interest and this Agreement; and

(iv) All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of Franchisee to Company or third-parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not Franchisee executes any extension agreement or renewal instruments.

(2) Franchisee will from time to time as required by Company join with Company in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to Company and to take all such other actions as may be requested by Company from time to time to perfect, or maintain the perfection of, Company's Security Interest.

(3) Upon the occurrence of an Event of Default that is not timely cured (if applicable) or termination of Franchisee's rights under this Agreement, Company will have the immediate right to possession and use of the Collateral.

(4) Franchisee agrees that, upon the occurrence of any Event of Default set forth above, the full amount remaining unpaid on the Indebtedness will, at the option of Company and without notice, become due and payable immediately, and Company will then have the rights, options, duties, and remedies of a secured party under, and Franchisee will have the rights and duties of a debtor under, the Uniform Commercial Code of Missouri, including, without limitation, Company's right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by Company in a commercially reasonable manner. Reasonable notification of the time and place of any sale will be satisfied by sending notice thereof to Franchisee pursuant to the notice provisions set forth below.

19. PARTIAL INVALIDITY.

The provisions of this Agreement are severable, and if any provision is held illegal, invalid or unenforceable, the holding will not affect the legality, validity or enforceability of any other provision. Any illegal, invalid or unenforceable provision will be reformed to the minimum extent necessary to render it legal, valid and enforceable and will continue in full force and effect as so reformed.

20. NOTICES.

All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and may be given by any of the following methods: (a) personally delivered, (b) sent by certified mail with return-receipt requested, (c) sent by facsimile, (d) sent by email or (e) sent by other means which affords the sender evidence of delivery, attempted delivery, or rejected delivery, to the respective parties at the street addresses set forth below or evidence of delivery at the facsimile numbers or email addresses set forth below, unless and until a different street address, fax

number or email address is designated by notice to the other parties. All such notices, requests, demands, waivers and communications by means which affords the sender evidence of delivery, attempted delivery, or rejected delivery will be deemed to have been given and received at the date and time of receipt, attempted delivery, or rejected delivery; provided, however, any notice by fax or email must have evidence of delivery. A "read-receipt" received for an email delivery and a fax confirmation page from the sender's fax machine will be deemed evidence of delivery for notices sent by email or fax, as applicable.

If to Company, to:	Hawaiian Bros Franchising, LLC 720 Main Street Kansas City, MO 64105 Attention: President
If Franchisee is an individual, to:	Franchisee's address, facsimile number or email set forth on the signature page.
If Franchisee is a Business Entity, to:	Designated Principal's address, facsimile number or email set forth on the signature page.

A party may at any time change the address to which notices are to be sent, or other contact information, by giving the other at least ten days' prior notice in accordance with this Section. If the notice address for Franchisee referenced above is the Franchised Restaurant's address and the Franchised Restaurant has not yet opened for business, or if Franchisee at any time during the Term loses possession of or otherwise cannot be reached at the Franchised Restaurant's premises, Franchisee's address for notice purposes will be the last residential or office address of Franchisee's Designated Principal known by Company.

21. STATUS OF PARTIES.

This Agreement is not intended to create, and will not be interpreted or construed as creating, a partnership, joint venture, agency, employment, personal services, fiduciary or other "special" relationship between Company and Franchisee, and no representation to the contrary will be binding upon Company. In addition, Restaurant employees are under Franchisee's control in implementing and maintaining the System at the Franchised Restaurant. Company is not the employer or joint employer of Restaurant employees. Company will not exercise direct or indirect control over the working conditions of Restaurant personnel, except to the extent such indirect control is related to Company's legitimate interest in protecting the quality of Company's brand, products, or services. Company does not share or codetermine the terms and conditions of employment of Restaurant employees or affect matters relating to the employment relationship between Franchisee and Restaurant employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchisee has sole responsibility and authority for these terms and conditions of employment. Franchisee must communicate clearly with Restaurant employees in all dealings, including its employment agreements, human resource manuals, written and electronic correspondence, paychecks, and other materials, that Franchisee (and only Franchisee) is their employer and that Company is not their employer and does not engage in any employer-type activities for which only franchisees are responsible. Company may require Franchisee to obtain an acknowledgment (in a form Company approves) from all Franchised Restaurant employees that Company is not their employer.

22. BINDING EFFECT.

Subject to the restrictions on transfer in Section 13, this Agreement will be binding upon and inure to the benefit of Company and Franchisee and their respective successors, assigns, executors, heirs and personal representatives. If Franchisee is, or subsequently transfers the franchise to, a Business Entity, each Controlling Principal of Franchisee also will be personally and individually bound by all provisions of this Agreement. Each Principal who is not a Controlling Principal will be personally and individually bound by certain covenants concerning confidentiality if he or she has access to Trade Secrets or other Confidential Information.

23. LAW GOVERNING; DISPUTE RESOLUTION.

(a) Subject to Company's rights under federal trademark laws, the parties' rights and obligations under this Agreement, and the relationship between the parties is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the State of Missouri (excluding any conflict of laws principles). To the extent the law of any other state may be held to be applicable to this Agreement or the relationship of the parties to this Agreement, Franchisee and Principals hereby waive any rights under such laws except to the extent any provisions of such law are non-waivable.

(b) Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties (each, a "**Dispute**") must be brought in the state or federal district court located in the county in which Company's headquarters is located; provided, that excluding Disputes relating to Franchisee's payment obligations to Company, no party to this Agreement may commence litigation proceedings with respect to a Dispute more than one year after the underlying cause of action accrues. Both parties hereto irrevocably submit themselves to, and consent to, the exclusive jurisdiction of said courts. The provisions of this Section will survive the termination of this Agreement. Franchisee is aware of the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agrees to be bound in the manner set forth in this Section.

24. CONDITION PRECEDENT.

If Franchisee is a Business Entity, this Agreement will not be binding on Company and no franchise will be granted unless and until each Controlling Principal and their spouse (if any) executes and delivers a Guaranty.

25. MISCELLANEOUS.

(a) Company's Rights. Whenever this Agreement provides that Company has a certain right, that right is absolute and the parties intend that Company's exercise of that right will not be subject to any limitation or review. Company has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

(b) Company's Discretion. Franchisee and Controlling Principals acknowledge and agree that this Agreement (and the relationship of the parties contemplated by this Agreement) grants Company the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's explicit rights and obligations hereunder that may affect favorably or adversely Franchisee's interests and that any such discretion will be exercised by Company in its sole discretion based on Company's assessment of its interests and the System. If Company takes any action or chooses not to take any action in Company's discretion with regard to any matter related to this Agreement and Company's action or inaction is challenged for any reason, the parties expressly direct the trier of fact that Company's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper

exercise of Company's discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

(c) Adaptations and Variances. Franchisee acknowledges that complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, Company has the right to vary the Standards for any franchised business based on conditions Company deems important to the operation of such business and/or the System, as more particularly set forth in the Operations Manual. Company is not required to grant Franchisee a like or other variation. Franchisee acknowledges that the obligations and rights of the parties to other agreements may differ materially from Franchisee's rights and obligations under this Agreement.

(d) Notice of Potential Profit. Franchisee acknowledges that Company and/or its Affiliates may from time to time make a profit on its sales of goods or services to Franchisee. Further, Company or its Affiliates may from time to time receive rebates or other consideration from suppliers in respect to sales of goods or services to Franchisee or in consideration for services rendered or rights licensed to such Persons. Franchisee agrees that Company and/or its Affiliates are entitled to any such rebates, profits and/or consideration. Company has no obligation to return to Franchisee a portion of any such rebates, profits or consideration attributable to Franchisee's purchases from suppliers and Company may retain such consideration and use it as Company deems appropriate.

(e) Fixed Fee Adjustment. At Company's option, Company may adjust any fixed fee set forth in this Agreement by a percentage that is equal to the change in percentage of the Consumer Price Index selected by Company ("CPI"), from the CPI in effect for the month and year in which the Effective Date occurs to the date of determination of the first adjustment made by Company hereunder and, thereafter, from the first day of the month immediately preceding the most recent adjustment to the date on which the adjustment is determined.

(f) Force Majeure. Except with respect to obligations to make payments when due, each party will be excused on a day-to-day basis for failures or delays in performance to the extent such failures or delays are caused by acts of war, embargoes, terrorism, civil riots, pandemics, judicial, legal or other action of a governmental authority, which action makes performance of this Agreement impossible, and which could not have been prevented by the non-performing party through the use of substitute services, alternate sources, work-around plans or other commercially reasonable means, acts of God, natural disasters or other similar types of causes beyond the party's reasonable control and that could not have been prevented through the use of commercially reasonable measures (each an "**Event of Force Majeure**"); but, only to the extent that an Event of Force Majeure precludes the party from performing the particular obligation affected by such event and provided the party affected (i) notifies the other party as soon as practicable of the nature and expected duration of the claimed Event of Force Majeure, (ii) takes all reasonable steps to avoid or remove such cause of non-performance and (iii) resumes performance promptly whenever such cause is removed. Notwithstanding the provisions of this Section, if, as a result of an Event of Force Majeure, Franchisee is, or is reasonably expected to be, prevented from operating the Franchised Restaurant in full compliance with the terms of this Agreement for a period of six months or more, then Company may terminate this Agreement, without any further liability to Franchisee.

(g) Binding Effect. This Agreement may not be amended, modified or rescinded, or any performance requirement waived, except by a written document signed by an authorized officer of Company and Franchisee. No waiver by Company of any breach by Franchisee, nor any delay or failure by Company to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Company's rights with respect to that or any other or subsequent breach. The parties expressly agree that this Agreement may not be amended or modified, or

any performance standard changed, by course of dealing or inference from a party's conduct. This provision does not apply to changes in the Operations Manual or System, which Company may modify unilaterally.

(h) Costs and Attorneys' Fees. If Company incurs costs and expenses (internal and external) to enforce its rights or Franchisee's obligations under this Agreement because Franchisee has failed to pay when due amounts owed to Company or otherwise to comply with this Agreement, Franchisee agrees to reimburse Company for all costs and expenses Company incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Franchisee's obligation to reimburse Company arises whether or not Company begins a formal legal proceeding against Franchisee to enforce this Agreement. If Company does begin a formal legal proceeding against Franchisee to enforce this Agreement, the reimbursement obligation applies to all costs and expenses Company incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

(i) Waiver of Exemplary Damages, Class Actions and Jury Trial. FRANCHISEE AND THE CONTROLLING PRINCIPALS WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR CLAIM FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES AND WILL BE LIMITED TO RECOVERY OF ACTUAL DAMAGES SUSTAINED IN THE EVENT OF ANY DISPUTE BETWEEN FRANCHISEE OR A CONTROLLING PRINCIPAL AND COMPANY. FRANCHISEE WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO ASSERT ANY CLAIM AGAINST COMPANY ON BEHALF OF, OR AS A MEMBER OF, A CLASS. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, IN ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT. ALL LITIGATED DISPUTES WILL BE TRIED TO THE COURT SITTING WITHOUT A JURY.

26. FRANCHISEE'S ACKNOWLEDGMENTS.

(a) Franchisee acknowledges and agrees that this Agreement, together with any duly executed amendment or addendum attached to this Agreement, contains the entire agreement between the parties with respect to Franchisee's franchise for the Franchised Restaurant, and that it supersedes any prior or contemporaneous agreements between the parties, written or oral, with respect to the franchise for the Franchised Restaurant. Nothing in this Agreement or any related agreement is intended to disclaim Company's representations in its Franchise Disclosure Document. This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all counterparts shall constitute one and the same instrument. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

(b) Franchisee confirms and acknowledges that no written or oral agreements, promises, commitments, or undertakings were made to or with Franchisee that are not expressly set forth in this Agreement and any duly executed amendment or addendum attached to this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim Company's representations in its Franchise Disclosure Document.

(c) Franchisee confirms and acknowledges that, except for any Item 19 Financial Performance Representation included in the Franchise Disclosure Document Company delivered to Franchisee, no person representing Company made any oral, written or visual claim, presentation or representation to Franchisee that stated or suggested that the Franchised Restaurant might attain any actual, projected or forecasted level of sales, income or profits.

(d) Franchisee confirms and acknowledges that no warranty, guaranty or promise other than those expressly set forth in this Agreement, and no representations other than those expressly set forth in the Franchise Disclosure Document Company delivered to Franchisee, were made by Company or any other Person to induce Franchisee to sign this Agreement. Franchisee recognizes that neither Company nor any other Person can guarantee Franchisee's business success or state the exact costs of opening and operating a Hawaiian Bros Restaurant, and that such success and costs will depend primarily upon Franchisee's own efforts and business ability. Franchisee also recognizes that any new business venture is speculative.

(e) Franchisee acknowledges that this Agreement creates an arm's length commercial relationship that cannot and will not be transformed into a fiduciary or other "special" relationship by course of dealing, by any special benefits that Company bestows on Franchisee, or by inference from a party's conduct.

(f) Franchisee acknowledges that it has read this Agreement and Company's Franchise Disclosure Document and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Company's high standards of quality, and the uniformity of those standards, and to protect and preserve the goodwill of the Marks. Franchisee also acknowledges that it has conducted an independent investigation of the business venture contemplated by this Agreement and recognizes that its abilities and efforts are vital to the success of the venture.

(g) Franchisee acknowledges that Company has approved the purchase of a franchise pursuant to all the statements and materials Franchisee submitted and represents that all such statements and materials are true, accurate and complete and Franchisee has made no misrepresentations or material omissions.

[SIGNATURE PAGE FOLLOWS]

Hawaiian Bros Franchising, LLC

By:_____

Name:_____

Title:_____

Date:_____

FRANCHISEE

(Individual franchisees must complete the following)

_____
Signature, if an individual

_____
Franchisee's name, printed

Date:_____

(Business Entity franchisees must complete the following)

By:_____

Name:_____

Title:_____

Date:_____

Franchisee's Designated Principal is (if applicable):_____
Designated Principal's (if Franchisee is a Business Entity) or Franchisee's (if Franchisee is an individual) Address/Telephone/Email:_____
_____

Franchisee's General Manger is:_____
Franchisee's General Manager Hire Date:_____
General Manager Address/Telephone/Email:_____
_____

The Franchised Restaurant's Scheduled Opening Date is:_____

The Grand Opening Campaign minimum expenditure is:_____

EXHIBIT A

AUTHORIZATION AGREEMENT
FOR PREAUTHORIZED PAYMENTS

The undersigned ("**Depositor**") hereby authorizes Hawaiian Bros Franchising, LLC or any affiliated entity (collectively, "**Company**"), to initiate weekly ACH debit entries from the Checking Account indicated below, in payment of amounts for Royalty Fees, Ad Fund contributions, Area Cooperative contributions, and all other amounts that become payable by Depositor to Company. The dollar amount to be debited per payment will vary.

Subject to the provisions of this Authorization Agreement, the Depository named below is hereby authorized and directed to honor any such ACH debit entries initiated by Company and to debit the Checking Account indicated below for such amounts that Company initiates.

Depositor agrees this Authorization Agreement is binding and will remain in full force and effect until Depositor has given Company written notice of its revocation in such time and in such manner as to afford Company and Depository a reasonable opportunity to act on the notice. Depositor is responsible for, and must pay on demand, all costs or charges relating to the handling of ACH debit entries in accordance with this Authorization Agreement.

Depository Name:_____

Branch Location:_____

Address (including City, State, ZIP): _____

_____

Checking Account Number:_____

Routing Number:_____

Depositor's Printed Name:_____ FEIN:_____

Depositor's Signature:_____ Date: _____

Title of person signing (if signing as a representative of Depositor):_____

EXHIBIT B

ASSIGNMENT OF TELEPHONE NUMBER(S)
AND ONLINE PRESENCE

For valuable consideration, _____ ("Franchisee") assigns and transfers to Hawaiian Bros Franchising, LLC ("Company") all of Franchisee's rights and interest in each and all of the telephone number(s), Internet domain name registration(s), URL's, and accounts and identities for blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites (the "Numbers and Online Presence") used in connection with its operation of a Hawaiian Bros Island Grill restaurant located at _____ (the "Restaurant").

This assignment shall become effective immediately upon the termination or expiration of the Franchisee Agreement for the Franchised Restaurant for any reason. This assignment is irrevocable and this Agreement shall constitute conclusive evidence of such assignment. Company may deliver this Agreement to the telephone company, domain name registers, social media host companies, or any other relevant party ("Service Providers") to effectuate this assignment.

Franchisee irrevocably constitutes and appoints Company as Franchisee's agent and attorney-in-fact for the purposes of (i) signing and delivering any Transfer of Service Agreement or comparable document the Service Providers require to transfer the rights in the Numbers and Online Presence from Franchisee to Company or its designee, and (ii) canceling and revoking any call-forwarding or similar instructions Franchisee has issued to Service Providers with respect to any of the Numbers and Online Presence, with full power to sign Franchisee's name and otherwise act in Franchisee's name, place, and stead.

Franchisee agrees to reimburse Company the full amount of any service charges the Service Providers require Company to pay to obtain the Numbers and Online Presence, together with interest as provided in the Franchise Agreement for the Franchised Restaurant.

Franchisee represents and warrants to Company that Franchisee obtained the Numbers and Online Presence in Franchisee's name, and that Franchisee is the person of record the Service Providers will recognize as the registered user or "owner" of such Numbers and Online Presence.

Franchisee:_____

Franchisee's Signature:_____

Title:_____

Date:_____

EXHIBIT C

BUSINESS ENTITY INFORMATION FORM

This form must be completed if this Franchise Agreement has more than one person identified as Franchisee or if Franchisee is a Business Entity (a corporation, partnership, limited liability company, or a similar entity). Franchisee must update this form whenever there is any change in the information provided herein. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Franchise Agreement.

