FRANCHISE DISCLOSURE DOCUMENT

HOCCO Foods USA LLC
A Georgia corporation
1100 Mill Creek
Greensboro, Georgia 30145
+91 9725332669
nidhi.shah@hocco.in
www.hocco.in

As master franchisee, you will operate a franchise system consisting of restaurants ("HOCCO Businesses") and eateries selling primarily Indian food and ice creams under the names "HOCCO™", "1944, the HOCCO Kitchen™," "The HOCCO Kitchen™," "HOCCO The Indian Kitchen™," "HOCCO Ice Cream™", and other related trademarks ("Master Business(es)") within the United States (the "Territory"). Master Businesses will also directly own and operate HOCCO Businesses.

The total investment necessary to begin operation of a HOCCO Business master franchise business is between $524,000 and $1,204,000. This includes between $55,000 and $85,000 that must be paid to the franchisor or affiliate.

This Disclosure Document summarizes certain provisions of your master 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 government agency has verified the information contained in this document**.

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Nidhi Shah at 12th & 13th Floor, Maruti Elanza Vertex, Opp Sterling Cancer Hospital, Sindhu Bhavan Road, Ahmedabad 380058 and 9825232669 or nidhi.shah@hocco.in.

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 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 (the "FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at *www.ftc.gov* for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: June 5, 2025

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 master franchisees. You can find their names and contact information in Item 20 or Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only HOCCO Master 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 HOCCO Master Franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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

NOTICE REQUIRED BY
STATE OF MICHIGAN

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

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

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

(b) A requirement that the 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 terms except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

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

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

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

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

The fact there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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EXHIBITS:

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

To simplify the language in this Franchise Disclosure Document, "HFU," "we," "us" and "our" means HOCCO Foods USA LLC, the franchisor. "You," "your" and "Franchisee" means the person, and its owners if the Franchisee is a business entity, who buys the franchise from HFU.

The Franchisor

We are a Georgia limited liability company that was formed on March 5, 2024. Our principal business address is 1100 Mill Creek, Greensboro, Georgia 30145. We do business under the names "HOCCO The Indian Kitchen™," "HOCCO Business™", "HOCCO Ice Cream™", "The Hocco Kitchen™", "1944 The Hocco Kitchen™," "Huber & Holly ™", and other trademarks we designate (the "Marks"). We began offering master franchises in September 2024. We do not conduct any business activities other than franchising.

Our affiliate, HRPL Restaurants Private Limited ("HRPL"), is a Private Limited Company incorporated in India under Indian Laws on May 10, 2018; and its business was organized in Ahmedabad, India. HRPL's principal business address is 12th & 13th Floor, Maruti Elanza Vertex, Opp Sterling Cancer Hospital, Sindhu Bhavan Road, Ahmedabad 380058. HRPL operates restaurants in India selling Indian and multi cuisine fast food, and ice creams under the Marks ("HOCCO Businesses") and has done so since 1944. HRPL has sold franchised HOCCO Businesses under different Marks in India since 2007. HRPL offered master franchises in the United States and Canada beginning in April 2023 but does not currently offer master franchises in the United States or in any other country. HRPL licensed to HOCCO International the right to offer master franchises anywhere in the world under the Marks that we license to you.

Our affiliate, HOCCO International Private Limited ("HOCCO International"), is a Private Limited Company incorporated in India under Indian Laws on August 28, 2024; and its business was organized in Ahmedabad, India. HRPL's principal business address is 12th & 13th Floor, Maruti Elanza Vertex, Opp Sterling Cancer Hospital, Sindhu Bhavan Road, Ahmedabad 380058. HOCCO International licenses from HRPL the right to appoint master franchisees in territories anywhere in the world. HOCCO International licensed to us the right to offer master franchises in the United States and Canada under the Marks that we license to you. HOCCO International does not offer franchises in any line of business or conduct any business other than franchising.

Our affiliate, HOCCO Foods Private Limited ("HFPL"), is a Private Limited Company incorporated in India under Indian Laws; and its business was organized in Ahmedabad, India on June 16, 2022. HFPL's principal business address is 12th & 13th Floor, Maruti Elanza Vertex, Opp Sterling Cancer Hospital, Sindhu Bhavan Road, Ahmedabad 380058. HFPL owns certain Marks relating to ice creams and licenses to HRPL the right to use those Marks in countries other than India in the world.

We have never offered franchises in any other line of business. We do not have any predecessors or parent. Other than as stated above, we do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees.

Description of the Franchised Business

As a master franchisee for the HOCCO franchise system ("Master Franchisee"), you will be responsible for performing a variety of franchise sales, servicing and support functions with respect to HOCCO Businesses within the United States (your "Territory"). These services include soliciting, screening, selling, training, developing, servicing and supporting HOCCO Businesses. You will provide franchisees with all support that we require. You will also have the right to establish, develop, and operate your own HOCCO Businesses in your Territory.

You will grant franchises to operate HOCCO Businesses using the System and our trade names, trademarks, service marks, emblems, logos, slogans and copyrights ("Marks") as authorized by us from an approved location. You will sign HOCCO single unit franchise agreements ("Franchise Agreements") and multi-franchise addenda with franchisees, and you will collect the associated fees. We will not be a signatory to the Franchise Agreements, but any Franchise Agreements with any franchisee must be approved in writing by us before being signed. The Franchise Agreements must contain the then-current material terms set forth in our single unit Franchise Agreement. The then-current single unit Franchise Agreement is attached as Exhibit G of this Franchise Disclosure Document. Any additional fees or terms are subject to approval.

In consideration of the grant of master franchise rights and the support we provide, you will pay us a percentage of the royalty fee, initial franchise fee, renewal fees, transfer fees, multi-unit franchise fees, and (if we approve such fees, in our sole discretion) any additional fees we permit you to charge franchisees ("Franchise Fees") payable pursuant to the Franchise Agreements. These payments apply to franchises operated by third-party franchisees as well as franchises operated by you or your affiliates. You may engage other brokers, lead generation companies or referral sources to solicit and refer franchise prospects to you. However, you are solely responsible for all brokerage and other fees owed to brokers, lead generation companies and referral sources that you engage.

You must sign our standard form of Master Franchise Agreement, the form of which is attached to this Franchise Disclosure Document as Exhibit B ("Master Franchise Agreement"). You will perform your franchise sales and support services according to the Master Franchise Agreement and any related policies and procedures in our Master Franchise manual ("Manual").

As a Master Franchisee, you will solicit and screen prospective franchisees to ensure they meet our minimum qualifications and requirements. You will be authorized to sign Franchise Agreements with franchisees that meet our minimum qualifications. You are responsible for complying with all franchise laws relating to your offer and sale of franchises, including preparing and providing a copy of a complete and accurate Franchise Disclosure Document in the time and manner required by applicable law.

You must provide each franchisee with all pre-opening training, support and ongoing assistance that we require, including in the areas of: (i) site selection and lease negotiation; (ii) constructing, developing and equipping HOCCO Businesses; (iii) conducting grand openings and sales and marketing support; (iv) operational and quality control issues; (v) the sourcing of equipment, fixtures, furnishings, inventory and supplies; and (vi) the closure, relocation, renewal and transfer of HOCCO Businesses. You will also administer the franchise system in your Territory by soliciting and selling franchises, monitoring and inspecting the operations of HOCCO Businesses, enforcing the terms of Franchise Agreements and the Manual against franchisees who are in breach of their obligations, and assisting franchisees who seek to close or transfer their franchises.

You may begin recruiting and servicing HOCCO Business franchisees following your successful completion of the master franchise training program. If existing HOCCO franchisees operate within your Territory, we may elect to assign these franchisee's franchise agreement to you, and you will be entitled to retain a percentage of fees from these franchisees (except for the Initial Franchise Fee and the design fee) as provided in the Franchise Agreement; however the opening or existence of these pre-existing HOCCO Businesses within your Territory will not be deemed to satisfy your obligations to open HOCCO Businesses under the Development Schedule.

You must use your best efforts to open new HOCCO Businesses as follows: HOCCO Business 1 is already open. HOCCO Business 2 must be opened by April 18, 2025. For HOCCO Business 3 and beyond, you must open each new outlet within six months after the average monthly sales of all existing HOCCO

Businesses exceed $50,000. For example, if you have seven outlets and their total monthly sales exceed $350,000 (7 outlets x $50,000), you must open the next outlet within six months. Any HOCCO Business that you or an affiliate directly owns and operates will be counted in determining whether you are meeting your development obligations. You or your affiliate must continue to must directly own and operate at least one HOCCO Business during the term of your Master Franchise Agreement.

Market and Competition

You will compete with other similar franchises, business brokers, personal consultants, and businesses offering franchises, businesses, and business opportunities within your Territory. You will market the HOCCO Franchise opportunities available in your Territory to the general public, business entrepreneurs, and other qualified candidates. The market for the sale of franchises is competitive and well developed. Our services are not seasonal in nature. As a Master Franchisee, you will compete with other franchise systems.

Laws and Regulations

As a business owner, you may be subject to general business, employment and other laws and regulations. You should consult with your attorney and local, state and federal government agencies before buying your Master Business to determine all legal requirements and consider their effects on you and cost of compliance. You must investigate, satisfy and remain in compliance with all local, state and federal laws, since they vary from place to place and can change over time.

As a Master Franchisee, you must comply with certain federal and state laws regulating franchising. The Federal Trade Commission's Rule on Franchising (16 C.F.R. §436 et seq.) and many states regulate the offer and sale of franchises and the relationship between franchisors and franchisees. You must prepare, maintain, update and utilize a Franchise Disclosure Document, provide the Franchise Disclosure Document to prospective franchisees in the period of time required by law and register the offering in certain states (or obtain an exemption). Certain business opportunity laws may also be applicable to your business and you may be required to comply with these laws or obtain an exemption. You must comply with these laws. Some states may also require that you and your salespeople file disclosure forms with the states or obtain a franchise broker registration.

Agents for Service of Process

Our agent for service of process in Georgia is Corporation Service Company, 2 Sun Court, Suite 400, Peachtree Corners, Georgia 30092. Our agents for service of process for other states are identified by state in Exhibit A. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

ITEM 2
BUSINESS EXPERIENCE

Principal Member: Ankit Chona

Mr. Ankit Chona is our managing director, a role he has had since our inception in March 2024. He is based in HRPL's headquarters in Ahmedabad, India. Mr. Chona is also the Managing Director of our affiliate, HRPL, in Ahmedabad, India, a role he has had since November 2017.

Chief Operations Officer: Japesh Jayadhevan

Mr. Japesh Jayadhevan is our Chief Operations Officer, a role he has had since our inception in March 2024. He is based in HRPL's headquarters in Ahmedabad, India. Mr. Jayadhevan is also Chief Operations Officer our affiliate, HRPL, in Ahmedabad, India, a role he has had since November 2017.

<u>Business Lead Officer: Nidhi Shah</u>
Ms. Nidhi Shah, is our Business Lead Officer, a role she has had since July 2024. Ms. Shah is Senior Manager of Sales and Operations of our affiliate, HRPL in Ahmedabad, India, a role she has had since January 2019.

<u>Vice President: Umang Sood</u>
Mr. Umang Sood is our Vice President (Strategy), a role he has had since July 2024. Mr. Sood is also Vice President (Strategy) of Chona Capital in Mumbai, India, a role he has had since May 2023. Between March 2023 and August 2023, Mr. Sood was Head of Creative for Sosh Club Pvt Ltd in Bengaluru, Karnataka, India. Between April 2022 and February 2023, Mr. Sood was Head of Brand for Kwick Living Pvt Ltd in Mumbai, Maharashtra, India. Between June 2020 and April 2022, Mr. Sood was Creative Director for Immaculate Bites Pvt Ltd in Mumbai, Maharashtra, India.

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

<u>Fees for Directly Owned HOCCO Businesses</u>

You will pay us a non-refundable franchise fee of $30,000 (exclusive of taxes) for each HOCCO Business you directly own and operate. This fee must be paid in a lump sum before your business opens.

<u>Fees for Franchisee-Owned HOCCO Businesses</u>

For each HOCCO Business owned by a franchisee, you will pay us 30% of the franchise fee paid by the franchisee. This payment is due when the third-party franchise agreement is signed.

<u>Initial Inventory Purchase</u>

You are required to purchase from us or our affiliate an initial inventory of proprietary masala, sauces and spices, gravies, food products, ice cream, and packaging products from us or our affiliates, which items you will sell and supply (as applicable) to your directly-owned HOCCO Businesses as well as to HOCCO Businesses operated by third-party franchisees. What you pay us will pay us depends on the size of your order, and will range from $25,000 to $55,000.

These initial fees are uniform and are not refundable under any circumstances.

Financial Assurances

Some states may have imposed a financial assurance. Please refer to the State Addendum in Exhibit F to the Franchise Disclosure Document.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fees for Directly-Owned HOCCO Businesses	8% of the total Net Sales for each HOCCO Business you directly own.[2, 3]	Seventh calendar day of each month	Based on the total Net Sales of all HOCCO Businesses you own and directly operated during the previous calendar month just-ended.
Royalty Fees for Franchisee-Owned HOCCO Businesses	3% of the total Net Sales for each HOCCO Business owned by a franchisee. [2, 3]	Seventh calendar day of each month	You must pay the royalty fee for each HOCCO Business regardless of whether you actually collect any fees. At the end of each month, you will provide us with a copy of the invoice or bill you issued to each third-party franchisee for the royalty fee owed by their respective outlets. Additionally, you need to prepare and submit a monthly report by the 5th day of each month detailing the Franchise Sales Revenue generated by third-party franchisees during the previous month, and a report reflecting the royalty fees paid and owed by each third-party franchisee.
Taxes	The amount of any taxes charged to us by any applicable authority	Within 7 days of receiving invoice.	We will issue a monthly invoice to you that includes all applicable taxes, including any future taxes, charged to us by an applicable authority.
Purchase of goods, food items, or materials	Invoiced amount	50% upon ordering; 50% upon receipt	You must make a 50% advance payment to us for proprietary sauces, gravies and paper products / packing materials. The remaining 50% is due upon receipt of the items. You are required to maintain 6 months of inventory stock level to service HOCCO Businesses in your Territory.
Customs Clearance and Shipping Costs Reimbursement	Amount we incur for customs clearance and shipping on items we ship to you	Upon demand	You must reimburse us for any costs we incur for customs clearance and the items we ship to you.
Interest on Overdue Amounts	1.5% per month until payment is received.	Upon demand	Any payment not received by the 7th of each month will be considered overdue, and you will owe interest on the overdue amounts.
Unreported Revenue	Last royalty and franchise fees paid, plus 18% interest.	Upon demand	We can charge you these amounts if you fail to provide the required revenue reports for the HOCCO Businesses. If the fees we debit are less than what you actually owe, you must pay the balance once we determine the correct amounts.
Indemnification	The actual costs we incur	Upon demand	You must indemnify and reimburse us for any damages, losses or expenses we incur as a result of: (i) the marketing or operation of your Master Business; (ii) your solicitation and sale of franchises; (iii) claims brought by franchisees in the Territory that are not based on our actions or omissions; or (iv) your breach of the Master Franchise Agreement.

Type of Fee[1]	Amount	Due Date	Remarks
Insurance	Actual cost of premiums, plus our costs and expenses plus additional 10% as administrative fee	10 days after invoice	If you fail to obtain and maintain the insurance we require, and we elect to do so on your behalf, you must reimburse us and pay a fee equal to 10% of our costs and expenses.
Failure to Stop Operating	$2,000 per day until default is resolved	Upon demand	Upon termination or expiration of the Master Franchise Agreement, you must immediately cease operating and stop representing yourself as our Master Franchisee. You must pay us this amount if you fail to comply.
Attorney Fees and Costs	The actual costs we incur	Upon demand	You must reimburse us for all attorneys' fees and other costs we incur relating to your breach of any term of the Master Franchise Agreement or any other agreement with us or our affiliates.
Damages, losses, costs, and expenses	Our damages, losses, and costs that we incur.	Upon demand	If we terminate the Master Franchise Agreement due to your default, you must pay us all sums due under the agreement, including costs and expenses (including court fees, arbitrator fees, and mediator fees), damages, and losses incurred by us after the termination or expiration of, or for enforcing, the Master Franchise Agreement.

NOTES:

(1) All fees are imposed by and are payable to us. All fees are nonrefundable and uniformly imposed on franchisees. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement. Also, any fee expressed as a fixed dollar amount is subject to adjustment based on changes to the Consumer Price Index ("CPI") in the United States. We may periodically review and increase these fees based on changes to the CPI (in addition to any other increase), but only if the increase to the CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of your Franchise Agreement (for the initial fee adjustments); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We will implement no more than one CPI-related fee adjustment during any calendar year

(2) "Net Sales" means all revenue from the sale of services and products, as well as any other income related to the HOCCO Business. This includes revenue from dine-in, takeout, catering, party orders, stalls, and home deliveries (whether done by the third-party franchise outlet itself or through third-party delivery services), regardless of whether the sales are for cash or credit. Net Sales does not include promotions and discounts applied to a customer's bill. The royalty amount will be calculated excluding applicable taxes, provided you submit reports from third parties so we can verify the amounts paid to these third-party delivery services.

(3) The franchise fees and royalty amounts will be subject to tax deductions at source by you, if applicable, according to either U.S. domestic laws or the Double Tax Avoidance Agreement between the U.S. and India, whichever is more beneficial to us.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (Master Franchise Business)[1]

Type of Expenditure	Amount[1]		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Developing HOCCO Businesses you directly own (see Table 2) (1)	$391,500	$973,000	As Agreed	As incurred	See Table 2
Training Expenses (for your chef)(2)	$5,000	$10,000	As Agreed	As incurred	Transportation, Hotels, Restaurants
Training Expenses (training third=party franchisees)	$5,000	$20,000	As incurred	As incurred	Staff salaries, site rentals, food, and similar costs
Initial Marketing Expenses	$5,000	$10,000	As incurred	As incurred	Advertising suppliers
Professional Fees (Including Development of Franchise Disclosure Document)(3)	$25,000	$35,000	Lump sum	Before beginning operations	Lawyers, accountants, and consultants
Insurance Premiums4)	$7,000	$14,000	Lump sum	Before beginning operations	Insurance companies
Inventory Purchase	$25,000	$55,000	As incurred	As incurred	Us
Business Licenses	$5,000	$10,000	As incurred	Before beginning operations	Governmental and licensing authorities
Computer System(5)	$500	$2,000	As incurred	Before beginning operations	Suppliers
Additional Funds (3-month period after opening)(6)	$55,000	$75,000	As incurred	As incurred	Suppliers and employees
TOTAL ESTIMATED INITIAL INVESTMENT	$524,000	$1,204,000			

NOTES:

(1) HOCCO Business Development is Additional. We charge an initial fee of $30,000 each time you open a directly-operated HOCCO Business under the Master Franchise Agreement, and we charge a royalty of eight percent (8%) of Net Sales for each such HOCCO Business you directly operate (see Table 2). We do not offer direct or indirect financing for any of these items (see Item 10). None of the fees payable to us are refundable. We are unaware of any fees payable to third party suppliers that are refundable. This estimate is based upon our affiliate's experience offering and operating HOCCO Businesses in India.

(2) Training Expenses. We will provide training to your chef at our headquarters in India, You are

responsible for the travel, lodging, and boarding expenses for your chef.

(3) Professional Fees. You must hire franchise counsel to prepare the Franchise Disclosure Document you will use to sell franchises. You may also engage accountants and consultants. If you decide to register the offering with one or more franchise registration states, you will incur additional legal fees and state filing fees.

(4) Insurance Premiums. You must purchase insurance from suppliers that meet our minimum qualifications. The insurance policies must name us as an additional insured, contain a waiver by the insurance carrier of all subrogation rights against us and provide us with 30 days' prior notice of the termination, expiration, cancellation or modification of the policy.

(5) Computer System. You are required to maintain a computer system with billing and other software for tracking sales of HOCCO Businesses across the System and reporting sales to us. To better manage business functions and control costs, you may be required to invest in and implement new technology at your expense, including but not limited to credit card and debit card acceptance, WIFI technology, and other software applications.

(6) Additional Funds. This amount includes your additional funds for the first three months of operation, including marketing, assisting third-party franchisees with operations, site visits, enforcement of Third-Party Franchise Agreements, and other miscellaneous expenses. Our estimates are based on our experience, the experience of our affiliates, and our current requirements for Master Businesses. These figures are estimates based on the prior franchising experience of our principals and their advisors.

YOUR ESTIMATED INITIAL INVESTMENT (Directly-Owned HOCCO Business)[1]

Type of Expenditure	Amount[1]		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee(7)	$30,000	$30,000	As Agreed	As incurred	
Computer System	$1,500	$2,000	As Incurred	As Incurred	Third Parties
Insurance(8)	$5,000	$10,000	As Incurred	As Incurred	Insurance Company
Professional Fees	$2,000	$7,000	As Incurred	As Incurred	Your Attorneys, Advisors, CPAs and Other Professionals
Furniture and Fixtures	$20,000	$60,000	As Incurred	As Incurred	Third Parties
Equipment(9)	$95,000	$180,000	As Incurred	As Incurred	Third Parties
Permits and Licenses(10)	$5,000	$7,000	As Incurred	As Incurred	Appropriate State/Local Authorities or Third Party
Construction, Remodeling & Improvements(11)	$150,000	$500,000	As Incurred	As Incurred	Third Parties
Signage	$10,000	$20,000	As Incurred	As Incurred	Third Parties

Type of Expenditure	Amount[1]		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Architecture Fees and Permits	$8,000	$25,000	As Incurred	As Incurred	Architect, Government Agencies
Office Equipment and Supplies	$1,000	$3,000	As Incurred	As Incurred	Third Parties
Initial Inventory(12)	$11,000	$15,000	As Incurred	Before Opening	Us and Vendors
Utility and Security Deposits	$6,000	$15,000	As Incurred	Before Opening	Third Parties, including Utility Companies
3 Months' Lease Payments((13)	$12,000	$45,000	As Incurred	As Incurred	Third Parties
Grand Opening Program	$5,000	$7,000	As Incurred	As Incurred	Third Parties
Pre-opening Wages for Employees	$5,000	$7,000	As Incurred	As Incurred	Employees
Additional Funds – 3 Months(14)	$25,000	$40,000	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT	$391,500	$973,000			

NOTES:

(7) Financing; Refund of Fees. These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating a single HOCCO Business. We do not offer direct or indirect financing for these items. This estimate is based upon our affiliate's experience offering and operating HOCCO Businesses in India. Your costs will depend on factors such as how well you follow our methods and procedures, your management skills, your business experience and capabilities, local economic conditions, the local market for our products and services, the prevailing wage rates, competition; and sales levels reached during your initial phase of business operations. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

(8) Insurance. You must obtain and maintain, at your own expense, the insurance coverage we require, and satisfy other insurance-related obligations. If you have had prior issues or claims from previous operations unrelated to the operation of a HOCCO Business, your rates may be significantly higher than those estimated above.

(9) Equipment. The amount and type of equipment you must purchase for your HOCCO Business will vary depending on your restaurant layout and the size of your space. This estimate includes items like a cooking range, work tables, sinks, coolers, exhaust systems and other equipment.

(10) Liquor Licenses. The cost to obtain a liquor license varies greatly depending on the licensing authority and the local resale market. In municipalities that use a quota-based system with no available licenses, the cost to acquire one from an existing licensee can be substantially higher. If so, we will not require you to sell alcohol until you are able to obtain a license from the municipality. In municipalities that are not quota-based, the cost is usually limited to filing fees, plus fees for attorney's services and other service providers.

(11) Construction, Remodeling and Improvements. HOCCO Businesses will typically be 1,700 to 2,000 square feet in size and typically located in free standing outlets, shopping malls and strip malls. These expenses can be highly variable based on the size, location, configuration and the condition in which the site is delivered to you by your landlord. In addition, the terms that you are able to negotiate with your landlord to contribute to the build-out and updating of your space can significantly impact these costs.

(12) Initial Inventory. You will purchase your initial inventory of proprietary masala, sauces and spices, gravies, food products, ice cream, and packaging products from us or our affiliates, which we estimate to be between $5,500 and $7,500 for a single HOCCO Business (and may come from the initial inventory you purchase from us, which has the cost of between $25,000 and $55,000). Also, you will purchase any additional inventory items, such as kitchen equipment, from designated or approved suppliers.

(13) 3 Months' Lease Payments. This estimate covers three months of pre-opening rent. Your actual rent payments may vary depending upon your location and your market's retail lease rates. If you purchase instead of lease the premises for your HOCCO Business, then the purchase price, down payment, interest rates and other financing terms will determine your monthly mortgage payments.

(14) Additional Funds. These amounts represent our estimate of the amount needed to cover your expenses for the initial three-month start-up phase of your HOCCO Business. They include administrative, maintenance, utilities, software license fees, working capital and other items. We include the training expenses for your chef to travel to our location in India in Table 1 above, and have not duplicated that expense on this table. These figures do not include standard pre-opening expenses, Royalties, or other fees payable under the Master Franchise Agreement or debt service, and assume that none of your expenses are offset by any sales generated during the start-up phase. For purposes of this disclosure, we estimated the start-up phase to be three months from the date your HOCCO Business opens for business. Our estimates are based on our experience, the experience of our affiliates, and our current requirements for HOCCO Businesses. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting your HOCCO Business.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Source Restricted Purchases and Leases - Generally

We may require that you purchase or lease certain "source restricted" goods and services for the development and ongoing operation of your Master Business. By "source restricted," we mean that the good or service must meet our specifications and/or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or an affiliate). Our specifications and list of approved and designated suppliers are contained in the Manual and/or the operations manual provided to third-party franchisees ("Franchisee Manual"). You are responsible for ensuring that third-party franchisees in your Territory operate in accordance with the terms of the Franchise Agreements and our then-current standards and specifications as set forth in the Franchisee Manual. We will notify you of any changes to our specifications or list of approved or designated suppliers. We may notify you of these changes in various ways, including written or electronic correspondence, verbal or telephonic notification, amendments or updates to the Manual and/or Franchisee Manual, bulletins, or other means of communication. We formulate and modify our specifications and standards for products and services based upon our industry knowledge and our experience in operating and franchising HOCCO Businesses and Master Businesses.

Supplier Criteria

Our criteria for evaluating a supplier include standards for quality, delivery, performance, design, appearance, warranty and price of the product or service as well as the dependability, reputation and financial viability of the supplier. Upon your request, we will provide you with any objective specifications pertaining to our evaluation of a supplier, although certain important subjective criteria (e.g., product appearance, design, functionality, etc.) are important to our evaluation but cannot be described in writing.

If you or a franchisee wants to purchase or lease a source restricted item from a non-approved supplier, you must send us a written request for approval and submit any additional information that we request. We may require that you send us samples from the supplier for testing. We may also require that we be allowed to inspect the supplier's facilities. We will issue our approval or disapproval within 60 days after we receive your request for approval plus all additional information and samples that we require. We shall be deemed to have rejected the request if we do not issue our approval within the 60-day period. We may, at our option, re-inspect the facilities and products of any approved supplier and revoke our approval if the supplier fails to meet any of our then-current criteria. You must reimburse us for the costs we incur in reviewing a product or supplier proposed by you or a franchisee.