1. **Business Entity**. The name of Franchisee is _____, and it was formed as a [INSERT STATE OF ORGANIZATION] [INSERT TYPE OF ENTITY] on [INSERT DATE]. Franchisee has not conducted business in any name other than Franchisee's business entity name and [INSERT OTHER BUSINESS NAMES OF FRANCHISEE OR N/A, AS APPLICABLE].

2. **Business Entity Owners**.

(a) The following list includes the full name and mailing address of each Person who is an owner of Franchisee (stockholders, partners, members, holders of other equity interests in Franchisee or of interests convertible into equity interests in Franchisee) and the type and amount of each such owner's Ownership Interest in Franchisee (add lines as necessary):

Name and Address	Type of Interest	Ownership %

(b) If Franchisee is a Business Entity and owned in whole or in part by one or more Business Entities, the following list includes the full name and mailing address of each Person who is an owner (stockholders, partners, members, holders of other equity interests or of interests convertible into equity interests) in the Business Entity(ies) that has (have) an Ownership Interest in Franchisee, and the type and amount of such owner's Ownership Interest in such Business Entity(ies) (add lines as necessary):

Name and Address	Type of Interest	Ownership %

3. **Controlling Principal(s)**. Following is the name, position/title and Ownership Interest of each Controlling Principal:

Name and Address	Position/Title	Ownership %

4. **Designated Principal(s)**. Following is the name, position/title and Ownership Interest of the Designated Principal(s):

Name and Address	Position/Title	Ownership %

5. **Governing Body**. Following is a description of the governing body having the power and authority to manage and direct the day-to-day operations of Franchisee (e.g. Franchisee's Board of Directors or Managers, the Board of Directors or Managers of Franchisee's parent entity or general partner, etc.), and a list of the names and addresses of all of the members of such governing body:

GOVERNING BODY: _____

NAMES & ADDRESSES OF MEMBERS OF GOVERNING BODY

_____

_____

_____

_____

6. **General Manager**. Franchisee's General Manager is _____.

7. **Franchised Restaurant Executive Management**. Following is a list of Franchisee's Executive Management, together with their respective position/title:*

NAME POSITION/TITLE

_____

_____

_____

_____

*Franchisee shall provide this information prior to or at the time a member of Franchisee's Executive Management attends the initial training program.

8. **Representation**. Franchisee represents and warrants that the information provided in this form (and in any subsequent update thereto) is true, accurate, and complete, and that Company may consider this statement as continuing to be true, accurate, and correct until a written notice of change in the information set forth herein is given to Company. At Company's request, Franchisee agrees to prepare and sign a new form containing the correct information.

9. **Governing Documents**. Franchisee must attach true, accurate, and complete copies of its Charter Documents, including its articles of incorporation or organization and partnership, shareholder, or member agreements.

10. **Effective Date**: This Business Entity Information Form is effective as of this ____ day of _____, 20___.

FRANCHISEE:

If Franchisee is Individual(s):

_____
Signature – Owner 1

_____
Print Name – Owner 1

Date:_____

_____
Signature – Owner 2

_____
Print Name – Owner 2

Date:_____

_____
Signature – Owner 3

_____
Print Name – Owner 3

Date:_____

If Franchisee is Business Entity:

_____
Signature

By:_____

Title:_____

Date:_____

EXHIBIT D

GUARANTY

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") between Hawaiian Bros Franchising, LLC, a Missouri limited liability company, and _____ (the "**Franchisee**"), of even date herewith, and for other good and valuable consideration, the undersigned owners of outstanding equity interests in the Franchisee and each such owner's spouse (if any) (whether one or more, herein called "**Guarantors**"), for themselves, their heirs, successors, and assigns, do hereby, jointly and severally, unconditionally, individually and for any marital community (as applicable), agree as follows:

(1) Guarantors guarantee to Hawaiian Bros Franchising, LLC and its affiliates, successors, and assigns (collectively, the "**Franchisor**") the full performance of Franchisee under the Agreement, including that each and every one of Franchisee's obligations under the Agreement (collectively, "**Franchisee Obligations**") will be faithfully and punctually paid and performed.

(2) Guarantors agree to be personally bound by all confidentiality, non-competition and non-solicitation provisions contained in the Agreement, including those set forth in Sections 12(b) and 18 of the Agreement.

(3) Guarantors further agree to pay any judgment or award against the Franchisee obtained by Franchisor.

(4) This Guaranty expressly includes covenants contained in the Agreement that by their terms or by reasonable implication survive the termination, expiration, or transfer of the Agreement, including but not limited to non-competition, non-solicitation, confidentiality and indemnity provisions.

(5) Guarantors waive: (i) notice of demand for payment of any indebtedness or nonperformance of any Franchisee Obligations; (ii) protest and notice of default to any party respecting the indebtedness or nonperformance of any Franchisee Obligations hereby guaranteed; (iii) any right Guarantors may have to require that an action be brought against the Franchisee or any other person as a condition of liability; and (iv) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

(6) Guarantors consent and agree that (i) their liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or any other person; (ii) such liability will not be diminished, relieved, or otherwise affected by Franchisee's insolvency, bankruptcy, or reorganization, the invalidity, illegality, or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to Guarantors; and (iii) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by Franchisee with or without the undersigned receiving notice thereof.

(7) Guarantors shall pay all costs of collection and reasonable attorneys' fees incurred by Franchisor in connection with enforcing this Guaranty.

[Signature Page Follows]

GUARANTORS:

_____
Individually

_____
Print Name

_____
Address

_____
City State Zip Code

_____
Telephone Number

_____
Ownership Percentage of Franchisee

_____
Individually

_____
Print Name

_____
Address

_____
City State Zip Code

_____
Telephone Number

_____
Ownership Percentage of Franchisee

_____
Individually

_____
Print Name

_____
Address

_____
City State Zip Code

_____
Telephone Number

_____
Ownership Percentage of Franchisee

_____
Individually

_____
Print Name

_____
Address

_____
City State Zip Code

_____
Telephone Number

_____
Ownership Percentage of Franchisee

EXHIBIT E

CONFIDENTIALITY, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Confidentiality, Non-Competition and Non-Solicitation Agreement (this "**Agreement**") is entered into as of _____ ___, 20___ (the "**Effective Date**"), by and between [INSERT NAME OF FRANCHISEE], a [INSERT STATE & TYPE OF ENTITY] (the "**Franchisee**"), and _____ ("**Franchisee's Associate**").

BACKGROUND

A. Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Franchisor**"), has the right to grant franchises for all rights in and to a unique system for the development and operation of restaurants (the "**System**"), which includes proprietary rights in valuable trade names, service marks and trademarks, including but not limited to the Hawaiian Bros™ Island Grill trademark, logo and trade name, and the elements and components of Franchisor's trade dress, a compilation of operating procedures, marketing concepts, management techniques, and communications methods and procedures.

B. Franchisor and Franchisee have entered into that certain Franchise Agreement dated as of _____ ___, 20___ (the "**Franchise Agreement**"), in which Franchisor has granted Franchisee the right, and Franchisee has undertaken the obligation, to operate a Hawaiian Bros Island Grill restaurant that utilizes the System (each a "**Restaurant**" and collectively, "**Restaurants**") at the following location: _____ (the "**Franchised Restaurant**").

C. Franchisee and Franchisee's Associate acknowledge that Franchisor and its affiliates are the owners of trade secrets and confidential information (the "**Confidential Information**") relating to the operation of the System including, without limitation, any records, contracts, correspondence, customer lists, addresses or similar items regarding customers, prospective customers, or sales operations of Franchisor, its affiliates, or Franchisor's franchisees, business plans or strategies, marketing plans, marketing information, profit margins, prices, recipes, formulae, operating systems, suppliers or similar information with respect to products or services of Franchisor, Restaurant layout, plans, and schematics, all manuals, policy statements, directives, bulletins and memoranda that contain prescribed or recommended standards, procedures, policies and advice relating to a Restaurant's operation and management and to marketing the products Restaurants serve (the "**Operations Manual**"), any other information relating to the operation of the System, and such other information about Franchisor and its business as may reasonably be construed to be confidential or proprietary to Franchisor, whether designated as confidential or not and whether or not such information constitutes "trade secrets" under prevailing judicial interpretations.

D. Franchisee's Associate further acknowledges that, as a part of his or her relationship with Franchisee, Franchisee's Associate will receive and be entrusted with certain Confidential Information.

E. In consideration of Franchisee's Associate's relationship with Franchisee, Franchisee's Associate agrees to comply with the provisions of this Agreement. Franchisee's Associate also agrees the restraints imposed by this Agreement are reasonable and necessary to protect Franchisee's business, Franchisor, Franchisor's franchisees, and the System.

AGREEMENT

1. CONFIDENTIALITY COVENANTS

(a) **Receipt of Confidential Information**. Franchisee and Franchisee's Associate acknowledge that, as a part of Franchisee's Associate's relationship with Franchisee, Franchisee's Associate will receive and be entrusted with certain Confidential Information.

(b) **Duty of Confidentiality**. Franchisee's Associate will not at any time, during or after such Franchisee's Associate's relationship with Franchisee, communicate or disclose to any individual or business entity (each a "**Person**") other than those employees of Franchisee to whom such disclosure is necessary in relation to performance of their job duties, or use for Franchisee's Associate's own benefit or for the benefit of any Person other than Franchisor or Franchisee in connection with the operation of a Hawaiian Bros Restaurant, any Confidential Information that Franchisee's Associate acquired during such Franchisee's Associate's relationship with Franchisee. Franchisee's Associate understands and agrees that any and all Confidential Information, including methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than in connection with Franchisee's development or operation of a Hawaiian Bros Restaurant.

(c) **Return of Confidential Information**. Franchisee's Associate will return all Confidential Information that Franchisee's Associate acquires during the relationship with Franchisee upon the earlier of the following:

i. the transfer, expiration or termination of the Franchise Agreement for any reason;

ii. the termination of Franchisee's Associate's relationship with Franchisee; or

iii. Franchisee's request.

2. NON-COMPETITION AND NON-SOLICITATION COVENANTS

(a) **Limitations on Competition**. Franchisee and Franchisee's Associate acknowledge that the Confidential Information provides a competitive advantage and will be valuable to them in the operation of the Franchised Restaurant. In consideration for the disclosure to Franchisee's Associate of Confidential Information, and to protect the confidentiality and value of the Confidential Information and the goodwill of the System and Franchised Restaurant, Franchisee's Associate further agrees to the limitations on competition and solicitation set forth below.

(b) **Definition of Competitive Business**. "**Competitive Business**" means any Hawaiian-themed restaurant or restaurant that advertises and serves Hawaiian cuisine.

(c) **Non-Competition During Term of Franchise Agreement and Relationship with Franchisee**. Franchisee's Associate will not, without Franchisee's and Franchisor's prior written consent, own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any capacity for, any Competitive Business that is located, operates, advertises or provides services in the United States or in any other country where a Hawaiian Bros Restaurant is located, until the earlier of the following (the "**Term**"):

i. the transfer, expiration or termination of the Franchise Agreement for any reason; or

ii. the termination of Franchisee's Associate's relationship with Franchisee.

(d) **Non-Competition After Term of Franchise Agreement or Relationship with Franchisee**. During the Post-Term Period (as defined below), Franchisee's Associate may not, without Franchisee's and Franchisor's prior written consent, own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any

capacity for, any Competitive Business that is located, operates, advertises or provides services in any of the following:

i. Within the area comprised of a 20-mile radius of the Franchised Restaurant;

ii. Within the area comprised of a 20-mile radius of any Restaurant then existing or under development, whether franchised or owned by Franchisor or any of its affiliates or licensees; or

iii. Within 20 miles of any outer boundary of any territory for which Franchisor has granted development rights for the development of one or more Restaurants.

(e) **Non-Solicitation During the Term or the Post-Term Period.** In addition, neither during the Term nor the Post-Term Period, will Franchisee's Associate, without Franchisee's and Franchisor's prior written consent, directly or indirectly, for himself or herself, or on behalf of any other Person:

i. Solicit, serve, cater to, divert or attempt to divert to a Competitive Business, any business from any Franchisee Contact;

ii. Solicit or induce, or attempt to solicit or induce, any Franchisee Contact (defined below) to terminate or alter its/his/her relationship with Franchisee;

iii. Solicit or induce, or attempt to solicit or induce, any Person who or which is employed or retained by or contracted with Franchisee to terminate or modify such Person's employment or other relationship with Franchisee; or

iv. Solicit, induce, aid or counsel any other Person to do any of the foregoing.

The "**Post-Term Period**" means the two-year period after the earlier of the following: (i) the transfer, expiration or termination of the Franchise Agreement for any reason; or (ii) the termination of Franchisee's Associate's relationship with Franchisee. If at any time during the Post-Term Period Franchisee's Associate fails to comply with the obligations imposed by this Agreement, such period of noncompliance shall not be credited toward satisfaction of the two-year obligation.

"**Franchisee Contact**" means Franchisee's customers, investors, suppliers, vendors, consultants, and personnel.

(f) **Acknowledgement**. Franchisee's Associate acknowledges that these covenants not to compete are reasonable and necessary to protect the business and goodwill of the System and to avoid misappropriation or other unauthorized use of the System and Franchisor's Confidential Information, all of which provide a competitive advantage to Franchisee. Further, Franchisee's Associate acknowledges and confirms that he or she possesses the education, training, and experience necessary to earn a reasonable livelihood apart from operating or serving a Competitive Business.

3. DEFEND TRADE SECRETS ACT OF 2016 DISCLOSURE

18 U.S.C. § 1833(b) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

4. MISCELLANEOUS

(a) **Severability**. The provisions of this Agreement are severable, and if any provision is held illegal, invalid or unenforceable, the holding will not affect the legality, validity or enforceability of any other provision. Any illegal, invalid or unenforceable provision will be reformed to the minimum extent necessary to render it legal, valid and enforceable and, as so reformed, will continue in full force and effect.

(b) **Effectiveness of Agreement Following Termination**. All provisions of this Agreement that are to be effective following termination of Franchisee's Associate's relationship with Franchisee will be effective regardless of whether the termination was voluntary or involuntary.

(c) **Binding Effect; Amendments**. This Agreement may not be amended, modified or rescinded, or any performance requirement waived, except by a written document signed by the parties. No waiver by Franchisee of any breach by Franchisee's Associate, nor any delay or failure by Franchisee to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Franchisor's rights with respect to that or any other or subsequent breach. The parties expressly agree that this Agreement may not be amended or modified, or any performance standard changed, by course of dealing or inference from a party's conduct. This provision does not apply to changes in the Operations Manual or System, which Franchisor may modify unilaterally.

(d) **Governing Law**. The parties' rights and obligations under this Agreement, and the relationship between the parties, is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state of Franchisee's principal place of business (excluding any conflict of laws principles).

(e) **Costs and Attorneys' Fees**. If Franchisee or Franchisor incurs costs and expenses (internal or external) to enforce its rights or Franchisee's Associate's obligations under this Agreement because Franchisee's Associate has failed to comply with this Agreement, Franchisee's Associate agrees to reimburse Franchisee or Franchisor for all costs and expenses Franchisee or Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Franchisee's Associate's obligation to reimburse Franchisee or Franchisor arises whether or not there is a formal legal proceeding. If Franchisee or Franchisor does begin a formal legal proceeding against Franchisee's Associate to enforce this Agreement, the reimbursement obligation applies to all costs and expenses Franchisee or Franchisor incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

(f) **Notices**. All notices required or permitted under this Agreement must be in writing and will be deemed delivered when deposited either with the United States Postal Service, first class postage prepaid, certified mail, return receipt requested, or with an overnight delivery service for next business day delivery with proof of delivery, and addressed as follows:

If to Franchisee's Associate, to the address set forth on the signature page to this Agreement.

If to Franchisee, to: _____

_____

_____

Attention: _____

Any party may change its address for notices by written notice to the other given in accordance with this subsection.

(g) **Third Party Beneficiary; Remedies**. Franchisee and Franchisee's Associate acknowledge and agree that: (i) Franchisor is a third party beneficiary of the rights and obligations set forth in this Agreement, and (ii) Franchisor has the right to enforce the provisions of this Agreement in the event of any beach or violation, or threatened breach or violation, of this Agreement. Franchisee's Associate further acknowledges and agrees that: (A) Franchisor and Franchisee will suffer irreparable harm in the event of any breach or violation of this Agreement, and (B) Franchisor's and Franchisee's appropriate remedies for breach or violation, or threatened breach or violation, of this Agreement include interim, interlocutory, and final orders granting injunctive, mandatory, or other extraordinary relief, without the need for the posting of security or an undertaking in damages.

(h) **Assignment**. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and inure to the benefit of its respective affiliates, successors, and assigns. The respective obligations of Franchisee and Franchisee's Associate hereunder may not be assigned by Franchisee or Franchisee's Associate, except with the written consent of Franchisor.

(i) **Counterparts; Electronic Transmission.** This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all counterparts shall constitute one and the same instrument. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

[***Signature Page Follows***]

IN WITNESS WHEREOF, the undersigned have entered into this Confidentiality, Non-Competition and Non-Solicitation Agreement as of the day and year first set forth above.

FRANCHISEE:

[INSERT NAME OF FRANCHISEE]

By:_____

Name:_____

Title:_____

FRANCHISEE'S ASSOCIATE:

(Individuals must complete the following)

Signature:_____

Printed Name:_____

(Business entities must complete the following)

By:_____

Name:_____

Title:_____

Franchisee's Associate's Address for Notices:

_____

_____

_____

Attention: _____

EXHIBIT F

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this "**Agreement**") is entered into as of _____ ___, 20___ (the "**Effective Date**"), by and between [INSERT NAME OF FRANCHISEE], a [INSERT STATE & TYPE OF ENTITY] (the "**Franchisee**"), and _____ ("**Franchisee's Associate**").