Franchisor as Approved Supplier

We are not currently an approved supplier of any products or services provided to Master Franchisees or to your third-party franchisees. Our affiliate HRPL is the only approved supplier of base masala and gravy according to the policies we set. Our affiliate HRPL is the only approved supplier of base proprietary masala, sauces and spices, gravies, food products, ice cream, and packing material according to the policies we set.

We and our affiliates reserve the right to become approved suppliers of other items in the future. We or an affiliate may be the sole supplier of certain services and products for your Master Business. Our owners own an interest in us and HRPL. Other than us and HRPL, none of our officers own an interest in any supplier.

Current Source Restricted Items

You must purchase and maintain, in full force and effect and at your expense, all of the insurance coverage described in the Manual, as well as any other insurance coverage required by law. As a Master Franchisee, we require that you purchase the following insurance and name us as an additional insured:

For your Master Franchise Business

a. Comprehensive general liability insurance, including products liability, property damage, owned and non-owned automobile coverage and personal injury coverage with a combined single limit of at least $2,000,000. Minimum limits may be modified by written notice to you.

b. Primary umbrella coverage with a $5,000,000 limit.

c. Workers' Compensation, employer's liability, and other insurance required by statute or regulation in your state.

d. Any other insurance that we specify in the Manual from time to time.

For Directly-Owned HOCCO Businesses

For each HOCCO Business you directly operate, you are required to maintain comprehensive general liability insurance, including employment practices, bodily and personal injury, death, and property damage coverage, with a minimum aggregate of $1 million, along with fire liability insurance of at least $300,000. Additionally, you must have worker's compensation, employer's liability, unemployment, and state disability insurance as mandated by law for your employees. For Third-Party Franchisee Outlets, you must ensure they have general liability insurance in addition to their own required coverage. You must also comply with all legal insurance requirements and be prepared for us, the Franchisor, to periodically adjust coverage amounts or types to address inflation, new risks, legal changes, or other relevant factors for the HOCCO Business.

You must purchase insurance from suppliers that meet our minimum qualifications. The insurance policies must name us as an additional insured, contain a waiver by the insurance carrier of all subrogation rights against us and provide us with 30 days' prior notice of the termination, expiration, cancellation or modification of the policy

The insurance company must be authorized to do business in the state where your Master Business is located, and must be approved by us. It must also be rated "A" or better by A.M. Best & Company, Inc. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties. Your policy must provide that the insurer will not cancel or materially alter the policies without giving us at least 30 days' prior written notice.

We or HRPL are the only approved suppliers of the proprietary masala, sauces and spices, gravies, food products, ice-creams and packing material to you and third-party franchisees. We will ship these items to you. We will require you to pay for them in advance, either in full or in part.

You, including any third-party franchisees, must either purchase our designated software license under our instructions or request us to purchase it on your behalf, and reimburse us. You must use only the software and POS systems we provide and designate.

All of your marketing materials must comply with our standards and requirements. We have the right to review and disapprove of your marketing materials that we did not prepare or previously approve, including marketing materials that you use to solicit the sale of franchises. You must comply with any social media policy that we develop.

If we allow you to establish and operate a website relating to your Master Business, the website is subject to our approval and must meet all of our standards and specifications.

In addition to the restrictions above pertaining to purchases associated with the Master Business, each HOCCO Business owner must make certain source restricted purchases for items used within the HOCCO Business(ies).

We estimate that 95% to 100% of your initial investment and 20% to 40% of your ongoing expenditures will be directed to purchase products and services that will be restricted by us in some manner.

<u>Purchase Agreements</u>

We may negotiate group rates, including price terms, for the purchase of equipment and supplies necessary for the operation of the Master Business. Presently, there are no purchase or supply agreements in effect for source restricted purchases for master franchisees and there are no purchasing or distribution cooperatives that you must join. You do not receive any material benefits for using designated or approved suppliers other than having access to any discounted pricing that we negotiate. We currently do not have any purchasing or distribution cooperatives as of the Issuance Date; however, we anticipate finalizing a distribution agreement with our designated food provider by the end of 2024. We may negotiate purchase arrangements with suppliers and distributors for the benefit of our franchisees, and we may receive rebates or volume discounts from our purchase of equipment and supplies that we resell to you.

Franchisor Revenues from Source Restricted Purchases

During our last fiscal year ended December 31, 2024, HPRL received $123,000, or 1.06% of its total income of $11,561,008, from selling products or supplies to our franchisees in the United States. Except as stated above, no persons affiliated with us are currently approved suppliers for master franchisee purchases. There are no approved or designated suppliers in which any of our officers owns an interest.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Master Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and other items in this Disclosure Document.

Obligation	Section in Master Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Section 8	Item 5, 6, 7, and 11
b. Pre-opening purchases/leases	Section 8	Item 5,6,7, 8 and 11
c. Site development and other pre-opening requirements	Section 8	Item 5,6,7,8 and 11
d. Initial and ongoing training	Section 4 and 8	Item, 5,6,7,8 and 11
e. Opening	Section 2,4 and 8	Item 5,6,7,8 and 11
f. Fees	Section 3	Items 5,6,7,8 and 11
g. Compliance with standards and policies/Operating Manuals	Section 1 and Section 8	Item 5,6,7, 8 and 11
h. Trademarks and proprietary information	Recitals and Section 7 , Attachment C to Master Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Section 8	Items 8 and 16
j. Warranty and client service requirements	Section 8 and 16	Item 5,6, and 7
k. Territorial development and sales quotas	Section 2	Item 12
l. Ongoing product/service purchases	Section 8	Item 6, 7 and 8
m. Maintenance, appearance and remodeling requirements	Section 8	Items 6 and 7
n. Insurance	Section 4	Not applicable
o. Advertising	Section 7 and 8	Items 6 and 11
p. Indemnification	Section 4 and 9	Item 13
q. Owner's participation/ management/staffing	Section 7 and 8	Item 5,6,7 and 8
r. Records/reports	Section 3 and 6	Item 6
s. Inspections/audits	Section 6	Items 6

Obligation	Section in Master Franchise Agreement	Disclosure Document Item
t. Transfer	Section 16	Items 6 and 20
u. Renewal	Section 3 and 5	Item 5,6 and 17
v. Post termination obligations	Section 12	Item 17
w. Non-competition covenants	Section 15	Item 17
x. Dispute resolution	Section 18	Item 17

ITEM 10
FINANCING

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

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

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

Pre-Opening Obligations

Before the opening of your Master Business, we (or our affiliate or designee) will provide the following assistance and services to you:

1. License you the Marks necessary to begin operating your Master Business. (Section 2)

2. Provide you with access to our standard operating manual (the "Manual"). The Table of Contents for the Manual is attached as Exhibit C to this Franchise Disclosure Document. (Section 8.1)

3. Provide training for your chef in India. See Section below entitled "Initial Training Program" for additional information. (Section 8.1)

5. We do not provide any assistance for your acquiring equipment, signs, fixtures, opening inventory and supplies. It is your sole obligation to acquire the items above under our Manual. However, we will either designate a specific software license or purchase such software license on your behalf and require you to reimburse us for it. We will help upload the menu and provide back-end IT support. (Section 8.1)

We do not provide the above services to renewing master franchises.

Schedule for Opening

The typical length of time between signing the Master Franchise Agreement or the payment of any fees and the opening of the Master Business is approximately three to six months. You must complete the Initial Training Program and commence operation of your Master Business within two months of signing the Master Franchise Agreement. Some factors which may affect this timing are your ability to secure any necessary financing, whether you must prepare and file any documentation, whether you must register as a franchise broker in any state in which your Territory is located, and completion of required training.

We recommend, but do not require, that you utilize a separate office or commercial facility for the operation of your Master Business. You may operate from a HOCCO Business that you or an affiliate owns and operates.

Continuing Obligations

During the term of the Master Franchise Agreement, we (or our affiliate or designee) will provide the following assistance and services to you:

1. Update you on any material changes to a HOCCO Business, the goods or services offered at such businesses, marketing and operation of a HOCCO Business and/or administration of the Franchise System or HOCCO Business operating system. (Section 8.1)

2. Provide menu, recipes, and new product development and Manual from time to time. (Section 8.1)

3. Establish the prices that you and third-party franchisees will offer to customers. (Section 8.1)

4. While you are solely responsible for local marketing, Google listings, and online marketing platforms, we will provide our Brand Guidelines and handle social media marketing from our platform, including social media, print media, and other promotional methods at our discretion. You must strictly follow the Brand Guidelines for marketing. (Section 8.1)

5. Make available to you general advertising, promotional and educational methods, and techniques and materials that we develop. (Section 8.1)

6. Prepare specifications for third-party franchisee training. (Section 4.2.1)

Optional Assistance

During the term of the Master Franchise Agreement, we (or our affiliate or designee) may, but are not required to, provide the following assistance and services to you:

1. Provide periodic refresher or additional training programs for Master Franchises.

Initial Training Program

We will provide training for main chef in India. You are responsible for paying, arranging, and covering the travel, boarding, and lodging expenses for this chef. We will give you guidelines for hiring and training regular staff, which you must follow. Your chef must successfully complet the training within 2 months after the signing of the agreement.

We plan to provide the training listed in the table below. The hours presented for each subject are estimates and may change. We currently do not have a set training schedule but will conduct training on an as-needed basis.

INITIAL TRAINING PROGRAM

Subject Taught	Hours of Classroom Training	Hours of On-The-Job Training	Location
Customer Service and Handling	2	8	Ahmedabad, Gujarat, India
Billing and POS Management	8	4	Ahmedabad, Gujarat, India
Merchandizing	2	4	Ahmedabad, Gujarat, India
Store Cleanliness and Hygiene	1	8	Ahmedabad, Gujarat, India
Grievance redressal	1	16	Ahmedabad, Gujarat, India

Subject Taught	Hours of Classroom Training	Hours of On-The-Job Training	Location
Employee and roaster management	8	16	Ahmedabad, Gujarat, India
Kitchen supervision	16	16	Ahmedabad, Gujarat, India
Inventory and Cost control	16	16	Ahmedabad, Gujarat, India
Wastage Management	2	8	Ahmedabad, Gujarat, India
SOP and Protocol adherence	2	8	Ahmedabad, Gujarat, India
Sales excellence	8	16	Ahmedabad, Gujarat, India
Repair, Maintenance and Utilities Management	2	16	Ahmedabad, Gujarat, India
Total	**68**	**136**	

1. We reserve the right to vary the length and content of the Initial Training Program based upon the experience and skill level of the individual attending the Initial Training Program.

2. Our training instructor will be a Hotel Management Graduate, with experience of 5 years in the field, and the trainer will provide training for Front of House and Back of House operations.

3. The Manual and other handouts comprise the instructional materials used in our Initial Training Program.

Ongoing Training

From time to time, you may be required to have additional training to provide support to your third-party franchises. All training that we provide will be conducted remotely or at a training center developed by you. You may request that we provide additional training although we are not obligated to do so.

Manual

We will provide you with full access to our Master Franchise Manual and Franchisee Manual in text or electronic form for the term of your Master Franchise Agreement. As of the Issuance Date of this Franchise Disclosure Document, we have not yet developed a complete Franchisee Manual for the development and operation of a HOCCO Business. The current version of the Franchisee Manual is 9 pages. As of the Issuance Date of this Franchise Disclosure Document, we have not yet developed a Master Franchise Manual for the development and operation of a Master Franchise business.

The Manual may include, among other things, mandatory instructions and/or optional recommendations relating to the specific methods, policies, procedures and quality standards by which you will perform your obligations under the Master Franchise Agreement and assist us with the administration of the Franchise System within the Territory, and any other information that we deem relevant and that is not inconsistent with the terms of the Master Franchise Agreement.

The Manual is designed to establish and protect our brand standards and the uniformity and quality of the goods and services offered by HOCCO Businesses. We can modify the Manual at any time. You must comply with all mandatory provisions contained in the Manual. The Manual is confidential and remains our property. We may modify the Manual upon 30 days' prior notice, but the modification(s) will not alter your status or fundamental rights under the Master Franchise Agreement.

You are responsible for translating the Franchisee Manual at your cost when translation is necessary or appropriate.

The Franchisee Manual contains a total of approximately 9 pages. A copy of the Table of Contents to the Franchisee Manual is attached to this Franchise Disclosure Document as Exhibit C.

Site Development

We do not require that you operate your Master Business from a separate office or commercial facility, except that you must use the premises of a directly-owned HOCCO Business as a training facility once opened. Because we do not require a separate site for your Master Business, we do not provide assistance with selecting a site for your office or identify an area within which you must establish an office. You do not need our approval of the location of, or a lease for, your office (if you elect to maintain a separate office).

Computer System

You must have a computer for use for the Master Business. This could be a computer that you already own or one that you purchase. You will use this computer system for basic business purposes, such as preparing reports, communicating with us and franchisees electronically, preparing financial statements, financial accounting and utilizing required software to administer the system. We will also either designate specific software licenses or POS systems for you or purchase them on your behalf, and you will reimburse us for the cost, including ongoing maintenance, repairs, upgrades, or updates. The annual cost for these expenses is approximately $6,000 to $12,000.

We will have independent access to the information generated or stored in any electronic cash register or computer system, including sales, inventory, discounts, customer mobile numbers, and email IDs. We will help upload the menu and provide back-end IT support.

We reserve the right to enter into a master license agreement with any software or technology supplier and sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology. We also reserve the right to create new or additional proprietary software that must be used by master franchisees or HOCCO Businesses in your Territory, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees. We can change the software and technology that must be used by our franchisees at any time, which may result in a change in fees.

Advertising

We do not have any advertising program for the franchise system. We do not require you to participate in a local or regional advertising cooperative. We have not formed and do not intend to form a master franchisee advertising or advisory council.

Local Advertising

All advertisements and promotions that you create or use must be completely factual and conform to the highest standards of ethical advertising and comply with all applicable laws. You must ensure that your advertisements and promotional materials do not infringe upon the intellectual property rights of others. We reserve the right to review and disapprove of any advertising and promotional materials that we did not prepare or previously approve (including materials that we prepared and you or a franchisee modifies). You may not use any advertising or promotional materials that we have disapproved (including materials that we previously approved and later disapprove). Similarly, we have the right to review and disapprove of any advertising materials used by third-party franchisees within the Territory. You agree to provide us with copies of all such advertising and promotional materials for our review.

You may solicit franchisees only through approved media channels, including social media, in accordance with our media policies, and in accordance with our Brand Guidelines.

Opening Requirements

There is no minimum period of time after signing the Master Franchise Agreement or after completion of training by which you must begin soliciting, selling or servicing franchisees. We anticipate it will take a master franchisee between zero and six months after signing the Master Franchise Agreement to prepare a Franchise Disclosure Document under federal franchise law, which will allow the master franchisee to begin selling franchises. Some of the factors that may affect this time are completion of training, obtaining insurance and complying with local laws and regulations, including obtaining any necessary franchise registrations and/or business opportunity exemptions.

ITEM 12
TERRITORY

Exclusive Territory

Before you sign your Master Franchise Agreement, we will designate the boundaries of the area in which you will solicit and service franchisees and operate your Master Business, which will consist of the United States amd Canada ("Territory"). You are not granted any area, market, or protected territorial rights beyond what is expressly provided in Section 1.1 of the Master Franchise Agreement.

We do not select a site for your Master Business office or identify an area within which you must establish your office. You do not need our approval of the location of your office.

Your Territory will be exclusive. For the duration of the term of the franchise (and any renewal term), we will not, without your consent: (i) grant master franchise rights to any other person for the Territory; (ii) offer or sell, or grant rights to third parties to offer or sell, HOCCO Businesses in the Territory; or (iii) develop and operate, either directly or indirectly through one or more affiliates, HOCCO Businesses in the Territory. The geographic area that comprises your Territory will not be reduced unless you and we mutually agree to a reduction.

Despite the rights granted to you in Section 1.1, we and our affiliates retain the rights to:

1. Own, acquire, establish, and/or operate, and grant licenses to third parties to establish and operate, businesses under other proprietary marks or systems different from the franchised business, at any location within and outside the Territory.

2. Own, acquire, establish, and/or operate, and grant licenses to third parties to establish and operate, businesses under proprietary marks or systems of the franchised business, at any location outside the Territory.

3. License others to sell or distribute products that fall under ready-to-eat, ready-to-cook, heat-and-eat, or ready/instant mixes bearing any proprietary marks, including the proprietary marks, at any location within and outside the Territory.

4. Use other distribution channels, including the internet, catalog sales, telemarketing, and other direct marketing. You are not allowed to solicit or accept orders from consumers outside your Territory and cannot use other distribution channels like the internet, catalog sales, telemarketing, or direct marketing to make sales outside your Territory.

Any relocation of a HOCCO Business or establishment of additional HOCCO Businesses must be approved by us. We will approve such relocations or establishments based on mutual consent or at our discretion.

You do not receive the right to acquire additional Master Franchises unless you purchase the right in an additional Master Franchise Agreement. We do not grant you any options or rights of first refusal under the Master Franchise Agreement.

We are not required to pay you if we exercise any of our rights within your Territory.

Restrictions on Sales and Marketing Activities

As a Master Franchisee, you may promote the franchise opportunity through approved online channels only in accordance with our social media policy, which may be contained in the Manual and updated from time to time. You are not, at this time, permitted to market or sell franchises through alternative channels of distribution without our approval. You are only permitted to market the sale of franchises inside your Territory and all HOCCO Businesses that you sell and support must be located within the Territory. There are no other restrictions on your right to solicit prospective franchisees inside your Territory.

Competitive Businesses Under Different Marks

Currently, neither we nor any affiliate of ours intends to operate or franchise another business under a different trademark that sells products or services similar to the products or services offered by master franchisees, but we reserve the right to do so in the future.

ITEM 13
TRADEMARKS

The Marks and the System are owned by HRPL and HFPL and are licensed to HOCCO International under a Global Master Franchise Agreement effective September 1, 2024. Under the Global Master Franchise Agreement, HOCCO International was granted the right to offer master franchises for HOCCO Businesses under the Marks anywhere in the world. Under a Master Franchisor Agreement, HOCCO International licensed to us the right to offer master franchises in the United States and Canada (the "**Rights**"). The Rights do not include any right, title, interest in, or license to use, the Marks and System outside of the United States or Canada.

The Franchise Agreement and your payment of Royalties grant you the nonexclusive right and license to use the System, which includes the use of the Marks. No agreement significantly limits our right to use or license the Marks in any manner material to the HOCCO Franchise.

HPRL has applied for registration of the following trademarks with the United States Patent and Trademark Office ("USPTO"):

Trademark	Serial No.	Filing Date	Status
HOCCO (Design Mark)	98421244	February 26, 2024	Pending on the Principal Register

Trademark	Serial No.	Filing Date	Status
HOCCO Business (Standard Character Mark)	98126427	August 10, 2023	Pending on the Principal Register
HOCCO Business (Standard Character Mark)	97184899	December 21, 2021	Pending on the Principal Register
HOCCO THE INDIAN KITCHEN (Design Mark)	97861078	March 28, 2023	Pending on the Principal Register
1944 The Hocco Kitchen (Standard Character Mark)	97184874	December 21, 2021	Pending on the Principal Register
1944 The Hocco Kitchen (Standard Character Mark)	98126423	August 10, 2023	Pending on the Principal Register
Hocco The Indian Kitchen (Standard Character Mark)	97861072	March 28, 2023	Pending on the Principal Register

We do not have federal registrations for the Marks listed above. Therefore, these trademarks do not have many legal benefits and rights as a federally registered trademark. If our right to use these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses. There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board or the trademark administrator of any state, or any court, and no pending infringement, opposition or cancellation proceedings or material litigation involving the Marks. All required affidavits and renewals have been filed.

We do not know of any superior prior rights or infringing uses that could materially affect your use of the trademarks. You must follow our rules when using the Marks. You cannot use our name or Mark as part of a corporate name or with modifying words, designs or symbols unless you receive our prior written consent. You must indicate to the public in any contract, advertisement and with a conspicuous sign in the premises of your Master Business that you are an independently-owned and operated licensed franchisee of HOCCO. You may not use the Marks in the sale of unauthorized products or services or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale or other disposition of the Franchise, or any interest in the Franchise. All rights and goodwill from the use of the Marks accrue to us.

We will defend you against any claim brought against you by a third party that your use of the Marks, in accordance with the Master Franchise Agreement, infringes upon that party's intellectual property rights. We may require your assistance, but we will exclusively control any proceeding or litigation relating to our Marks. We have no obligation to pursue any infringing users of our Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. You must notify us immediately if you learn that any party is using the Marks or a trademark that is confusingly similar to the Marks. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation or administrative proceeding involving a trademark licensed by us to you.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within 30 days after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue or other indirect expenses due to any modified or discontinued Mark, or for your expenses of promoting a modified or substituted trademark or service mark.

You must not directly or indirectly contest our right to the Marks. We may acquire, develop and use additional trademarks not listed here, and may make those trademarks available for your use and for use by other franchisees.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not have an ownership interest in any patents or pending patent applications that are material to the Master Business. We have not registered any copyrights with the United States Copyright Office, but we claim copyrights on certain forms, advertisements, promotional materials and other written materials as well as our website. We also claim copyrights and other proprietary rights in the Manual and Franchisee Manual.

There are no agreements currently in effect that significantly limit your right to use any of our copyrights. Also, there are no currently effective determinations of the USPTO, the U.S. Copyright Office (Library of Congress) or any court pertaining to or affecting any of our copyrights discussed above. As of the date of this Franchise Disclosure Document, we are unaware of any infringing uses of or superior previous rights to any of our copyrights that could materially affect your use of them in any state.

Your and our obligations to protect your rights to use our copyrights are the same as the obligations for the Marks described in Item 13 of this Franchise Disclosure Document.

Confidential Information

You may not, during the initial term of your Master Franchise Agreement, any renewal term, or after the Master Franchise Agreement expires or is terminated, reveal any of our confidential information to another person or use it for any other person or business. You may not copy any of our confidential information or give it to a third party except as we authorize.

Our confidential information will include information relating to the sale, marketing, training and servicing of HOCCO Businesses, including the information in the Manual and Franchisee Manual.

If you conceive of or develop any improvements or additions to the Franchise System, the HOCCO Business operating system or the method of operation of a HOCCO Business or Master Business, or any advertising or promotional ideas related thereto (collectively, "Improvements"), you agree to promptly and fully disclose the Improvements to us without disclosing the Improvements to others. You must obtain our approval prior to using any such Improvements. Any Improvement that we approve may be used by us and any third parties that we or our affiliates authorize to operate a HOCCO Business or Master Business, without any obligation to pay you royalties or other fees. You must assign to us or our designee, without charge, all rights to any such Improvement, including the right to grant sublicenses. In return, we will authorize you to use any Improvements that we or other franchisees or master franchisees develop that we authorize for general use in connection with the operation of a HOCCO Business or Master Business.

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

You must designate an owner who will be primarily responsible for the daily management and supervision of your Master Business and ensure that the Master Business is operated in accordance with the Master Franchise Agreement and the Manual. Your other owners are not required to directly participate in the operation of your Master Business. We do not require any of your owners to have any specific amount of equity interest in your Master Franchisee entity.

For HOCCO Businesses owned by you, you must appoint an officer to personally participate in the direct operation of the business to ensure smooth functioning. If you do not provide daily on-premises supervision, the appointed officer should be present at regular intervals to ensure compliance with the Master Franchise Agreement.

All of your employees and other agents or representatives who may have access to our confidential information must sign a confidentiality agreement in a form we approve or specify.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We must approve all goods and services that you sell as part of your Master Business. You must offer all goods and services that we require. You may not sell any goods or services that we have disapproved. We have the unrestricted right to change the goods and/or services that you are required to sell as part of your Master Business at any time in our sole discretion, and you must comply with any such change.

We have the right to change the authorized menu items and other goods or services that HOCCO Businesses may offer, without any limitations on our ability to make such changes. We will set the prices that HOCCO Businesses may charge for the products and services they offer, and you and all third-party franchisees must strictly follow these prices. We may also require you to comply with an advertising policy that we adopt from time to time, which will prohibit you from advertising any price for a product or service that differs from the price we regulate

You may not provide any goods or services relating to the operation of your Master Business that we have not approved. You are required to provide franchisees with all training and support that we require.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
Provision	Sections in Agreement	Summary
a. Length of the franchise term	Section 5.1	10 years.

THE FRANCHISE RELATIONSHIP		
Provision	Sections in Agreement	Summary
b. Renewal or extension of the term	Section 5.1	Renewable with mutual consent on terms and conditions agreed upon by you and us.
c. Requirements for you to renew or extend	Section 5	Renewable with mutual consent on terms and conditions agreed upon by you and us.
d. Termination by you	Section 11.2	You may terminate the agreement if we materially breach our obligations by delivering a written notice of default specifying the nature of the breach. Termination becomes effective 365 days after the notice, or under any grounds permitted by law.
e. Termination by us without cause	Section 11.1.2	We may terminate the agreement without cause by giving you 12 months' advance written notice.
f. Termination by us with cause	Section 11.1.5	We can terminate if you default.
g. "Cause" defined – curable defaults	Section 11.1.5	We may terminate the Master Franchise Agreement effective 365 days after delivering notice of such termination if you commit any violation other than those stated in Item 17.h and fail to cure within 30 days.
h. "Cause" defined – non-curable defaults	Section 11.1.5 and 11.1.6	The following defaults cannot be cured: you are adjudged bankrupt or insolvent; all or a substantial part of your assets or property are expropriated or requisitioned; you enter into winding-up proceedings, or an arrangement, composition, or compromise with creditors, except for a bona fide restructuring, reconstruction, or amalgamation; a receiver or custodian is appointed for your assets or business; you suspend payment of debts or become insolvent; a trustee, voluntary administrator, liquidator, or provisional liquidator is appointed for your assets and the appointment is not dismissed within 90 days; you cease to operate or abandon the franchised business without our consent; you or a limited partner is convicted of a felony, a crime involving moral turpitude, a crime against a child, or any other crime or offense that adversely affects our System or Marks; you transfer any interest in the agreement or business without our consent; you fail to comply with non-competition covenants; you disclose confidential information; you make material misrepresentations in your franchise application; you repeatedly default on the agreement; you maintain false books or records; you or your affiliates commit a default under any other agreement between us or our affiliates and you or your affiliates.

THE FRANCHISE RELATIONSHIP		
Provision	Sections in Agreement	Summary
i. Your obligations on termination/non-renewal	Section 12 of Master Franchise Agreement.	Obligations include: cease use of intellectual property; return manual and branded materials and training materials; assign telephone numbers, listings and domain names to us; comply with all post termination obligations; cancel fictitious names; provide files and information on franchisees; assign Franchise Agreements to us, and pay amounts due. If you terminate the Master Franchise Agreement due to our uncured default, you must identify a prospective person or entity to take over your role during the notice period and provide their details to us. We have the sole discretion to decide whether to execute an arrangement with the identified person or entity. We may also independently identify a replacement. In either case, you will bear the costs and expenses, including any statutory fees for transferring permits, licenses, registrations, certifications, or other consents related to the franchised business. If the breach you allege against us is proven in arbitration and on appeal, we will reimburse you for the transfer costs.
j. Assignment of contract by us	Section 16.7	No restriction on our right to assign.
k. "Transfer" by you – definition	Section 16.7	Includes transfer of contract or assets, or ownership change.
l. Our approval of transfer by you	Not Applicable	You may not assign, transfer, or encumber your rights or obligations under the Master Franchise Agreement, nor allow them to be transferred or assigned by operation of law. Any assignment or transfer is void and constitutes a material breach, allowing us to terminate the Master Franchise Agreement immediately.
m. Conditions for our approval of transfer	Not Applicable	Not applicable.
n. Our right of first refusal to acquire your business	Not Applicable	Not applicable.
o. Our option to purchase your business	Not Applicable	Not applicable.
p. Your death or disability	Not Applicable	Not applicable.
q. Non-competition covenants during the term of the franchise	Section 15	Neither you nor your principals may: divert or attempt to divert any business or customer of the Master Business or HOCCO Business anywhere; employ or seek to employ any person employed by us or another franchisee without our consent; or engage in or have an interest in any competing business. Subject to applicable state law.

THE FRANCHISE RELATIONSHIP		
Provision	Sections in Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section 15	For a period of 2 years after the Master Franchise Agreement is terminated or expires, neither you nor your principals may: divert or attempt to divert any business or customer of the Master Business or HOCCO Business anywhere; employ or seek to employ any person employed by us or another franchisee without our consent; or engage in or have an interest in any competing business. Subject to applicable state law. You must also comply with non-solicitation and non-disclosure covenants; cease use of intellectual property. Subject to applicable state law.
s. Modification of the agreement	Section 16.1 and 16.4	Requires writing signed by both parties (except for unilateral changes to Manual or unilateral reduction of scope of restrictive covenants by us). Other modifications primarily to comply with various states laws.
t. Integration/merger clause	Section 16.1 and 16.12	Only the terms of the Master Franchise Agreement and attachments to Master Franchise Agreement are binding (subject to state law). Any representations or promises made outside the Franchise Disclosure Document and Master Franchise Agreement may not be enforceable. Nothing in the Master Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 18	All disputes must be litigated. Subject to applicable state law.
v. Choice of forum	Section 18	All disputes must be litigated in the highest court having jurisdiction over the parties in the place where we have our principal business office (currently Greensboro, Georgia). Subject to applicable state law.
w. Choice of law	Section 18	Georgia law, subject to applicable state law.

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

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 Japesh Jayadhevan; Email jj@hocco.in, 1100 Mill Creek, Greensboro, Georgia 30145, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

All year-end numbers appearing in the tables below are as of April 30 of each year.

Table No. 1

Systemwide Outlet Summary
For Years 2022-2024

Master Franchises

As of December 31, 2024, we have one Master Franchisee whose territory encompasses the entire United States and Canada.

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022-2024

State	Year	Number of Transfers
Totals	2022	0
	2023	0
	2024	0

Table No. 3

Status of Franchise Outlets
For Years 2022-2024

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Total	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

Table No. 4

Status of Company-Owned Outlets
For Years 2022-2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Total Outlets	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table No. 5

Projected Openings for 2025 as of
December 31, 2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
None			
Total			

HOCCO Businesses

The following is a list of individual HOCCO Business franchises in the United States.

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022-2024

State	Year	Number of Transfers
Totals	2022	0
	2023	0
	2024	0

Table No. 3

Status of Franchise Outlets
For Years 2022-2024

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Virginia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Total	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1

Table No. 4

Status of Company-Owned Outlets
For Years 2022-2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Total Outlets	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Table No. 5

Projected Openings for 2025 as of
December 31, 2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Illinois	0	2	0
Maryland	0	3	0
New Jersey	0	3	0
Ohio	2	2	0
South Carolina	0	1	0
Texas	0	4	0
Total	2	15	0

The name, address and telephone number of our current master franchisee is:

Ingenious Foods Franchising LLC
Fenil Patel
943 J Clyde Morris Blvd
Newport News, VA 23601

No franchisee has had a Master Franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement during the one-year period ending December 31, 2024, or who has not communicated with us within 10 weeks of the Issuance Date of this Franchise Disclosure Document. During the last three years, we have not had any master franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the System. If you buy a Master Franchise, your contact information may be disclosed to other buyers when you leave the System.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this Franchise Disclosure Document. We do not have any trademark specific franchisee organizations.

ITEM 21
FINANCIAL STATEMENTS

Exhibit E contains the financial statements required to be included with this Franchise Disclosure Document: audited financial statements as of December 31, 2024. We have not been in business for three years or more, and cannot include all financial statements required in this Item.

ITEM 22
CONTRACTS

Attached to this Franchise Disclosure Document are copies of the following franchise and other contracts or agreements proposed for use or in use in this state:

EXHIBIT B	Master Franchise Agreement
EXHIBIT F	State Addenda and Agreement Riders
EXHIBIT G	Single Unit Franchise Agreement

ITEM 23
RECEIPT

The last pages of this Franchise Disclosure Document, EXHIBIT I, are a detachable document, in duplicate. Please detach, sign, date, and return one copy of the Receipt to us, acknowledging that you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS

CALIFORNIA
State Administrator and Agent for Service of Process:

Commissioner
Department of Financial Protection and Innovation
320 W. 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Agent for Service of Process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Chief, Franchise Division
500 S. Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
Secretary of State
Securities Division
Room E-018
302 W. Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202
(410) 576-6360

MARYLAND CONTINUED
Agent for Service of Process:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN
Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

MINNESOTA
Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK
Administrator:

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8222

Agent for Service of Process:

Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA
Administrator:

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fourteenth Floor, Dept. 414
Bismarck, ND 58505-0510
(701) 328-4712

Agent for Service of Process:

Securities Commissioner
600 East Boulevard Avenue
State Capitol, Fourteenth Floor, Dept. 414
Bismarck, ND 58505-0510

RHODE ISLAND
Department of Business Regulation
1511 Pontiac Avenue, Bldg. 68-2
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA
Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Agent for Service of Process:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

WASHINGTON
State Administrator:

Washington Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504-1200
(360) 902-8760

Agent for Service for Process:

Director of Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501

WISCONSIN
Department of Financial Institutions
Division of Securities
201 W. Washington Avenue
Madison, WI 53703
(608) 266-3364

Rev. 090723

EXHIBIT B

MASTER FRANCHISE AGREEMENT

MASTER FRANCHISE AGREEMENT FOR OUICK SERVICE RESTAURANT

This **Master Franchise Agreement** ("**this Agreement**") is entered into on this 9/13/2024 ("**Execution Date**") with effect from September 9, 2024 ("**Effective Date**").

BETWEEN:

HOCCO Foods USA LLC., a Georgia, USA Limited Liability Company, having its Principal office address at 1100 Mill Creek, Greensboro, Georgia — 30642, USA (hereinafter referred to as "**HOCCO FOODS/THE FRANCHISOR**", (having CIN No. U55100GJ2015PTC0826654), which expression shall unless repugnant to the context or meaning thereof, mean and include its successors, affiliates, legal representatives and permitted assigns) of the One Part;

AND:

Ingenious Foods Franchising LLC, a Virginia, USA Limited Liability Company, having its principal office at 943 J Clyde Morris Blvd, Newport News, VA 23601 (hereinafter referred to as "**THE MASTER FRANCHISEE**", (having FEIN: 92-3798828) which expression shall unless repugnant to the context or meaning thereof, mean and include its successors and permitted assigns/partner or partners for the time being constituting the said firm, the survivor or survivors of them and the heirs, executors and administrators of such last surviving partner) of the Other Part;

RECITALS

A. WHEREAS, HOCCO FOODS, is in the business of running restaurants, eateries and possesses extensive and invaluable knowledge and experience in the fields of food & recipes and Indian and multi cuisine Restaurants, fast food and ice creams.

B. WHEREAS, as the result of the expenditure of time, skill, effort and money, the HOCCO Group of Companies of which HOCCO FOODS USA LLC is a part of, has developed and owns and shall continue to develop, unique and distinctive specialized services, products and menu for its restaurant, café and quick service restaurant run under the name and style of **'HOCCO The Indian Kitchen', '1944', 'Stories since 1944', '1944 Restaurant', '1944, the HOCCO Kitchen', 'HOCCO Eatery', 'The HOCCO Kitchen' ("HOCCO FOODS Business")**. The distinguishing characteristics of the HOCCO FOODS's foregoing business includes, without limitation, distinctive exterior and interior design, decor, color scheme, and furnishings; special recipes and menu items; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed at the sole discretion of HOCCO GROUP OF COMPANIES from time to time ("the System"). The System also includes confidential information and goodwill associated with the Proprietary Marks, copyrights, trade secrets, recipes, formulas, food preparation procedures, business methods, forms, policies, trade dress, knowledge, and techniques.

C. WHEREAS, HOCCO FOODS identifies the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the Proprietary Marks exclusively licensed for use to HOCCO FOODS and the Proprietary Marks owned by and licensed to HOCCO FOODS (collectively as "**Proprietary Marks**") i.e. **'ROCCO The Indian Kitchen', '1944', 'Stories since 1944', '1944 Restaurant', '1944, the HOCCO Kitchen', 'HOCCO Eatery', 'The HOCCO Kitchen'**, and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by HOCCO FOODS in writing) for use in connection with its Business (hereinafter referred to as "**Proprietary Marks**").

D. WHEREAS, HOCCO FOODS is desirous franchising the system, concept and know-how developed and owned by and licensed to HOCCO FOODS under the name and style of **'HOCCO The Indian Kitchen', '1944', the HOCCO Kitchen', 'The HOCCO Kitchen' ("Franchise Business"**) and granting Party of the Second Party, as HOCCO FOODS's Master Franchisee in the Master territory (as described on **Attachment A**) the right to (a) establish and operate, Franchise Business in the Master Territory ('**Directly Owned Master Franchisee Outlet**'); and (b) to identify and to sublicense the right to establish and operate Franchised Business to Third Party Franchisees in the Master Territory ('**Third Party Franchisee Outlet**'). For avoidance of doubt, any Third-Party Franchisee shall be appointed/engaged by the Master Franchisee in the Master Territory with the prior written approval of the Franchisor.

E. WHEREAS, Second Party acknowledges that before entering into this Agreement it has conducted an independent investigation of the business franchised hereunder, and recognize that the business venture contemplated by this Agreement involves business risks and that Franchised Business's success in the Master Territory will be solely depend upon Second Party's ability and efforts. HOCCO FOODS expressly disclaims the making of and Second Party acknowledges not having received, any warranty or guarantee, express or implied as to the potential volume, potential sales, earnings, profits, or success of the Franchised business in the Master Territory. Second Party further confirms, acknowledges, declares, understands that any approval of HOCCO FOODS with regard to the Franchise Business in the Master Territory does not guarantee the Franchised business's success and Franchised Outlets may lose money or fail and that other factors beyond the control of the Franchisor or its affiliates may affect the Franchised Business's success including but not limited to competition, demographic patters, consumer trends, interest rates, economic and market conditions, government policies, local laws, rules and regulations, legal claims, inflation, labour costs and other factors which may be difficult to anticipate, assess or even identify and hence Second Party, in such scenario shall not hold HOCCO FOODS liable or responsible in any manner whatsoever. Second Party acknowledges that HOCCO FOODS does not give any guarantee, warranty (express or implied) or accept any liability / consequence with regard to such matters or generally in connection with the cost of establishment of the Franchise Business, sales volume profitability or any other aspect of the Franchise Business.

F. WHEREAS, Second Party agrees and understands that all or any financial information relating to the operation of The Franchise Business, including; but without prejudice to the generality of the forecasts, budgets and performance ratios or cash flow projections provided to Second Party by HOCCO FOODS or on behalf of HOCCO FOODS or any of employees of HOCCO FOODS or agents, whether before the signing or during the continuation of this Agreement, is provided on the basis that such information is for the guidance of Second Party only and shall in no way be treated by Second Party as a warranty, representation or guarantee of the potential volume, potential sales, earnings, profits or success of the Franchise Business. Second Party acknowledges that it has not and will not rely upon such financial information and hence Second Party shall not hold HOCCO FOODS liable or responsible in any manner whatsoever.

G. WHEREAS, Second Party shall remain vicariously liable for all the acts of omission, commission, negligence, breach by its employees, affiliates, representatives, consultants, partners, and agents with respect to any of the obligations under this Agreement.

H. WHEREAS, Second Party represents and warrants to HOCCO FOODS, as an inducement to HOCCO FOODS's executing of this Agreement, that all statements made by Second Party and all materials provided to HOCCO FOODS by Second Party in connection with the grant of this franchise to Second Party are true, accurate and complete and that Second Party has made no misrepresentations or material omissions in connection with obtaining this franchise. HOCCO FOODS grants this franchise in reliance upon each and all of Second Party's representations.

The Party of the First Part and the Party of the Second Part shall now be referred to as "FRANCHISOR" and "THE MASTER FRANCHISEE", respectively and "Parties", collectively.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 The following expressions, which are frequently used in this Agreement, shall have the meanings attributed to them below. Other less frequently used expressions are defined in the body of this Agreement.

1.1.1 "**The Competing Business**" shall mean a restaurant, café, or eatery for which 95% of the menu is Indian foods. For the purpose of clarity, none of the following shall be considered a Competing Business:

(a) Taco Bell
(b) WingStop
(c) Jimmy John's
(d) McAlister's Dell
(e) Holiday Inn

1.1.2 **"The Directly Owned Master Franchisee Outlet"** means the Outlet established, run and operated by The Master Franchisee in the Master Territory.

1.1.3 means the US Financial Year i.e., January-December.

1.1.4 "**"The Financial Year"** The Franchise Business" means System developed and owned by the Franchisor under the name and style of **'HOCCO The Indian Kitchen', '1944', the HOCCO Kitchen', 'The HOCCO Kitchen'** and any other Trademarks and/or tradenames and such other Marks as may be added/altered/modified by The Franchisor from time to time.

1.1.5 **"The Equipment and Materials"** means the kitchen and other equipment, furniture, tableware, uniforms, and other materials required by for use in the establishment and operation of Franchise Business, which has to be acquired at the cost of The Master Franchisee and The Third-Party Franchisee, as per the specifications provided by the Franchisor.

1.1.6 **"This Master Franchise Agreement"** means this Agreement along with all its Schedules, Attachments and Addendum(s) as appended mutually from time to time.

1.1.7 **"The Manual"** means The Franchisor's Standard Operating Manual, which contains full details of the System and the operation of the Franchise Business as updated from time to time.

1.1.8 **"The Master Territory"** as described in **Attachment A**

1.1.9 **"The Menu"** means the Menu given by the Franchisor for use in the Franchise Business.

1.1.10 **"The Mystery Audit"** means the process of reviewing the outlet, the products, and the service by posing as a consumer. The parameters on which the audit shall be performed will be shared along with the SOP manual.

1.1.11 **"Month"** and the **"Quarter"** means the calendar month and calendar quarter.

1.1.12 **"The Proprietary Marks"** means trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the proprietary marks exclusively licensed for use to HOCCO FOODS and the proprietary marks owned by the HOCCO FOODS (collectively as **"Proprietary Marks"**) i.e. **'ROCCO The Indian Kitchen', '1944', 'Stories since 1944', '1944 Restaurant', '1944, the HOCCO Kitchen', 'HOCCO Eatery', 'The HOCCO Kitchen'**, and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by HOCCO FOODS in writing) for use in connection with its Business and such other marks as may be added/altered/modified by The Franchisor from time to time.

1.1.13 **"Recipes"** means proprietary recipes of the Franchisor for the Franchise Business Menu items.

1.1.14 **"The System"** means methods, procedures, operation standards & guidelines including prescribed standard, management software of The Franchisor using the Know-how as set out in the Manual or otherwise communicated to The Master Franchisee from time to time. The System also includes The Proprietary Marks, recipes & The Menu in a manner developed by The Franchisor and described in the Manual, distinctive exterior and interior design, decor, color scheme, and furnishings; special recipes; uniform standards, specifications and procedures for operations; quality and uniformity of products and services offered; procedures for inventory and management control; and advertising and promotional programs; all of which may be changed, improved, and further developed at the sole discretion of the Franchisor from time to time, confidential information and goodwill associated with the Proprietary Marks, copyrights, trade secrets, recipes, formulas, food preparation procedures, business methods, forms, policies, trade dress, knowledge and techniques;

1.1.15 **"The Third-Party Franchise Outlet"** means the outlet established, run and operated by Third Party Franchisee as identified by the Master Franchisee in the Master Territory with prior written approval of the Franchisor.

1.2 The headings in this Agreement are for convenience only and do not affect its interpretation.

1.3 In this Agreement the words 'include', 'includes, 'including' and 'such as' are to be construed as if they were immediately followed by the substituted for them under the provisions of this Agreement.

1.4 In case of difference of opinion about calculation of Total Gross Monthly Turnover by the franchisor and The Master Franchisee, the calculation as shown by the software/ books of accounts and ledger maintained by the Franchisor will be deemed final and binding to The Master Franchisee.

2. GRANT OF FRANCHISE

2.1 <u>Rights Granted to the Franchisee</u>.

2.1.1 Based on the representations of The Master Franchisee as detailed out in this Agreement, The Franchisor hereby grants to The Master Franchisee, during the term and subject to the terms and conditions of this Agreement:, (a) right to establish and operate a Directly Owned Franchise Business in the Master Territory (**"Directly Owned Master Franchisee Outlet"**); (b) to identify Third Party Franchisees for grant of right to establish and operate Outlets under the Franchise Business in the Master Territory ("Third-Party Franchise Outlet"); and (c) a license to use the System developed by Franchisor with respect to the Franchise Business in the Directly Owned Master Franchisee Outlet (including a right to authorize the use of System of the Franchisor for Third-Party Franchise Outlet), in the Master Territory. For avoidance of doubt, Third-Party Franchisee shall be appointed/engaged by the Master Franchisee in the Master Territory with the prior written approval of the Franchisor. The rights granted herein include limited license to use Proprietary Marks, the System and other identifying marks constituting a part of the System, now or in the future in connection with and for the purpose of establishing and operating Franchise Business in the Master Territory by the Master Franchisee and Third-Party Franchisee(s). The Master Franchise shall operate the Directly Owned Franchise Outlet at or from a location of its choice within the Master Territory upon the terms and conditions set forth in this Agreement with the approval of The Franchisor. It is clarified that in case of Third-Party Franchise Outlet(s), The Master Franchisee shall enter into relevant documentation and agreements with such Third-Party Franchisee with the approval of Franchisor.

2.1.2 As per the mutual understanding between the parties, Directly Owned Master Franchisee Outlet under the name and style of 'HOCCO, the Indian Kitchen' has been operational as a pilot project since 16th May, 2023 at 1508, Sam's Circle, Chesapeake, Virginia -23320, USA. With the execution of this Agreement, the Master Franchisee agrees that the said Directly Owned Master Franchisee Outlet shall form part of this Agreement and be governed by the terms and conditions of this Agreement.

2.1.3 Unless otherwise agreed between the Parties in writing, the Master Franchisee agrees and undertakes that the Master Franchisee shall use best efforts to open, either through **Directly Owned Master Franchisee Outlet or Third-Party Franchise Outlet**, the following:

Outlet 1: HOCCO, the Indian Kitchen' - already existing (Location: 1508, Sam's Circle, Chesapeake, Virginia - 23320, USA)

Outlet 2: Six months from the date of execution of this Agreement

Outlet 3 onwards — Within six months after the average sales of all the preceding outlets exceed 50K USD per month. By way of example, once 7 outlets are opened, if their collective sale exceeds 350K USD per month (7 times 50K equal 350K USD) then the next outlet must be opened within six months.

2.1.4 The Master Franchisee agrees this Agreement is a Master Franchise agreement and that the terms and conditions of this Agreement shall deemed to apply for operations of each new "Directly Owned Master Franchisee Outlet" and each new "Third-Party Franchise Outlet". The Financial obligations under this Agreement shall independently apply for each new "Directly Owned Master Franchisee Outlet" and each new "Third-Party Franchise Outlet". Specific Addendums / Exhibits may be signed by the Parties and appended to this Agreement, if required, containing terms and conditions specific to any particular "Directly Owned Master Franchisee Outlet" and each new "Third-Party Franchise Outlet".

2.2 **Non-Exclusive Grant.** Master Franchisee acknowledges and agrees that the franchise granted to the Master Franchisee is exclusive for the Master Territory only; It is understood that the Master Franchise is not granted any area, market, or protected territorial rights other than as expressly provided in Clause 2.1 of this Agreement; and that Master Franchise shall not have the right to sublicense, sublease, subcontract or enter into any management agreement providing for the right to operate the Franchised Business or to use the System granted pursuant to this Agreement or the sub-franchising rights, except in the manner expressly provided under this Agreement.

2.3 Franchisor's Reserved Rights Notwithstanding the right granted to The Master Franchisee in Clause 2.1, the Franchisor and its affiliates shall retain the right on the following that the Franchisor may deem fit and without granting any rights therein to The Master Franchisee:

2.3.1 to own, acquire, establish and / or operate, and to grant a license to third parties to establish and operate, business under other proprietary marks or other systems different from the Franchised Business, at any location within and outside the Master Territory.

2.3.2 to own, acquire, establish and / or operate, and to grant a license to third parties to establish and operate, business under Proprietary Marks or Systems under Franchised Business, at any location outside the Master Territory.

2.3.3 to license others to sell or distribute products which fall under Ready to Eat (excluding pre-heated takeouts of Ready to Packet(s)), ready to cook or heat and eat, or ready/instant mixes which bear any Proprietary Marks, including the Proprietary Marks, at any location within and outside of the Master Territory.

3. FRANCHISE FEES AND ROYALTY

3.1 **Franchise Fees and Royalty for Directly Owned Master Franchisee Outlet(s)**.

3.1.1 Franchise Fees. The Master Franchisee shall pay the Franchisor for each Directly Owned Master Franchisee Outlet, a Non-refundable Franchise fee of an amount of **USD30000 (US dollars Thirty Thousand only) exclusive of all applicable Taxes ('Directly Owned Master Franchisee Fee'**). In case of renewal of this Agreement upon mutual consent with respect to each outlet, The Master Franchisee shall pay such fee towards renewed Master Franchise Agreement for each Directly Owned Master Franchise Outlet, as mutually discussed. The details of the Directly Owned Master Franchisee Outlet shall be added to this Agreement as and when agreed upon by the Parties by way of an Addendum to this Agreement. The Franchisee Fees for each Directly Owned Master Franchisee Outlet shall be paid by the Master Franchisee to the Franchisor upon the date of signing/execution of such Addendum to this Agreement. The format of the Addendum is appended as **Attachment D**.

3.1.2 Royalty. The Master Franchisee shall be liable to pay and the Franchisor shall be entitled to receive from The Master Franchisee for each Directly Owned Master Franchisee Outlet, within 7 [Seven] days from the receipt of the Invoice by the Franchisor, a recurring monthly Royalty **equivalent to 8% of the total Net Sales in case of Dine-in, Take-away, catering, home delivery or any other form of Sale;**

The Royalty as mentioned above shall be paid in the manner provided in Clause 3.5 of this Agreement (**"Master Franchisee Royalty Fee"**). The Parties agree that the Royalty amount for Directly Owned Master Franchisee Outlet(s) shall be subject to change with mutual consent between the parties.

For the purpose or this Clause, **"Net Sales"** shall include revenue from sale of all services and/or products and all other income of every kind and nature related to the Franchise Business including but not limited to revenue generated from Dine-In / Take away / Catering / Party order / Stalls, Home Deliveries (by the Directly-Owned Master Franchisee Outlet itself or through 3rd party apps such as but not limited to Ubereats, Doordash, Grubhub and other such 3rd party home delivery apps), whether for cash or credit and regardless of collection in the case of credit. Net Sales shall exclude the promotions and discounts which is part of the Bill raised upon the Customer. The Royalty amount under this clause shall be calculated **excluding** applicable Taxes. And amounts paid to third parties apps such as Ubereats, Doordash, Grubhub or other 3rd party home delivery service, provided that the Master Franchisee submits to the Franchisor the Reports of third parties in order for the Franchisor to verify the amounts paid to these third-party home delivery services.

3.1.3 The Franchisor shall, every quarterly, reimburse the Master Franchisee the actual expense or 2% [Two percent] of the monthly Master Franchisee Royalty Fee paid by the Master Franchise, whichever is lower, towards local marketing in the Territory with regard to Franchisee Business. The Master Franchisee agrees and acknowledges that the Master Franchisee shall provide the Franchisor all the Invoices, bills, receipts and all such supporting documents to the Franchisor in corroboration with local marketing expense and the Master Franchisee shall be entitled to the reimbursement as per this Clause 3.1.3 subject to receipt and verification of the documents provided by the Franchisor.

3.2 Franchise Fees and Royalty for Third-Party Franchise Outlet

3.2.1 Franchise Fee. The Master Franchisee shall pay to the Franchisor, the Franchise Fee for each Third-Party Franchise Outlet (**'Third-Party Franchise Fee'**) in the Master Territory as follows:

(a) 30% of the Franchise Fee paid by Third-Party Franchisee for each Third-Party Franchisee upon execution of the Third-Party Franchise Agreement (a **"Third-Party Franchise Agreement"**) with the Master Franchisee. The details of the Third-Party Franchise Outlet shall be added to this

Agreement as and when agreed upon by the Parties by way of an Addendum to this Agreement.

3.2.2 Royalty. The Master Franchisee shall pay to the Franchisor, a royalty fee based on Net Sales of each Third-Party Franchise Outlet (the **"Third-Party Franchisee Royalty Fee"**) equal to **three percent (3%) of the total Net Sales in case of Dine-in, Take-away, catering, home delivery etc. or any other form of Sale**;

The aforementioned Royalty shall be paid for each Third Party Franchise Outlet. The Third-Party Franchisee Royalty Fee shall be paid by The Master Franchisee to the Franchisor in the manner provided in Clause 3.2.2 of this Agreement by the seventh (7^{th}) day of each calendar month based on Net Sales generated by the Third-Party Franchise Outlet during the previous calendar month.

For the purpose or this Clause, **"Net Sales"** shall include revenue from sale of all services and/or products and all other income of every kind and nature related to the Franchise business including but not limited to revenue generated from Dine-In / Take away / Catering / Party order / Stalls, Home Deliveries (by each Third-Party Franchise Outlet itself or through 3rd party apps such as but not limited to Ubereats, Doordash, Grubhub and other such 31d party home delivery apps), whether for cash or credit and regardless of collection in the case of credit. Net Sales shall exclude the promotions and discounts which is part of the Bill raised upon the customer. The Royalty amount under this clause shall be calculated **excluding** applicable Taxes provided that the Master Franchisee submits to the Franchisor the Reports of third parties in order for the Franchisor to verify the amounts paid to these third-party home delivery services by Third-Party Franchise Outlet.

3.2.3 Franchisee Fees and Royalties for Third-Party Franchise Outlets shall not be increased or decreased by the Master Franchisee without prior written consent of the Franchisor.

3.2.4 The Master Franchisee shall charge the Third-Party Franchisees, the initial franchise fee, royalty fee, that the Franchisor designates or require, and the requirements imposed by this Agreement. Any deviations from these amounts shall be subject to prior written approval of Master Franchisor;

3.3 All Applicable Taxes or taxes introduced in future shall be charged extra over and above the Royalty Amount as mentioned in Clause 3.1.2 and Clause 3.2.2. The Franchisor will raise the invoice including the applicable Taxes on The Master Franchisee on monthly basis. The Master Franchisee will make the payment within seven [7] days from the date of the receipt of the Invoice.