BACKGROUND

A. Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Franchisor**"), has the right to grant franchises for all rights in and to a unique system for the development and operation of restaurants (the "**System**"), which includes proprietary rights in valuable trade names, service marks and trademarks, including but not limited to the Hawaiian Bros™ Island Grill trademark, logo and trade name, and the elements and components of Hawaiian Bros' trade dress, a compilation of operating procedures, marketing concepts, management techniques, and communications methods and procedures.

B. Franchisor and Franchisee have entered into that certain Franchise Agreement dated as of _____ ___, 20___ (the "**Franchise Agreement**"), in which Franchisor has granted Franchisee the right, and Franchisee has undertaken the obligation, to operate a Hawaiian Bros Island Grill restaurant that utilizes the System (each a "**Restaurant**" and collectively, "**Restaurants**") at the following location: _____ (the "**Franchised Restaurant**").

C. Franchisee and Franchisee's Associate acknowledge that Franchisor and its affiliates are the owners of trade secrets and confidential information (the "**Confidential Information**") relating to the operation of the System including, without limitation, any records, contracts, correspondence, customer lists, addresses or similar items regarding customers, prospective customers, or sales operations of Franchisor, its affiliates, or Franchisor's franchisees, business plans or strategies, marketing plans, marketing information, profit margins, prices, recipes, formulae, operating systems, suppliers or similar information with respect to products or services of Franchisor, Restaurant layout, plans, and schematics, all manuals, policy statements, directives, bulletins and memoranda that contain prescribed or recommended standards, procedures, policies and advice relating to a Restaurant's operation and management and to marketing the products Restaurants serve (the "**Operations Manual**"), any other information relating to the operation of the System, and such other information about Franchisor and its business as may reasonably be construed to be confidential or proprietary to Franchisor, whether designated as confidential or not and whether or not such information constitutes "trade secrets" under prevailing judicial interpretations.

D. Franchisee's Associate further acknowledges that, as a part of his or her relationship with Franchisee, Franchisee's Associate will receive and be entrusted with certain Confidential Information.

E. In consideration of Franchisee's Associate's relationship with Franchisee, Franchisee's Associate agrees to comply with the provisions of this Agreement. Franchisee's Associate also agrees the restraints imposed by this Agreement are reasonable and necessary to protect Franchisee's business, Franchisor, Franchisor's franchisees, and the System.

AGREEMENT

1. CONFIDENTIALITY COVENANTS

(a) **Receipt of Confidential Information**. Franchisee and Franchisee's Associate acknowledge that, as a part of Franchisee's Associate's relationship with Franchisee, Franchisee's Associate will receive and be entrusted with certain Confidential Information.

(b) **Duty of Confidentiality**. Franchisee's Associate will not at any time, during or after such Franchisee's Associate's relationship with Franchisee, communicate or disclose to any individual or business entity (each a "**Person**") other than those employees of Franchisee to whom such disclosure is necessary in relation to performance of their job duties, or use for Franchisee's Associate's own benefit or for the benefit of any Person other than Franchisor or Franchisee in connection with the operation of a Hawaiian Bros Restaurant, any Confidential Information that Franchisee's Associate acquired during such Franchisee's Associate's relationship with Franchisee. Franchisee's Associate understands and agrees that any and all Confidential Information, including methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than in connection with Franchisee's development or operation of a Hawaiian Bros Restaurant.

(c) **Return of Confidential Information**. Franchisee's Associate will return all Confidential Information that Franchisee's Associate acquires during the relationship with Franchisee upon the earlier of the following:

i. the transfer, expiration or termination of the Franchise Agreement for any reason;

ii. the termination of Franchisee's Associate's relationship with Franchisee; or

iii. Franchisee's request.

2. DEFEND TRADE SECRETS ACT OF 2016 DISCLOSURE

18 U.S.C. § 1833(b) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

3. MISCELLANEOUS

(a) **Severability**. The provisions of this Agreement are severable, and if any provision is held illegal, invalid or unenforceable, the holding will not affect the legality, validity or enforceability of any other provision. Any illegal, invalid or unenforceable provision will be reformed to the minimum extent necessary to render it legal, valid and enforceable and, as so reformed, will continue in full force and effect.

(b) **Effectiveness of Agreement Following Termination**. All provisions of this Agreement that are to be effective following termination of Franchisee's Associate's relationship with Franchisee will be effective regardless of whether the termination was voluntary or involuntary.

(c) **Binding Effect; Amendments**. This Agreement may not be amended, modified or rescinded, or any performance requirement waived, except by a written document signed by the parties. No waiver by Franchisee of any breach by Franchisee's Associate, nor any delay or failure by Franchisee to

enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Franchisor's rights with respect to that or any other or subsequent breach. The parties expressly agree that this Agreement may not be amended or modified, or any performance standard changed, by course of dealing or inference from a party's conduct. This provision does not apply to changes in the Operations Manual or System, which Franchisor may modify unilaterally.

(d) **Governing Law**. The parties' rights and obligations under this Agreement, and the relationship between the parties, is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state of Franchisee's principal place of business (excluding any conflict of laws principles).

(e) **Costs and Attorneys' Fees**. If Franchisee or Franchisor incurs costs and expenses (internal or external) to enforce its rights or Franchisee's Associate's obligations under this Agreement because Franchisee's Associate has failed to comply with this Agreement, Franchisee's Associate agrees to reimburse Franchisee or Franchisor for all costs and expenses Franchisee or Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Franchisee's Associate's obligation to reimburse Franchisee or Franchisor arises whether or not there is a formal legal proceeding. If Franchisee or Franchisor does begin a formal legal proceeding against Franchisee's Associate to enforce this Agreement, the reimbursement obligation applies to all costs and expenses Franchisee or Franchisor incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

(f) **Notices**. All notices required or permitted under this Agreement must be in writing and will be deemed delivered when deposited either with the United States Postal Service, first class postage prepaid, certified mail, return receipt requested, or with an overnight delivery service for next business day delivery with proof of delivery, and addressed as follows:

If to Franchisee's Associate, to the address set forth on the signature page to this Agreement.

If to Franchisee, to: _____

_____

_____

Attention: _____

Any party may change its address for notices by written notice to the other given in accordance with this subsection.

(g) **Third Party Beneficiary; Remedies**. Franchisee and Franchisee's Associate acknowledge and agree that: (i) Franchisor is a third party beneficiary of the rights and obligations set forth in this Agreement, and (ii) Franchisor has the right to enforce the provisions of this Agreement in the event of any beach or violation, or threatened breach or violation, of this Agreement. Franchisee's Associate further acknowledges and agrees that: (A) Franchisor and Franchisee will suffer irreparable harm in the event of any breach or violation of this Agreement, and (B) Franchisor's and Franchisee's appropriate remedies for breach or violation, or threatened breach or violation, of this Agreement include interim, interlocutory, and final orders granting injunctive, mandatory, or other extraordinary relief, without the need for the posting of security or an undertaking in damages.

(h) **Assignment**. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and inure to the benefit of its respective affiliates, successors, and assigns. The respective obligations of Franchisee and Franchisee's Associate hereunder may not be assigned by Franchisee or Franchisee's Associate, except with the written consent of Franchisor.

(i) **Counterparts; Electronic Transmission.** This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all counterparts shall constitute one and the same instrument. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

[***Signature Page Follows***]

IN WITNESS WHEREOF, the undersigned have entered into this Confidentiality Agreement as of the day and year first set forth above.

FRANCHISEE:

[INSERT NAME OF FRANCHISEE]

By:_____

Name:_____

Title:_____

FRANCHISEE'S ASSOCIATE:

(Individuals must complete the following)

Signature:_____

Printed Name:_____

(Business entities must complete the following)

By:_____

Name:_____

Title:_____

Franchisee's Associate's Address for Notices:

_____

_____

_____

Attention: _____

EXHIBIT B-2
Addendum to Franchise Agreement
(Reduced Royalties)

See attached.

ADDENDUM TO FRANCHISE AGREEMENT
(REDUCED ROYALTIES)

THIS ADDENDUM TO FRANCHISE AGREEMENT (REDUCED ROYALTIES) ("**Addendum**") is entered into as of the _____ day of _____, 20___ (the "**Effective Date**"), by and between Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Company**"), and _____ ("**Franchisee**").

WHEREAS, contemporaneously with the execution of this Addendum, Company and Franchisee have entered into a Franchise Agreement for a **Hawaiian Bros™ Island Grill** Restaurant (the "**Franchise Agreement**"); and

WHEREAS, Company and Franchisee desire to enter into this Addendum to amend the Franchise Agreement to incorporate certain previously agreed terms and conditions.

NOW, THEREFORE, in consideration of mutual covenants and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Amendment to Franchise Agreement; Capitalized Terms. The Franchise Agreement is hereby amended and supplemented by this Addendum. Any conflict between this Addendum and the Franchise Agreement shall be governed and controlled by the terms of this Addendum. Capitalized terms used herein but not defined herein will be ascribed the meaning given to such terms in the Franchise Agreement.

2. Reduced Royalties. Section 10(a) of the Franchise Agreement is deleted in its entirety and replaced with the following: "In consideration for Franchisee's continuing use of the Marks and the System, Franchisee agrees to pay Company continuing royalties equal to (a) 5% of Gross Sales with respect to Gross Sales occurring prior to the fifth anniversary of the Effective Date and (b) 6% of Gross Sales with respect to Gross Sales occurring on or after the fifth anniversary of the Effective Date (as applicable, "**Royalties**").

3. Miscellaneous. This Addendum, the Franchise Agreement and the documents referred to herein and therein contain the entire agreement between the parties with respect to the subject matter, and except as otherwise provided herein, no other agreements, representations or commitments made or discussed prior to the Effective Date shall survive the execution of the Franchise Agreement and this Addendum. This Addendum may be executed in one or more counterparts, all of which taken together shall constitute one instrument. This Addendum may be delivered by the facsimile or other electronic transmission of signed signature pages.

[**SIGNATURE PAGE FOLLOWS**]

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

Hawaiian Bros Franchising, LLC

By:_____

Name:_____

Title:_____

Date:_____

FRANCHISEE

(Individual franchisees must complete the following)

_____
Signature, if an individual

_____
Franchisee's name, printed

Date:_____

(Business Entity franchisees must complete the following)

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT C
Development Agreement

See attached.

Development Agreement
for a
Hawaiian Bros™ Island Grill Restaurant

2022

TABLE OF CONTENTS

SECTION **PAGE**

1. RECITALS 1
2. GRANT OF DEVELOPMENT RIGHTS; CERTAIN DEVELOPER OBLIGATIONS 1
3. RESTAURANT DEVELOPMENT PROCEDURE 2
4. AREA DEVELOPMENT RIGHTS 4
5. RESTAURANT DEVELOPMENT EXTENSIONS; FORCE MAJEURE 4
6. FEES 5
7. COMPETITIVE PROTECTION; TERRITORIAL SCOPE OF DEVELOPMENT RIGHTS 5
8. RENEWAL 6
9. DEFAULT AND TERMINATION 7
10. TRANSFERS 8
11. NOTICES 10
12. RESTRICTIVE COVENANTS 11
13. STATUS OF PARTIES 12
14. GOVERNING LAW; VENUE 13
15. MISCELLANEOUS 13
16. DEVELOPER'S ACKNOWLEDGMENTS 14

EXHIBITS:

A. Description of Development Area
B. Development Schedule
C. Business Entity Information
D. Lease Rider
E. Guaranty
F. Confidentiality, Non-Competition and Non-Solicitation Agreement

GLOSSARY OF TERMS

The following terms are used in the following Development Agreement ("**Agreement**") with the meanings assigned in this Glossary.

Affiliate means a Person that controls, is controlled by, or is under common control with another Person by virtue of equity ownership, contract, or other means. For the purposes of this Agreement, "controlling", "controlled", or "control" (and all derivatives thereof) means the right to exercise, directly or indirectly, more than twenty percent (20%) of the voting rights of any Person or the power to direct or cause the direction of the management or policies of any Person.

Asset Interests means any interest in or right under this Agreement and any interest in a site approved for development of a Restaurant under this Agreement.

Business Entity means a corporation, general or limited partnership, limited liability company, trust, or any other similar type or form of business organization.

Catering means the at-restaurant preparation of the standard menu items and delivery of those items, either in prepackaged portions or in bulk, to commercial accounts. Catering may or may not include on-site set up, food service and/or clean up.

Charter Documents means a corporation's articles of incorporation, bylaws and shareholders agreement (if any); a partnership's partnership agreement and, in the case of a limited partnership, its articles of limited partnership; a limited liability company's articles of organization and regulations or operating agreement; and comparable governing documents for any of the foregoing Business Entities or of any other type of Business Entity.

Company has the meaning set forth in the introductory paragraph on the first page of this Agreement.

Confidential Information means any records, contracts, correspondence, customer lists, addresses or similar items regarding customers, prospective customers, or sales operations of Company, its Affiliates, or Company's franchisees, business plans or strategy, marketing plans, marketing information, profit margins, prices, recipes, formulae, operating systems, suppliers or similar information with respect to products or services of Company, Restaurant layout, plans, and schematics, the contents of the Operations Manual, any other information relating to the operation of the System, and such other information about Company and its business as may reasonably be construed to be confidential or proprietary to Company, whether designated as confidential or not and whether or not such information constitutes "trade secrets" under prevailing judicial interpretations. "Confidential Information" does not include any information (i) that has become publicly known through no act or omission of Developer, its Principals or Affiliates or any of their respective officers, directors, managers or employees, (ii) that has been received in good faith by Developer from a Person having lawful and legitimate possession of the information and the right to disclose such information free of any duty of confidentiality to Company, or (iii) that Company has expressly approved in writing for public disclosure.

Controlling Principal(s) means, if Developer is a Business Entity, any Principal other than a Person (a) that owns 10% or less of Developer's Ownership Interests, (b) is a passive investor in Developer, and (c) whom Company has agreed in writing is not required to agree to be bound by the terms of this Agreement as a Controlling Principal. (If a "Controlling Principal" of Developer is also a Business Entity, a Controlling Principal will also mean and include the individuals who control the operations of such Controlling Principal, whether because of their Ownership Interests or actual management control and may, at Company's request, include any Person with an Ownership Interest in such Business Entity.) Each

Controlling Principal, together with their spouse (if any), must agree to be individually bound by covenants concerning confidentiality and noncompetition and will personally guarantee Developer's performance under this Agreement by signing a Guaranty.

Delivery Service means the delivery, directly by Developer or indirectly through a third party delivery service, of food and beverages in prepackaged portions to residential customers. Delivery service does not include on-site set up, food service, or clean up.

Developer has the meaning set forth in the introductory paragraph on the first page of this Agreement.

Development Agreement means this Agreement.

Development Area means that particular area, as specifically described in Exhibit A to this Agreement, in which Developer will have development rights. The Development Area will in all cases be deemed to exclude any and all Non-Traditional Venues physically located within the Development Area, meaning that all such Non-Traditional Venues will not be deemed to be a part of the definition of the Development Area, Developer may not operate at such Non-Traditional Venues, and there are no restrictions whatsoever on Company's activities in or at those Non-Traditional Venues, including, but not limited to, its right to operate, and grant others the right to engage in foodservice operations under the Marks, at such Non-Traditional Venues.

Development Schedule means the schedule pursuant to which Developer must develop and open a specified number of Restaurants under the terms of this Agreement as set forth on Exhibit B to this Agreement, as such schedule may be extended pursuant to the terms of this Agreement.

Effective Date means the date Company signs this Agreement, as indicated in its signature block.

Event of Default has the meaning set forth in Section 9.

Expiration Date means the date by which Developer must complete the Development Schedule if multiple Restaurants are to be developed under this Agreement or the date by which Developer must complete the Restaurant Development Procedures in Section 3 if this Agreement applies to only one Restaurant.

Franchise Agreement means the Franchise Agreement between Company and Developer or any of its Affiliates under which Developer or any of its Affiliates purchases the franchised rights to operate a Restaurant.

Franchise Disclosure Document means Company's most recently-issued disclosure document prior to the Effective Date.

Franchise Fee Deposit means the fees payable in accordance with Section 6.

Guaranty means that form of document attached as **Exhibit** E to this Agreement.

Interests mean Ownership Interests and Asset Interests, collectively.

In-Term Restricted Period has the meaning set forth in Section 12(a)(i).

Intranet means an Intranet or other communications network that Company or its third-party supplier provides and/or administers for the Hawaiian Bros Island Grill restaurant chain through which members of the Hawaiian Bros Island Grill network of Hawaiian Bros Restaurants may communicate with each other

and through which Company may disseminate updates to the Operations Manual and other Confidential Information. Company will have no obligation to maintain an Intranet and may dismantle or otherwise discontinue any Intranet at any time without liability to Developer.

Lease Execution Date means the date on which the lease for a Restaurant to be opened under this Agreement is executed by Developer and the landlord.

Lease Rider means the document substantially similar to that appearing in **Exhibit** D to this Agreement, provided Company may amend the Lease Rider from time to time to make it consistent with the form of lease rider attached to the then-current Franchise Disclosure Document.

Marks refers to and includes (i) the Hawaiian Bros trademark and logo, (ii) the Hawaiian Bros Island Grill trade name, (iii) the elements and components of a Hawaiian Bros Island Grill Restaurant's Trade Dress, and (iv) any and all additional or different trade names, trademarks, service marks, logos and slogans that Company adopts to identify the Hawaiian Bros franchise system and the products and services Hawaiian Bros Island Grill restaurants offer.

Non-Traditional Venue means a hospital or medical center, airport, public or private school, university or college campus, airport terminal, train or bus station, convention center, exhibition hall, amusement park, fairground, sports arena, ballpark, military base, state or national park, hotel, lodge, country club, social club, resort, casino, theater or other mass gathering location or event.