3.4 The Franchisee Fees and Royalty amount will be subject to the deduction of tax at source by the Master Franchisee, if any, as per:

3.4.1 the domestic laws of the USA or

3.4.2 as per the provisions of Double Tax Avoidance Agreement entered into between Government of the USA and the Government of the Republic of India, whichever is beneficial to the Franchisor.

The Master Franchisee shall, every Quarter or periodically, as made available under the applicable laws of the US, provide a certificate or other statutory document evidencing the deduction of taxes and deposit of taxes so deducted with the Internal Revenue Service, USA, to the Franchisor.

3.5 Manner of Payment.

3.5.1 Master Franchisee shall pay the Franchisor, Directly Owned Master Franchisee Fee, Directly Owned Master Franchisee Royalty Fee, Third-Party Franchise Fee and Third-Party Franchisee Royalty Fee, due under this Clause 3, by electronic funds transfer against a bank account maintained by Franchisor, the details of which are hereinbelow:

Name: HOCCO FOODS USA LLC.
Account No: 601581039
Bank and Branch: JP MORGAN CHASE BANK, N.A. , 270, Park Avenue, New York, NY-10017
Bank Routing Number (used for ACH): 267084131
Bank Routing Number (used for US wires): 021000021
SWIFT CODE for International Wires: CHASUS33
Account Type: Checking

3.5.2 If the Master Franchisee fails to provide the revenue reports described in Clause 3.7 and Clause 6, The Franchisor shall be entitled to demand and the Master Franchisee shall be liable to pay interest @18% (Eighteen percent p.a. of the last Directly Owned Master Franchisee Royalty Fee, Third-Party Franchise Fee and Third-Party Franchisee Royalty Fee paid to the Franchisor. If Directly Owned Master Franchisee Royalty Fee, Third-Party Franchise Fee and Third-Party Franchisee Royalty Fee the Franchisor debits, is less than the fees the Master Franchisee actually owes to the Franchisor, once the Franchisor has been able to determine the true and correct revenue amounts, the Franchisor shall be entitled, and Master Franchisee shall be liable to pay the Franchisor the balance on a day the Franchisor specifies.

3.6 Interest on Overdue Amounts. Any payment not actually received by the Franchisor on or before the seventh (r) day of each month (or the next business day if the seventh (r) of any month is not a business day) shall be deemed overdue and the Master Franchisee shall pay to the Franchisor, in addition to the overdue payment, interest on such overdue amount at the rate of 1.5% per month. Interest shall accrue from the original due date until payment is received in full. Franchisor's right to such interest shall be in addition to any other remedies the Franchisor may have, including, without limitation, the right of set-off, to withdraw or retain, from time to time and without notice to the Master Franchisee any amounts due and unpaid by the Master Franchisee to the Franchisor. The Master Franchisee shall not be entitled to set-off any payments required to be made under this Clause 3 against any monetary claim the Master Franchisee may have against the Franchisor. It is agreed by the Master Franchisee that payment of interest to the Franchisor on delayed amounts shall not amount to waiver of the right of termination of this Agreement on part of the Franchisor without providing the Master Franchisee an opportunity to cure the default in case occurrence of three (3) delayed payment (s) within any twelve (12) month period.

3.7 **<u>Third-Party Franchise Agreements and Third-Party Franchise Outlet Revenue Reports</u>.** The Master Franchisor shall at the end of each month provide the Franchisor with the copy of the Invoice / bill raised by the Master Franchisee upon each Third-Party Franchisee towards Royalty fee to be paid by their respective Third-Party Franchise Outlet(s).

The Master Franchisee shall submit to the Franchisor copies of all Third-Party Franchise Agreements executed with each Third-Party Franchisee within fifteen (15) Business days of the date of their execution, together with a copy of all cheques presented to Master Franchisee at closing. Master Franchisee shall prepare and submit to Franchisor a monthly report, not later than the 5^{th} day of each month, of Franchise Sales Revenue generated by Third-Party Franchisee(s) during the previous calendar month. Contemporaneously with the submission of the Franchise Sales Revenue report, Master Franchisee shall prepare and submit to Franchisor, a monthly report, in such form and including such detail as Franchisor requires, reflecting royalty fees paid and owed to Master Franchisee or by each Third-Party Franchisee for the previous calendar month along with all the Invoices and bills raised by the Master Franchisee upon each Third-Party Franchisee.

4. OBLIGATIONS OF MASTER FRANCHISEE

4.1 <u>Third Party Franchise Outlets</u>.

4.1.1 The Master Franchisee shall have the right and obligation to identify qualified Third-Party Franchisee who shall operate the business as granted in this Agreement. The Master Franchisee shall not grant any such right to a Third-Party Franchisee, and Third-Party Franchisees shall not have the right to sub-franchise or sell Third-Party Franchises.

4.1.2 Master Franchisee undertakes and be obligated for preparing and presenting to each applicant for the opening and operating of Third-Party Franchise Outlet (an **"Potential Third-Party Franchisee"**), **a Franchise Disclosure Document** and all other related documents in accordance with the requirements of all federal and state regulatory agencies which now or hereafter may have jurisdiction over the franchised outlets in the Master Territory (a "Unit Franchise Disclosure Document"). The Master Franchisee shall not present a Unit Franchise Disclosure Document to any Potential Third-Party Franchisee until such Unit Franchise Disclosure Document has been submitted to and approved by the Franchisor and, if applicable, the Unit Franchise Disclosure Document has been registered with the appropriate state authority. The Master Franchisee agrees to make any changes to the Unit Franchise Disclosure Document (including its exhibits) as may be requested by the Franchisor. Notwithstanding the foregoing, Franchisor shall have no responsibility whatsoever for the accuracy or legal compliance of Master Franchisee's Unit Franchise Disclosure Document or Master Franchisee's compliance with the requirements of any regulatory agencies which now or hereafter may have jurisdiction over the franchised outlets. Master Franchisee acknowledges Notwithstanding the foregoing, other than historical information provided by Franchisor, Franchisor shall have no responsibility whatsoever for the accuracy or legal compliance of Master Franchisee's Unit Franchise Disclosure Document or Master Franchisee's compliance with the requirements of any regulatory agencies which now or hereafter may have jurisdiction over the Franchised outlets. Master Franchisee acknowledges and understands that Master

Franchisee are solely and exclusively responsible for complying with all federal and state franchise registration and disclosure laws and the payment of all franchise registration and filing fees. To prepare the Unit Franchise Disclosure Document and comply with applicable franchise registration and disclosure laws as just discussed, the Master Franchisee may require the services of a franchise attorney, who would be retained at Master Franchisee's expense.

4.1.3 Master Franchisee shall not make any misleading or untrue statements or any representations inconsistent with the Unit Franchise Disclosure Document. Further, Master Franchisee shall not provide any Potential Third-Party Franchisee with any document or information in connection with the Third-Party Franchise Outlet within the Master Territory other than documents and information included within the Unit Franchise Disclosure Document. Master Franchise shall make no promises, representations, or commitments to any Potential Third-Party Franchisee, including representations concerning potential profit or income, other than promises, representations or commitments specifically included within the Unit Franchise Disclosure Document.

4.1.4 Master Franchisee, shall defend at its expense and shall indemnify and hold harmless the Franchisor and its affiliates, and respective officers, directors, shareholders, agents and employees, from and against any and all claims, losses, damages, liabilities, costs and expenses (including, without limitation, actual attorneys', accountants' and consultants' fees and other expenses, including any such expenses incurred in connection with investigating, defending against or settling any such claims sustained or incurred by Franchisor), however caused, resulting directly or indirectly from or pertaining to any acts, omissions to act and/or performance by Master Franchisee of its obligations and responsibilities under this Clause 4, other than claims arising from the historical information provided by the Franchisor, including, but not limited to, unauthorized disclosures to Third Party Franchisee, any claims of Third Party Franchisee and/or any claims of any regulatory agencies which now or hereafter may have jurisdiction over the third-Party Franchise Outlet(s).

4.2 Initial Training and Services for Third-Party Franchisees.

4.2.1 In order to ensure that the integrity of the Proprietary Marks and the goodwill of the Franchisor are preserved, Master Franchisee shall provide a comprehensive initial training program for Third-Party Franchisee in the Master Territory according to Franchisor's specifications, including classroom and on-site training and assistance. Each third-Party Franchisee must complete the initial training program satisfactorily, according to the parameters specified by the Franchisor.

4.2.2 Master Franchisee shall thereafter provide sessions of on-location assistance in operations and business management.

4.2.3 Master Franchisee shall further support and assist each Third-Party Franchisee by:

(a) Providing assistance and guidance to each Third-Party Franchisee in the Master Territory.

(b) Making available to each Third-Party Franchisee in the Master Territory all applicable Manuals, training aids and any pertinent information concerning the System as provided by the Franchisor.

(c) Supply the necessary raw materials, packing materials, equipment, furniture/fixture, marketing collaterals as provided by the Franchisor, ensuring installation of necessary IT software's etc. in accordance with the System and as per the requirements of the Franchisor from time to time.

(d) Having personnel available for each Third-Party Franchisee in the Master Territory on an ongoing basis during normal business hours to provide technical assistance, consultation, and advice on marketing and operations procedures and by providing training and support for to each Third-Party Franchisee in the Master Territory.

4.2.4 Master Franchisee shall, on a quarterly basis, provide the Franchisor all the relevant documents revealing the rate at which Master Franchisee supplied the necessary raw material, packing material, products to each third-Party Franchisee.

4.2.5 Master Franchisee undertakes to indemnify, defend, and hold the Franchisor and its affiliates, and respective officers, directors, shareholders, employees, agents and attorneys, and their respective heirs, successors and assigns, and each of them, harmless from and against any and all claims arising from any action or omissions to act by Master Franchisee or Third-Party Franchisees in the Master Territory.

4.3 <u>Use of Proprietary Marks by Third-Party Franchisee</u>.

4.3.1 Master Franchisee shall supervise the use of all Proprietary Marks by Third-Party Franchisees in the Master Territory to ensure that the Proprietary Marks are being properly used by Third-Party Franchisees. The Master Franchisee shall, immediately upon knowledge, inform the Franchisor regarding any unauthorized use, negligent use and/or misuse of the Proprietary Marks of the Franchisor and the Master Franchisee shall take all necessary steps against any defaulting Third-Party Franchisee in order to protect the Proprietary Marks of the Franchisor. In this event, upon Franchisor's demand, the Master Franchisee shall forthwith, terminate the Agreement with the defaulting Third-Party Franchisee and intimate the same to the Franchisor.

4.4 <u>Insurance</u>.

4.4.1 During the term of this Agreement, Master Franchisee shall maintain in force the policies of insurance issued by licensed insurers and insurance coverage as required. Master Franchisee must maintain insurance related to Master Franchisee's operation of the Franchised Business. Such insurance coverage will include:

(a) As it relates to the operation of Directly Owned Master Franchisee Outlet:

(i) broad form comprehensive general liability coverage against claims for employment practices coverage, bodily and personal injury, death and property damage caused by or occurring in conjunction with the conduct of business by Master Franchisee pursuant to this Agreement and broad form contractual liability coverage, including errors and omissions coverage, under one or more policies of insurance containing minimum liability coverage prescribed by Franchisor from time to time, but in no event in an amount less than $1,00,000,000 Dollars ($ 1 Million) aggregate.

(ii) fire liability Insurance of Minimum USD 300,000;

(iii) worker's compensation and employer's liability insurance in statutory amounts, unemployment insurance and state disability insurance as required by governing law for Master Franchisee's employees.

(iv) as it relates to the operation of Third-Party Franchisee Outlet: general liability insurance, which insurance is in addition to any general liability insurance the Third-Party Franchisees are required to maintain under their Third-Party Franchise Agreements.

4.4.2 Master Franchisee shall also maintain such additional insurance as is necessary to comply with all legal requirements concerning insurance. Franchisor may periodically increase the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time including excess liability insurance to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

4.4.3 The insurance policies required herein shall: (a) name the Franchisor as an additional named insured and contain a waiver of all subrogation rights against Franchisor, its affiliates, and its successors and assigns; (b) provide for thirty (30) days' prior written notice to Franchisor of any material modification, cancellation, or expiration of such policy; (c) provide that the coverage applies separately to each insured against whom a claim is brought as though a separate policy had been issued to each insured; (d) contain no provision which in any way limits or reduces coverage for Master Franchisee in the event of a claim by any one or more of the parties indemnified under this Agreement; (e) be primary to and without right of contribution from any other insurance purchased by the parties indemnified under this Agreement; and (f) extend to and provide indemnity for all obligations assumed by Master Franchisee hereunder and all other items for which Master Franchisee is required to indemnify the Franchisor under this Agreement.

4.4.4 Master Franchisee shall provide the Franchisor with evidence of the insurance required hereunder not later than ten (10) days before Master Franchisee begins operating as a Master Franchisee, and with a complete copy of each insurance policy no more than thirty (30) days after delivery of the original proof of insurance. Thereafter, prior to the expiration of the term of each insurance policy, Master Franchisee shall furnish the Franchisor with a copy of each renewal or replacement insurance policy to be maintained by Master Franchisee for the immediately following term and evidence of the payment of the premium therefor. Should Master Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by Franchisor in writing, Franchisor shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to Master Franchisee, which charges shall be payable by Master Franchisee immediately upon notice together with a ten percent (10%) administrative fee. The foregoing remedies shall be in addition to any other remedies Franchisor may have at law or in equity.

4.4.5 The maintenance of sufficient insurance coverage shall be Master Franchisee's responsibility. Master Franchisee's obligations to maintain insurance coverage as herein described shall not be affected in any manner by reason of any separate insurance maintained by Franchisor nor shall the maintenance of such insurance relieve Master Franchisee of any indemnification obligations under this Agreement.

4.5 Enforcement of Third-Party Unit Franchise Agreements. Master Franchisee shall take all necessary steps to enforce the terms and condition of all Third-Party Franchise Agreements and shall be bound by the terms thereof in all dealings with Master Franchisee's Third-Party Franchisees and shall maintain normal office hours, provide adequate communication, and support and otherwise maintain and operate Franchised Business in a manner that will promote the efficiency and success of each Third-Party Franchisee. Master Franchisee shall not terminate the Third-Party Franchise Agreement of any Third-Party Franchisee without Franchisor's prior written consent.

4.6 Compliance with Governmental Regulations and Applicable Laws.

4.6.1 Master Franchisee shall, as an independent business owner, timely obtain any and all permits, certificates, or licenses necessary for the lawful operation of the Franchised Business including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, and the like.

4.6.2 Master Franchisee and its principals agree to comply, and to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply, with all applicable Laws.

4.7 Changes to the System.

4.7.1 Master Franchisee acknowledges and agrees that the System must continue to evolve in order to reflect the changing market and to meet new and changing customer demands and that, accordingly, variations and additions to the System may be required from time to time in order to preserve and enhance the public image of the System and to insure the continuing operation efficiency of Third-Party Franchise Outlet generally. Accordingly, Master Franchisee acknowledges and agrees that Franchisor may from time to time change the System, including, without limitation, the adoption and use of new or modified trademarks, products, services, equipment and furnishings and new techniques and methodologies relating to the preparation, sale, promotion and marketing of services and supplies. Master Franchisee shall promptly accept, implement, use, and display all such additions, modifications and changes at Master Franchisee's sole cost and expense, and Master Franchisee shall ensure that all Third-Party Franchisees in Master

Franchisee's Master Territory promptly accept, implement, use and display all such additions, modifications and changes.

4.7.2 Master Franchisee further acknowledges and agrees that Franchisor may inspect Directly Owned Master Franchisee Outlet and any Third-Party Franchise Outlet in the Master Territory to verify that Directly Owned Master Franchisee Outlet and any Third-Party Franchise Outlet is operating in compliance with Franchisor's System, as it may be modified from time to time.

4.8 Developments are Franchisor's Property.

4.8.1 Master Franchisee acknowledges and agrees that, in consideration for the right to use the System and expertise of the Franchisor in the field, if Master Franchisee, any of its employees or any Third-Party Franchisees in the Master Territory develop any new concept, process or improvement in the operation or promotion of the Franchised Business, Master Franchisee shall promptly notify the Franchisor and provide Franchisor with all necessary information concerning same, without any compensation to Master Franchisee, its employee or Third-Party Franchisee. Master Franchisee acknowledges and agrees that any such concept, process or improvement shall become Franchisor's property and Franchisor may utilize or disclose such information to other franchisees and Third-Party Franchisees as the Franchisor shall determine to be appropriate.

5. TERM AND RENEWAL

5.1 Subject to earlier termination as provided under this Agreement, this Agreement shall be for the **Term of 10 (Ten) Years from the execution of this Agreement ("Term")** and renewable as per mutual consent of both the parties on such terms and conditions as may be mutually agreed.

5.2 The Master Franchisee undertakes and acknowledges that it has no right to assign, transfer, license and/or sub-franchise the rights conferred by this Agreement.

6. ACCOUNTING AND RECORDS FOR DIRECTLY OWNED MASTER FRANCHISEE OUTLET

6.1 **Accurate Books and Records.** The Master Franchisee shall during the term of this Agreement, maintain and shall preserve full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed in writing by Franchisor from time to time.

6.2 **Weekly Sales Figures.** The Master Franchisee shall provide weekly daily sales figures to the Franchisor within three (3) business days following the end of each week. The Master Franchisee shall also submit to Franchisor, at the address provided no later than the Tenth (10) day of each month, a remittance report, in the form prescribed by Franchisor, which shall accurately reflect all gross sales during the preceding calendar month, and such other data or information as the Franchisor may require. In particular, and without limiting the foregoing, The Master Franchisee shall submit a quarterly and fiscal-year-to-date profit and loss statement (which may be unaudited) for the franchised business and shall submit copies of all taxes filed for the franchised business.

6.3 **Annual Audited Financial Statement.** Master Franchise shall, at Master Franchisee's sole cost and expense, prepare and submit to Franchisor immediately upon as the audited financial statement are ready post filing of the taxes prepared by an independent certified public accountant in accordance with generally accepted accounting principles. In the interregnum, the Master Franchisee shall provide the Franchisor with self-attested un-audited financial statement within One Hundred Twenty (120) days at the end of each financial year. Each audited financial statement shall include a balance sheet and a profit and loss statement. If Master Franchisee owns, directly or beneficially, a controlling financial interest in any other business, the financial statements required to be submitted by Master Franchisee must reflect Master Franchisee's financial condition and Master Franchisee's other business operations on a consolidated basis. Master Franchisee understands and acknowledges that the Federal Trade Commission's disclosure requirements for franchising (16 CFR Part 436) require Master Franchisee to include audited financial statements each year after fiscal year end. Master Franchisee further understands and acknowledges that, as with Master Franchisee's initial Unit Franchise Disclosure Document, all annual updates to Unit Franchise Disclosure Document shall be submitted to the Franchisor for review within One Hundred Twenty (120) days after each fiscal year end. Notwithstanding the foregoing, Franchisor reserves the right to inspect or examine accounts, books, records and tax returns of Master Franchisee, at any reasonable time, with or without prior notice to Master Franchisee.

6.4 **Other Reports.** The Master Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, information and data as the Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, and as specified from time to time in writing.

6.5 **Franchisor's Right to Audit.** Franchisor or its designated agents/auditors shall have the right at all reasonable times to examine and copy the books, records and sales and tax returns of The Master Franchisee. If an audit (or any other periodic inspection not being a full audit) shows that The Master Franchisee's accounting as to the calculation of the payments due under this Agreement or any other financial matter is incorrect, the Master Franchisee undertakes to promptly rectify the defect in the amount accounted for or in the accounting system. If an inspection reveals that any payment(s) have been understated in any report to Franchisor, then The Master Franchisee shall immediately upon demand, pay to Franchisor Royalty fee due with respect to the amount understated. The foregoing remedies shall be in addition to any other remedies Franchisor may have including the right of termination of the Franchise Agreement at the discretion of the Franchisor.

6.6 The Franchisor also reserves its right to get mystery audit done of the Franchised outlet with regard to running and operations of the outlets.

7. PROPRIETARY MARKS AND LICENSED MARKS

7.1 The Master Franchisee understands and acknowledges that the Franchisor is the exclusive licensee of the Licensed Marks and the owner of all rights; title and interests in and to the Proprietary Marks and the goodwill associated with and symbolized by them including but not limited to goodwill arising from The Master Franchisee's use of the Proprietary Marks in its franchised operation and with the authorized sub-license of the Proprietary Marks to Third-Party Franchisees. The Master Franchisee agrees and covenants that the Master Franchisee's use of the Proprietary Marks pursuant to this Agreement does not give The Master Franchisee any ownership interest or other interest in or to Licensed Marks and/or the Proprietary Marks, except the license to merely used the Proprietary Marks for the purpose as contemplated under this Agreement.

7.2 With respect to Master Franchisee's use of the Proprietary and the Licensed Marks, the Master Franchisee undertakes and agrees as under:

7.2.1 Master Franchisee shall not do anything to prejudice or damage the goodwill of The Franchisor in the Proprietary Marks or reputation of The Franchisor and The Master Franchisee must not do anything likely to bring the Proprietary Marks into disrepute.

7.2.2 Unless otherwise authorized or required by the Franchisor, the Master Franchisee shall operate and advertise the Franchised Business only under the Proprietary Marks and must use the Proprietary Marks without prefix or suffix. Promotional Activities using the mark shall require prior written consent of the Franchisor.

7.2.3 The Master Franchisee shall not use the Proprietary Marks or any name resembling it as part of its Corporate or other legal name either during the Term of this Agreement or after termination or expiration of it. The Master Franchisee shall not use the Proprietary Marks to incur any obligation or debt on behalf of the Franchisor.

7.2.4 The Master Franchisee reserves the right to substitute different Proprietary Marks for use in identifying the System and the Franchised Business operating thereunder and the Master Franchisee agrees to immediately substitute the Proprietary Marks upon receipt of written notice from Franchisor.

7.2.5 If The Master Franchisee becomes aware of any infringement of the Proprietary Marks by any other party trading with trademarks similar or identical to the Proprietary Marks, it must immediately notify The Franchisor in writing, but must take no other action against the infringer except to cooperate fully in assisting The Franchisor in any action it may take, in accordance with the obligations of The Master Franchisee under this Agreement. Additionally, in case of any litigation involving the Licensed and/or Proprietary Marks is instituted or threatened against The Master Franchisee, The Master Franchisee shall promptly notify Franchisor and shall cooperate fully with the Franchisor in defending or settling such litigation.

7.2.6 The Master Franchisee shall comply with all reasonable requirements from time to time laid down by The Franchisor as regards the use and presentation of the Proprietary Marks.

7.2.7 The Master Franchisee shall ensure that any items regularly used by it in providing the Services shall carry the words, devices or designs in the prominence and colour specified by The Franchisor time to time.

7.2.8 The Master Franchisee acknowledges and agrees that Franchisor has developed and shall continue to develop in future for use in the System certain products which are highly confidential secret recipes, and which are trade secrets of Franchisor. Because of the importance of quality and uniformity of production and the significance of such products in the System, the Franchisor shall closely control the production and distribution of such products. Accordingly, The Master

Franchisee agrees that the products and recipes which are part of and which may become a part of the System, shall at all times remain the proprietary and confidential recipes of The Franchisor and the use of Franchisor's secret recipes products shall not in any manner deem to grant upon The Master Franchisee any right, title or interest in such recipes or products.

7.2.9 Master Franchisee's right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement.

7.2.10 Master Franchisee shall not use the Proprietary Marks to incur any obligation or indebtedness on behalf of Franchisor.

7.2.11 Master Franchisee shall execute any documents deemed necessary by Franchisor or its affiliates to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

7.2.12 Master Franchisee shall not use the Proprietary Marks as part of its corporate or other legal name.

7.2.13 Master Franchisee shall promptly notify Franchisor of any suspected unauthorized use of or any challenge to the validity of the Proprietary Marks, or any challenge to Franchisor or Franchisor's affiliate's ownership of, Franchisor's license to use and to license others to use, or Master Franchisee's right to use, the Proprietary Marks licensed under this Agreement. Master Franchisee acknowledges that Franchisor and its affiliate have the right to direct and control any administrative proceeding or litigation, or other adjudicative proceeding involving the Proprietary Marks, including any settlement thereof. Franchisor and its affiliate have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. Franchisor shall defend Master Franchisee against any third-party claim, suit, or demand arising out of Master Franchisee's use of the Proprietary Marks; provided, however, that Master Franchisee's use of the Proprietary Marks is in compliance with this Agreement. If Franchisor, in Franchisor's sole discretion, determine that Master Franchisee has not used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by Master Franchisee. In the event of any litigation relating to Master Franchisee's use of the Proprietary Marks, Master Franchisee shall execute any and all documents and do such acts as may, in Franchisor's opinion, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action.

7.3 **<u>Master Franchisee's Acknowledgments</u>.** Master Franchisee acknowledges and agrees that:

7.3.1 As between Master Franchisee and Franchisor, Franchisor is the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them and Franchisor has the right to use, and license others to use, the Proprietary Marks.

7.3.2 The Proprietary Marks are valid and serve to identify the System and those who are franchised under the System.

7.3.3 During the term of this Agreement and after its expiration or termination, Master Franchisee shall not directly or indirectly contest the validity of, or Franchisor's ownership of the Proprietary Marks, nor take any other action which may tend to jeopardize Franchisor's or its affiliate's interest therein, or Franchisor's right to use and to license others to use the Proprietary Marks.

7.3.4 Master Franchisee's use of the Proprietary Marks pursuant to this Agreement does not give Master Franchisee any ownership interest or other interest in or to the Proprietary Marks other than the limited license granted by this Agreement.

7.3.5 Any and all goodwill arising from Master Franchisee's use of the Proprietary Marks shall inure solely and exclusively to the benefit of Franchisor or its affiliate, and upon expiration or termination of this Agreement and the license herein granted no monetary amount shall be assigned as attributable to any goodwill associated with Master Franchisee's use.

7.3.6 The right and license of the Proprietary Marks granted under this Agreement to Master Franchisee is non-exclusive, and Franchisor and its affiliates have and retain the rights described in Clause 2.3 of this Agreement.

7.3.7 Franchisor reserves the right to change, revise, or substitute different proprietary marks for use in identifying the System and the Franchised Business, if the Proprietary Marks no longer can be used or if Franchisor, in Franchisor's sole discretion, determine that substitution of different proprietary marks will be beneficial to the System. In such circumstances, the use of the substituted proprietary marks shall be governed by the terms of this Agreement, and Franchisor shall not compensate Master Franchisee for such substitution. If Franchisor's currently licensed Marks can no longer be used, Master Franchisee shall implement promptly any such substitution at Master Franchisee's expense.

7.3.8 Franchisor shall have the right, at all reasonable times, to inspect the products and services on which the Proprietary Marks shall be used as Franchisor considers necessary to carry out the purposes of inspection as part of appropriate quality control. Upon request, Master Franchisee shall submit to Franchisor all packages, labels, advertising, advertising brochures and other materials bearing the Proprietary Marks and Master Franchisee specifically undertake to amend to Franchisor's satisfaction any such packages, labels, advertising, advertising brochures and other materials which are not approved by Franchisor.

7.4 <u>Changes in Law Affecting Proprietary Marks</u>.

7.4.1 If trademark law is amended so as to render inapplicable any of the provisions of this Clause 7, Master Franchisee shall execute any documents, and do such acts and things as in Franchisor's opinion may be necessary to affect the intent and purpose of the provisions of this Agreement.

8. RESPONSIBILITIES OF THE PARTIES TOWARD DIRECTLY OWNED MASTER FRANCHISEE OUTLET

8.1 The Roles and responsibilities of the Franchisor and the Master Franchisee are detailed out as under:

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
1.	MARKETING	Branding and Social Media Marketing Provide Brand Guidelines	(a) All kinds of Local Marketing (b) Google Listing (c) Marketing on Online Platforms (Ubereats/Doorbash/Grubhub or any other online App) Sole responsibility of the Master Franchisee at its own cost and expense – to be carried out as per the Brand Guidelines.
2.	PROCUREMENT	**Base Masala and Gravy** – The Franchisor to ship the same to the Master Franchisee – Shipment cost to be borne by the Franchisor. - The payment (in part or full) towards the said base masala and gravies supplied to Master Franchisee shall be paid in advance by the Franchisee as per the prices governed by HRPL pricing policy. The pricing shall be decided mutually between the Master Franchisor and Master Franchisee.	(a) **Vegetables and Meats** to be solely procured by the Master Franchisee at its cost and expense. (b) **Packaging Material, Equipment Material, Utilities (Crockery/cutlery/ service gears/uniform) -** to be procured by The Master Franchisee at its cost and expense as per the specifications given by the Franchisor.
3.	HUMAN RESOURCE	**One [1] Main Chef:** (i) To be provided by the Franchisor to the Master Franchisee, who shall post hiring be on the pay roll of the Master Franchisee. (ii) Impart requisite Training to Master Chef in India or to any other personnel, if considered necessary by the Franchisor.	**(a) One [1] Main Chef:** (i) to be on pay roll of the Master Franchisee and the Master Franchisee to bear the salary, statutory emoluments and all the expenses with regard to the Chef. (ii) The Master Franchisee to bear the Travel, Boarding and Lodging Expenses of the Chef for the purpose of his training by the Franchisor in India. (b) **Regular Staff hiring and Training** – Sole Responsibility and liability of The Master Franchisee at its cost and expenses; The Master Franchisee must ensure that all its employees are adequately trained. The Master Franchisee to take such steps as are necessary to ensure that its employees preserve good customer relations and

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			comply with such dress code as The Franchisor may prescribe. (c) **Compliance of laws:** (i) The Master Franchisee shall be solely liable to pay the salaries to all the employees and concerned staff of the Franchise Business and shall at all times keep the Franchisor and/or its directors/ agents/representatives indemnified hold harmless against any such claims/demands, dues etc. raised by the employees and/or the staff/representatives. (ii) The Master Franchisee undertakes to be solely responsible for compliance of local, state and national laws, statutes and other regulations and non-legal requirements with regard to employment, hiring of labor/work-staff etc. and in particular those concerning to health and safety of the of the employees.
4.	FINANCIAL OBLIGATION / COMPLIANCE OF LAWS		(a) **Payment towards Procurement of goods/food items/materials:** Any procurement from the Franchisor shall only be against 50% advance payment made to the Franchisor by the Master Franchisee and rest 50% to be paid at the time of items received. (b) **Compliance of laws:** The Master Franchisee shall be solely responsible for compliance with all taxes and/or fees as levied by the government at present or in future either prospectively or retrospectively payable for running the Franchise Business.
5.	PROJECTS	**Brand Manual, Brand Guidelines, SOP for services, serving suggestions** – to be provided by the Franchisor to the Master Franchisee.	(a) Civil, mechanical, Interior specifications, pluming etc. to be carried out as per the specifications provided by the Franchisor at The Master Franchisee's cost and expense. (b) **Brand Manual, Brand Guidelines, SOP for services, serving suggestions provided by the Franchisor** – The

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			Master Franchisee agrees and undertakes to comply with the same; (c) **Fit-out Contractor** – To be hired by the Master Franchisee at its sole cost and expense. (d) **Rentals for Franchise Outlet** – to be solely borne by the Master Franchisee. (e) **Utility Expense of Franchise Outlet** – to be solely borne by the Master Franchisee.
6.	IT	(a) **Software License:** Franchisor to purchase the software Licenses to be used for running of the Franchise Outlet. (b) **POS System:** Franchisor shall upload the Menu and provide Back-end IT support.	**Software License:** The Master Franchisee to reimburse the cost of the Software License to the Franchisor within 30 days from the date of receipt of Invoice. (i) The Master Franchisee shall only use the Software and POS system provided by the Franchisor. (ii) The Master Franchisee shall bear the cost for the Billing System/Software which is required to be installed for operation of the Franchised Business. (iii) To better manage business functions and control costs, The Master Franchisee may be required to, as The Franchisor deems necessary, invest in and implement new technology at The Master Franchisee's expense, which may include but not be limited to acceptance of credit cards and debit cards, WIFI related technology and other software applications. (iv) The Master Franchisee undertakes to comply with the terms of the Software License prescribed or supplied by The Franchisor. Internet connectivity is must, at the premises of the Master Franchisee business at the cost of The Master Franchisee.

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			(v) The Master Franchisee shall be required to use an email address to send and receive mail and attachments on internet.
7.	OPERATIONS	(i) **Menu, Recipes, New Product Development, Operational Standard Operating Manual:** to be provided by the Franchisor to the Master Franchisee. Master Franchisor and Master Franchisee shall mutually decide the prices to be charged in the Menu of each Directly Owned Master Franchisee Outlet and Third-Party Franchise Outlet. It is agreed that pricing may vary depending on Geographic Location as well, which shall also be mutually agreed upon between the Master Franchisor and Master Franchisee.	**1. Lease, Menu, New Product Development, Operational SOP Manual** (i) Master Franchisee shall be solely responsible for any leases of real or personal property in connection with the operation of Franchised Business. (ii) In order to protect the reputation and goodwill of the Franchisor and the System and to maintain uniform standards of operation under Franchisor's Proprietary Marks, The Master Franchisee shall conduct the Franchised Business in accordance with the Franchisor's Confidential Standard Operating Manual ("**Manual**"). The Manual is intended to further the purpose of this Agreement and is specifically incorporated by reference into this Agreement. (iii) The Master Franchisee agrees and undertakes that the Manual, recipes, menu, and all other operating data provided by the Franchisor are only for the purpose of facilitating the franchised business and that any translations of it, and the copyright and other intellectual property in it shall at all times remain The Franchisor's property and the use of the said data does not create any right or interest in the Master Franchisee. (iv) The Master Franchisee and all its representatives/employees shall at all times treat the Manual, any other manuals created for or approved for use in the operation of the franchised business, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. The Master Franchisee and its

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			employees, representatives, personnels shall not at any time copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person. (v) The Master Franchisee shall be responsible and supervise the Third-Party Franchisee and make sure the Third-Party Franchisee is following the price on the menu regulated by Franchisor from time to time. **2. Maintaining Inventory Post-Shipment:** to be sole responsibility and liability of The Master Franchisee at its cost and expense. **3. Product Quality / Customer Complaint / Customer Service / Customer Handling:** to be sole responsibility and liability of The Master Franchisee at its cost and expense; It is however clarified that if any deficiency in the quality of the products can be traceable to or attributable to the manufacturing, the same shall be responsibility and liability of the Franchisor. **4. Custom Clearance of Shipment sent by Franchisor (at all US ports):** to be sole responsibility and liability of The Master Franchisee at its cost and expense; **5. Local Transportation / Logistics:** sole responsibility and liability of The Master Franchisee at its cost and expense. **6. Inventory:** The Master Franchisee shall maintain sufficient Inventory for 6 months. **7. Compliance of laws:** The Master Franchisee shall be solely liable and responsible for:

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			(i) compliance with all taxes and/or fees as levied by the government at present or in future either prospectively or retrospectively. (ii) compliance of all statutory acts/laws/rules/regulations/notifications applicable for operating and running the Franchise Business including but not limited to taxation laws; employment laws; Insurance laws (including Employee insurance, Business Insurance; Equipment Insurance); fire and health safety laws; and all applicable laws. (iii) obtaining all the required licenses and permits and to comply with all applicable statutory stipulations for running a Franchise business. The Master Franchisee undertakes to the licenses valid and running at all times during the course of operations of the Franchise Business. (iv) compliance with all local, state and national laws, statutes and other regulations and non-legal requirements in particular those concerning to safety standards, fire regulations, health and safety of the working environment for employees, contractors and the public, relevant data protection legislation, consumer legislation and regulations relating to the storage and use of inflammable material and related services as applicable or desirable for the Franchise business. **8. The Master Franchisee shall not:** (i) misdirect or appropriate for its own use any funds withheld from its employees' wages or other benefits. (ii) fail to deal fairly and honestly with its employees or clients, customers.

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			(iii) either itself or Permit, knowingly or unknowingly, any agent or employee or representative to embezzle any funds or property of any of its other employees or clients, or having discovered the facts, fail to take any action against or discharge him/her; (iv) charge, pledge or encumber Franchise Business or any of the rights granted to The Master Franchisee under this agreement or the receipts of The Franchise Business in any way whether or not such encumbrance is in the ordinary course of business. (v) enter into any material agreement relating to the Competing Business with any other party. **9. The Master Franchisee shall:** (i) ensure that it has adequate finance including working capital to run its day-to-day business and, to discharge its obligations as a The Master Franchisee under this agreement. All costs and liabilities of running the Franchise business shall be borne exclusively by The Master Franchisee and The Franchisor shall not be liable for payment of any costs/liability/expenses of Franchise Business. (ii) carry on The Franchise Business at all times during the Term to the highest possible standards, under the Proprietary Marks and no other name, and use its best endeavors to promote the Proprietary Marks. (iii) maintain the high standard of quality, appearance and service of the System, and to that end shall conduct, as it deems advisable, inspections of the franchised business, evaluations of the products sold and services rendered therein;

Sno.	Role and Responsibility	Franchisor	The Master Franchisee
			(iv) use the location/premises solely for the operation of the business franchised. (v) meet and maintain the health standards as applicable per the state health authority. The Master Franchisee shall furnish to The Franchisor, within five (5) days after receipt thereof, a copy of any inspection report, warning, citation, certificate and/or rating which indicates The Master Franchisee's failure to meet or maintain the highest applicable health or safety standards in the operation of the Franchised Outlet.

9. INDEMNIFICATION BY THE MASTER FRANCHISEE

9.1 Master Franchisee shall indemnify and hold harmless to the fullest extent by law the Franchisor, its affiliates and its respective directors, officers, employees, shareholders, and agents, (collectively the "Indemnitees") from any and all losses and expenses (as hereinafter defined) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises directly or indirectly from, as a result of, or in connection with or arising out of direct or indirect result of:

(i) failure to comply with or contravention of any applicable laws, applicable present and future authorizations, registrations, duties of care, codes of conduct, regulations, notices, permits, consents, approvals and licenses issued, imposed or directed by any relevant body/authority/department relating to the protection of the environment, use of property, harm to human health, injury, damage or loss whatsoever to any person or property,

(ii) Operation of Franchised Business/Unit

(iii) Any act of omission and/or commission, misconduct, negligence or any overt act by Master Franchisee or its employees, representatives or agents, or

(iv) Any failure and/or breach on part of Master, .Franchisee or its employees its employees, representatives or agents to comply with any provision/term/condition/representation of this Agreement or the Manual, Concept or the System.

9.2 Master Franchisee shall indemnify and hold harmless to the fullest extent by law the Franchisor, its affiliates and its respective directors, officers, employees, shareholders, and agents, (collectively the "Indemnitees") from any and all losses and expenses (as hereinafter defined) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises directly or indirectly from, as a result of, or in connection with or arising out of direct or indirect result of Master Franchisee's operation of the Franchised Business including, but not limited to, claims arising as a result of the maintenance and operation of vehicles (collectively an "event"), and regardless of whether same resulted from any strict or vicarious liability imposed by law on the Indemnitees;

9.3 For the purpose of the Clause 9.1 and Clause 9.2, the term "losses and expenses" shall be deemed to include compensatory, exemplary, or punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to Franchisor's reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. Master Franchisee shall give Franchisor prompt notice of any event of which Master Franchisee are aware for which indemnification is required and, at Master Franchisee's expense and risk, Franchisor may elect to assume (but under no circumstance are obligated to undertake) the defense and/or settlement thereof, provided that Franchisor will seek Master Franchisee's advice and counsel. Franchisor may, in its sole judgment, take such actions as Franchisor may deem necessary and appropriate to investigate, defend, or settle any event or take other remedial or corrective actions with respect thereto as may be, in Franchisor's sole judgment, necessary for the protection of the Indemnitees or the System. Master Franchisee shall defend the Franchisor and each of Franchisor's affiliates, officers, directors, shareholders, agents, and employees named in any lawsuit based on such loss or expenses and shall pay all costs and reasonable attorneys' fees associated with such defense. If Franchisor wishes to retain its own counsel to defend any such action, Master Franchisee shall reimburse Franchisor for all costs and legal fees incurred by Franchisor for such defense, but only if Master Franchisee has refused to indemnify the Franchisor or has failed to retain reputable counsel to the satisfaction of the Franchisor to defend the claim. Said reimbursement shall be made to Franchisor in a time stipulated in the demand notice by the Franchisor.

9.4 The Master Franchisee shall notify the Franchisor in writing within Seven (7) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the franchised business.

9.5 Without prejudice to the foregoing provisions relating to indemnification of the Franchisor by the Master Franchisee, in case the Government authority issues notice/demand or claim calling upon the Franchisor for payment of a penalty/fine/cess or tax for violation of any laws/rules/regulations/notifications/resolutions by The Master Franchisee and if The Franchisor is constrained to pay on behalf of The Master Franchisee, The Master Franchisee shall, within Seven (7) days of the receipt of the demand by The Franchisor, reimburse such amount of penalty/fine/cess or tax paid by the Franchisor on behalf of The Master Franchisee along with interest @18% p.a. from the date of payment The Franchisor till the date of reimbursement by The Master Franchisee to The Franchisor;

9.6 This indemnity obligation shall survive the termination of the Agreement.

9.7 **Indemnification by Franchisor.** The Franchisor will indemnify, defend and hold harmless the Franchisee officers, directors and employees, from and against claims, loss, damage, injury or expense, (collectively, "Losses") arising out of any infringement claim initiated a third party with respect to the Proprietary marks of the Franchisor, except in each case (a) where such Losses result from alterations, changes, modifications, translations or additions made to the Proprietary Marks, or (b) for use of the Proprietary Marks not in compliance with the terms of this Agreement;

10. CONFIDENTIAL INFORMATION

10.1 Any and all written/oral information (whether or not designated/marked as Confidential Information), including but not limited to the System, customer lists, vendor lists, financial information , trade secrets, trademarks, copyrights, published materials including the proprietary and licensed marks and variations thereof, documents, letters or other paperwork, know how, information contained in the Operations Manual, shall be deemed confidential for purposes of this Agreement ("Confidential Information)information which is specifically marked as Confidential. Confidential Information may be provided by the Franchisor or its affiliates or agents. However, Confidential Information does not include information that The Master Franchisee can demonstrate is: (i) now or hereafter, through no fault of The Master Franchisee, in the public domain; (ii) known to The Master Franchisee from a source without an obligation of confidentiality to The Franchisor; (iii) hereafter furnished to The Master Franchisee by a third party as a matter of right and without restriction on disclosure;

10.2 Neither The Master Franchisee nor the representatives or the employees, affiliates, agents of the Master Franchisee shall, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, persons, partnership, association or corporation any confidential information, knowledge or know-how concerning the methods of operation of the business franchised hereunder which may be communicated to The Master Franchisee or to its representatives and/or employees or of which they may be apprised in connection with the operation of the Franchise Business under the terms of this Agreement or the renewal of it. The Master Franchisee shall divulge such confidential information only to such of The Master Franchisee's employees as must have access to it in order to operate the franchised business. The Master Franchisee must ensure that all of its employees must sign the form, approved by the Franchisor, of employment contract immediately before commencing their employment with the Master Franchisee, and sign an undertaking of confidentiality and non-competition in a form approved by The Franchisor.

10.3 The Master Franchisee must use its best endeavors to prevent the publication or disclosure by any other person of any such trade secrets or other confidential information.

10.4 The Master Franchisee shall have all its employees having access to any confidential information of Franchisor, to execute covenants that they will maintain the confidentiality of information they receive in connection with their relationship with The Master Franchisee.

10.5 The Master Franchisee acknowledges that any failure to comply with the requirements of this Clause 10 or the wilful and knowing aiding or abetting of a third party in an action which would be a breach of this Clause 10, shall constitute a material event of default and will cause The Franchisor irreparable loss, damage and injury; and, therefore, The Franchisor may exercise the option to terminate this Agreement with immediate effect and in addition, The Master Franchisee agrees to compensate The Franchisor for all the loss, damage and injury caused including but not limited to compensate for all the court costs and reasonable attorneys' fees incurred by The Franchisor in obtaining, without the posting of any bond and without proof of actual damage or loss, an ex pare or other order for injunctive or other legal or equitable relief against violation/breach of the Confidentiality obligation or for adherence of the requirements of this Confidentiality obligation.

10.6 In the event The Master Franchisee is requested or required to disclose Confidential information in connection with legal proceedings, investigation or other similar process by any government authority, The Master Franchisee shall promptly provide a written notice to The Franchisor of any such request and requirement in order to enable The Franchisor to seek a protective order or avail any other appropriate remedy. If in absence of a protective order or other remedy, The Master Franchisee may have to disclose the Confidential Information for the purpose of the said legal proceedings, The Master Franchisee shall disclose only that part of the confidential information which is legally required.

10.7 The Master Franchisee agrees and undertakes that the obligations under this Clause 10 with respect to confidentiality and non-disclosure, shall survive the termination or expiration of this Agreement.

11. TERMINATION

11.1 This Agreement shall be terminated:

11.1.1 in accordance with a mutual agreement in writing between the Parties; or

11.1.2 by the Franchisor without cause by giving 12 months advance notice in writing to the Master Franchisee; or

11.1.3 by the Master Franchisee, without cause, by giving 12 months advance notice in writing to the Franchisor; or

11.1.4 by the Franchisor ("Non-Defaulting Party"), following breach by the Master Franchisee ("Defaulting Party") of its respective representations, warranties, covenants, agreements, obligations or undertakings under this Agreement by delivering a written notice to Defaulting Party, specifying the nature of the breach, and if such breach is not cured within a period of 30[thirty] days from the date receipt of notice the termination to become effective at the end of 365 [Three Hundred Sixty-Five] Business Days; The written notice shall be given in writing pursuant to the Clause 16.5 in this Agreement; or

11.1.5 by the Franchisor:

(i) if the Master Franchisee is adjudged a bankrupt or insolvent; or

(ii) all or substantial part of the assets or property of Franchisee are expropriated or requisitioned; or

(iii) the Master Franchisee has entered into or resolved to enter into winding up proceedings, or an arrangement, composition or compromise with or assignment for the benefit of its creditors generally or any class of creditors, or proceedings are commenced by a Party to sanction such an arrangement, composition or compromise, in each case, other than for the purposes of a bona fide scheme of restructuring, reconstruction or amalgamation; or if a bill in equity or other proceeding for the appointment of a receiver or other custodian for Master Franchisee or its business or assets is filed and consented to by Master Franchisee; if a receiver or other custodian (permanent or temporary) of such Master Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against Master Franchisee; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if a Master Franchisee is dissolved; if execution is levied against Master Franchisee's business or property; if suit to foreclose any lien or mortgage against the premises or equipment of the Franchised Business is instituted against Master Franchisee and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable; or

(iv) based upon the reasonable determination by Franchisor seeking to terminate this Agreement, Master Franchisee has suspended the payment of its debts generally or has ceased to carry on its business or become insolvent or unable to pay its debts as and when they become due and payable; or

(v) if a trustee, voluntary administrator, liquidator or provisional liquidator is appointed for all or any part of the assets or undertaking of the Master Franchisee and such appointment is not dismissed, reversed, vacated or stayed within ninety (90) days of such appointment; or

(vi) If Master Franchisee fails to comply with all applicable laws and ordinances relating to the Franchised Business, including Anti-Terrorism Laws, or if Master Franchisee's or any of Master Franchisee's owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or Master Franchisee or any of Master Franchisee's owners otherwise violate any such law, ordinance, or regulation, provided that Franchisor has given written notice to Master Franchisee and Master Franchisee has failed to cure such violation within 90 days of notice.

11.1.6 <u>Termination with Notice and without Opportunity to Cure by the Franchisor</u>. Master Franchisee shall be in default under this Agreement, and Franchisor, at its option, terminate this Agreement and all rights granted under this Agreement, without affording Master Franchisee any opportunity to cure the default, effective immediately upon receipt of notice by Franchisor upon the occurrence of any of the following events:

(i) If Master Franchisee at any time cease to operate or otherwise abandon the Franchised Business without Franchisor's consent, or otherwise forfeit the right to do or transact business in the Master Territory.

(ii) If Master Franchisee (or limited partner of Master Franchisee) is convicted of a felony, a crime involving moral turpitude, a crime against a child, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or Franchisor's interest therein.

(iii) If any purported assignment or transfer of any direct or indirect interest in this Agreement, in Master Franchisee, or in all or substantially all of the assets of the Franchised Business is made to any third party without Franchisor's prior written consent, contrary to the terms of this Agreement.

(iv) If Master Franchisee fails to comply with the covenants in Clause 15 (Non-Competition) of this Agreement.

(v) If Master Franchisee has made any material misrepresentations in connection with Master Franchisee's application to Franchisor for the franchise granted herein.

(vi) If Master Franchisee, after curing a default pursuant to Clause 11.1.4 of this Agreement, commits the same, similar, or different default again, whether or not cured after notice,

(vii) If Master Franchisee knowingly maintains false, books or records or submits any false reports or statements to the Franchisor.

11.1.7 Cross-Default. Any default by Master Franchisee (or any person/company affiliated with Master Franchisee) under this Agreement may be regarded as a default under any other agreement between Franchisor (or any of its affiliates) and Master Franchisee (or any of Master Franchisee's affiliates). Any default by Master Franchisee (or any person/company affiliated with Master Franchisee) under any other agreement, including, but not limited to, any lease and/or sublease, between Franchisor (or any of its affiliates) and Master Franchisee (or any person/company affiliated with Master Franchisee), and any default by Master Franchisee (or any person/company affiliated with Master Franchisee) under any obligation to Franchisor (or any of its affiliates) may be regarded as a default under this Agreement. Any default by Master Franchisee (or any person/company affiliated with Master Franchisee) under any lease, sublease, loan agreement, security interest or otherwise, whether with Franchisor, any of its affiliates and/or any third party may be regarded as a default under this Agreement and/or any other agreement between Franchisor (or any of its affiliates) and Master Franchisee (or any of Master Franchisee's affiliates). In each of the foregoing cases, Franchisor (and any of its affiliates) will have all remedies allowed at law, including termination of Master Franchisee's rights (and/or those of any person/company affiliated with Master Franchisee) and Franchisor (and/or its affiliates') obligations.

11.2 Termination by the Master Franchisee.

11.2.1 This Agreement may be terminated by the Master Franchisee ("Non-Defaulting Party"), following a material breach by the Franchisor ("Defaulting Party") of its obligations under this Agreement by delivering a written notice to Defaulting Party, specifying the nature of the breach, with termination becoming effective at the end of 365 [Three hundred and sixty-five] days.

11.2.2 In case of termination under Clause 11.2.1, the Master Franchisee shall, during the notice period of termination, identify a prospective person/Company/entity to step into the shoes of the Master Franchisee and provide such names(s) to the Franchisor. Execution of any arrangement with the person/Company/entity identified by the Master Franchisee to step into its shoes, shall be the sole decision and discretion of the Franchisor. The Franchisor may independently as well, identify any person/Company/entity to step into the shoes of the Master Franchisee. In either of the scenarios, the Master Franchisee shall bear the cost and expense including but not limited to any statutory fees to be paid for transfer of all permits, licenses, registrations, certifications, or other consents relating to the construction or operating the Franchised Business in the name of such new person/Company/entity. In case of the breach alleged by the Master Franchisee stands proved against the Franchisor in-Arbitration proceedings and in appeal thereof, the Franchisor shall reimburse the cost of transfer to the Master Franchisee.

11.3 The obligation of The Master Franchisee arisen prior to termination to fulfil all its financial obligations arisen including but not limited to payment of royalty in accordance with this Agreement shall survive the termination of this Agreement.

11.4 The Parties acknowledge and covenant that violation of any of the provisions, terms, obligations, representations, or covenants in this Agreement will cause irreparable harm to the Non-defaulting Party. Accordingly, in addition to any other remedies it may have under this Agreement, at law or in equity to claim damages, loss, compensation, each Party shall be entitled to obtain specific performance of, or an injunction against the violation of the requirements of these provisions or covenants, or any similar relief against Defaulting Party. The Defaulting Party agrees to compensate Non-Defaulting Party for all the costs and reasonable attorney's fees that the Non-Defaulting Party incurs in bringing this action.

11.5 The termination or expiry of this Agreement shall be without prejudice to any rights and obligations in respect of any period after such termination/expiry and shall also be without prejudice to the rights and obligations of either of parties against the other in respect of any antecedent breach of any of the terms and conditions of this Agreement.

12. OBLIGATIONS OF THE MASTER FRANCHISEE UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT

12.1 Upon termination or expiration of this Agreement, all rights granted hereunder to The Master Franchisee shall forthwith terminate, and:

12.1.1 <u>Cessation of Business</u>: The Master Franchisee must immediately and permanently cease operation of Franchised Business, and shall not thereafter, directly, or indirectly, represent to the public or hold itself out The Master Franchisee of The Franchisor. Further, within 30 [Thirty days] from the date of written instructions/demand from The Franchisor, The Master Franchisee shall get cancelled, all permits, licenses, registrations, certifications, or other consents relating to the construction or operating the Franchised Business. In case of breach of this Clause 12.1.1, the Master Franchisee shall be liable to pay as penalty a sum of USD 2000 per day till such default in in subsistence, as being a reasonable pre-estimate of damages/loss that the Franchisor will suffer.

12.1.2 Cancellation of Assumed Name Registration: Master Franchisee shall take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by Master Franchisee which contains the Proprietary Marks; and Master Franchisee shall furnish us with evidence satisfactory to us of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

Notwithstanding the foregoing, the Franchisor may in its discretion, upon termination of this Agreement with the Master Franchisee under any of the reasons, demand that the Master Franchisee shall identify a prospective person/Company/entity to step into the shoes of the Master Franchisee. In such an event, the Master Franchisor shall, during the time period stipulated by the Franchisor in it notice, identify a prospective person/Company/entity and provide such names(s) to the Franchisor. Execution of any arrangement with the person/Company/entity identified by the Master Franchisee to step into its shoes, shall be the sole decision and discretion of the Franchisor. The Franchisor may independently as well identify any person/Company/entity to step into the shoes of the Master Franchisee. In both the scenarios, the Master Franchisee shall bear the cost and expense including but not limited to any statutory fees to be paid for transfer of all permits, licenses, registrations, certifications, or other consents relating to the construction or operating the Franchised Business in the name of such new person/Company/entity.

12.1.3 Cessation of Use of Confidential Information and Proprietary Marks: The Master Franchisee shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures and techniques associated with the System; the Proprietary and Licensed Marks and all other slogans, signs, symbols, and devices associated with the System.