Offer means a bona fide written offer for the purchase of (i) a Principal's Ownership Interest in Developer, whether direct or indirect, or (ii) Developer's Asset Interests.

Offer Notice has the meaning set forth in Section 10(f)(ii).

Operations Manual means and collectively includes all manuals, policy statements, directives, bulletins and memoranda, as revised from time to time, that contain prescribed or recommended Standards, procedures, policies and advice relating to a Restaurant's operation and management and to marketing the products Restaurants serve. The Operations Manual discloses the principal elements of Company's proprietary System, and its contents are and will remain Company's exclusive property.

Option has the meaning set forth in Section 10(f)(iii).

Option Period has the meaning set forth in Section 10(f)(iv).

Ownership Interests means (i) in relation to a corporation, the ownership of shares of stock in the corporation; (ii) in relation to a partnership, the ownership of a general or limited partnership interest; (iii) in relation to a trust, the ownership of the beneficial interest of such trust; (iv) in relation to a limited liability company, the ownership of a membership interest; (v) in relation to any other Business Entity, the ownership of any equity interest therein; and (vi) with respect to any Business Entity, any right or option to acquire any of the items described in provisions (i)-(v) of this definition, including warrants, options to purchase, and convertible debt instruments.

Person means an individual or a Business Entity.

Post-Term Restricted Period has the meaning set forth in Section 12(a)(ii).

Preferred Broker means a Company-specified licensed real estate broker.

Principal means any Person with a direct or indirect Ownership Interest in Developer, if Developer is a Business Entity, including any Controlling Principal.

Restaurant means a retail establishment at a fixed (permanent) location outside a Non- Traditional Venue that operates continually on a year-round basis under the Hawaiian Bros Island Grill trade name and System. The term does not include any type of Special Outlet.

Scheduled Opening Date means the date the Restaurant is scheduled to first open for business.

Special Outlet means a ghost kitchen, a kiosk, a food truck, a temporary or seasonal booth, or similar installation, no matter how denominated, operated under the Hawaiian Bros Island Grill trade name and which may serve some or all of the same products and services as a Restaurant. The term also includes a mobile dispensing unit, such as a cart or customized RV, operated under the Hawaiian Bros Island Grill trade name but does not include an automobile or van used for Catering or Delivery Service, if expressly approved.

Standards means standards, specifications, requirements and instructions for the development or operation of a Restaurant designated by Company from time to time, including standards relating to quality, service and cleanliness.

System means the compilation of operating procedures, marketing concepts, management techniques, and communications methods and procedures that Company has developed or adopted to govern the operation of Restaurants, the marketing of their products and services, and the methods of communication between and among Company and Restaurant operators, all or some of which may be deleted, changed, improved or further developed by Company from time to time.

Territory means the certain geographic area relating to the location of a Restaurant as defined and set forth in the Franchise Agreement for such Restaurant.

Trade Dress means decorative, non-functional components of a Restaurant that provide the establishment a distinctive, memorable appearance.

Trade Secrets means the components of the System, the contents of the Operations Manual and of all training materials and computer programs developed by Company or in accordance with its specifications, any other Confidential Information that Company imparts to Developer with respect to a Restaurant's operation or management, whether through the Operations Manual or otherwise, and any other information that constitutes "trade secrets" under prevailing judicial interpretations.

DEVELOPMENT AGREEMENT FOR A HAWAIIAN BROS™ ISLAND GRILL RESTAURANT

THIS DEVELOPMENT AGREEMENT is entered into by and among Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Company**"), _____ ("**Developer**"), and the undersigned Controlling Principals. Certain terms are used in this Agreement with the meanings assigned in the Glossary of Terms appearing at the beginning of this Agreement. The Glossary of Terms is incorporated into, and made an integral part of, this Agreement by reference.

1. RECITALS.

Company sells franchises to operate Restaurants. Developer is a prospective franchisee whose application to become a Hawaiian Bros Island Grill franchisee has been approved by Company.

2. GRANT OF DEVELOPMENT RIGHTS; CERTAIN DEVELOPER OBLIGATIONS.

In consideration of the Franchise Fee Deposit Developer pays in accordance with Section 6, Company grants to Developer the right, and Developer undertakes the obligation, to develop and open one or more Restaurants, as specified on **Exhibit B**, in the Development Area described in **Exhibit A**. Subject to extension or early termination as provided herein, the term of this Agreement is the period between the Effective Date and the Expiration Date, both of which are indicated on the signature page of this Agreement.

If Developer is a Business Entity, Developer must provide copies of its Charter Documents, any amendments thereto, resolutions of Developer's Board of Directors, managers, general partner or other managing body authorizing Developer to enter into and perform this Agreement, any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock, and any other documents as may be reasonably required by Company to be furnished to Company prior to the execution of this Agreement. Developer further represents, warrants and covenants that it is duly organized and validly existing under the law of the state of its formation and is duly qualified and authorized to do business in each jurisdiction in which its business activities or the nature of the properties it owns requires such qualification.

Developer represents, warrants and agrees that **Exhibit C**, including all documents and information attached thereto, is complete, current and accurate. Without limiting the terms of Section 10, Developer must furnish a current version of **Exhibit C**, including all documents and information to be attached thereto, to Company within 10 days after any change and upon Company's request. Each Person Company designates, including each Person who is or becomes a Principal and has access to Trade Secrets or other Confidential Information, must sign an agreement undertaking to be bound by confidentiality, non-competition and non-solicitation covenants in the form attached as **Exhibit F**.

Developer agrees to comply with all terms of use concerning any Intranet Company may maintain or may hereafter develop.

Developer will notify Company within five days after the commencement of any action, suit, arbitration, proceeding, or investigation, or the issuance of any order, writ, injunction, award, or decree, by any court, agency, or other governmental instrumentality which names Developer and/or any Controlling Principal as a party or otherwise concerns the development or operation of a Restaurant or Developer's financial condition.

Company will require one or more of Developer's Controlling Principals, as determined by Company, to complete Company's cultural immersion training program. Developer's Controlling

Principals that are required to complete such program must satisfactorily complete Company's cultural immersion training program within two months after the Effective Date. Company will provide such Controlling Principals with Company's cultural immersion training at a location designated by Company, without charging tuition or a training fee, provided Developer must pay all costs and expenses, including lodging, meals and transportation costs and wages and benefits for any employee, that Developer or its Controlling Principals incur in attending Company's cultural immersion training. Company will determine whether such Controlling Principals have satisfactorily completed the cultural immersion training. If any Controlling Principal required by Company to complete Company's cultural immersion training program fails to satisfactorily complete such program within two months after the Effective Date, Developer will be in material default under this Agreement.

3. RESTAURANT DEVELOPMENT PROCEDURE.

(a) Promptly after the Effective Date, Company will furnish Developer with general guidelines for Developer to consider in identifying potential sites for the Restaurant.

(b) Not later than the Scheduled Opening Date for a Restaurant, Developer must complete the following steps in the sequence shown:

(i) Developer must use a licensed real estate broker for site search and review, letter of intent negotiation, market research, and all other work related to its selecting and securing a site for its Restaurant. In some markets, Company may have Preferred Brokers. If Company has a Preferred Broker in Developer's market, Developer must use that Preferred Broker. If Company does not have a Preferred Broker in Developer's market, Company reserves the right to approve the real estate broker Developer selects;

(ii) Developer will be solely responsible for ensuring that any available sites submitted for Company's approval are located only within the Development Area. Company will not approve a site proposed by Developer that is located outside the Development Area;

(iii) Developer will locate one or more available sites that appear suitable for a Restaurant and submit for Company's evaluation a written site approval request and a landlord's summary of the lease terms available for each site. Developer must also give each landlord a copy of the Lease Rider, which must be included as part of any Restaurant lease. After Developer provides to Company the required documentation, which must include the site plan, photos, letter of intent summary, and other information Company deems necessary, Company will evaluate and critique the information on each site and basic lease terms in consultation with Developer. Company may visit and inspect the sites that Developer proposes, and Developer must reimburse Company for the costs and expenses of travel, lodging, and food for Company's representatives that attend a site visit;

(iv) If and when Company is satisfied that one or more of the sites are reasonably acceptable, Company will give Developer written authorization to proceed with lease negotiations. Company's written authorization to negotiate a lease will be granted or withheld at Company's sole discretion. Company reserves the absolute right to reject any site or lease proposal Developer submits and to require that Developer obtain information on additional sites. Under no circumstances may Developer pursue a site located inside the Territory of another Restaurant that is either operating or under development. Company's acceptance of a proposed site will not constitute a warranty or representation as to the site's suitability or success of the Restaurant. It simply means that Company is willing to grant a franchise at that location. Developer is solely

responsible for the final decision to accept the approved site based on Developer's independent investigations;

(v) After receiving Company's written authorization to negotiate, Developer must negotiate a Restaurant lease to Developer's satisfaction and submit an unsigned copy of the lease to Company for its verification that the terms of usage, hours of operation and other relevant information meet Company's standards and that the Lease Rider and the Restaurant's street address are included. Developer must use a licensed and experienced real estate attorney to negotiate the Restaurant lease. Developer acknowledges that Company will have no responsibility for evaluating or advising Developer with respect to any business or legal aspects of the lease, but that Company may withhold authorization for Developer to sign a lease that omits the Lease Rider, that contains any other terms Company does not approve, or that fails to contain any terms that Company requires for approval;

(vi) Upon acceptance of a site, Developer must promptly contact the necessary service providers (e.g. site surveyors, permit expeditors, and architectural and engineering consultants), all of whom must be licensed in the applicable state in which the Restaurant will be located, to begin the construction documents. Company reserves the right to require Developer to use Company approved site surveyors, permit expeditors, and architectural and engineering consultants. To ensure use of the prototypical equipment design and content for the proposed Restaurant, Company may assist the consultant in preparing the Restaurant's preliminary (*i.e.,* schematic) equipment layout consistent with the prototypical provisions of the applicable state's architectural and engineering board of professional examiners. Developer's consultant must be approved by Company;

(vii) Within 30 days after Developer selects an architect, Developer must submit for Company approval a complete set of construction documents for the Restaurant, including mechanical, electrical, and plumbing specifications. Developer's consultant must develop the documents in accordance with the standards and information Company provides. The documents will be subject to Company's review and approval. Company reserves the right to require payment of a reasonable fee for our review of the construction documents. Developer agrees to defer signing contracts for the Restaurant's construction, equipment, fixtures, or signage until Developer has received Company's written approval of Developer's final construction documents and Developer has executed a Franchise Agreement for the Restaurant;

(viii) When Company is satisfied with the Restaurant's lease, Company will give Developer written authorization to sign it. Once Company receives a copy of the fully executed lease with all exhibits, attachments and addenda, Company will furnish Developer a ready-for-signature copy of the Franchise Agreement for the Restaurant. The Franchise Agreement will be substantially the same as the Franchise Agreement attached to Developer's Franchise Disclosure Document, with all blanks filled in; and

(ix) Developer must sign the Franchise Agreement immediately after the necessary federally mandated, and any applicable state mandated, waiting period(s), if applicable, has passed and return the executed Franchise Agreement to Company.

(c) If Company has granted Developer the right to develop more than one Restaurant under this Agreement, not later than 30 days before a particular Restaurant's Lease Execution Date, Developer must notify Company that Developer is prepared to commence the Restaurant's development. If Company's then current form of Franchise Disclosure Document bears a more recent date than the most recent Franchise Disclosure Document that Developer received, Company will furnish the current Franchise

Disclosure Document to Developer, and Developer will execute the then current form of Franchise Agreement.

4. AREA DEVELOPMENT RIGHTS.

This Section 4 applies if Company has granted Developer the right to develop more than one Restaurant under this Agreement.

(a) In consideration of the Franchise Fee Deposit Developer pays in accordance with Section 6, Company grants to Developer the right (and Developer undertakes the obligation) to develop the number of Restaurants indicated in **Exhibit B** in the Development Area.

(b) In order to retain the right to develop Restaurants, Developer must:

(i) comply with the requirements of Sections 2 and 3;

(ii) develop and open Restaurants in compliance with the development schedule indicated in the "Lease Execution Date" and "Scheduled Opening Date" columns of **Exhibit B**; and

(iii) as of each Restaurant's Scheduled Opening Date, be operating in the Development Area the cumulative total number of Restaurants indicated in the "Required # of Operating Restaurants" column of **Exhibit B**.

(c) Subject to earlier termination in accordance with Section 9 and to renewal under Section 9, Developer's development rights will continue from the Effective Date until the Expiration Date.

(d) If Developer defaults under this Agreement in the manner described in Section 9, Company may exercise the rights granted in Section 9.

After this Agreement expires or terminates, Developer's right to develop Restaurants in the Development Area ends. Company then may grant to others development rights and Restaurant franchises in Developer's former Development Area and may open its own Restaurants there even if Developer has completed its development obligations on time and in strict compliance with this Agreement. However, expiration or termination of Developer's development rights does not affect the terms of any Franchise Agreement.

5. RESTAURANT DEVELOPMENT EXTENSIONS; FORCE MAJEURE.

(a) If Developer is unable to secure a lease for any Restaurant by its scheduled Lease Execution Date, Developer may apply for one 45-day extension of both the Lease Execution Date and the corresponding Scheduled Opening Date. To obtain an extension, Developer must request it in writing not later than 15 days before the relevant Lease Execution Date. Company will grant the extension if, in its reasonable judgment, Developer has made a good faith effort to comply with the requirements of Section 3(b) but has experienced delays beyond Developer's reasonable control.

(b) An extension obtained under Section 5(a) will apply only to the Restaurant for which Developer obtained it; an extension will not delay either the Lease Execution Date or the Scheduled Opening Date of any subsequent Restaurant.

(c) If the execution of a Restaurant's lease or the Restaurant's opening is delayed beyond its Lease Execution Date or Scheduled Opening Date, as applicable, on account of a natural disaster, fire or

other casualty, labor dispute, materials shortage, or similar event over which Developer lacks control (such "force majeure" events do not under any circumstances include Developer's financing delays or difficulties), the Restaurant's Lease Execution Date or Scheduled Opening Date, as applicable, will be extended for the time determined by Company to be reasonably necessary to remedy the event's effects. The extension provided in this Section 6(c) will be available only if Developer gives Company prompt written notice of the event's occurrence and an estimate of the time required to remedy its effects.

(d) An extension under Section 5(c) will apply only to the Lease Execution Date or Scheduled Opening Date of the Restaurant whose development is interrupted; an extension will not delay the Lease Execution Date or Scheduled Opening Date of any subsequent Restaurant.

6. FRANCHISE FEE DEPOSIT.

When Developer signs this Agreement, Developer must pay Company the Franchise Fee Deposit designated on **Exhibit B** for each Restaurant for the development rights granted in Section 2 and, if applicable, Section 4. The Franchise Fee Deposit is fully earned by Company in consideration of the development rights granted in this Agreement and is not refundable. The Franchise Fee Deposit will be allocated to and credited against the franchise fee due under the Franchise Agreement for the Restaurant to which it applies, provided Developer timely opens such Restaurant. However, if Developer fails to timely open a Restaurant, the Franchise Fee Deposit allocated to such Restaurant will be forfeited by Developer and will become Company's exclusive property. The remaining balance of the franchise fee for each of the Restaurants to be developed under this Agreement shall be paid by certified check, wire transfer or electronic funds transfer upon signing a Franchise Agreement for that Restaurant.

7. COMPETITIVE PROTECTION; TERRITORIAL SCOPE OF DEVELOPMENT RIGHTS.

(a) Except to the extent indicated in Sections 7(b)-7(d), until this Agreement expires or terminates, Company will not open or grant a franchise for a Restaurant, or enter into another development agreement relating to a Restaurant to be located, in the Development Area.

(b) The protected rights provided to Developer in Section 7(a) will not apply to, and Developer will have no competitive protection from, Special Outlets that Company or another franchisee or licensee (with Company's authorization) develops and/or operates, either permanently, temporarily or seasonally, in or outside of the Development Area. This Agreement does not apply to the development of Special Outlets and does not authorize or permit Developer to develop Special Outlets.

(c) The protected rights provided to Developer in Section 7(a) will not to any extent prohibit or restrict Company or its Affiliates from engaging in the distribution of its proprietary or branded products and other merchandise to or through commercial establishments that are not affiliated with Company or associated with the Marks or System, including (for example) department stores, supermarkets and convenience stores. Company or its Affiliates may exercise such distribution rights, both inside and outside the Development Area, without being deemed to have infringed Developer's competitive protection rights.

(d) The protected rights provided to Developer in Section 7(a) will not to any extent prohibit or restrict Company and its Affiliates from engaging in any and all of the activities, whether or not competitive, in which they are permitted to engage under the Franchise Agreement attached to Developer's Franchise Disclosure Document in effect as of the date of this Agreement.

8. RENEWAL.

(a) If Section 4 applies, Developer will have a conditional right to renew the right to develop Restaurants in the Development Area in accordance with the terms of this Section 8.

(b) Renewal will be permitted only if all of the following conditions are satisfied:

(i) Developer opens the full number of Restaurants indicated in Exhibit B in compliance with Section 3 and the Development Schedule indicated in **Exhibit B** (considering any deadline extensions that Developer obtains in compliance with Section 5);

(ii) Developer does not cause or permit an Event of Default to occur under Section 9, whether or not Company exercises its right to terminate Developer's exclusive rights under this Agreement on account of the Event of Default;

(iii) All of Developer's Restaurants are being operated in substantial compliance with Company's Standards, and Developer is not delinquent in paying royalty or other monetary obligations to Company or its Affiliates or in submitting required financial reports to Company; and

(iv) Based on its review of the financial and additional information that Developer submits in accordance with Section 8(c)(i), Company determines that Developer is financially capable of completing the development of the additional Restaurants that Developer proposes to develop.