12.1.4 Cessation of use of Promotional materials: The Master Franchisee shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms, and any other articles which display the Proprietary Marks belonging to The Franchisor.

12.1.5 Return of Confidential Materials: The Master Franchisee shall immediately return to the Franchisor, the Manual, records, files, instructions, correspondence, all materials related to operating the franchised business, including, without limitation, brochures, agreements, invoices, and any and all other materials relating to the operation of the franchised business in The Master Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, except The Master Franchisee's copy of this Agreement, The Master Franchisee's business and financial records which The Master Franchisee reasonably needs for compliance with any provision of law.

12.1.6 The Master Franchisee and its employees/staff/representatives shall immediately cease using the trade dress, uniforms etc.;

12.1.7 The Master Franchisee must take whatever steps The Franchisor requires to cancel The Master Franchisee's right to use the Proprietary Marks or any of The Franchisor's other property.

12.1.8 The Master Franchisee must not at any time thereafter:

(i) Disclose or use any confidential information or the Know-how related to the System, or the Business and the Services acquired by it during or as a result of this Agreement.

(ii) make any use of the Proprietary Marks or the Recipes or the Menu.

(iii) purport to be a The Master Franchisee of or otherwise associated with The Franchisor; or

(iv) use any recommendation or reference provided as a result of The Master Franchisee's work as a The Master Franchisee; and

12.1.9 The Master Franchisee shall within 3 [Three] days from the date of receipt of notice of Termination, pay all sums its owes and are due and payable to The Franchisor and its subsidiaries and affiliates under this Agreement. In the event of termination for any default of The Master Franchisee, such sums shall include all sums payable under this Agreement including but not limited to damages, loss, costs and expenses, reasonable attorneys' fees, court fees, arbitrator's fees incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of The Franchisor against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory owned by The Master Franchisee and on the location/premises, any and all leasehold improvements, supplies and vehicles located at or used in connection with the Franchised Business, together with all accounts, payment intangibles, attachments, accessories, additions, substitutions and replacements, all cash and non-cash proceeds derived from insurance or the disposition of such assets, all Master Franchisee's rights to use the Proprietary Marks, patents, copyrights and their registrations, trade secret information and other proprietary rights, and all rights granted, owned or licensed to Master Franchisee under this Agreement for the use of the Proprietary Marks, trade names, trade styles, patents, copyrights, trade secret information and other proprietary rights. Franchisor shall have full power and authority to file such documents as are necessary to obtain and perfect such lien. Franchisor shall have the right to set off any amounts which Franchisor deems are payable to Franchisor by Mater Franchisee.

12.1.10 The Master Franchisee shall pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, court fees, arbitrator's fees, mediators fee, incurred by The Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement.

12.2 If The Master Franchisee begins to operate any other business from the same premises, The Master Franchisee agrees that in such an event The Master Franchisee shall not use any reproduction, counterfeit, copy or colorable imitation of the Proprietary/Licensed Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's rights in and to the Proprietary Marks, and further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor constituting unfair competition. Further, The Master

Franchisee shall make such modifications or alterations to the premises operated hereunder (including, without limitation, the changing of the telephone number) immediately upon termination or expiration of this Agreement as The Franchisor deems necessary and fit in order to distinguish the appearance of said premises from that of The Franchisor's restaurant under the System, and shall make such specific additional changes thereto as The Franchisor may reasonably request for that purpose.

12.3 The Master Franchisee agrees that it shall not circumvent / poach the employees of The Franchisor to be employed with The Master Franchisee during the period of 6 months after termination, either on its own account or in connection with or on behalf of any other person, firm or company, solicit or entice away from The Franchisor or any of its other The Master Franchisees, any person who is at the date of the termination of this Agreement, employed with The Franchisor or its other The Master Franchisees. Further, in case The Master Franchisee seeks to employee an ex-employee of The Franchisor within the span of 6 months of such ex-employees' disengagement with The Franchisor and further in case The Master Franchisee seeks to employ an existing employee of another The Master Franchisee of The Franchisor, The Master Franchisee shall require a NO OBJECTION CERTIFICATE from The Franchisor before engaging such person on employment.

12.4 Master Franchisee agrees and acknowledges that its failure to comply with the provisions of this Clause 12 will result in irreparable harm to us and to the Proprietary Marks, and Master Franchisee agrees to pay all damages, expenses, court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, and/or damages resulting from a violation of, the requirements of this Clause 12.

13. FORCE MAJEURE

13.1 If either Party is prevented from complying, either totally or in part, with any of the terms or provisions of this Agreement by reason of force majeure, including fire, flood, earthquake, storm, lockout, riot, war, terrorism, pandemic, epidemic, lockdown, acts of God and/or any other cause or externally induced similar casualty beyond its reasonable control and without the fault or negligence of either Party (a "Force Majeure Event"), then, upon written notice by the Party liable to perform to the other Party, the requirements of this Agreement or such of its provisions as may be affected, and to the extent so affected, shall be suspended during the period of such disability, provided that the Party asserting force majeure shall bear the burden of establishing the existence of such Force Majeure Event by clear and convincing evidence, and provided further that the Party prevented from complying shall use its best efforts to remove such disability, and shall continue performance with the utmost dispatch whenever such causes are removed, and shall notify the other Party of the Force Majeure Event not more than five (5) Business Days from the time of the event and state the nature of the Force Majeure Event, its anticipated duration and any action being taken to avoid or minimize its effect. The suspension of performance shall be of no greater scope and no longer duration than is reasonably required. When such circumstances arise, the Parties shall discuss what, if any, modification of the terms of this Agreement may be required in order to arrive at an equitable solution. Notwithstanding the foregoing, if a Force Majeure Event shall continue for a period of longer than three (3) consecutive months or one hundred and twenty (120) days in any twelve (12) month period, then the Party unaffected by such event may terminate this Agreement immediately upon giving written notice of termination to the other Party.

13.2 Notwithstanding anything contained in Clause 13.1, the payment obligations of the Master Franchisee under this Agreement shall not stand suspended during the period that the Force majeure event persists, however, the same may stand reduced by such percentage at decided by the Franchisor in its sole discretion.

14. INDEPENDENT CONTRACTOR

14.1 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that The Master Franchisee shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of the other for any purpose whatsoever.

14.2 The Master Franchisee must not hold itself out as or describe itself as an agent of The Franchisor. The Master Franchisee must take all other reasonable steps to publicise the fact that The Master Franchisee is only a The Master Franchisee and is in no other way connected with The Franchisor.

14.3 The Master Franchisee must not during the Term of this Agreement, be directly or indirectly engaged, concerned or interested and/or sponsor/promote through any other company or entity or engage in, whether as an individual, through a partnership or as a shareholder, joint venture partner, collaborator, consultant, advisor, principal contractor or sub-contractor, director, trustee, committee member, office-bearer or agent or in any other manner whatsoever, whether for profit or otherwise, in any business which isa Competing Business as defined under this Agreement, including, but not limited to having a financial interest in such a business that may enable The Master Franchisee to influence its economic conduct.

15. NON-COMPETITION

15.1 Restrictions.

15.1.1 Master Franchisee acknowledges and agrees that pursuant to this Agreement, Master Franchisee and Master Franchisee's principals and employees will receive valuable specialized training, trade secrets and confidential information, including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of Franchisor and the System. In consideration for such training, trade secrets and confidential information, Master Franchisee and its promoters, directors, shareholders and partners (as provided in Attachment C to this Agreement) agree that during the term of this Agreement, and for a continuous uninterrupted period commencing upon expiration or termination of this Agreement, regardless of the cause for termination, (save and except in case of termination without any cause by the Franchisor). , and continuing for a period of 2 [Two] years thereafter, neither Master Franchisee nor Master Franchisee's principals shall, directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company or corporation:

(i) Divert or attempt to divert any business or customer of the Franchised Business or any Third-Party Franchisee anywhere, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Marks or the System;

(ii) Employ or seek to employ any person who is at that time employed by the Franchisor or by Third-Party Franchisee in the System, or otherwise directly or indirectly induce / encourage such person to leave his or her employment without Franchisor's written consent or hire such employee which has left such employment relationship in the preceding two (2) years;

(iii) (a) Establish a business legal entity to engage in or assist others in engaging in Competing business; (b) be employed with or otherwise involved in any capacity (including as partner, shareholder, member, employee, principal, agent, trustee or consultant) in Competing Business; (c) Own, maintain, operate, engage in, sponsor/promote through any other company or entity or engage in, whether as an individual, through a partnership or as a shareholder, joint venture partner, collaborator, consultant, advisor, principal contractor or sub-contractor, director, trustee, committee member, office-bearer or agent or in any other manner whatsoever, whether for profit or otherwise, in a Competing Business as defined under this Agreement or have any interest, financial or otherwise in Competing Business .

15.2 **Independent Covenants.** Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any covenant in this Agreement is held unreasonable or unenforceable by a court having valid jurisdiction in any un-appealed final decision to which Franchisor is a party, Master Franchisee and Master Franchisee's principals shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

15.3 **No Defense.** Master Franchisee acknowledges and agrees that the existence of any claims Master Franchisee may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to Franchisor enforcement of the covenants in this Clause 15. Master Franchisee shall pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in the enforcement of this Clause 15.

15.4 **Irreparable Injury.** Master Franchisee acknowledges and agrees that any violation of the terms of this Clause 15 would result in irreparable injury to Franchisor, for which no adequate remedy at law may be available, and Master Franchisee consent that Franchisor may apply for the issuance of an injunction prohibiting any conduct by Master Franchisee in violation of this Clause 15, without the posting of any bond.

16. MISCELLANEOUS

16.1 **Entire Agreement.** This Agreement, any attachments hereto, and any ancillary agreements between Parties or any affiliate which are executed contemporaneously with this Agreement, constitute the entire and complete Agreement between parties (and, if applicable, any affiliate) and Master Franchisee concerning the subject matter thereof, and supersede all prior agreements. Master Franchisee acknowledges that Master Franchisee is entering into this Agreement, and any ancillary agreements executed contemporaneously herewith, as a result of its own independent investigation of the business franchised hereby and not as a result of any representation made by Franchisor or persons associated with Franchisor, or other franchisees, which are contrary to the terms herein set forth or which are contrary to the terms of any Franchise Disclosure Document or other similar document required or permitted to be given to Master Franchisee pursuant to applicable law. Except for those permitted under this Agreement to be made unilaterally by Franchisor, no amendment, change, or variation from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. Nothing in this Clause 16.1 is intended to disclaim, or require Master Franchisee to waive reliance on, any representation made in the Franchise Disclosure Document (the "FDD") that Franchisor has provided to Master Franchisee, except with respect to specific contract terms and conditions set forth in the FDD that Master Franchisee has voluntarily waived during the course of franchise-Agreement negotiations.

16.2 **Approval.** Any approval or consent of The Franchisor required under this Agreement shall be valid only if given in writing by one of the directors of The Franchisor. The Master Franchisee may not claim any money, damages, remedy by way of set-off, counterclaim, or defiance or otherwise, based upon any claim or assertion that The Franchisor has withheld or delayed any consent or approval required under this Agreement.

16.3 **Warranties.** The Master Franchisee undertakes not make any statements, representations or claims and not give any warranties to any customer or potential clients in respect of The Franchise Business, save those that have been specifically authorised by The Franchisor, either in writing or in the Manual in force at the relevant time. The Master Franchisee undertake to keep The Franchisor fully and effectively indemnified against all claims, demands, losses, expenses and costs The Franchisor may incur as a result of any breach by The Master Franchisee of this provision or of any other provision contained in this Agreement. The Master Franchisee understands and acknowledges that The Franchisor makes no warranties or guarantees upon which The Master Franchisee may rely and The Franchisor assumes no liability or obligation, by providing any waiver, approval, advise, consent or suggestion to The Master Franchisee in connection with this Agreement or by reason of any neglect, delay or denial of any request thereof, to The Master Franchisee or any third party to which The Franchisor would not otherwise be subject.

16.4 **Modification/Waiver.** This Agreement may be modified by the Parties, but any modification of this Agreement must be in writing and executed by both Parties. Failure by either Party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights, nor shall a waiver by either Party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

16.5 **Notices.** All notices, requests, consents, demands and other communications hereunder shall be in writing in English and shall be addressed to the Parties' addresses set forth herein, and shall be delivered either (i) by e-mail or facsimile transmission; (iii) by courier service, or (iv) by registered mail, postage, speed post with proof of delivery. In the absence of evidence of earlier receipt, any notice or other, the communication shall be deemed to have been duly given, if delivered by registered mail, when delivered to the address referred to hereinabove, and if sent by fax, on receipt of confirmation of successful transmission; if delivered by courier, seven (7) Business Days after mailing the courier and if sent by email, on completion of delivery of email on the email-id given.

16.6 **Survivorship.** All obligations, terms, clauses which shall by their nature extend beyond the expiration or termination of this Agreement, shall survive and remain in effect beyond any expiration or termination hereof.

16.7 **No Assignment.** The Master Franchisee shall not assign, transfer, whether in writing or orally, or encumber its rights or obligations under this Agreement or permit the same to be transferred, assigned or encumbered by operation of law or otherwise, provided that the Franchisor gives 3 [three] months prior intimation to the Master Franchisee, the Franchisor shall have full right and authority to assign, transfer its rights and obligations under this Agreement. Master Franchisee expressly affirms and agrees that Franchisor may sell Franchisor's assets, its rights to the Proprietary Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of Franchisor's securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged but Master Franchisee or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, Master Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of said Marks (or. any variation thereof) and/or the loss of association with or identification of "HOCCO FOODS Restaurants Pvt Ltd" as Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the same business or to offer the same products and services, whether or not bearing the Proprietary Marks, in the event that Franchisor exercises its right to assign its rights in this Agreement. Master Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to the Master Franchisee, and that Franchisor has granted this franchise in reliance on Master Franchisees' business skill, financial capacity, and personal character. Accordingly, neither Master Franchisee nor any immediate or remote successor to any part of its interest in this Agreement, nor any individual, partnership, corporation, or other legal entity which directly or indirectly owns any interest in Master Franchisee shall not sell, encumber, assign, transfer, convey, pledge, merge, or give away any direct or indirect interest in this Agreement, in Master Franchisee, or in all or substantially all of the assets of the Franchised Business. Any change in the control of Master Franchisee shall be deemed a transfer for purposes of this Agreement. Any purported assignment or transfer shall be null and void and shall constitute a material breach of this Agreement, for which Franchisor may immediately terminate without opportunity to cure pursuant to Clause 11.1.6 of this Agreement.

16.8 **Security Interest in Franchised Business.** The Franchisor shall at no times grant security interest in the Franchised Business.

16.9 **Governing Law and Jurisdiction.** The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of Georgia and the Courts of Georgia, USA, shall have exclusive jurisdiction with respect to any dispute arising out of or in connection with or in relation to Agreement.

16.10 **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect and the invalid or unenforceable provision shall be replaced by a valid or enforceable provision.

16.11 **Headings.** The numbering and captions of the various Clauses are solely for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Agreement, nor shall such headings otherwise be given any legal effect.

16.12 **Integration.** This Agreement along with its Schedules/Attachment/Exhibits comprises the entire understanding of the Parties hereto on the subject matter herein contained, and supersedes and merges all prior and contemporaneous agreements, understandings and discussions between the Parties relating to the subject matter of this Agreement.

16.13 **Language.** The English language version of this Agreement is the authoritative one. If this Agreement is translated into another language, the English version shall prevail. All notices and other communications under this Agreement shall be in English. All legal proceedings shall be conducted in English.

16.14 **Responsibility.** Since Master Franchisee is a Limited Liability Company, each partner/director/member of the Master Franchisee executing this Agreement shall be liable for all the obligations and duties of Master Franchisee under this Agreement.

16.15 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. The words "execution," "signed," "signature," and words of like import in this Agreement or in any other certificate, agreement or document related to this Agreement, shall include images of manually executed signatures transmitted by facsimile or other electronic format (including, without limitation, "pdf", "tif" or "jpg") and other electronic signatures (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system.

17. ACKNOWLEDGMENTS

17.1 **Receipt of Franchise Disclosure Document.** Master Franchisee acknowledges that Master Franchisee has received a copy of Franchisor's complete FDD for Directly-owned Master Franchised Businesses at least (14) calendar days prior to the date on which this Agreement was executed or any payment was made to Franchisor or any of its affiliates. Master Franchisee acknowledge and agree that Franchisor has made no promises, representations, warranties or assurances to Master Franchisee which are inconsistent with the terms of this Agreement or Franchisor's FDD concerning the profitability or likelihood of success of the Franchised Business, that Master Franchisee has been informed by Franchisor that there can be no guaranty of success in the Franchised Business, and that Master Franchisee's business ability and aptitude is primary in determining Master Franchisee's success.

17.2 **Review of Agreement.** Master Franchisee acknowledges that Master Franchisee has read and understood this Agreement, the attachments hereto, and agreements relating thereto, if any, and that Franchisor has accorded Master Franchisee ample time and opportunity to consult with advisors and counsel of Master Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

17.3 **Attorneys' Fees.** If Master Franchisee and Franchisor. become a party to any legal proceedings initiated by a third party by reason of any act or omission of Master Franchisee or Master Franchisee's authorized representatives, Master Franchisee shall be liable to Franchisor for the reasonable attorneys' fees and court costs incurred by Franchisor in the legal proceedings. If either party commences a legal action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys' fees and costs of suit.

17.4 **Atypical Arrangements outside the Master Territory.** Master Franchisee acknowledges and agrees that Franchisor may modify the offer of its franchises to other franchisees outside the Master Territory in any manner and at any time, which offers have or may have terms, conditions, and obligations which may differ from the terms, conditions, and obligations in this Agreement. Master Franchisee further acknowledges and agrees that Franchisor has made no warranty or representation that all Master Franchise Agreements previously issued or issued after this Master Franchise Agreement by Franchisor, do or will contain terms substantially similar to those contained in this Master Franchise Agreement. Franchisor may, in is reasonable business judgment and Franchisor's sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Master Franchise Agreements executed before or after the date of this Master Franchise Agreement with other Master Franchisees in a non-uniform manner.

18. DISPUTE RESOLUTION

18.1 **Mediation and Litigation.** In the event of any disputes, differences, controversies and questions directly or indirectly arising at any time hereafter between the Parties or their respective representatives under, out of, in connection with, or in relation to, this Agreement (or the subject matter of this Agreement) including, without limitation, all disputes, differences, controversies and questions relating to the validity, interpretation, construction, performance and enforcement of any provision of this Agreement, or as to rights, liabilities or duties of the Parties (hereinafter referred to as a **"Dispute"**), the same shall be endeavored to be amicably settled by the Parties. In case of failure to settle the dispute within 30 [Thirty] days from the date of reference, such dispute shall be resolved through litigation. Such litigation shall be conducted on an individual, not a class-wide, basis. No litigation under this Agreement may be consolidated with any other litigation involving Master Franchisor and any other person without Master Franchisor's prior written consent.

18.2 **Waiver or Delay.** No waiver or delay by either party in requiring strict compliance with respect to any obligation of this Agreement, or in the exercise of any right or remedy provided in this Agreement, and no custom or practice at variance with the requirements of this Agreement: (i) shall constitute a waiver or modification of any such obligation, right, remedy, or requirement; (ii) shall preclude, affect, or impair the exercise of any such right or remedy; (iii) shall preclude, affect, or impair the right to require strict compliance with any obligation or requirement set forth in this Agreement; or (iv) shall preclude, affect, or impair enforcement of any obligation, right, remedy, or requirement provided in this Agreement. All remedies under this Agreement, at law, in equity, or otherwise, afforded to either party, shall be cumulative and not alternative, and may be exercised simultaneously or sequentially in any order.

18.3 **Governing Law.** Except as otherwise set forth in this Agreement, the existence, validity, construction, enforcement, and sufficiency of performance of this Agreement shall be determined exclusively in accordance with, and governed exclusively by, the laws of the State of Georgia applicable to agreements made and to be entirely performed within the State of Georgia, which laws shall prevail in the event of any conflict of laws. Notwithstanding the foregoing, all litigation hereunder, to the extent governed by the United States Trademark Act of 1946, shall be governed by such Trademark Act of 1946. This Agreement will become a valid and enforceable contract when Master Franchisor accepts it and signs it in the State of Georgia. Master Franchisee and Master Franchisor expressly agree that this Agreement has been made in the State of Georgia, that substantially all performance of the obligations hereunder has been and will be rendered in the State of Georgia, and that there is a regular stream of business activity between Master Franchisee and Master Franchisor from and into the State of Georgia.

18.4 **Forum, Venue, and Jurisdiction.** In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, such dispute shall be resolved exclusively through litigation. The exclusive forum and venue for such litigation shall be the highest court having jurisdiction over the subject matter in or for the place where Master Franchisor's principal business office in the United States is located. Master Franchisee hereby irrevocably accepts and submits to, generally and unconditionally, the exclusive jurisdiction of any such courts having jurisdiction over the subject matter and hereby waives all defenses based on jurisdiction, venue, or *forum non conveniens*. The provisions of this Clause 18.5 shall remain in full force and effect after the expiration or termination of this Agreement.

18.5 **Waiver Of Trial By Jury.** MASTER FRANCHISOR AND MASTER FRANCHISEE HEREBY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATED TO: (I) THIS AGREEMENT; AND (II) THE RELATIONSHIP BETWEEN THE PARTIES.

18.6 **Attorneys' Fees.** In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, the non-prevailing party shall pay the prevailing party, on demand, such prevailing party's costs, including without limitation such prevailing party's reasonable attorneys' fees and costs, and further including without limitation such prevailing party's reasonable attorneys' fees and costs of appeal, and further including without limitation such prevailing party's reasonable attorneys' fees and costs of collection, all of which shall be taxed as costs, so that the prevailing party actually receives such amounts by the end of ten (10) days after demand therefor. In the event of any breach of this Agreement, the breaching party shall pay the non-breaching party such non-breaching party's costs related to such breach, including without limitation such non-breaching party's reasonable attorneys' fees and costs, and further including without limitation such non-breaching party's reasonable attorneys' fees and costs of collection, so that the non-breaching party actually receives such amounts by the end of ten (10) days after demand therefor.

18.7 **Injunctive Relief.** Master Franchisor will have the right to petition a court of competent jurisdiction for the entry of temporary and permanent injunctions and decrees of specific performance enforcing the provisions of this Agreement related to: (i) Master Franchisee's improper use of Marks or System; (ii) Master Franchisee's obligations on termination or expiration of this Agreement; (iii) Transfer or attempted Transfer of this Agreement, the Franchised Territory, or the ownership interests of Master Franchisee; and (iv) any act or omission by Master Franchisee or Master Franchisee's employees that: (a) constitutes a violation of Law; (b) is dishonest or misleading to any sub-franchisee, prospective sub-franchisee, or guest of a Restaurant; (c) constitutes a danger to employees or the public; or (d) may impair the goodwill associated with Marks or System.

18.8 **Continuation After Termination or Expiration.** The provisions set forth in this Clause 18 shall in full force and effect after the termination or expiration of this Agreement.

[SIGNATURE AND ANNEXURES, SCHEDULES, EXHIBITS PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in duplicate on the day and year first above written.

HOCCO FOODS USA LLC:

Sign:___________________________________
Name: Ankit Chona
Title: Sole Member

INGENIOUS FRANCHISING LLC:

Sign:___________________________________
Name: Fenil Patel
Title: Principal Partner

SCHEDULE OF PRINCIPALS

ANY OTHER PERSON NOT LISTED IN THIS AGREEMENT WHO IS A PARTNER, AN OFFICER, SHAREHOLDER, GENERAL PARTNER OR MEMBER OF MASTER FRANCHISEE:

Name: Binoy Patel
Address: 943 J Clyde Morris Blvd,
Newport News. VA 23601
Telephone: 419-306-9165 Relationship: Principal Partner

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SCHEDULE OF DETAILS OF MASTER FRANCHISEE

1. Name of the Firm/ Company: Ingenious Foods Franchising LLC

2. Business address: 943 J Clyde Morris Blvd, Newport News, VA 23601

3. Permanent Address / Address for correspondence: 943 J Clyde Morris Blvd, Newport News, VA 23601

4. Contact details: Landline no with STD code: +1-419-481-1175

5. Constitution — Limited Liability Corporation

6. Name of the Partners: Fenil Patel, Binoy Patel

7. Please provide the copy of the resolution / letter authorising the person who is signing this Agreement: Fenil Patel

8. Whether falls under MSME (Micro Small and Medium Enterprise as defined under MSME Act) if yes please provide the registration no and date: N/A

9. EIN (Employer Identification Number) of Master Franchisee: 92-3798828

10. Whether fall under Composite Scheme of VAT, if yes please the copy of approval received from department): N/A

11. Service Tax registration number with date: N/A

12. Excise Registration number with date: N.A.

13. Whether fall under SSI (Small Scale Industry), if yes please provide the registration no and date: N/A

14. CR (Credit worthiness / confidential report from the existing banker)

15. Name and address of the Bank's branch where the Master Franchisee has its account in operation:

    ATLANTIC UNION BANK
    4221 Walney Rd. Suite 120
    Chantilly, VA 20151

The Master Franchisee undertakes and confirms that whatever information is provided in the Annexure 1 attached with this Agreement are true and correct. Whenever there will be any changes in the information, it shall inform The Franchisor within 3 working days in writing failing which The Master Franchisee will be solely responsible for any damages, interest, penalty and / or prosecution (civil and or criminal) if any, initiated by Central Government, State Government or any other local department / body/ institution. A copy of all of the information provided in the Annexure 1 is also attached herewith as part of the agreement.

Attachment A to
Master Franchise Agreement

MASTER TERRITORY AND EFFECTIVE DATE

MASTER TERRITORY: USA and CANADA

EFFECTIVE DATE: **9/9/2024**

HOCCO FOODS USA LLC

S/d:____________________
Name: Ankit Chona
Title: Sole Member

INGENIOUS FOODS FRANCHISING LLC:

S/d:____________________
Name: Fenil Patel
Title: Principal Partner

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Attachment B to
Master Franchise Agreement
List of Proprietary Marks

(a) 'HOCCO The Indian Kitchen',
(b) '1944'
(c) 'Stories since 1944'
(d) '1944 Restaurant'
(e) '1944, the HOCCO Kitchen'
(f) 'HOCCO Eatery'
(g) 'The HOCCO Kitchen'
(h) 'HOCCO'
(i) 'Huber & Holly'

HOCCO FOODS USA LLC

S/d:____________________
Name: Ankit Chona
Title: Sole Member

INGENIOUS FOODS FRANCHISING LLC: /MASTER FRANCHISEE

S/d:____________________
Name: Fenil Patel
Title: Principal Partner

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Attachment C to
Master Franchise Agreement

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(for promoters, shareholders, directors, general partners, of Master Franchisee)

In consideration of my being a Principal Partner of **Ingenious Foods Franchising LLC** ("Master Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a Master Franchise Agreement dated September 9, 2024 (the "Master Franchise Agreement"), Master Franchisee has acquired the right and franchise from Franchisor to establish and operate Restaurant, Café and Quick Service Restaurant run under the name and style of **'HOCCO The Indian Kitchen', '1944', the HOCCO Kitchen', 'The HOCCO Kitchen'** and any other Trademarks and/or tradenames and such other Marks as may be added/altered/modified by The Franchisor from time to time (the "Franchised Business") and the right to use in the operation of the Franchised Business the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks") and Licensed Marks, as they may be changed, improved and further developed from time to time in the Company's sole discretion, only within the Master Territory, as defined in the Master Franchise Agreement.