(c) To secure a renewal of the development rights, Developer must comply with the following procedures:

(i) No later than 60 days before the Lease Execution Date of the last Restaurant listed in **Exhibit B**, Developer must notify Company of Developer's desire to continue developing Restaurants in the Development Area and submit to Company a new application, current financial information for Developer and its Controlling Principals, copies of any outstanding lawsuits, proof of payment of all taxes, copies of Developer's latest tax returns, and Developer's latest quarterly unaudited financial statements. Developer's notice must specify the number of additional Restaurants Developer proposes to develop in the Development Area.

(ii) Company will evaluate the application Developer submits as well as Developer's financial information and development proposal no later than 30 days before the renewal date. If Company determines that Developer qualifies to develop additional Restaurants, it will furnish Developer a new Development Agreement on the form Company is then using. The exhibits to that agreement will reflect the Development Area boundaries, number of Restaurants and development schedule that Company is willing to accept, which may differ from Developer's proposal.

(iii) No earlier than 15 calendar days, but no later than 20 calendar days, after Company furnishes the new Development Agreement to Developer, Developer must sign and return it to Company, together with the fees specified in that agreement and a general release, in form and substance satisfactory to Company, of any and all claims by Developer and its Affiliates against Company and its Affiliates, and all of Company's and its Affiliates' respective owners, officers, directors, and agents, arising out of or relating to this Agreement, any Franchise Agreement for an existing Restaurant, and all aspects of the parties' business relationships (this requirement also applies to each Controlling Principal).

9. DEFAULT AND TERMINATION.

If any of the following events or conditions occurs (each, an "**Event of Default**"), Developer will be in default under this Agreement:

(a) Developer fails to sign an approved lease for any Restaurant in compliance with Section 3 on or before its Lease Execution Date (considering any extension of that date that Developer obtains under Section 5(a) or 5(c));

(b) Developer signs a lease without express written authorization from Company or otherwise proceeds with a Restaurant's development before signing a Franchise Agreement for the Restaurant;

(c) Developer fails to open any Restaurant in compliance with Section 3 on or before its Scheduled Opening Date (considering any extension of that date that Developer obtains under Sections 5(a) or 5(c));

(d) without Company's express prior written permission, Developer fails to have open and operating in the Development Area the cumulative total number of Restaurants indicated in the "Required # of Operating Restaurants" column of **Exhibit B** as of the Scheduled Opening Date of any Restaurant (considering any extension of a particular Restaurant's Scheduled Opening Date that Developer obtains under Sections 5(a) or 5(c));

(e) Developer allows an Event of Default (as defined in the applicable Franchise Agreement) to occur under any Franchise Agreement (i) that is not cured by the end of the related remedial period provided in the Franchise Agreement or (ii) that is not curable under the Franchise Agreement;

(f) An attempted transfer or transfer of an Interest without Company's consent in contravention of Section 10;

(g) Developer files a petition in bankruptcy, is adjudicated bankrupt, or a petition in bankruptcy is filed against Developer and is either consented to by Developer or not dismissed within 30 days; or Developer becomes insolvent or makes an assignment for the benefit of creditors; or a bill in equity or other proceeding for the appointment of a receiver or other custodian for Developer's business assets is filed and is either consented to by Developer or not dismissed within 30 days; or a receiver or other custodian is appointed for Developer's business or business assets; or if Developer's real or personal property is sold at levy;

(h) Violation of any confidentiality, non-competition or non-solicitation obligations by Developer, or by any Principal to which such obligations apply during the time such Principal owns an Ownership Interest in Developer;

(i) Developer enters negotiations to lease or obtains an option to lease a site for a Restaurant located outside the Development Area, except pursuant to another effective development agreement between Company and Developer;

(j) Developer makes any material misrepresentation or omission in Developer's franchise application or other reports or information provided to Company;

(k) Developer or any Principal is convicted of or pleads guilty or no contest to a felony or crime involving moral turpitude, or any other crime or offense that Company determines is injurious to either the System or the goodwill enjoyed by the Marks;

(l) Developer fails to use a licensed real estate broker or, if applicable, Company's Preferred Broker; or

(m) Developer breaches any other obligation under this Agreement and fails to cure such breach within 15 days after Company provides Developer written notice of such default.

If an Event of Default occurs, Company may, at its option and sole discretion, (i) eliminate all protected aspects of Developer's right to develop Restaurants in the Development Area (in which case Company may engage and allow other franchisees or licensees to engage in such activities), (ii) decrease the number of Restaurants to be developed according to the development schedule, (iii) reduce the size of the Development Area, and/or (iv) terminate all of Developer's rights under this Development Agreement, in all cases by giving Developer written notice of Company's election. Company's failure to take prompt action with respect to a particular Event of Default will not constitute a waiver of that or any subsequent Event of Default.

10. TRANSFERS.

(a) Limitations and Conditions on Developer Transfers. Company entered into this Agreement based on the qualifications of Developer and the Principals. Any direct or indirect transfer of an Interest requires Company's prior written consent. As used in this Section 10, "**transfer**" includes any sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, pledge, hypothecation, inter-vivos transfer or testamentary disposition, in each case, whether voluntary or involuntary. Without limiting Company's right to consent or withhold consent to a proposed transfer, whether to an individual or any Business Entity, Company's consent to any transfer will be conditioned on the following: (1)a proposed transferee must meet Company's then-current criteria for new franchisees entering the System, (2) Developer must satisfy all of its outstanding obligations to Company or its Affiliates, (3) the transferee (or Developer, if an Ownership Interest is transferred) must execute Company's then-current form of Development Agreement and other collateral agreements Company may then require, (4) Developer and each Principal must give Company an unconditional, general release, in form and substance satisfactory to Company, of all claims they may have against Company and its Affiliates and their respective owners, directors, officers, and agents, and (5) Developer must have complied with any other conditions that Company reasonably requires from time to time as part of its transfer policies.

(b) Transfer Fee. Subject to Section 10(e), Developer must pay to Company a transfer fee in the amount equal to $10,000 multiplied by the number of Restaurants remaining to be developed under **Exhibit B** as of the date of transfer prior to any transfer of any Interest. The transfer fee is nonrefundable and, at Company's option, may be required to be paid to Company at the time Developer submits its request for Company's approval of the applicable transfer. Developer acknowledges that any transfer fee paid under this Agreement does not limit Company's right to charge a separate transfer fee under any other agreement between Company and Developer.

(c) Involuntary Transfers. In the event of Developer's insolvency or the filing of any petition by or against Developer under any provisions of any bankruptcy or insolvency law, if its legal representative, successor, receiver or trustee desires to succeed to its interest in this Agreement, such Person first must notify Company, tender the Offer Notice provided for in Section 10(f), and if Company does not exercise such right, must satisfy the transfer conditions described in Section 10(a). In addition, Developer or the proposed transferee must pay the attorneys' fees and costs that Company incurs in any bankruptcy or insolvency proceeding pertaining to Developer.

(d) Waiver of Interference Claims. Developer acknowledges that Company has legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with Developer. Developer also acknowledges that Company's contact with potential transferees for the purpose of protecting its business interests will not constitute improper or unlawful conduct. Developer expressly authorizes Company to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms with the transferee, to communicate candidly with the transferee regarding the nature of Developer's business operations, and to withhold consent to economically questionable transactions. Developer waives any claim that action Company takes in relation to a proposed transfer to protect its business interests constitutes tortious interference with contractual or business relationships.

(e) Special Transfers. If Developer is an individual or partnership who at any time advises Company that Developer wants to assign this Agreement to a Business Entity in which Developer will own all of the Ownership Interests, Company will consent to the assignment and waive payment of a transfer fee upon its receipt of such documentation and information concerning the Business Entity and its Principals as Company may reasonably request. The required documentation will include, without limitation, (i) a certified list of the company's stockholders or beneficial owners (designating the amount and percentage of Ownership Interests each Principal owns), and (ii) an express assumption by the company of Developer's obligations under this Agreement. Developer must reimburse Company for any legal expenses incurred by Company in connection with review or preparation of any documentation with respect to any such transfer.

(f) Option to Purchase. If at any time (a) a Principal(s) (or his or her estate or representative) desires to dispose of direct or indirect Ownership Interests of such Principal(s) in Developer in one transaction or a series of related transactions, or (b) Developer desires to dispose of Asset Interests, the Principal or Developer, as the case may be, will do as follows:

(i) Principal or Developer, as applicable, will give Company written notice of that desire 30 days before announcing that fact publicly or engaging the services of a broker or sales agent.

(ii) If at any time any of the Principals or Developer, as applicable, obtains an Offer, the Principal or Developer, as applicable, will give written notice to Company that an Offer has been made (an "**Offer Notice**"), identifying the prospective purchaser by name and address, specifying the proposed purchase price and attaching a true and complete copy of the Offer. At Company's option, delivery of such notice may not be deemed received until Principal or Developer has delivered to Company an Asset Purchase Agreement or other similar agreement, signed by Developer or Principals, as applicable, and the proposed transferee, documenting in full the terms of the proposed sale.

(iii) Company will have the option (the "**Option**") to purchase the Interests at the price and on the conditions set forth in the Offer, except that Company will not be obligated to pay any finder's or broker's fee, and if the Offer provides for payment of consideration other than cash, or if the Offer involves certain intangible benefits, Company may elect to purchase the Interests by offering a reasonable cash substitute for the non-cash part of the Offer, including securities of Company. Notwithstanding the foregoing, if Company exercises the Option, Company (i) will be entitled to receive representations and warranties from Developer and the Principals, jointly and severally, that are customarily received by similar purchasers, (ii) will be permitted to not close if it is not satisfied with the results of its business, legal and financial due diligence, and (iii) will not be required to purchase any assets unrelated to the development or operation of a Restaurant, in which case the purchase price will be reduced by the fair market value of such assets, as reasonably determined by Company.

(iv) The Option will be exercisable by Company delivering to the Principals or Developer, as applicable, within 45 days after receipt of the Offer Notice and all information regarding the proposed transferee requested by Company in connection with its transfer approval process (the "**Option Period**"), a notice (i) stating that the Option is being exercised, and (ii) specifying the time, date and place at which such purchase and sale will take place, which date will be within 90 days after Company delivers such notice. Notwithstanding the foregoing, the time for the purchase and sale may be delayed by Company if such delay is required to obtain any licenses, permits or other approvals from any governmental authority, whether foreign, federal, state, provincial, municipal, local or other, to develop the Restaurants in accordance with this Agreement, and/or to consummate the sale to Company if Company is diligently pursuing such license, permit or other approval.

(v) If the Option is not exercised, the Principal or Developer, as applicable, may sell the Interests to the Person that made the Offer, on conditions no more favorable to the third-party offeror than those set forth in the Offer, provided that Company approves the proposed transferee in accordance with this Section 10 and provided further that such sale takes place within 90 days after the expiration of the Option Period. The 90-day limitation described in the preceding sentence will not apply if at the end of the 90-day period the only issue that prevents completion of the purchase and sale is the need to effect transfers of any applicable licenses and such licenses are being diligently pursued. In the event of such a delay, the purchase and sale will take place within seven days after those licenses have been transferred.

(vi) If the Option is not exercised, the Principal or Developer, as applicable, will immediately notify Company in writing of any change in the terms of an Offer. For purposes of clarification, a change in the direct or indirect Ownership Interests of the proposed transferee will be deemed a change in the terms of an Offer. Any material change in the terms of an Offer will cause it to be deemed a new Offer, conferring upon Company a new Option pursuant to this Section. The Option Period with respect to the new Option will be deemed to commence on the day that Company receives written notice of a material change in the terms of the original Offer. Company will determine whether a change in an Offer is material in its sole discretion.

(g) Transfer Upon Death or Disability. Within 12 months from the death or six months after notice of permanent disability of Developer (if an individual) or any Principal, notwithstanding any agreement to the contrary, the legal representative of the deceased or disabled individual must propose to Company in writing to transfer the Ownership Interest of such individual to one or more transferees. Any such transfer must occur within 12 months from such individual's death or six months after notice of permanent disability, and is subject to Company's prior written consent in accordance with this Section 10, which will not be unreasonably withheld. Failure to complete an approved transfer of this Agreement or the affected Ownership Interest, as applicable, within the applicable time period will be a material breach of this Agreement.

11. NOTICES.

All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and may be given by any of the following methods: (a) personally delivered, (b) sent by certified mail with return-receipt requested, (c) sent by facsimile, (d) sent by email or (e) sent by other means which affords the sender evidence of delivery, attempted delivery, or rejected delivery, to the respective parties at the street addresses set forth below or evidence of delivery at the facsimile numbers or email addresses set forth below, unless and until a different street address, fax number or email address is designated by notice to the other parties. All such notices, requests, demands, waivers and communications by means which affords the sender evidence of delivery, attempted delivery,

or rejected delivery will be deemed to have been given and received at the date and time of receipt, attempted delivery, or rejected delivery; provided, however, any notice by fax or email must have evidence of delivery. A "read-receipt" received for an email delivery and a fax confirmation page from the sender's fax machine will be deemed evidence of delivery for notices sent by email or fax, as applicable.

If to Company, to:	Hawaiian Bros Franchising, LLC 720 Main Street Kansas City, MO 64105 Attention: President
If to Developer, to:	The address set forth on the signature page.

A party may at any time change the address to which notices are to be sent, or other contact information, by giving the other at least 10 days' prior notice in accordance with this Section.

12. RESTRICTIVE COVENANTS.

(a) In consideration of Company's providing operations and training to Developer and disclosing to Developer the System and other Trade Secrets, Developer and its Controlling Principals agree to the following non-competition and non-solicitation covenants:

(i) During the term of this Agreement, Developer and each Controlling Principal, for so long as such Controlling Principal has an Ownership Interest in Developer (the "**In-Term Restricted Period**"), will not own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as guarantor for, or perform services in any capacity for, any Competitive Business (as defined below) that is located, operates, advertises or provides services in the United States or in any other country where a Restaurant is located.

(ii) Developer, for two years following the termination or expiration of this Agreement, or Controlling Principal, for two years following the termination of all of his (A) Ownership Interests in Developer; or (B) the termination or expiration of this Agreement, whichever is first (as applicable, the "**Post-Term Restricted Period**"), may not own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as guarantor for, or perform services in any capacity for, any Competitive Business that is located, operates, advertises or provides services in any of the following:

1. In the Development Area; or

2. Within 20 miles of any outer boundary of the Development Area; or

3. Within the area comprised of a 20 mile radius of any Restaurant then existing or under development, whether franchised or owned by Company or any of its Affiliates or licensees; or

4. Within 20 miles of any outer boundary of any territory for which Company has granted development rights for the development of one or more Restaurants.

(iii) In addition, during the In-Term Restricted Period and the applicable Post-Term Restricted Period, neither Developer nor any Controlling Principal will, without Company's prior written consent, directly or indirectly, for itself, himself or herself, as applicable, or on behalf of

any other Person, solicit, serve, cater to, divert or attempt to divert to a Competitive Business, any business or customer of any Restaurant, by direct or indirect inducement or otherwise.

For purposes of calculating the duration of the two-year period, any time during which Developer or any Controlling Principal is in violation or breach of the covenant will be excluded. "**Competitive Business**" means any Hawaiian-themed restaurant or restaurant that advertises and serves Hawaiian cuisine.

(b) In order to give effect to Developer's and its Controlling Principals' obligations in this Section 12, Developer acknowledges and agrees that neither it nor any of its Controlling Principals will seek to violate this Section 12 directly or through any other person (for example, a direct relative or Affiliate) with whom Developer or the Controlling Principals are acting in concert or participating in connection with the prohibited activities. Developer and its Controlling Principals will be deemed to be in violation of the restrictions contained in this Section 12 if an Affiliate or direct relative such as a spouse, sibling, parent, child, or in-law is engaging in the activities described by this Section.

(c) Developer and its Controlling Principals acknowledge that their covenant not to compete is reasonable and necessary to protect the business and goodwill of the System and to avoid misappropriation or other unauthorized use of the System and Company's other Trade Secrets.

(d) Developer and its Controlling Principals acknowledge and confirm that they possess the education, training and experience necessary to earn a reasonable livelihood apart from operating or serving a Competitive Business.

(e) Neither Developer nor any Principal shall at any time (i) appropriate or use the Trade Secrets, or any portion thereof, in any other business which is not within the Hawaiian Bros Island Grill franchise system, (ii) disclose or reveal any Trade Secret to any person other than to Developer's employees as may be necessary incident of their training, or (iii) communicate, divulge or use for the benefit of any other Person any Confidential Information, knowledge or know-how concerning the methods of development or operation of a Restaurant.

13. STATUS OF PARTIES.

This Agreement is not intended to create, and will not be interpreted or construed as creating, a franchise, partnership, joint venture, agency, employment, personal services or similar relationship between Company and Developer. No representation to the contrary is binding upon Company. In addition, Developer's employees are under Developer's control. Company is not the employer or joint employer of Developer's employees. Company will not exercise direct or indirect control over the working conditions of Developer's personnel. Company does not share or codetermine the terms and conditions of employment of Developer's employees or affect matters relating to the employment relationship between Developer and its employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Developer has sole responsibility and authority for these terms and conditions of employment. Developer must communicate clearly with its employees in all dealings, including its employment agreements, human resource manuals, written and electronic correspondence, paychecks, and other materials, that Developer (and only Developer) is their employer and that Company, as the franchisor of Restaurants, is not their employer and does not engage in any employer- type activities (including those described above) for which only developers are responsible.

14. GOVERNING LAW; VENUE.

(a) The parties' rights and obligations under this Agreement, and the relationship between the parties, is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the State of Missouri (excluding any conflict of laws principles). To the extent the law of any other state may be held to be applicable to this Agreement or the relationship of the parties to this Agreement, Developer hereby waives any rights under such laws except to the extent any provisions of such law are non-waivable.

(b) Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties (each, a "**Dispute**") must be brought in the state or federal district court located in the county in which Company's headquarters is located; provided, that excluding Disputes relating to Developer's payment obligations to Company, no party to this Agreement may commence litigation proceedings with respect to a Dispute more than one year after the underlying cause of action accrues. Both parties hereto irrevocably submit themselves to, and consent to, the exclusive jurisdiction of said courts. The provisions of this Section will survive the termination of this Agreement. Developer is aware of the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agrees to be bound in the manner set forth in this Section.

15. MISCELLANEOUS.

(a) Partial Invalidity. The provisions of this Agreement are severable, and if any provision is held illegal, invalid or unenforceable, the holding will not affect the legality, validity or enforceability of any other provision. Any illegal, invalid or unenforceable provision will be reformed to the minimum extent necessary to render it legal, valid and enforceable and, as so reformed, will continue in full force and effect.

(b) Binding Effect. This Agreement may not be amended, modified or rescinded, or any performance requirement waived, except by a written document signed by an authorized officer of Company and Developer. No waiver by Company of any breach by Developer, nor any delay or failure by Company to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Company's rights with respect to that or any other or subsequent breach. The parties expressly agree that this Agreement may not be amended or modified, or any performance standard changed, by course of dealing or inference from a party's conduct. This provision does not apply to changes in the Operations Manual or System, which Company may modify unilaterally.

(c) Time is of Essence. Time is of the essence of this Agreement; Developer's compliance with the deadlines stated in this Agreement is essential.

(d) Costs and Attorneys' Fees. If Company incurs costs and expenses (internal or external) to enforce its rights or Developer's obligations under this Agreement because Developer has failed to comply with this Agreement, Developer agrees to reimburse Company for all costs and expenses Company incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Developer's obligation to reimburse Company arises whether or not Company begins a formal legal proceeding against Developer to enforce this Agreement. If Company does begin a formal legal proceeding against Developer to enforce this Agreement, the reimbursement obligation applies to all costs and expenses Company incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

(e) Waiver of Exemplary Damages, Class Action and Jury Trial. DEVELOPER AND THE CONTROLLING PRINCIPALS WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR CLAIM FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES AND WILL BE LIMITED TO RECOVERY OF ACTUAL DAMAGES

SUSTAINED IN THE EVENT OF ANY DISPUTE BETWEEN DEVELOPER OR A CONTROLLING PRINCIPAL AND COMPANY. DEVELOPER WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO ASSERT ANY CLAIM AGAINST COMPANY ON BEHALF OF, OR AS A MEMBER OF, A CLASS. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, IN ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT. ALL LITIGATED DISPUTES WILL BE TRIED TO THE COURT SITTING WITHOUT A JURY.

(f) Company's Discretion. Developer and Controlling Principals acknowledge and agree that this Agreement (and the relationship of the parties contemplated by this Agreement) grants Company the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Developer's explicit rights and obligations hereunder that may affect favorably or adversely Developer's interests and that any such discretion will be exercised by Company in its sole discretion based on Company's assessment of its interests and the System. If Company takes any action or chooses not to take any action in Company's discretion with regard to any matter related to this Agreement and Company's action or inaction is challenged for any reason, the parties expressly direct the trier of fact that Company's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of Company's discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independen5tly accord the same weight to the business reason.

(g) Fixed Fee Adjustment. At Company's option, Company may adjust any fixed fee set forth in this Agreement by a percentage that is equal to the change in percentage of the Consumer Price Index selected by Company ("CPI"), from the CPI in effect for the month and year in which the Effective Date occurs to the date of determination of the first adjustment made by Company hereunder and, thereafter, from the first day of the month immediately preceding the most recent adjustment to the date on which the adjustment is determined.

16. DEVELOPER'S ACKNOWLEDGMENTS.

(a) Developer acknowledges and agrees that this Agreement, together with any duly signed amendment or addendum attached to this Agreement, contains the entire agreement between the parties with respect to Developer's rights to develop and acquire franchises for Restaurants in the Development Area, and that this Agreement supersedes any prior or contemporaneous agreements between the parties, written or oral, with respect to those development and franchise acquisition rights. This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all counterparts shall constitute one and the same instrument. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

(b) Developer confirms and acknowledges that, except as provided in Company's Franchise Disclosure Document and this Agreement, no written or oral agreements, promises, commitments, undertakings or understandings concerning Developer's development or franchise acquisition rights were made to or with Developer that are not expressly stated in this Agreement or any duly signed amendment or addendum and that no written or oral representations were made by Company to Developer concerning Developer's development or franchise acquisition rights. However, nothing in this Agreement or any related agreement is intended to disclaim Company's representations in its Franchise Disclosure Document.

(c) Developer acknowledges (i) that this Agreement is not a franchise agreement and that it provides Developer neither a license to use the Hawaiian Bros Island Grill trade name or service mark nor any right to operate a Restaurant, (ii) that Developer's rights under this Agreement are solely contractual

and that no property rights are granted in or with respect to the Development Area, and (iii) that until a Franchise Agreement for a particular Restaurant location is issued in accordance with this Agreement, Developer will not have or be entitled to exercise any of the rights or privileges of a Hawaiian Bros Island Grill franchisee at or with respect to that location.

(d) Developer acknowledges that all amounts payable under Section 6 represent fees that are fully earned upon execution of this Agreement, and that none of those fees are refundable in whole or in part under any circumstances.

(e) Developer acknowledges and agrees that, by evaluating and accepting a particular Restaurant location, providing any other site selection assistance to Developer, or authorizing Developer to negotiate or sign a Restaurant lease, Company does not guarantee the suitability of any site for the operation of a Restaurant or warrant that Developer can profitably operate a Restaurant at any location that Company accepts. Company disclaims (and Developer recognizes and accepts Company's disclaimer of) any warranties, express or implied, with respect to the suitability or profit potential of any site Developer selects for a Restaurant.

(f) **DEVELOPER ACKNOWLEDGES AND AFFIRMS THAT NEITHER DEVELOPER NOR ANY OF ITS PRINCIPALS HAVE MADE ANY UNTRUE STATEMENT OF ANY MATERIAL FACT OR OMITTED TO STATE ANY MATERIAL FACT IN ITS APPLICATION OR ANY OTHER WRITTEN INFORMATION IN OBTAINING THE RIGHTS GRANTED HEREUNDER. NEITHER DEVELOPER NOR ANY OF ITS PRINCIPALS HAS ANY DIRECT OR INDIRECT LEGAL OR BENEFICIAL INTEREST IN ANY BUSINESS THAT MAY BE DEEMED A COMPETITIVE BUSINESS, EXCEPT AS OTHERWISE COMPLETELY AND ACCURATELY DISCLOSED IN DEVELOPER'S APPLICATION. THE EXECUTION AND PERFORMANCE OF THIS AGREEMENT WILL NOT VIOLATE ANY OTHER AGREEMENT TO WHICH DEVELOPER OR ANY OF ITS PRINCIPALS MAY BE BOUND. DEVELOPER RECOGNIZES THAT COMPANY HAS EXECUTED THIS AGREEMENT IN RELIANCE ON ALL OF THE STATEMENTS DEVELOPER AND ITS PRINCIPALS HAVE MADE IN THE APPLICATION AND ANY OTHER WRITTEN INFORMATION.**

[Signature Page Follows]

COMPANY

Hawaiian Bros Franchising, LLC

By:_____

Name:_____

Title:_____

Date:_____*

DEVELOPER

(Individual developers must complete the following)

_____
Signature, if an individual

_____
Developer's name, printed

Date:_____

(Business Entity developers must complete the following)

By:_____

Name:_____

Title:_____

Date:_____

_____
Signature – Controlling Principal

_____
Print Name – Controlling Principal

[Insert additional signature blocks for each Controlling Principal, as applicable.]

*Considered the Effective Date of this Agreement for all purposes

The Expiration Date is _____

Developer's Address for Notices is _____

EXHIBIT A

DESCRIPTION OF DEVELOPMENT AREA

The Development Area is the geographic area described as follows and which may be more specifically shown on a map attached to this Exhibit A, if available. However, if there is any inconsistency between the narrative description below and an attached map, the narrative description controls.

_____

_____

_____

All street boundaries will be deemed to end at the street center line unless otherwise specified above.

Despite the description above, the Development Area will in all cases be deemed to exclude any and all Non-Traditional Venues physically located within the Development Area, meaning that all such Non-Traditional Venues will not be deemed to be a part of the definition of the Development Area, Developer may not operate at such Non-Traditional Venues, and there are no restrictions whatsoever on Company's activities in or at those Non-Traditional Venues, including, but not limited to, its right to operate and grant others the right to engage in foodservice operations under the Marks at such Non-Traditional Venues.

COMPANY	**DEVELOPER**
Hawaiian Bros Franchising, LLC	(Individual developers must complete the following)
By:_____	_____
	Signature, if an individual
Name:_____	_____
Title:_____	Developer's name, printed
Date:_____	Date:_____
	(Business Entity developers must complete the following)
	By:_____
	Name:_____
	Title:_____
	Date:_____

EXHIBIT B

DEVELOPMENT SCHEDULE

LEASE EXECUTION DATE	SCHEDULED OPENING DATE	REQUIRED # OF OPERATING STORES	FRANCHISE FEE DEPOSIT
			[Insert an amount equal to 100% of the Franchise Fee for the first Restaurant and 50% of the Franchise Fee for each subsequent Restaurant in the Schedule.]

COMPANY	**DEVELOPER**
Hawaiian Bros Franchising, LLC	(Individual developers must complete the following)
By:_____	_____
Name:_____	Signature, if an individual
Title:_____	_____
Date:_____	Developer's name, printed
	Date:_____
	(Business Entity developers must complete the following)
	By:_____
	Name:_____
	Title:_____
	Date:_____

EXHIBIT C

BUSINESS ENTITY INFORMATION FORM

This form must be completed if this Development Agreement has more than one person identified as Developer or if Developer is a Business Entity (a corporation, partnership, limited liability company, or a similar entity). Developer must update this form whenever there is any change in the information provided herein. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Development Agreement.

1. **Business Entity**. The name of Developer is _____, and it was formed as a [INSERT STATE OF ORGANIZATION] [INSERT TYPE OF ENTITY] on [INSERT DATE]. Developer has not conducted business in any name other than Developer's business entity name and [INSERT OTHER BUSINESS NAMES OF DEVELOPER OR N/A, AS APPLICABLE].

2. **Business Entity Owners**.

(a) The following list includes the full name and mailing address of each Person who is an owner of Developer (stockholders, partners, members, holders of other equity interests in Developer or of interests convertible into equity interests in Developer) and the type and amount of each such owner's Ownership Interest in Developer (add lines as necessary):

Name and Address	Type of Interest	Ownership %

(b) If Developer is a Business Entity and owned in whole or in part by one or more Business Entities, the following list includes the full name and mailing address of each Person who is an owner (stockholders, partners, members, holders of other equity interests or of interests convertible into equity interests) in the Business Entity(ies) that has (have) an Ownership Interest in Developer, and the type and amount of such owner's Ownership Interest in such Business Entity(ies) (add lines as necessary):

Name and Address	Type of Interest	Ownership %

3. **Controlling Principal(s)**. Following is the name, position/title and Ownership Interest of each Controlling Principal:

Name and Address	Position/Title	Ownership %

4. **Governing Body**. Following is a description of the governing body having the power and authority to manage and direct the day-to-day operations of Developer (e.g. Developer's Board of Directors or Managers, the Board of Directors or Managers of Developer's parent entity or general partner, etc.), and a list of the names and addresses of all of the members of such governing body:

GOVERNING BODY: _____

NAMES & ADDRESSES OF MEMBERS OF GOVERNING BODY

_____

_____

_____

_____

5. **Representation**. Developer represents and warrants that the information provided in this form (and in any subsequent update thereto) is true, accurate, and complete, and that Company may consider this statement as continuing to be true, accurate, and correct until a written notice of change in the information set forth herein is given to Company. At Company's request, Developer agrees to prepare and sign a new form containing the correct information.

6. **Governing Documents**. Developer must attach true, accurate, and complete copies of its Charter Documents, including its articles of incorporation or organization and partnership, shareholder, or member agreements.

7. **Effective Date**: This Business Entity Information Form is effective as of this ____ day of _____, 20___.

DEVELOPER

(Individual developers must complete the following)

_____
Signature, if an individual – Owner 1

Print Name:_____

Date:_____

Signature, if an individual – Owner 2

Print Name:_____

Date:_____

(Business Entity developers must complete the following)

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT D

LEASE RIDER

This Lease Rider ("**Rider**") is entered into this _____ day of_____, 20____, by and between _____ ("**Tenant**") and _____ ("**Landlord**") and supplements and forms a part of the lease agreement (the "**Lease**") between Landlord and Tenant for the premises located at _____ (the "**Premises**"). In the event of a conflict between the provisions of the Lease and the provisions of this Rider, the provisions of this Rider will control.

1. Landlord and Tenant acknowledge and agree that this Rider is entered into in connection with, and as a condition to, the grant of a franchise by Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Franchisor**"), to Tenant in accordance with the terms of a franchise agreement (the "**Franchise Agreement**"), granting Tenant the right to operate the Premises as a Hawaiian Bros Island Grill restaurant. As such, Landlord and Tenant acknowledge and agree that Franchisor is an intended third-party beneficiary of this Rider with an independent right, but not obligation, to enforce any and all of its terms. The effectiveness of the Lease is contingent upon Franchisor's approval of the Premises and the form of the Lease.

2. The Premises may be used, in addition to any other uses permitted under the Lease, for the operation of a Hawaiian Bros Island Grill restaurant, including, without limitation, carry-out and delivery food service.

3. Subject to applicable zoning laws and restrictions of record, Landlord consents to Tenant's: a) installation and use of such trademarks, service marks, signs, decor items, color schemes, and related components of the Hawaiian Bros Island Grill franchise system as Franchisor may from time to time prescribe; and b) non-structural modifications; as required to comply with Franchisor's then-existing requirements, all to be performed in compliance with local laws, rules and regulations.

4. Landlord agrees to furnish Franchisor with copies of all notices of default or alleged default and all notices of termination that it sends to Tenant pertaining to the Lease and the Premises at the same time it sends such notices to Tenant. Such notices will be sent to Hawaiian Bros Franchising, LLC, 720 Main Street, Kansas City, MO 64105, Attn: President, or to such other address provided to Landlord in writing.

5. Franchisor has the right to enter the Premises at any time and from time to time (i) to make any repairs, alterations, or removals of the Hawaiian Bros Island Grill trade dress or equipment Franchisor considers reasonably necessary to protect the Hawaiian Bros Island Grill system and marks, (ii) to cure any default under the Franchise Agreement or under the Lease, and (iii) to remove the distinctive elements of the Hawaiian Bros Island Grill trade dress upon the expiration or termination of the Franchise Agreement. Franchisor will repair, or reimburse Landlord for the reasonable cost to repair, any damage to the walls, floor, or ceiling of the Premises that results from Franchisor's removal of trade dress items and other property from the Premises.

6. If Tenant has an obligation to continuously operate its business at the Premises, Tenant may cease operating for up to sixty (60) days, from time to time, to perform repairs, enhancements or renovations, as required by the Franchise Agreement. In the event Landlord has a voluntary or statutory lien on Tenant's trade fixtures or other personal property, such lien shall be subordinate to the rights of Franchisor with respect to branded items.

7. In the event of a default by Tenant under the Lease which entitles Landlord to terminate the Lease, Landlord will provide notice to Franchisor of such default and Landlord's intent to terminate the Lease ("**Landlord's Notice**"). At Franchisor's option, Landlord agrees to enter into a new lease (the "**New Lease**") with Franchisor or Franchisor's affiliate, as tenant, under the same terms as the Lease except that the term of such New Lease will be the remaining balance of the term of the Lease (as the same may have been extended). If Franchisor exercises such option, Franchisor will provide written notice of such election to Landlord within sixty (60) days after receipt of Landlord's Notice. During that sixty (60) day period, Landlord agrees that Franchisor may possess the Premises, to the exclusion of Tenant, in order to operate the restaurant, assess the restaurant's condition, and determine whether Franchisor desires to enter into the New Lease. Tenant acknowledges that Franchisor may possess the Premises in these circumstances and take whatever action is necessary, with or without Landlord's assistance, to enforce Tenant's compliance. Landlord agrees reasonably to cooperate and not to interfere with Franchisor's exercise of these rights. While Franchisor possesses the Premises for up to sixty (60) days, it will pay Landlord all pro-rated rent and other charges arising under the Lease during its possession and comply with all other terms and conditions of the Lease. However, Franchisor will not be required to cure any monetary default of Tenant under the Lease before Franchisor takes possession or as a condition of signing a New Lease.

8. Notwithstanding any provision herein to the contrary, Tenant shall have the absolute right, whether or not Tenant is in default under the Lease, upon ten (10) days prior written notice to Landlord, to sublet, assign or otherwise transfer its interest in the Lease to Franchisor or Franchisor's affiliate, to any entity with which Franchisor may merge or consolidate, or to any person or entity which is an authorized franchisee of Franchisor (each, a "**Permitted Assignee**"), without Landlord's consent. Landlord and Tenant acknowledge and agree that a Permitted Assignee will assume all of Tenant's obligations under the Lease arising as a result of events, acts or omissions occurring from and after the date of assignment. In the event Franchisee is in default of its obligations under the Lease as of the effective date of a transfer to a Permitted Assignee, the Permitted Assignee shall be obligated to cure such default, but only to the extent such default accrued not more than thirty (30) days prior to the date Franchisor received notice of such default from Landlord. Landlord may pursue, or continue to pursue, a claim for damages under the Lease against Tenant, but will have no rights to terminate the lease or to disturb the quiet possession of the Premises by the Permitted Assignee. Franchisor or Franchisor's affiliate also may sublet, assign or otherwise transfer its interest in a New Lease to any Permitted Assignee without Landlord's consent. Following an assignment or other transfer of interest in a Lease or New Lease, as applicable, contemplated under this Section 8, a Permitted Assignee also may sublet, assign or otherwise transfer its interest in the Lease or New Lease to another Permitted Assignee without the consent of Landlord. There will be no fee or expense charged in connection with any transfer permitted under this Section 8.