2. The Company, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Franchised Businesses under the Proprietary Marks. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information").

3. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

4. As Principal Partner of the Master Franchisee, the Company and Master Franchisee will disclose the Confidential Information to me in furnishing to me training programs, the Company's Confidential Operations Manuals (the "Manuals"), and other general assistance during the term of the Master Franchise Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term of the Master Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, [will disclose and/or use the Confidential Information only in connection with my duties as Principal Partner of the Master Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has

become generally known or easily accessible other than b) the breach of an obligation of Master Franchisee under the Master Franchise Agreement.

7. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Master Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest or sponsor/promote through any other company or entity or engage in, whether as an individual, through a partnership or as a shareholder, joint venture partner, collaborator, consultant, advisor, principal contractor or sub-contractor, director, trustee, committee member, office-bearer or agent or in any other manner whatsoever, whether for profit or otherwise, in Competing Business; and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Master Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Master Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business anywhere.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an un-appealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

9. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Master Franchisee. I am aware that my violation of this Agreement will cause the Company and the Master Franchisee irreparable harm; therefore, I acknowledge and agree that the Master Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Master Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Master Franchisee and the Company, any claim I have against the Master Franchisee, or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

11. Dispute Resolution.

11.1 **Litigation.** In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, such dispute shall be resolved exclusively through litigation. Such litigation shall be conducted on an individual, not a class-wide, basis. No litigation under this Agreement may be consolidated with any other litigation involving Master Franchisor and any other person without Master Franchisor's prior written consent.

11.2 **Waiver or Delay.** No waiver or delay by either party in requiring strict compliance with respect to any obligation of this Agreement, or in the exercise of any right or remedy provided in this Agreement, and no custom or practice at variance with the requirements of this Agreement: (i) shall constitute a waiver or modification of any such obligation, right, remedy, or requirement; (ii) shall preclude, affect, or impair the exercise of any such right or remedy; (iii) shall preclude, affect, or impair the right to require strict compliance with any obligation or requirement set forth in this Agreement; or (iv) shall preclude, affect, or impair enforcement of any obligation, right, remedy, or requirement provided in this Agreement. All remedies under this Agreement, at law, in equity, or otherwise, afforded to either party, shall be cumulative and not alternative, and may be exercised simultaneously or sequentially in any order.

11.3 **Governing Law.** Except as otherwise set forth in this Agreement, the existence, validity, construction, enforcement, and sufficiency of performance of this Agreement shall be determined exclusively in accordance with, and governed exclusively by, the laws of the State of Georgia applicable to agreements made and to be entirely performed within the State of Georgia, which laws shall prevail in the event of any conflict of laws. Notwithstanding the foregoing, all litigation hereunder, to the extent governed by the United States Trademark Act of 1946, shall be governed by such Trademark Act of 1946. This Agreement will become a valid and enforceable contract when Master Franchisor accepts it and signs it in the State of Georgia. Master Franchisee and Master Franchisor expressly agree that this Agreement has been made in the State of Georgia, that substantially all performance of the obligations hereunder has been and will be rendered in the State of Georgia, and that there is a regular stream of business activity between Master Franchisee and Master Franchisor from and into the State of Georgia.

11.4 **Forum, Venue, and Jurisdiction.** In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, such dispute shall be resolved exclusively through litigation. The exclusive forum and venue for such litigation shall be the highest court having jurisdiction over the subject matter in or for the place where Master Franchisor's principal business office in the United States is located. Master Franchisee hereby irrevocably accepts and submits to, generally and unconditionally, the exclusive jurisdiction of any such courts having jurisdiction over the subject matter and hereby waives all defenses based on jurisdiction, venue, or *forum non conveniens*. The provisions of this Clause 11.4 shall remain in full force and effect after the expiration or termination of this Agreement.

11.5 **Waiver Of Trial By Jury.** PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATED TO: (I). THIS AGREEMENT; AND (II) THE RELATIONSHIP BETWEEN THE PARTIES.

11.6 **Attorneys' Fees.** In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, the non-prevailing party shall pay the prevailing party, on demand, such prevailing party's costs, including without limitation such prevailing party's reasonable attorneys' fees and costs, and further including without limitation such prevailing party's reasonable attorneys' fees and costs of appeal, and further including without limitation such prevailing party's reasonable attorneys' fees and costs of collection, all of which shall be taxed as costs, so that the prevailing party actually receives such amounts by the end of ten (10) days after demand therefor. In the event of any breach of this Agreement, the breaching party shall pay the non-breaching party such non-breaching party's costs related to such breach, including without limitation such non-breaching party's reasonable attorneys' fees and costs, and further including without limitation such non-breaching party's reasonable attorneys' fees and costs of collection, so that the non-breaching party actually receives such amounts by the end of ten (10) days after demand therefor.

11.7 **Injunctive Relief.** Master Franchisor will have the right to petition a court of competent jurisdiction for the entry of temporary and permanent injunctions and decrees of specific performance enforcing the provisions of this Agreement.

11.8 **<u>Continuation After Termination or Expiration</u>.** The provisions set forth in this Clause 11 shall in full force and effect after the termination or expiration of this Agreement.

____________________	____________________
Signature	Signature
Binoy Patel	Fenil Patel
Name	Name
943 J Clyde Morris Blvd, Newport News, VA 23601	943 J Clyde Morris Blvd, Newport News, VA 23601
Address	Address
Principal Partner	Principal Partner
Title	Title

ACKNOWLEDGED BY MASTER FRANCHISEE
INGENIOUS FOODS FRANCHISING LLC:

By:____________________

Name: FENIL PATEL

Title: PRINCIPAL PARTNER

Attachment D to
Master Franchise Agreement

FORMAT OF ADDENDUM

FIRST/SECOND/THIRD ADDENDUM TO
MASTER FRANCHISE AGREEMENT DATED _______

This **FIRST/SECOND/THIRD ADDENDUM** to the Master Franchise Agreement dated ____________________ ("**FIRST/SECOND/THIRD ADDENDUM**") is being made on this day of _____________________ ("**Execution Date**") and is being made effective on this ______ day of ___________________, ____ ("**Effective Date**") by and between

HOCCO FOODS USA LLC., a Georgia, USA Limited Liability Company, having its Principal office address at 1100 Mill Creek, Greensboro, Georgia -30642, USA (hereinafter referred to as **"Franchisor"**, which expression unless contrary to the context shall mean and include its permitted assigns, affiliates and legal representatives) of the One Part;

AND

Ingenious Foods Franchising LLC, a Virginia, USA Limited Liability company, having its principal office at 943 J Clyde Morris Blvd, Newport News, VA 23601(hereinafter referred to as "**THE MASTER FRANCHISEE"**, (having FEN: 92-3798828) which expression shall unless repugnant to the context or meaning thereof, mean and include its successors and permitted assigns / partner or partners for the time being constituting the said firm, the survivor or survivors of them and the heirs, executors and administrators of such last surviving partner) of the Other Part;

1. The Parties have executed a Master Franchise Agreement dated September 9, 2024 (**"Master Franchise Agreement"**), wherein the Franchisor has granted to The Master Franchisee, during the term of the Master Franchise Agreement and subject to the terms and conditions of the said agreement:, (a) right to establish, develop and operate a Directly Owned Franchise Business in the Master Territory (**"Directly Owned Master Franchisee Outlet"**); (b) to identify Third Party Franchisees for grant of right to establish, develop and operate Outlets under the Franchise Business in the Master Territory (**"Third-Party Franchise Outlet"**); and (c) a license to use the System developed by Franchisor with respect to the Franchise Business in the Directly Owned Master Franchisee Outlet (including a right to authorize the use of System of the Franchisor for Third-Party Franchise Outlet), in the Master Territory.

2. The Parties under the Master Franchise Agreement have agreed that the terms and conditions of the said Master Franchise Agreement shall deemed to be apply for the operations and running of each new Directly Owned Outlet Master Franchise Outlet/Third-Party Franchise Outlet and the financial obligations detailed out in the Master Franchise Agreement shall apply independently to each new Directly Owned Outlet Master Franchise Outlet/Third-Party Franchise Outlet.

3. That the Master Franchisee has opened the Second/Third/Fourth (as the case may be) Directly Owned Master Franchisee Outlet at __________________________ [Location].

OR

That the Master Franchise has executed an agreement with one M/s ____________________ for opening of a new Third-Party Franchisee Outlet at _________________________ [Location].

4. In accordance with the terms of the Master Franchise Agreement, the Parties agree that the terms and conditions of the Master Franchise Agreement shall be govern rights and obligations of the parties with respect to the operations of the new Directly Owned Outlet Master Franchise Outlet/Third-Party Franchise Outlet as mentioned in Clause 3 of this Addendum.

5. The Master Franchisee agrees and undertakes that the financial obligations of the Master Franchisee towards the Franchisor under the Master Franchise Agreement shall apply independently to this new Directly Owned Outlet Master Franchise Outlet/Third-Party Franchise Outlet as mentioned in Clause 3 of this Addendum and the Master Franchisee undertakes to fulfil its financial obligations as per the said Master Franchise agreement.

6. This Addendum shall be co-extensive with the Master Franchise agreement and be read as part and parcel of the Master Franchise Agreement and the parties agree to append this First/Second/Third Addendum to the Master Franchise Agreement.

7. This First/Second/Third Addendum shall be read concurrently with the said Master Franchise Agreement, and all the terms and conditions of the said Master Franchise Agreement (not inconsistent with this Addendum) shall be deemed to have been incorporated herein as if the same is specifically set out and traversed herein.

In WITNESS WHEREOF, the undersigned, intending to be legally bound, have duly executed this Addendum.

Accepted by:	Accepted by:
HOCCO FOODS USA LLC.	**INGENIOUS FOODS FRANCHISING LLC/ MASTER FRANCHISEE**
By:____________________	By:____________________
Name:____________________	Name:____________________
Title:____________________	Title:____________________

EXHIBIT C

FRANCHISE OPERATIONS MANUAL
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Total pages: 91

EXHIBIT D

LIST OF CURRENT
MASTER FRANCHISEES

Current Master Franchisee as of December 31, 2024:

Ingenious Foods Franchising LLC
Fenil Patel
943 J Clyde Morris Blvd
Newport News, VA 23601

EXHIBIT E

FINANCIAL STATEMENTS

HOCCO FOODS USA LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

AS OF DECEMBER 31, 2024 AND FOR THE PERIOD FROM

INCEPTION (MARCH 5, 2024) TO DECEMBER 31, 2024

HOCCO FOODS USA LLC

Table of Contents

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Member
HOCCO Foods USA LLC
Greensboro, GA

Opinion

We have audited the accompanying financial statements of HOCCO Foods USA LLC, which comprise the balance sheet as of December 31, 2024 and the related statement of operations, member's deficit, and cash flows for the period from inception (March 5, 2024) to December 31, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HOCCO Foods USA LLC as of December 31, 2024, and the related statement of operations, member's deficit and cash flows for the period from inception (March 5, 2024) to December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

The financial statements of HOCCO Foods USA LLC for the period from inception (March 5, 2024) to August 15, 2024, were previously audited by us, and our report dated September 6, 2024 expressed an unqualified opinion on those financial statements. The financial statements presented in this report cover and supersede those previously issued on September 6, 2024 through the period ended August 15, 2024. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezos & Dunlavy

St. George, Utah
March 13, 2025

HOCCO FOODS USA LLC
BALANCE SHEET
As of December 31, 2024

		2024
Assets		
Current assets		
Cash and cash equivalents	$	28,856
Total assets	$	28,856
Liabilities and Member's Deficit		
Current liabilities		
Accrued expenses	$	5,918
Deferred revenue, current portion		3,000
Total liabilities		8,918
Long term liabilities		
Deferred revenue, non-current		27,000
Total long term liabilities		27,000
Member's deficit		
Accumulated deficit		(7,062)
Total deficit		(7,062)
Total liabilities and member's deficit	$	28,856

The accompanying notes are an integral part of the financial statements.

HOCCO FOODS USA LLC
STATEMENT OF OPERATIONS
For the period from inception (March 5, 2024) to December 31, 2024

	2024
Operating revenue	$ -
Operating expenses	
Professional fees	16,952
General and administrative	110
Total expenses	17,062
Net loss	$ (17,062)

The accompanying notes are an integral part of the financial statements.

HOCCO FOODS USA LLC

STATEMENT OF MEMBER'S DEFICIT

For the period from inception (March 5, 2024) to December 31, 2024

		2024
Beginning member's equity	$	-
Member contributions		10,000
Net loss		(17,062)
Balance at December 31, 2024	$	(7,062)

The accompanying notes are an integral part of these financial statements.

HOCCO FOODS USA LLC
STATEMENT OF CASH FLOWS
For the period from inception (March 5, 2024) to December 31, 2024

		2024
Cash flow from operating activities:		
Net loss	$	(17,062)
Adjustments to reconcile net loss to		
net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accrued expenses		5,918
Deferred revenue		30,000
Net cash provided by operating activities		18,856
Cash flows from financing activities:		
Member contributions		10,000
Net cash provided by financing activities		10,000
Net change in cash and cash equivalents		28,856
Cash at the beginning of the period		-
Cash at the end of the period	$	28,856
Supplemental disclosure of cash flow information:		
Cash paid for interest	$	-

The accompanying notes are an integral part of the financial statements.

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

HOCCO Foods USA LLC (the "Company") was organized in the State of Georgia on March 5, 2024, as a limited liability company for the principle purpose of conducting franchise sales, marketing, and management. The Company grants qualified franchisees the right to own and operate a HOCCO Foods USA LLC location in the United States.

HOCCO Foods USA LLC is operating under a master agreement with HRPL Restaurants Private Limited and gave rights to Ingenious Foods Franchising LLC to sell franchise locations on behalf of HOCCO Foods USA LLC.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year. The member's liability is limited to its' equity.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission (SEC), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

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

(d) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2024, the Company had cash and cash equivalents of $28,856.

(e) Revenue Recognition

Upon inception, the Company adopted ASC 606, Revenue from Contracts with Customers. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

The Company's revenues consist of initial franchise fees and royalty fees.

Royalty fees

Upon evaluation of the five-step process, the Company has determined that royalties fees are to be recognized in the same period as the underlying sales.

Initial franchise fees

The Company is required to allocate the transaction price associated with initial franchise fees between the franchise license and associated performance obligations. In identifying the associated performance obligations, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. In addition, the practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation, which the Company has elected to adopt.

These pre-opening services include the following services (which the Company may or may not provide all of):

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

In determining the allocation of transaction price (the initial franchise fee) for standard franchise agreements to either the license or to the pre-opening services, the Company has determined that the standalone selling price of it's pre-opening services exceeds the initial franchise fee received; as such, the Company allocates the entire initial franchise fees to those pre-opening services. The franchise fees are then recognized as revenue when those pre-opening services have been completed (which generally occurs upon commencement of the associated franchised location's operations).

For master franchise agreements, under which the franchisee purchases the right to resell franchises in a specified location, the Company has determined that because of its ongoing obligations to support the master franchisee over the life agreement, the most appropriate revenue recognition under ASC 606 is to allocate the entire franchise fee to the license and accordingly amortize the fee over the life of the respective agreement.

The Company sold one master agreement during the year ended December 31, 2024.

(f) Accrued expenses

Accrued expenses represent liabilities for goods and services that have been received but not yet paid as of the balance sheet date. These expenses are then recognized in the period in which they are incurred. As of December 31, 2024, the Company had accrued expenses of $5,918 for legal fees.

(g) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Georgia. Accordingly, the income or loss of the Company will be included in the income tax returns of the member. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under Accounting Standards Codification ("ASC") Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2024, the 2023 tax year was subject to examination.

(h) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, the carrying amounts approximate fair value due to their short maturities.

(i) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(2) Deferred Revenue

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalty fees, to the Company. Royalties are based on a percentage of net sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Company's system for a period of 10 years. Under the Company's revenue recognition policy, franchise fees are recognized when the franchisee begins operations. For any franchisees that have not yet begun operations as of year-end, the Company defers the revenues. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current. For master franchise agreements, under which the franchisee purchases the right to resell franchises in a specified location, the Company has determined that because of its ongoing obligations to support the master franchisee over the life agreement, the most appropriate revenue recognition under ASC 606 is to allocate the entire franchise fee to the license and accordingly amortize the fee over the life of the respective agreement. As of December 31, 2024, the Company has deferred revenue of $30,000, of which $3,000 is classified as current and $27,000 is classified as non-current.

(3) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involving such amounts of unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(4) Subsequent Events

Management has reviewed and evaluated subsequent events through March13, 2025, the date on which the financial statements were issued.

EXHIBIT F

STATE ADDENDA
AND AGREEMENT RIDERS

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR HOCCO Foods USA, LLC

The following modifications are made to the HOCCO Foods USA LLC ("**Franchisor**," "**us**," "**we**," or "**our**") Franchise Disclosure Document ("**FDD**") given to franchisee ("**Franchisee**," "**you**," or "**your**") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated ________________________, 20___ ("**Master Franchise Agreement**"). When the term "**Franchisor's Choice of Law State**" is used, it means Georgia. When the term "**Supplemental Agreements**" is used, it means none.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Master Franchise Agreement and other documents related to the sale of a franchise. This State Specific Addendum ("**State Addendum**") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Master Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Master Franchise Agreement and any Supplemental Agreements.

Notwithstanding the above, no disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

CALIFORNIA

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

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD at least 14 days prior to execution of the agreement.

California Corporations Code Section 31125 requires us to give to you an FDD approved by the Department of Business Oversight before we ask you to consider a material modification of your Master Franchise Agreement.

The Master Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Greensboro, Georgia. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration

Act) to any provisions of the Master Franchise Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Master Franchise Agreement may contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Master Franchise Agreement and Supplemental Agreements require the application of the law of the State of Georgia. This provision may not be enforceable under California law.

Neither Franchisor nor any other person listed in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Master Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Master Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. SEC. 101 et seq.).

The Master Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Master Franchise Agreement or Supplemental Agreements may not be enforceable.

You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

We do not have a federal registration for one or more of our principal marks. Therefore, such trademarks do not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Franchisees must sign a personal guaranty, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk, perhaps including your house, if your franchise fails.

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

Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable: (a) representations made by the franchisor or its personnel or agents to a prospective franchisee; (b) reliance by a franchisee on any representations made by the franchisor or its personnel or agents; (c) reliance by a franchisee on the franchise disclosure document, including any exhibit thereto; and (d) violations of any provision of this division.

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE MASTER FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

Registered agent in the state authorized to receive service of process:

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

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The status of the Franchisor’s franchise registrations in the states which require registration is as follows:

1. States in which this proposed registration is effective are listed in Exhibit I of the FDD on the page entitled, “State Effective Dates.”

2. States which have refused, by order or otherwise, to register these Franchises are:

None

3. States which have revoked or suspended the right to offer the Franchises are:

   None

4. States in which the proposed registration of these Franchises has been withdrawn are:

   None

ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Master Franchise Agreement and Supplemental Agreements are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Master Franchise Agreement and Supplemental Agreements is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that “any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.” The Master Franchise Agreement is amended accordingly. To the extent that the Master Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: “provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act.”

Item 17.w, Choice of Law, of the FDD is revised to include the following: “provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act”.

The termination and non-renewal provisions in the Master Franchise Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Master Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR:	**FRANCHISEE:**
HOCCO Foods USA, LLC	______________________________ Entity name (if any)
By: ______________________________	By: ______________________________
Printed Name: ______________________	Printed Name: ______________________
Title: ____________________________	Title: ____________________________
Date: ____________________________	Date: ____________________________

INDIANA

Item 8 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Master Franchise Agreement unless there is a material violation of the Master Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The “Summary” column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

> No competing business for two (2) years within the Territory.

The “Summary” column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The “Summary” column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Master Franchise Agreement in Indiana; other litigation in Greensboro, Georgia. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Master Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Master Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The “Summary” column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise Georgia State law applies.

Despite anything to the contrary in the Master Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Master Franchise Agreement, or Georgia State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Master Franchise Agreement, will supersede the provisions of the Master Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Master Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Master Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Master Franchise Agreement:

   > No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IOWA

Any provision in the Master Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Master Franchise Agreement:

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three (3) business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty (20) days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to HOCCO Foods USA LLC, 1100 Mill Creek, Greensboro, Georgia 30145, XXX-XXX-XXXX , or send a fax to HOCCO Foods USA LLC at XXX-XXX-XXXX not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

By:

Print Name:

Its:

Date:

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT AND MASTER FRANCHISE AGREEMENT

Item 17 of the FDD and the Master Franchise Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Item 17 of the FDD and sections of the Master Franchise Agreement are amended to state: "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise."

The Master Franchise Agreement and Franchise Disclosure Questionnaire are amended to state: "All representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

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

The Master Franchise Agreement is amended to remove Section 25(h).

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR:	**FRANCHISEE:**
HOCCO Foods USA, LLC	______________________________ Entity name (if any)
By: ____________________________	By: ____________________________
Printed Name: ____________________	Printed Name: ____________________
Title: ___________________________	Title: ___________________________
Date: ___________________________	Date: ___________________________

MICHIGAN

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

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

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

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

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

(d) A provision that permits us to refuse to renew your Franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us 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) you are prohibited by the Master Franchise Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the Franchise or you do not receive at least six (6) months' advance notice of our intent not to renew the Franchise.

(e) A provision that permits us 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 the State of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a Franchise, except for good cause. This subdivision does not prevent us 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 our then-current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Master Franchise Agreement existing at the time of the proposed transfer.

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA

Despite anything to the contrary in the Master Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Master Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Master Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Master Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Master Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Master Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Master Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Master Franchise Agreement and our System Standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Master Franchise Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Master Franchise Agreement, to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Master Franchise Agreement:

   No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three (3) years after the cause of action accrues. To the extent that the Master Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

9. Item 6 of the FDD and Section 3D of the Master Franchise Agreement is hereby amended to limit the Insufficient Funds Charge to $30 per occurrence pursuant to Minnesota Statute 604.113.

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

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

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

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

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

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

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

6. Franchise Questionnaires and Acknowledgements - No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts - Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA

Sections of the FDD, the Master Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Master Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Master Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Master Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Master Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Master Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD and Sections 7 and 15 of the Master Franchise Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Master Franchise Agreement are amended accordingly to the extent required by law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

OHIO

The following language will be added to the front page of the Master Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials_______________ Date___________

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to HOCCO Foods USA LLC, 1100 Mill Creek, Greensboro, Georgia 30145, or send a fax to HOCCO Foods USA LLC at XXX-XXX-XXXX not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

Date: ____________________________________

By: ____________________________________
Print Name: ________________________________
Its: ____________________________________

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD, the Master Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Master Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Master Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

SOUTH DAKOTA

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

> "Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Master Franchise Agreement or Supplemental Agreements involve the use of undue influence by the Franchisor to induce a franchisee to surrender any rights given to franchisee under the Franchise, that provision may not be enforceable."

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for HOCCO Foods USA LLC for use in the Commonwealth of Virginia shall be amended as follows:

> Additional Disclosure. The following statements are added to Item 8 and Item 17.h.
>
> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Master Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON

ADDENDUM TO MASTER FRANCHISE AGREEMENT AND FRANCHISE DISCLOSURE DOCUMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the Master Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Master Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Master Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a non-competition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a non-competition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Master Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Master Franchise Agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Use of Franchise Brokers. The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees to ask them about their experience with the franchisor.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Master Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Master Franchise Agreement and the Supplemental Agreements are amended accordingly.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Master Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Master Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Master Franchise Agreement.

☐	California	☐	Michigan	☐	Rhode Island
☐	Hawaii	☐	Minnesota	☐	South Dakota
☐	Illinois	☐	New York	☐	Virginia
☐	Iowa	☐	North Dakota	☐	Washington
☐	Indiana	☐	Ohio	☐	Wisconsin
☐	Maryland				

[Signature Page Follows]

Dated: ____________________, 20____

FRANCHISOR:

HOCCO Foods USA, LLC

By: ____

Title: ______________________________________

MASTER FRANCHISEE:

____

____

By: ____

Title: ______________________________________

Rev. 030123

EXHIBIT G

HOCCO FRANCHISE

SINGLE UNIT FRANCHISE AGREEMENT

INGENIOUS FOODS FRANCHISING LLC

FRANCHISE AGREEMENT

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SUBFRANCHISE AGREEMENT

THIS SUBFRANCHISE AGREEMENT ("Franchise Agreement") is made, entered into and effective as of the "Effective Date" set forth in Attachment A to this Franchise Agreement, by and between in Ingenious Foods LLC, a Virginia limited liability company ("we," "us," or "our"), and the franchisee set forth in Attachment A to this Franchise Agreement ("you" or "your"). If more than one person or entity is listed as the franchisee, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Franchise Agreement.

1. INTRODUCTION

Hocco Foods USA LLC, a Georgia limited liability company ("Master Franchisor") is the owner of the entire right, title, and interest in the "HOCCO" trade name, logo and other trademarks and service marks and related trade dress, as licensed hereunder ("Marks"). Master Franchisor owns and has developed and administers a system, including various business techniques and methods, trade secrets (including recipes), copyrights (possibly patentable ideas), ingredient lists, confidential and proprietary information and other intellectual property rights (collectively, the "System") for the establishment and operation of distinctive retail restaurants that specialize in the manufacture, preparation, display, and sale of fast food and dine-in Indian food and other menu items ("Franchised Businesses"). Master Franchisor has issued a license to us to use and sublicense the use of the System for the sale of Franchised Businesses within the United States ("Franchise Program").

The Franchise Program includes the System and Marks, the trade secrets, proprietary methods and information and procedures for the establishment and operation of a Franchised Business, including, without limitation, a confidential operations manual ("Franchise Operations Manual"), recipes, ingredients, menu specifications, equipment, furniture and fixtures, operating procedures for sanitation, maintenance, food and beverage manufacture, storage and preparation, marketing, advertising and sales promotions, cost controls, accounting and reporting procedures, personnel management, training methods, distinctive interior design and display procedures, and color scheme and décor.

This Franchise Agreement includes several attachments, each of which are legally binding and are a part of the complete Franchise Agreement. It is your responsibility to read through the entire Franchise Agreement. This Franchise Agreement creates legal obligations you must follow. We recommend that you consult with a legal professional to ensure that you understand these obligations. If you have questions, or if you do not understand a certain provision or section, please review it with your legal and financial advisors before you sign this Franchise Agreement.

This Franchise Agreement has defined terms. A defined term is a shorthand reference within a document that refers to another name or idea in the document. Defined terms are underlined and surrounded by double quotes, typically with capitalized first letters, and may be contained in parentheses throughout the Franchise Agreement.

2. GRANT OF FRANCHISE

As a HOCCO The Indian Kitchen franchisee, your Franchised Business providing fast food and dine-in Indian food and other menu items. The Franchised Business will operate under the Master Franchisor's Marks, and any other service marks, trademarks, trade names, trade dress, logos, slogans and commercial symbols as we may from time to time authorize or direct you to use with the operation of the Franchised Business.