9. Except for an assignment or sublease to a Permitted Assignee as permitted under this Rider, Landlord will not consent to an assignment, subletting, or other transfer by Tenant, if such Landlord consent is required, unless and until Tenant provides Landlord with Franchisor's written consent thereto.

10. Landlord hereby represents and warrants that it holds fee simple title to the Premises and has all requisite right, power and authority to lease the Premises to Tenant. Landlord hereby agrees to obtain a non-disturbance agreement for the benefit of Tenant: a) from the holder of any mortgage/deed of trust as of the date of the Lease; and b) as a condition to Tenant's subordination to any mortgage/deed of trust granted after the date of the Lease.

11. Landlord will not, without Tenant supplying Franchisor's prior written consent, modify in any way the terms of the Lease or this Rider, including, without limitation, to change the permitted use of the Premises for anything other than a Hawaiian Bros Island Grill restaurant.

12. Landlord acknowledges that Franchisor is not a party to the Lease and will have no liability or responsibility under the Lease unless and until the Lease is assigned to, and assumed by, Franchisor in accordance with the terms of this Rider.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Rider of the date first above written.

LANDLORD:	**TENANT**:
_____, a _____	_____, a _____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT E

GUARANTY

In consideration of, and as an inducement to, the execution of that certain Development Agreement (the "**Agreement**") between Hawaiian Bros Franchising, LLC, a Missouri limited liability company, and _____ (the "**Developer**"), of even date herewith, and for other good and valuable consideration, the undersigned owners of outstanding equity interests in the Developer and each such owner's spouse (if any) (whether one or more, herein called "**Guarantors**"), for themselves, their heirs, successors, and assigns, do hereby, jointly and severally, unconditionally, individually and for any marital community (as applicable), agree as follows:

(1) Guarantors guarantee to Hawaiian Bros Franchising, LLC and its affiliates, successors, and assigns (collectively, the "**Franchisor**") the full performance of Developer under the Agreement, including that each and every one of Developer's obligations under the Agreement (collectively, "**Developer Obligations**") will be faithfully and punctually paid and performed.

(2) Guarantors agree to be personally bound by all confidentiality, non-competition and non-solicitation provisions contained in the Agreement, including the terms of Section 12 of the Agreement.

(3) Guarantors further agree to pay any judgment or award against the Developer obtained by Franchisor.

(4) This Guaranty expressly includes covenants contained in the Agreement that by their terms or by reasonable implication survive the termination, expiration, or transfer of the Agreement, including but not limited to non-competition, non-solicitation and confidentiality provisions.

(5) Guarantors waive: (i) notice of demand for payment of any indebtedness or nonperformance of any Developer Obligations; (ii) protest and notice of default to any party respecting the indebtedness or nonperformance of any Developer Obligations hereby guaranteed; (iii) any right Guarantors may have to require that an action be brought against the Developer or any other person as a condition of liability; and (iv) notice of any changes permitted by the terms of the Agreement or agreed to by the Developer.

(6) Guarantors consent and agree that (i) their liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Developer or any other person; (ii) such liability will not be diminished, relieved, or otherwise affected by Developer's insolvency, bankruptcy, or reorganization, the invalidity, illegality, or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to Guarantors; and (iii) this Guaranty shall apply in all modifications to the Agreement of any nature agreed to by Developer with or without the undersigned receiving notice thereof.

(7) Guarantors shall pay all costs of collection and reasonable attorneys' fees incurred by Franchisor in connection with enforcing this Guaranty.

[Signature Page Follows]

GUARANTORS:

Individually

Print Name

Address

City State Zip Code

Telephone Number

Ownership Percentage of Developer

Individually

Print Name

Address

City State Zip Code

Telephone Number

Ownership Percentage of Developer

Individually

Print Name

Address

City State Zip Code

Telephone Number

Ownership Percentage of Developer

Individually

Print Name

Address

City State Zip Code

Telephone Number

Ownership Percentage of Developer

EXHIBIT F

CONFIDENTIALITY, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Confidentiality, Non-Competition and Non-Solicitation Agreement (this "**Agreement**") is entered into as of _____ ___, 20___ (the "**Effective Date**"), by and between [INSERT NAME OF DEVELOPER], a [INSERT STATE & TYPE OF ENTITY] (the "**Developer**"), and _____ ("**Developer's Associate**").

BACKGROUND

A. Hawaiian Bros Franchising, LLC, a Missouri limited liability company ("**Franchisor**"), has the right to grant franchises for all rights in and to a unique system for the development and operation of restaurants (the "**System**"), which includes proprietary rights in valuable trade names, service marks and trademarks, including but not limited to the Hawaiian Bros™ Island Grill trademark, logo and trade name, and the elements and components of Franchisor's trade dress, a compilation of operating procedures, marketing concepts, management techniques, and communications methods and procedures.

B. Franchisor and Developer have entered into that certain Development Agreement dated as of _____ ___, 20___ (the "**Development Agreement**"), in which Franchisor has granted Developer the right, and Developer has undertaken the obligation, to develop and open one or more Hawaiian Bros Island Grill restaurants that utilize the System ("**Restaurant(s)**").

C. Developer and Developer's Associate acknowledge that Franchisor and its affiliates are the owners of trade secrets and confidential information (the "**Confidential Information**") relating to the operation of the System including, without limitation, any records, contracts, correspondence, customer lists, addresses or similar items regarding customers, prospective customers, or sales operations of Franchisor, its affiliates, or Franchisor's franchisees, business plans or strategies, marketing plans, marketing information, profit margins, prices, recipes, formulae, operating systems, suppliers or similar information with respect to products or services of Franchisor, Restaurant layout, plans, and schematics, all manuals, policy statements, directives, bulletins and memoranda that contain prescribed or recommended standards, procedures, policies and advice relating to a Restaurant's operation and management and to marketing the products Restaurants serve (the "**Operations Manual**"), any other information relating to the operation of the System, and such other information about Franchisor and its business as may reasonably be construed to be confidential or proprietary to Franchisor, whether designated as confidential or not and whether or not such information constitutes "trade secrets" under prevailing judicial interpretations.

D. Developer's Associate further acknowledges that, as a part of his or her relationship with Developer, Developer's Associate will receive and be entrusted with certain Confidential Information.

E. In consideration of Developer's Associate's relationship with Developer, Developer's Associate agrees to comply with the provisions of this Agreement. Developer's Associate also agrees the restraints imposed by this Agreement are reasonable and necessary to protect Developer's business, Franchisor, other franchisees of Franchisor, and the System.

AGREEMENT

1. CONFIDENTIALITY COVENANTS

(a) **Receipt of Confidential Information**. Developer and Developer's Associate acknowledge that, as a part of Developer's Associate's relationship with Developer, Developer's Associate will receive and be entrusted with certain Confidential Information.

(b) **Duty of Confidentiality**. Developer's Associate will not at any time, during or after such Developer's Associate's relationship with Developer, communicate or disclose to any individual or business entity (each a "**Person**") other than those employees of Developer to whom such disclosure is necessary in relation to performance of their job duties, or use for Developer's Associate's own benefit or for the benefit of any Person other than Franchisor or Developer in connection with the development or operation of a Restaurant, any Confidential Information that Developer's Associate acquired during such Developer's Associate's relationship with Developer. Developer's Associate understands and agrees that any and all Confidential Information, including methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than in connection with Developer's development or operation of a Restaurant.

(c) **Return of Confidential Information**. Developer's Associate will return all Confidential Information that Developer's Associate acquires during the relationship with Developer upon the earlier of the following:

i. the transfer, expiration or termination of the Development Agreement for any reason;

ii. the termination of Developer's Associate's relationship with Developer; or

iii. Developer's request.

2. NON-COMPETITION AND NON-SOLICITATION COVENANTS

(a) **Limitations on Competition**. Developer and Developer's Associate acknowledge that the Confidential Information provides a competitive advantage and will be valuable to them in the development and operation of the Restaurant(s). In consideration for the disclosure to Developer's Associate of Confidential Information, and to protect the confidentiality and value of the Confidential Information, Developer's Associate further agrees to the limitations on competition and solicitation set forth below.

(b) **Definition of Competitive Business**. "Competitive Business" means any Hawaiian-themed restaurant or restaurant that advertises and serves Hawaiian cuisine.

(c) **Non-Competition During Term of Development Agreement and Relationship with Developer**. Developer's Associate will not, without Developer's and Franchisor's prior written consent, own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any capacity for, any Competitive Business that is located, operates, advertises or provides services in the United States or in any other country where a Restaurant is located, until the earlier of the following (the "**Term**"):

i. the transfer, expiration or termination of the Development Agreement for any reason; or

ii. the termination of Developer's Associate's relationship with Developer.

(d) **Non-Competition After Term of Development Agreement or Relationship with Developer**. During the Post-Term Period (as defined below), Developer's Associate may not, without Developer's and Franchisor's prior written consent, own or operate, directly or indirectly, or accept employment by, hold an interest in, lend money to, serve as a guarantor for, or perform services in any

capacity for, any Competitive Business that is located, operates, advertises or provides services in any of the following:

i. In the geographic area in which Franchisee has the right and obligation to develop Restaurant(s) under the Development Agreement (the "**Development Area**");

ii. Within 20 miles of any outer boundary of the Development Area;

iii. Within the area comprised of a 20-mile radius of any Restaurant then existing or under development, whether franchised or owned by Franchisor or any of its affiliates or licensees; or

iv. Within 20 miles of any outer boundary of any territory for which Franchisor has granted development rights for the development of one or more Restaurants.

(e) **Non-Solicitation During the Term or the Post-Term Period.** In addition, neither during the Term nor the Post-Term Period, will Developer's Associate, without Developer's and Franchisor's prior written consent, directly or indirectly, for himself or herself, or on behalf of any other Person:

i. Solicit, serve, cater to, divert or attempt to divert to a Competitive Business, any business from any Developer Contact;

ii. Solicit or induce, or attempt to solicit or induce, any Developer Contact (defined below) to terminate or alter its/his/her relationship with Developer;

iii. Solicit or induce, or attempt to solicit or induce, any Person who or which is employed or retained by or contracted with Developer to terminate or modify such Person's employment or other relationship with Developer; or

iv. Solicit, induce, aid or counsel any other Person to do any of the foregoing.

The "**Post-Term Period**" means the two-year period after the earlier of the following: (i) the transfer, expiration or termination of the Development Agreement for any reason; or (ii) the termination of Developer's Associate's relationship with Developer. If at any time during the Post-Term Period Developer's Associate fails to comply with the obligations imposed by this Agreement, such period of noncompliance shall not be credited toward satisfaction of the two-year obligation.

"**Developer Contact**" means Developer's customers, investors, suppliers, vendors, consultants, and personnel.

(f) **Acknowledgement**. Developer's Associate acknowledges that these covenants not to compete are reasonable and necessary to protect the business and goodwill of the System and to avoid misappropriation or other unauthorized use of the System and Franchisor's Confidential Information, all of which provide a competitive advantage to Developer. Further, Developer's Associate acknowledges and confirms that he or she possesses the education, training, and experience necessary to earn a reasonable livelihood apart from operating or serving a Competitive Business.

3. DEFEND TRADE SECRETS ACT OF 2016 DISCLOSURE

18 U.S.C. § 1833(b) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(a) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

4. MISCELLANEOUS

(a) **Severability**. The provisions of this Agreement are severable, and if any provision is held illegal, invalid or unenforceable, the holding will not affect the legality, validity or enforceability of any other provision. Any illegal, invalid or unenforceable provision will be reformed to the minimum extent necessary to render it legal, valid and enforceable and, as so reformed, will continue in full force and effect.

(b) **Effectiveness of Agreement Following Termination**. All provisions of this Agreement that are to be effective following termination of Developer's Associate's relationship with Developer will be effective regardless of whether the termination was voluntary or involuntary.

(c) **Binding Effect; Amendments**. This Agreement may not be amended, modified or rescinded, or any performance requirement waived, except by a written document signed by the parties. No waiver by Developer of any breach by Developer's Associate, nor any delay or failure by Developer to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Franchisor's rights with respect to that or any other or subsequent breach. The parties expressly agree that this Agreement may not be amended or modified, or any performance standard changed, by course of dealing or inference from a party's conduct. This provision does not apply to changes in the Operations Manual or System, which Franchisor may modify unilaterally.

(d) **Governing Law**. The parties' rights and obligations under this Agreement, and the relationship between the parties, is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state of Developer's principal place of business (excluding any conflict of laws principles).

(e) **Costs and Attorneys' Fees**. If Developer or Franchisor incurs costs and expenses (internal or external) to enforce its rights or Developer's Associate's obligations under this Agreement because Developer's Associate has failed to comply with this Agreement, Developer's Associate agrees to reimburse Developer or Franchisor for all costs and expenses Developer or Franchisor, as applicable, incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Developer's Associate's obligation to reimburse Developer or Franchisor arises whether or not there is a formal legal proceeding. If Developer or Franchisor begins a formal legal proceeding against Developer's Associate to enforce this Agreement, the reimbursement obligation applies to all costs and expenses Developer or Franchisor incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

(f) **Notices**. All notices required or permitted under this Agreement must be in writing and will be deemed delivered when deposited either with the United States Postal Service, first class postage prepaid, certified mail, return receipt requested, or with an overnight delivery service for next business day delivery with proof of delivery, and addressed as follows:

If to Developer's Associate, to the address set forth on the signature page to this Agreement.

If to Developer, to: _____

_____

_____

Attention: _____

Any party may change its address for notices by written notice to the other given in accordance with this subsection.

(g) **Third Party Beneficiary; Remedies**. Developer and Developer's Associate acknowledge and agree that: (i) Franchisor is a third party beneficiary of the rights and obligations set forth in this Agreement, and (ii) Franchisor has the right to enforce the provisions of this Agreement in the event of any beach or violation, or threatened breach or violation, of this Agreement. Developer's Associate further acknowledges and agrees that: (A) Franchisor and Developer will suffer irreparable harm in the event of any breach or violation of this Agreement, and (B) Franchisor's and Developer's appropriate remedies for breach or violation, or threatened breach or violation, of this Agreement include interim, interlocutory, and final orders granting injunctive, mandatory, or other extraordinary relief, without the need for the posting of security or an undertaking in damages..

(h) **Assignment**. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and inure to the benefit of its respective affiliates, successors, and assigns. The respective obligations of Developer and Developer's Associate hereunder may not be assigned by Developer or Developer's Associate, except with the written consent of Franchisor.

(i) **Counterparts; Electronic Transmission.** This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all counterparts shall constitute one and the same instrument. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

[***Signature Page Follows***]

IN WITNESS WHEREOF, the undersigned have entered into this Confidentiality and Non-Competition Agreement as of the day and year first set forth above.

DEVELOPER:

[INSERT NAME OF DEVELOPER]

By:_____

Name:_____

Title:_____

DEVELOPER'S ASSOCIATE:

(Individuals must complete the following)

Signature:_____

Printed Name:_____

(Business entities must complete the following)

By:_____

Name:_____

Title:_____

Developer's Associate's Address for Notices:

_____

_____

_____

Attention: _____

EXHIBIT D
Agents for Service of Process

SBLSG Registered Agent, Inc.
2900 NE Brooktree Ln.
Suite 100
Gladstone, MO 64119

EXHIBIT E
Sysco Participation Agreement

See attached.

Form of Participation Agreement

PARTICIPATION AGREEMENT

This Participation Agreement is entered into as of the ____ day of _____, 20___, by and between the undersigned ("***Customer***"), as owner or operator of certain establishments (the "***Customer Locations***") and Sysco _____, [Inc.] [LLC] (the "***Distributor*** ") on behalf of Sysco Corporation and certain of its operating subsidiaries and affiliated companies (individually, an "***Operating Company***" and collectively, "***Operating Companies***," which includes Distributor), which together with Sysco Corporation, are referred to collectively as "***Sysco***." Sysco is approved to provide distribution services to Customer, as a franchisee or member of a group purchasing organization with, or a company that obtains procurement services through _____ or any of its affiliates (the "***Master Organization***") pursuant to that certain Master Distribution Agreement entered into between Sysco and the Master Organization (the "***MDA***"). All capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed to them under the MDA.

In consideration of the premises and the mutual covenants, the sufficiency of which is acknowledged by them, the Customer and Operating Company agree as follows:

Agreement

2. Binding Nature of the MDA. By his/her/its signature below, Customer specifically acknowledges and agrees: (i) Sysco's distribution of Products to Customer Locations will be pursuant to the MDA between Sysco and Master Organization, as such arrangement may be modified by any location specific terms set forth in Exhibit A attached hereto ("***Location Specific Terms***"); (ii) the sell price of Products distributed to the Customer Locations and set forth in the order entry system provided by Sysco is the result of negotiation between the Master Organization and Sysco; and (iii) to be bound by any adjustments in the pricing terms permitted under the MDA and/or negotiated and agreed to by the Master Organization.

3. Credit Terms. Credit terms are established in the separate Credit Application executed and submitted by Customer to Distributor.

4. Financial Reports. The continuing creditworthiness of Customer is of central importance to Distributor and Sysco. In order to enable Distributor to monitor Customer's financial condition, Customer will, if requested by Distributor, supply quarterly and annual financial statements to Distributor consisting of an income statement, balance sheet and statement of cash flow. Distributor may request and Customer will provide such further financial information from time to time, sufficient, in Distributor's judgment, to enable it to accurately assess Customer's financial condition.

5. Termination/Delivery Stoppage.

a. This Agreement may be terminated: (i) by Distributor, upon the termination of the MDA, or by reason of the circumstances permitting termination of the MDA, even if not exercised, by Sysco; (ii) by Distributor, upon the direction of the Master Organization; (iii) by either party, upon the termination of the agreement between Customer and Master Organization that establishes the terms under which Customer purchases Products through the Master Organization; (iv) by Distributor, immediately upon written notice to Customer if Customer's financial position deteriorates materially, as determined by Distributor in its sole judgment, or Sysco becomes aware of any circumstances that, in Distributor's sole judgment, materially impacts Customer's ability to meet its financial obligations under this Agreement; or (v) by either party, upon sixty (60) days' prior written notice to the other party for failure of the other party to comply with any material provision of this Agreement, unless, with respect to not more than one such failure, such failure is cured within such sixty (60) day period. Absent such earlier termination, this Agreement shall remain in full force and effect until the expiration of the MDA.

b. In the event Customer fails to pay for any Products delivered to any Customer Locations within the approved payment terms established pursuant to this Agreement or the Credit Application, Distributor, immediately upon written notice to Customer, shall be entitled to withhold any future deliveries of Products to the Customer Locations until Distributor receives payment in full of the Sell Price with respect to such Products and any finance or late charges permitted under the Customer's Credit Application. In addition, in the event that Customer fails to timely pay for Products delivered to any of the Customer Locations, Distributor may condition future deliveries of Products to the Customer Locations upon more stringent credit and/or payment terms, such as, without limitation, shortened payment periods, cash on delivery, cash in advance, the receipt of satisfactory guaranties that guaranty payment to Distributor for such Products, and/or the pledging of collateral to secure such payments.

6. Release. Customer agrees that Distributor's ability to perform distribution services for Customer under this Agreement is expressly contingent upon the Master Organization's approval for it to do so. Accordingly, **Customer hereby releases Distributor, Sysco, Affiliates, and each of their respective officers, employees, and directors from any and all losses, damages, or claims ("*Claims*") that Customer may have or suffer as a result of (i) Sysco's discontinuance of services, in whole or in part, to Customer as a result of notice or instructions from the Master Organization to cease such services or the termination of the MDA and (ii) Sysco's sharing of information with the Master Organization concerning purchases by Customer, Customer's accounts receivable with Sysco, and other similar matters relating to Sysco's relationship with Customer relating to the MDA. Customer further releases Distributor, Sysco and their Affiliates from any Claims arising from Sysco's payment of allowances or other compensation to the Master Organization or its designee, based, in whole or in part, upon sales of Product to Customer.** Customer specifically consents to disclosure of the information described in clause (ii).

7. Warranties.

a. Sysco warrants that all Products other than Products which Master Organization has entered into arrangements with the supplier of such Products concerning the purchase of such Products by Master Organization and its members/franchisees ("***Customer Directed Products***"), as of the time of delivery to Customer, (i) will meet the specifications for such Product contained within Sysco's order guide and other written specifications for such Product provided by Sysco, (ii) subject to the statutory trust imposed by the Perishable Agricultural Commodities Act, will be free and clear of any adverse lien or security interest, and (iii) to the extent the Product is subject to the Federal Food, Drug and Cosmetic Act, as amended from time to time (the "***FDC Act***"), will not be adulterated or misbranded within the meaning of the FDC Act. Sysco warrants that, subject to the statutory trust imposed by the Perishable Agricultural Commodities Act, all Customer Directed Products will be free and clear of any adverse lien or security interest. NO PERSON IS AUTHORIZED TO MAKE ANY WARRANTY OR REPRESENTATION IN ADDITION TO OR IN CONFLICT WITH THE WARRANTIES SET FORTH IN THIS SECTION 6.

b. Except as expressly provided herein, SYSCO MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES THAT ARISE FROM TRADE USAGE OR CUSTOM.

c. In no event shall either Sysco or Customer be liable FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY SORT (INCLUDING WITHOUT LIMITATION, LOST PROFITS AND LOST ENTERPRISE VALUE) INCURRED BY THE OTHER PARTY WHETHER IN AN ACTION IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF, EVEN IF IT IS ADVISED OF OR COULD HAVE FORESEEN THE POSSIBILITY OF SUCH DAMAGES, except for losses arising from third party claims that are subject to the indemnification obligations described in the MDA or losses suffered by a party as a result of the breach by the other party and/or its affiliates, employees, officers, or directors, of the confidentiality provisions set forth in this Participation Agreement.

8. Waiver of Jury Trial. Customer affirmatively waives its right to jury trial with respect to any disputes, claims or controversies of any kind whatsoever under this Agreement or the MDA.

Effective as of the date first above written.

CUSTOMER	DISTRIBUTOR
_____	Sysco _____, [Inc.] [LLC]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT F
Operations Manual – Table of Contents

Hawaiian Bros History, Values, and Mission Statement	25
History, Brand Values, Mission Statement	
Franchise Agreement Compliance Processes	
Crew Member Training	30
Manager-in-Training Training	30
Orientation	2
Insurance	5
In Restaraunt Technology Support	8
Toast POS	42
Crunch Time	23
Prep n' Print Labeling Machine	3
Toast Handhelds	18
HME DTOS (Drive Thru Optimization System)	3
HME Headphones, Drive Thru Technology, optional Harri, Paylocity guides optional	30
Expensify (optional) guides	23
Learning Management System Expand Share	16
Hawaiian Bros Development & Operating Standards	
Hawaiian Bros Development Guide (interior/exterior design standards prototype full	163
Furniture, Fixtures, and Equipment standards (Lindbergh and Live Oak invoices, including smallwares, startchain equipment and furniture specs, used Katalyst Decor specs for recent sites)	88
Equipment cleaning list and schedule	2
Equipment maintenance and repair	6
Building repair, maintenance - maintaining the physical appearance interior and	11
Requesting and managing outside maintenance service	14
Cleaning Schedule and Position Responsibilities for Stations	3
Dining Room Guest Facing Areas - Before, During and After Service	3
Closing Checklist, Curb Appeal - Building Exterior - Windows, Doors, Parking Lot,	11
Close down standards	11
Atmosphere Lights, music	1
Service technology use (online ordering tools, order kiosks, POS)	23
Greet/connect with guest, Take control and guide guest through entire experience,	43
Enroll guest in One Ohana	19
Delivering food to the guest, Check on/connect with guest, Maintaining the guest table. Using observation & tools to predict business outcomes (short term)	9
Retail Merchandise	11
Recovering a dissatisfied guest	14
Managing Delivery Service Providers (DSP)	1
Answering the phone	24
Recipes and Standard Operating Procedures, Plate Presentations, Portioning, Prep Food, Kitchen Display System use, Kitchen equipment use, Store food to shelf life standard	37

Food Safety	
Cross contamination/Sanitizing Food Contact Surfaces	7
Food Holding Temps Log / Labels	2
Personal hygiene, Use of gloves and handwashing, Personal health reporting	5
Employee Illness Policy and Log	2
Hawaiian Bros Special Food Safety Procedures	4
Dating and Labeling & using the Label Printer	1
Proper use of chemicals and detergents MSDS SDS	139
Warewashing, 3 Compartment Sink - Test Strips Sanitizer Log - Set-up	10
Internal Audit Ecosure Standards / Inspection Form	14
HACCP - Cool Down Procedure / Reheat Procedure / Holding Hot & Cold Foods	3
Team Member and Guest Safety	
Security procedures, Safety tools & procedures, Crisis management, Injury Reporting	20
Proper Knife Handling and Wearing Cut Gloves	5
HB Allergen Listing	1
COVID-19	27
Safety Shoes	2
Choking & Heimlich Maneuver	2
CPR Procedures	7
Administration	
Inventory & Cost Management	23
Ordering Goods	23

EXHIBIT G
State Specific Addenda

With regard to the state(s) listed below, the following state specific addenda are provided in this Exhibit G:

- Michigan: Addendum to the Franchise Disclosure Document
- North Dakota: Addendum to the Franchise Disclosure Document, Addendum to the Franchise Agreement; and Addendum to the Development Agreement

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR HAWAIIAN BROS FRANCHISING, LLC REQUIRED BY THE STATE OF MICHIGAN

In recognition of the requirements of the Michigan Franchise Investment Law, Chapter 445, §§ 445.1501 through 445.1546 and the regulations promulgated thereunder, the Franchise Disclosure Document of **HAWAIIAN BROS FRANCHISING, LLC.** for use in the State of Michigan shall be amended as follows:

1. The following is added immediately following the State Cover Page, immediately before the Effective Date:

   "**The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.**

   a. A prohibition on the right of the 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 protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

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

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

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

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

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

   i. 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 subfranchisor;

   iii. the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; and

   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 franchisee 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."

2. 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.

3. Any questions regarding the notice of this offering should be directed to:

Michigan Department of Attorney General
Attention: Franchise Section
G. Mennen Williams Building
252 W. Ottawa Street
P.O. Box 30212
Lansing, MI 48909

4. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Michigan Franchise Investment Law and any rules and regulations promulgated thereunder are met independently without reference to this Addendum.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR HAWAIIAN BROS FRANCHISING, LLC
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the North Dakota Franchise Investment Law, Sections 51-19-01 through 51-19-17, and the regulations promulgated thereunder, the Franchise Disclosure Document of **HAWAIIAN BROS FRANCHISING, LLC** for use in the State of North Dakota shall be amended in accordance with the following, which the North Dakota Securities Commissioner has held are unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

a. Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

b. Situs of Arbitration Proceedings: Franchise documents providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

c. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

d. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

e. Applicable Laws: Franchise documents which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

f. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

g. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

h. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

The Securities Commissioner of North Dakota has required Franchisor to assure its financial capability. Notwithstanding anything in the Franchise Disclosure Document to the contrary, 100% of the franchise fee paid by a franchisee who is a resident of North Dakota will be held in escrow in accordance with the North Dakota Franchise Investment Law until the obligations of Franchisor to assist the franchisee to establish and open the franchised business are fulfilled.

Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law and any rules and regulations promulgated thereunder are met independently without reference to this Addendum.

THIS ADDENDUM ADDRESSES CERTAIN PROVISIONS OF NORTH DAKOTA LAW THAT AMEND THE FRANCHISE DISCLOSURE DOCUMENT OF HAWAIIAN BROS FRANCHISING, LLC. READ THIS ADDENDUM CAREFULLY.

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR HAWAIIAN BROS FRANCHISING, LLC
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, Sections 51-19-01 through 51-19-17, and the regulations promulgated thereunder, the Franchise Agreement of **HAWAIIAN BROS FRANCHISING, LLC** for use in the State of North Dakota shall be amended as follows:

1. The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, Sections 51-19-01 to 51-19-17 (the "Law"). To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:
    a. If the Franchisee is required in the Franchise Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation, or action that would violate the Law, or a rule or order under the Law, such release shall exclude claims arising under the North Dakota Franchise Investment Law, and such acknowledgments shall be void with respect to claims under the Law.
    b. Covenants not to compete during the term of and upon termination or expiration of the Franchise Agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete which is inconsistent with North Dakota law, the covenant may be unenforceable.
    c. If the Franchise Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under the Law.
    d. If the Franchise Agreement requires that it be governed by the law of a state other than the State of North Dakota, to the extent that such law conflicts with North Dakota Law, North Dakota law will control.
    e. If the Franchise Agreement requires mediation or arbitration to be conducted in a forum other than the State of North Dakota, the requirement may be unenforceable under the Law. Arbitration involving a franchise purchased in the State of North Dakota must be held either in a location mutually agreed upon prior to the arbitration or if the parties cannot agree on a location, the location will be determined by the arbitrator.
    f. If the Franchise Agreement requires payment of a termination penalty, the requirement may be unenforceable under the Law.
    g. Any provision that provides that the parties waive their right to a jury trial may not be enforceable under North Dakota law.

h. Any provision that provides that Franchisee consent to a waiver of punitive and exemplary damages may not be enforceable under North Dakota law.

i. Any provision that requires Franchisee to consent to a claims period that differs from the applicable statute of limitations period under North Dakota law may not be enforceable under North Dakota law.

2. The Securities Commissioner of North Dakota has required Franchisor to assure its financial capability. Notwithstanding anything in the Franchise Agreement to the contrary, 100% of the franchise fee paid by a franchisee who is a resident of North Dakota will be held in escrow in accordance with the North Dakota Franchise Investment Law until the obligations of Franchisor to assist the franchisee to establish and open the franchised business are fulfilled.

3. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law and any rules and regulations promulgated thereunder are met independently without reference to this Addendum.

4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Franchise Agreement, the terms of this Addendum shall govern.

5. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Addendum to Franchise Agreement as of the dates written below.

COMPANY: **HAWAIIAN BROS FRANCHISING, LLC**

By:_____

Name: _____

Title: _____

FRANCHISEE: _____

By:_____

Name: _____

Title: _____

North Dakota Effective Date: _____

ADDENDUM TO THE DEVELOPMENT AGREEMENT
FOR HAWAIIAN BROS FRANCHISING, LLC
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, Sections 51-19-01 through 51-19-17, and the regulations promulgated thereunder, the Development Agreement of **HAWAIIAN BROS FRANCHISING, LLC** for use in the State of North Dakota shall be amended as follows:

1. The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, Sections 51-19-01 to 51-19-17 (the "Law"). To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

    a. If the Developer is required in the Development Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation, or action that would violate the Law, or a rule or order under the Law, such release shall exclude claims arising under the North Dakota Franchise Investment Law, and such acknowledgments shall be void with respect to claims under the Law.

    b. Covenants not to compete during the term of and upon termination or expiration of the Development Agreement are enforceable only under certain conditions according to North Dakota law. If the Development Agreement contains a covenant not to compete which is inconsistent with North Dakota law, the covenant may be unenforceable.

    c. If the Development Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under the Law.

    d. If the Development Agreement requires that it be governed by the law of a state other than the State of North Dakota, to the extent that such law conflicts with North Dakota Law, North Dakota law will control.

    e. If the Development Agreement requires mediation or arbitration to be conducted in a forum other than the State of North Dakota, the requirement may be unenforceable under the Law. Arbitration involving a franchise purchased in the State of North Dakota must be held either in a location mutually agreed upon prior to the arbitration or if the parties cannot agree on a location, the location will be determined by the arbitrator.

    f. If the Development Agreement requires payment of a termination penalty, the requirement may be unenforceable under the Law.

    g. Any provision that provides that the parties waive their right to a jury trial may not be enforceable under North Dakota law.

    h. Any provision that provides that Developer consent to a waiver of punitive and exemplary damages may not be enforceable under North Dakota law.

i. Any provision that requires Developer to consent to a claims period that differs from the applicable statute of limitations period under North Dakota law may not be enforceable under North Dakota law.

2. The Securities Commissioner of North Dakota has required Franchisor to assure its financial capability. Notwithstanding anything in the Development Agreement to the contrary, 100% of the franchise fee paid by a Developer who is a resident of North Dakota will be held in escrow in accordance with the North Dakota Franchise Investment Law until the obligations of Franchisor to assist the Developer to establish and open the franchised business are fulfilled.

3. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law and any rules and regulations promulgated thereunder are met independently without reference to this Addendum.

4. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect. To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Development Agreement, the terms of this Addendum shall govern.

5. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Addendum to Development Agreement as of the dates written below.

COMPANY: **HAWAIIAN BROS FRANCHISING, LLC**

By:_____

Name: _____

Title: _____

DEVELOPER: _____

By:_____

Name: _____

Title: _____

North Dakota Effective Date: _____

EFFECTIVE DATES OF STATE REGISTRATIONS

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

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

State	Effective Date
Indiana	January 4, 2023
Michigan	December 22, 2022
North Dakota	Pending
Wisconsin	December 22, 2022

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 programs.

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 Hawaiian Bros Franchising, LLC ("HB Franchising") 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.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

North Dakota requires that we give you this disclosure document at least 7 days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If HB Franchising does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency.

The franchisor is Hawaiian Bros Franchising, LLC, located at 720 Main Street, Kansas City MO, 64105. Its telephone number is (816) 569-9663.

The franchise seller for this offering is _____, located at _____. His/her telephone number is _____.

The issuance date is September 16, 2022.

HB Franchising authorizes the respective agent identified on Exhibit D to receive service of process for HB Franchising in the particular state.

I received a disclosure document dated _____, 2022 that included the following Exhibits:

A. Financial Statements
B-1. Franchise Agreement
B-2. Addendum to Franchise Agreement (Reduced Royalties)
C. Development Agreement
D. Agents for Service of Process
E. Sysco Participation Agreement
F. Operations Manual – Table of Contents
G. State Specific Addenda

Date: _____ _____

Prospective Franchisee Signature
Print Name:_____
Address: _____
_____
Individually and as _____
of _____

Please insert the name, address and telephone number of the franchise seller in the space above.

(Your Copy. Sign, date and retain.)

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 Hawaiian Bros Franchising, LLC ("HB Franchising") 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.

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C. Development Agreement
D. Agents for Service of Process
E. Sysco Participation Agreement
F. Operations Manual – Table of Contents
G. State Specific Addenda

Date: _____ _____

Prospective Franchisee Signature
Print Name:_____
Address: _____
_____
Individually and as _____
of _____

Please insert the name, address and telephone number of the franchise seller in the space above.

(Our Copy. Sign, date and return to us by mailing it to _____ at _____ or by faxing a copy to _____ at _____.)