We grant you a non-exclusive license to own and operate Franchise Business using Master Franchisor's System from a single location we approve ("Premises") strictly in compliance with the terms and conditions set forth in this Franchise Agreement, and if approved by us, to also provide delivery and/or catering services ("Delivery Services") within the Territory or other areas we may specify in Attachment A to this Franchise Agreement. You recognize and acknowledge the distinctive significance to the public of the System and Marks and acknowledge and understand Master Franchisor's high and uniform standards of quality, appearance and service to the value of the System. You acknowledge that we or Master Franchisor may change, improve or otherwise modify the System as we deem appropriate in our discretion and you agree to promptly accept and comply with any such changes, improvements or modifications. You further acknowledge that our grant to operate a Franchised Business is based on the representations made in your application. You acknowledge and agree that this Franchise Agreement does not grant you the right or option to open any additional Franchised Businesses. You also acknowledge and agree that this Franchise Agreement does not grant you any right to sub-license or sub franchise any of the rights we grant you in this Franchise Agreement. You may only open an additional Franchised Business under a separate franchise agreement with us, which we may grant in our sole discretion.

As part of accepting our grant for you to own and operate a HOCCO The Indian Kitchen Franchised Business, you hereby represent that: (i) you have received a copy of our current franchise disclosure document; (ii) you are aware of the fact that other present or future franchisees of ours, as Master Franchisor, may operate under different forms of agreement and consequently that our obligations and rights with respect to our various franchisees may differ materially in certain circumstances; and (iii) you are aware of the fact that we may have negotiated terms or offered concessions to other franchisees and we have no obligation to offer you the same or similar negotiated terms or concessions.

3. FRANCHISEE AS ENTITY

3.1 Entity Representations

For purpose of this Franchise Agreement, "Owner(s)" means any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you, this Franchise Agreement, or the Franchised Business. If you are a corporation, partnership, limited liability company or other form of business entity ("Entity"), you agree and represent that:

3.1.1 Authority. You have the authority to execute, deliver, and perform your obligations under this Franchise Agreement and all related agreements and are duly organized or formed, validly existing, and in good standing under the laws of the state of your incorporation or formation.

3.1.2 Company Documents. At our request, you will furnish copies of all documents and contracts governing the rights and obligations of your Owners (such as, Articles of Incorporation or Organization and partnership, operating or shareholder agreements or similar documents, the "Company Documents"). You will not alter, change, or amend your Company Documents, without obtaining our prior written approval, which approval we will not unreasonably deny or withhold, and will grant if such changes will not prevent you from performing your obligations under this Franchise Agreement.

3.1.3 Transfer Restrictions. Your Company Documents will recite that this Franchise Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Franchise Agreement's restrictions.

3.1.4 Naming. You agree not to use the name "HOCCO" or any similar wording in the name of your Entity.

3.1.5 Owner Identification. You certify that Attachment B to this Franchise Agreement completely and accurately describes all of your Owners and their interests in you as of the Effective Date. You agree to sign and deliver to us a revised Attachment B to reflect any permitted changes in the information that Attachment B now contains.

3.1.6 Single Purpose Entity. The Franchised Business will be the only business that the Entity may operate, and your organizational documents must reflect this (although the Owners in the Entity may have other business interests subject to any restrictions on competitive businesses contained in this Franchise Agreement).

3.1.7 Franchise Owner Agreement. All Owners and their spouses must sign the Franchise Owner Agreement, attached as Attachment C to this Franchise Agreement. You agree that, if any person or Entity ceases to be one of your Owners, or if any individual or Entity becomes an Owner of you (such ownership change must comply with the "Transfer Conditions" discussed later in this Franchise Agreement), you will require the new Owner (and the new Owner's spouse) to execute all documents required by us, including the Franchise Owner Agreement.

3.1.8 No Offerings. You agree that you will not offer any securities (in a public or private offering or otherwise) or engage in any type of fundraising (like crowdfunding) without our prior written consent, which may be withheld in our sole discretion.

4. TERRITORIAL RIGHTS AND LIMITATIONS

We will grant you a designated territory consisting of the geographic area identified in Attachment A ("Territory"). We will not operate, or grant a franchise or license to a third party to operate, Franchised Business is physically located within your Territory, except as otherwise provided in this Section. We, Master Franchisor, and our and their affiliates, have the right to operate, and to license others to operate, Franchised Businesses at any location outside the Territory, even if doing so will or might affect your operation of your Franchised Business.

We and Master Franchisor retain all territorial rights not expressly granted to you. This includes, but is not limited to, the right to (i) to own, franchise, or operate Franchised Businesses at any location outside of the Territory, regardless of the proximity to your Franchised Business; (ii) to use the Marks and the System to sell any products or services, similar to those which you will sell, through any alternate channels of distribution within or outside of the Territory, including, but not limited to, other channels of distribution such as television, mail order, catalog sales, wholesale to unrelated retail outlets, or over the Internet; (iii) to use and license the use of other proprietary and non-Marks or methods which are not the same as or confusingly similar to the Marks, at any location, including within the Territory, which may be similar to or different from your Franchised Business; (iv) to engage in any transaction (including purchases, mergers or conversions), involving the System or a new system, with any business, including businesses that directly or indirectly compete with your Franchised Business, regardless of their location, provided that any competing businesses located inside your Territory will not operate under the Marks; (v) to implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere; (vi) to provide products or services to or for National Accounts, or to grant the right to provide products or services for "National Accounts" (see below) at any location, including in the Territory, as described below; and (vii) to engage in any other business activities not expressly prohibited by this Franchise Agreement. A "National Account" means any potential or existing businesses (or such businesses' customers) with multiple locations or operations within and outside of the Territory. We are not required to pay you compensation for soliciting or accepting orders inside your Territory, or for exercising any of our rights within or outside of your Territory.

5. TERM AND RENEWAL

5.1 Generally

The term of this Franchise Agreement will begin on the Effective Date and continue for 10 years ("Term"). If this Franchise Agreement is the initial franchise agreement for your Franchised Business, you may enter into a maximum of one successor franchise agreements (a "Successor Franchise Agreement"), as long as you meet the conditions for renewal specified below and we are still licensed to grant Franchised Businesses. The Successor Franchise Agreement shall be the current form of franchise agreement we use in granting HOCCO The Indian Kitchen franchises as of the expiration of the Term. The terms and conditions of the Successor Franchise Agreement may vary materially and substantially from the terms and conditions of this Franchise Agreement. Each successor term will be 5 years. If you are signing this Franchise Agreement as a Successor Franchise Agreement, the references to "Term" shall mean the applicable renewal term of the Successor Franchise Agreement. Except as otherwise provided in this Section, you will have no further right to operate your Franchised Business following the expiration of the successor term unless we grant you the rights to enter into another franchise agreement, in our sole discretion. If you are renewing a prior franchise agreement with us under this Franchise Agreement, the renewal provisions in your initial franchise agreement will dictate the length of the Term of this Franchise Agreement, and your remaining renewal rights, if any.

5.2 Renewal Requirements

To enter into a Successor Franchise Agreement, you must:

5.2.1 Notice. Notify us in writing of your desire to enter into a Successor Franchise Agreement not less than 60 days nor more than 180 days before the expiration of the Term;

5.2.2 No Defaults. Not be in default under this Franchise Agreement or any other agreement with us or any affiliate of ours at the time you send the renewal notice or the time you sign the Successor Franchise Agreement and you must not have received more than three separate written notices of default from us in the 12 months before your renewal notice or at the time you sign the Successor Franchise Agreement;

5.2.3 Successor Franchise Agreement. Sign the Successor Franchise Agreement and all ancillary documents we require franchisees to sign;

5.2.4 General Release. Sign and have each of your Owners sign current form of general release which contains a release of all known and unknown claims against us and our affiliates and subsidiaries, and our and their respective members, officers, directors, agents and employees, in both their corporate and individual capacities;

5.2.5 Renewal Fee. Pay us a non-refundable renewal fee of 50% of the then-current Initial Franchise Fee ("Renewal Fee"). If we are not offering HOCCO The Indian Kitchen franchises at the time of your renewal, the Renewal Fee will be 50% of the initial franchise fee listed in the most recent franchise disclosure document;

5.2.6 Modifications. At least 60 days but not more than 180 days before the expiration of the Term, you must renovate, upgrade any equipment, tools, technology and other operations to comply with our then-current standards and specifications;

5.2.7 Premises. Have the right under your lease to maintain possession of your Premises for the duration of the successor term; and

5.2.8 Renovations. You must also make any renovations, refurbishments and modernizations to the Premises and the Franchised Business as necessary to meet the then-current System standards for a newly opened Franchised Business. We will provide you with the required timeframe for doing so. Such requirements could include changes to the design, equipment, signs, décor, inventory, fixtures, furnishings, trade dress, presentation of Marks, supplies and other products and materials used in the Franchised Business.

5.2.9 Additional Actions. Take any additional actions we reasonably require.

5.3 Interim Term

If you do not sign a Successor Franchise Agreement after the expiration of the Term and you continue to accept the benefits of this Franchise Agreement, then, at our option, this Franchise Agreement may be treated either as: (i) expired as of the date of the expiration meaning you are operating the Franchised Business without a valid franchise agreement in violation of our and the Master Franchisor's rights; or (ii) continued on a month-to-month basis ("Interim Term") until either party provides the other party with 30 days' prior written notice of their intention to terminate the Interim Term. In the latter case, all of your obligations will remain in full force and effect during the Interim Term as if this Franchise Agreement had not expired, and all obligations, restrictions and covenants imposed on you upon the expiration or termination of this Franchise Agreement will be deemed to take effect upon the termination of the Interim Term. Except as permitted by this Section, you have no right to continue to operate your Franchised Business following the expiration of the Term.

6. FEES

6.1 Late Fee

If any sums due under this Franchise Agreement have not been received by us when due then, in addition to those sums, you must pay us $100 per occurrence, plus the daily equivalent of eighteen percent (18%) per year simple interest or the highest rate allowed by law, whichever is less ("Late Fees"). If no due date has been specified by us, then interest accrues from the original due date until payment is received in full.

6.2 Payment Methods

You must complete our automated clearing house (ACH) authorization form allowing us to electronically debit a bank account you designate ("Franchise Account") for: (i) all fees payable to us under this Franchise Agreement (other than the Initial Franchise Fee); and (ii) any other amounts you owe to us or any of our affiliates including, but not limited to, those owed for the purchase of products or services. We will debit your Franchise Account for these payments on or after the due date. You must sign and deliver to us any other documents we or your bank may require authorizing us to debit your Franchise Account for these amounts.

You must deposit all revenue you generate from operating your Franchised Business into the Franchise Account. You must make sufficient funds available for withdrawal from the Franchise Account by electronic transfer before each due date. If any check or electronic payment is unsuccessful due to insufficient funds, stop payment or any similar event, any excess amounts you owe will be payable upon demand, together with a non-sufficient funds fee of $100 per occurrence plus Late Fees. If we allow you make any payment to us or our affiliate(s) by credit card for any fee required, we may charge a payment service fee of up to 4% of the total charge. We reserve the right to periodically specify (in the Franchise Operations Manual or otherwise in writing) different required payment methods for any payment due to us or our affiliates.

6.3 Payment Frequency

We reserve the right to periodically specify (in the Franchise Operations Manual or otherwise in writing) different payment frequencies (for example, weekly/biweekly/monthly payments) for any payment due to us or our affiliates.

6.4 Application of Payments

We have sole discretion to apply any payments from you to any past due indebtedness of yours or in any other manner we feel appropriate. We are not obligated to follow any instructions you provide for allocation of the payments.

6.5 Payment Obligations

Your obligations to pay us the fees under this Franchise Agreement are absolute and unconditional, and will remain in full force and effect throughout the entire duration of this Franchise Agreement, and shall continue for such period of time thereafter as you owe us fees under this Franchise Agreement. You will have no right to offset any fees paid to us and must pay us all fees regardless of any claims you may have against us. We will have the right, at any time before or after termination of this Franchise Agreement, without notice to you, to offset any amounts or liabilities you may owe to us against any amounts or liabilities we may owe you under this Franchise Agreement or any other agreement, loan, transaction or relationship between the parties. Without limiting the generality of the foregoing, you agree that you will not, on grounds of the alleged nonperformance by us of any of our obligations, withhold any fees due to us or our affiliates or amounts due to us for purchases by you or any other amounts due to us.

6.6 Gross Sales

For purposes of this Franchise Agreement, "Gross Sales" means total actual gross charges for all products and services sold to customers of your Franchised Business, for cash or credit, whether such sales are made at or from the Premises, or any other location or other channels of distribution, including, but not limited to, catering, and temporary promotions and events, but excluding: sales, use, service or excise taxes collected from customers and paid to the appropriate taxing authority; and customer refunds and adjustments. Gross Sales will also include any insurance proceeds due to business interruption as a result of the Franchised Business being closed as a result of a casualty event or any other reason.

6.7 Initial Franchise Fee

You agree to pay us the "Initial Franchise Fee" listed in Attachment A in one lump sum when you sign this Franchise Agreement. The Initial Franchise Fee is fully earned by us and is non-refundable once this Franchise Agreement has been signed. If this Franchise Agreement is a renewal of a prior franchise agreement with us for an existing Franchised Business, or the transfer of the Franchised Business from another franchisee, then no Initial Franchise Fee is due.

6.8 Royalty

You agree to pay us a royalty fee ("Royalty") equal 6% of Gross Sales during the previous week. The Royalty is due every Wednesday (or such other date as we designate).

6.9 Brand Fund Contribution

You must pay a "Brand Fund Contribution" in the amount we specify in our Franchise Operations Manual, currently 2% of Gross Sales during the previous week. The Brand Fund Contribution will be used for the HOCCO The Indian Kitchen brand fund ("Brand Fund") to promote awareness of our brand and to improve our System. The Brand Fund is paid at the same time as your Royalty. We reserve the right to increase the Brand Fund Contribution to up to 3% of weekly Gross Sales upon 30 days' written notice to you.

6.10 Technology Fee

We do not currently charge a "Technology Fee," but reserve the right to implement one. If implemented, you must pay the Technology Fee throughout the Term of this Franchise Agreement. The Technology Fee would be an ongoing fee for the use of certain technologies used in the Franchised Business. We can change the software and technology that must be used by Franchised Business at any time we deem appropriate in our sole discretion, which may result in changes to the Technology Fee. An increase in third-party fees may also cause the Technology Fee to increase. You will be responsible for any increase in fees that result from any upgrades, modification, or additional software by us or by third-party vendors. We may modify the Technology Fee upon written notice to you.

You must also pay our then-current technology business solutions fees to approved suppliers for certain business solutions that will support your business efficiencies. These may include phone systems, security systems, scheduling software, employee shift/task management software, inventory solution and any other solutions we may require in the Franchise Operations Manual for your Franchised Business. We reserve the right to upgrade, modify and add new systems, which may result in additional initial and ongoing expenses that you will be responsible for. You will be responsible for any increase in fees that result from any upgrades, modifications or additional systems and for any increase in fees from third-party providers. We may include these third-party fees in the Technology Fee and pay suppliers directly on our behalf.

6.11 Other Fees and Payments

You agree to pay all other fees, expense reimbursements, and all other amounts specified in this Franchise Agreement in a timely manner. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based upon products or services you sell or based upon products or services we furnish to you (other than income taxes we pay based on amounts).

If a state or local law prohibits or restricts your ability to pay us Royalty and Brand Fund Contributions on alcoholic beverages, when you pay your Royalty, you will also pay us the difference between those fees you paid us and the fees that would have otherwise been paid (i.e., the dollar amount of the Royalty and Brand Fund Contributions that would have been charged on the difference between excluded sales and the Royalty and Brand Fund Contributions you actually paid us).

6.12 CPI Adjustments to Fixed Fees

All fees expressed as a fixed dollar amount in this Franchise Agreement are subject to adjustment based on changes to the Consumer Price Index in the United States. We may periodically review and increase these fees based on changes to the Consumer Price Index, but only if the increase to the Consumer Price Index is more than 5% higher than the corresponding Consumer Price Index in effect on: (a) the effective date of the Franchise Agreement (for the initial fee adjustments); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We will implement no more than one fee adjustment during any calendar year. Notwithstanding the foregoing the CPI fee adjustments in this Section shall not impact fees which we reserve the right to increase in higher amounts or adjust more frequently, including but not limited to the Technology Fee.

7. ESTABLISHING YOUR FRANCHISED BUSINESS

7.1 Opening

You must open your Franchised Business to the public within one year after the Effective Date. You may not open your Franchised Business before: (i) all required attendees have successfully completed the initial training program; (ii) you purchase all required insurance; (iii) you obtain all required licenses, permits and other governmental approvals required to establish, open and operate the Franchised Business; (iv) we provide our written approval of the construction, buildout and layout of your Premises; (v) and you receive our written approval.

If this is your first HOCCO The Indian Kitchen Franchised Business, we will provide you with two weeks of onsite support at your Franchised Business, which starts one week before you open for business, and ends one week after your opening date. You will pay us a $5,000 store training fee for this onsite support. This fee is uniform, payable when you sign this Franchise Agreement and is non-refundable.

If you believe we have failed to adequately provide pre-opening services or training to you as provided in this Franchise Agreement, you shall notify us in writing within 30 days following the opening of the Franchised Business. If you do not provide such notice in a timely manner, it will be viewed as you conclusively acknowledging that all pre-opening and opening services and training required to be provided by us were sufficient and satisfactory in your judgment.

7.2 Site Selection

If a suitable Premises has not been agreed upon by the Effective Date, we will provide you with general advice and general specifications for identifying a suitable location for the Premises. The Premises must conform to our minimum site selection criteria. You must send us a complete site report (containing the demographic, commercial and other information, photographs and videos we may reasonably require) for your proposed site. We may require that you obtain a feasibility study for the proposed site at your sole cost. We may accept or reject all proposed sites in our commercially reasonable judgment. We will use our best efforts to accept or reject a proposed site within 30 days after we receive all of the requisite materials. Your site is deemed disapproved if we fail to issue our written approval within the 30-day period. If we disapprove of the proposed site, you must select another site, subject to our consent. Our approval shall be evidenced by the execution of Attachment A-1 by you and us. You must only operate the Franchised Business at the location specified in Attachment A-1 and your Franchised Business may not offer products or services from any other location. You acknowledge that our approval of a site does not constitute a representation or warranty of any kind, express or implied, of the suitability of the site for the

Premises. Our approval of the site indicates only that the site meets our minimum criteria. You agree to locate and obtain our approval of the Premises within 60 days after the Effective Date.

7.3 **Lease**

If you lease the Premises, you must submit to us, in the form we specify, a description of the site, a proposed copy of the lease and such other information and materials we may reasonably require at least ten days before signing the lease. If you own, otherwise control the Premises, including the land, building and related real estate, or own 51% or more of an entity that owns, leases or otherwise controls the Premises, then you will, as the lessee, enter into a lease for the Premises for a term coextensive with the term of this Franchise Agreement. You will ensure the lease either: (1) contains the "Lease Addendum" that is attached to the franchise disclosure document in Exhibit G; or (2) incorporates the terms of the Lease Addendum into the lease for the Premises. If your landlord refuses, we have the right to disapprove of your lease, in which case you must find a new site for your Premises. You and the landlord must sign the lease and Lease Addendum within 60 days of the Effective Date.

We will only review the lease to determine that it complies with the terms of this Franchise Agreement and will not provide you with any business, economic, legal or real estate analysis or advice with regards to the lease. If you hire our approved vendor, they may assist you in negotiating the lease for your Premises. However, you are solely responsible for the terms of the lease and any site acceptance letter we provide for the lease does not provide any representation or warranty of any kind, express or implied, concerning the terms of the lease or the viability or suitability of the site for the Premises. You must promptly send us a copy of your fully executed lease and any Lease Addendum for our records. The lease may not be amended, assigned or terminated without our written approval. If the landlord terminates the lease for the Premises, that termination will constitute a breach of this Franchise Agreement.

7.4 **Construction**

We will provide you with specifications for the design and layout for a Premises. You must hire an architect in order for any modifications to these plans to comply with all local ordinances, building codes, permits requirements, and lease requirements and restrictions applicable to the Premises. You must first review and accept the architect's drafted floor plan and submit your floor plan to us for our review and acceptance. Once we accept your floor plan, the architect must develop your full construction drawings for the Premises. Upon your review and acceptance, you must submit your construction drawings to us for our final review and approval. Once we accept your floor plan and approve your construction drawings, drawings and specifications may not be changed or modified without our prior written approval. Once accepted by us, you must, at your sole expense, construct and equip the Premises to the specifications contained in the Franchise Operations Manual and purchase (or lease) and install the equipment, fixtures, furnishings, signs and other items we require. All exterior and interior signs of the Premises must comply with the specifications we provide to you. We must approve the architects, contractors and other suppliers you use to construct your Premises. You agree to provide us with weekly status updates as to construction of the Premises. You acknowledge these requirements are necessary and reasonable to preserve the identity, reputation and goodwill Master Franchisor developed and the value of the HOCCO The Indian Kitchen System. We must approve the layout of your Premises before opening. We may conduct a pre-opening inspection of your Premises and you agree to make any changes we require before opening.

7.5 **Catastrophe**

If your Premises is destroyed or damaged by fire or other casualty and the Term of this Franchise Agreement and the lease for your Premises has at least two years remaining, you will: (i) within 30 days after such destruction or damage of your Premises, commence all repairs and reconstruction necessary to restore the Premises to its prior condition to such casualty; or (ii) relocate the Premises under the relocation provisions in this Section and the Term shall be extended for the period from the date the Premises closed due to the destruction or damage until it reopens.

7.6 Use of Premises

You may not use your Premises or permit your Premises to be used for any purpose other than offering the products and services we authorize and you may only offer the products and services we authorize from your Premises.

7.7 Relocation

You may relocate your Premises within your Territory with our prior written approval, which we will not unreasonably withhold. If we allow you to relocate within your Territory, you must: (i) comply with all requirements of the Franchise Agreement regarding the selection, construction and decoration your new HOCCO The Indian Kitchen Premise; (ii) open your new Premises and resume operations within 30 days after closing your prior Premises; and (iii) reimburse us for our reasonable expenses (including attorney fees and costs). You may not relocate your Premises outside of your Territory without our prior written approval, which we may withhold in our sole discretion. We may require that your Territory be modified as a condition to our approval of you relocating your Premises. Upon our approval of the relocation of your Premises, Attachment A shall be updated with the new location (and Territory, if necessary), and the remainder of this Franchise Agreement shall remain in full force and effect.

8. TRAINING AND CONFERENCES

8.1 Initial Training Program

We will provide our initial training program at no charge for up to three people so long as all persons attend the initial training program simultaneously. The initial training program must be completed within 30 days prior to the date that your Franchised Business is scheduled to open. You must pay us our then-current training fee as specified in our Franchise Operations Manual for: (i) each additional person that attends our initial training program before you open; (ii) each additional person that attends after you open your Franchised Business (such as a replacement Responsible Owner or Franchise Manager); and (iii) any person who must retake training after failing to successfully complete training on a prior attempt. We reserve the right to vary the length and content of the initial training program as we deem appropriate in our sole discretion based on the experience of the attendee. We reserve the right to select when you will attend the initial training program and may delay your attendance until a suitable time near the grand opening date for your Franchised Business in our sole discretion.

8.2 Additional Training

We may offer periodic refresher training courses or develop additional training courses. Attendance at these training programs may be optional or mandatory. You may be required to pay the then-current fee for this training as specified in our Franchise Operations Manual.

8.3 Requested Training

Upon your written request, we may provide additional assistance or training to you at a mutually convenient time. You may be required to pay the then-current fee for this training as specified in our Franchise Operations Manual.

8.4 Remedial Training

If we determine, in our sole discretion, that you are not operating your Franchised Business in compliance with this Franchise Agreement and/or the Franchise Operations Manual, we may require that you, your employees and other designees attend remedial training relevant to your operational deficiencies. You must pay us the then-current training fee as specified in our Franchise Operations Manual.

8.5 Conferences

We may hold periodic national or regional conferences to discuss various business issues and operational and general business concerns affecting HOCCO The Indian Kitchen franchisees. Attendance at these conferences may be mandatory or optional. You are responsible for paying our then-current conference fee, whether or not you attend the conference in any given year.

8.6 Training Expenses

You are solely responsible for all expenses and costs that your trainees incur for all trainings and conferences under this Section, including wages, travel, lodging, food and living expenses. You also agree to reimburse us for all expenses and costs we incur to travel to your Franchised Business under this Section, including travel, food, lodging and living expenses. All training fees and expense reimbursements must be paid to us within ten days after invoicing.

9. OTHER FRANCHISOR ASSISTANCE

9.1 Franchise Operations Manual

We will lend you our confidential franchise operations manual (the "Franchise Operations Manual") in text or electronic form for the Term of this Franchise Agreement. The Franchise Operations Manual will help you establish and operate your Franchised Business in accordance with the System. The information in the Franchise Operations Manual is confidential and proprietary and may not be disclosed to third parties without our prior written approval. The Franchise Operations Manual may be updated and modified throughout the Term, both formally through amendments to the Franchise Operations Manual and informally through email or other written materials we provide to you. You acknowledge that your compliance with the Franchise Operations Manual is vitally important to us, the Master Franchisor, and other System franchisees because it is necessary to protect our reputation, the goodwill of the Marks, and maintain the uniform quality of the System.

You agree to establish and operate your Franchised Business strictly in accordance with the Franchise Operations Manual. The Franchise Operations Manual may contain, among other things: (i) a description of the authorized products and services you may offer at your Franchised Business; (ii) mandatory and suggested specifications, operating procedures, and quality standards for goods, products, services, ingredients and menu items that you use or offer at your Franchised Business; (iii) policies and procedures we or Master Franchisor prescribe from time to time for our franchisees; (iv) mandatory reporting and insurance requirements; (v) policies and procedures pertaining to any gift card program we or Master Franchisor establishes; and (vi) a written list of furniture, fixtures, equipment, products and services (or specifications for such items) you must purchase for the development and operation of your Franchised Business and a list of any designated or approved suppliers for such items. The Franchise Operations Manual establishes and protects our brand standards and the uniformity and quality of the products and services offered by our franchisees. We can modify the Franchise Operations Manual at any time. The modifications will become binding as soon as we send you notice of the modification. All mandatory provisions in the Franchise Operations Manual (whether they are included now or in the future) are binding on you.

While the Franchise Operations Manual is intended to protect our and Master Franchisor's reputation and goodwill of the Marks, you will be responsible for the day-to-day operation of your Franchised Business, and the Franchise Operations Manual is not designed to control the day-to-day operation of the Franchised Business.

9.2 General Guidance

We will, upon reasonable request, provide advice or guidance regarding your Franchised Business's operation based on reports or inspections or discussions with you. We will provide reasonable marketing consulting, guidance and support throughout the Term we deem appropriate. Any advice will be given during our regular business hours and via written materials, electronic media, telephone or other methods, in our discretion.

We maintain a staff to manage and operate the HOCCO The Indian Kitchen System and our staff members can change as employees come and go. We cannot guarantee the continued participation by or employment of any of our shareholders, directors, officers, employees or staff.

9.3 Website

We, or Master Franchisor, will maintain a website for Franchised Businesses ("System Website") that will include the information about your Franchised Business as deemed appropriate. We or Master Franchisor may modify the content of and/or discontinue the System Website at any time in our or their sole discretion. We and Master Franchisor are only required to reference your Franchised Business on our System Website while you are in full compliance with this Franchise Agreement and all System standards. We must approve all content about your Franchised Business. We or Master Franchisor will own the System Website (including any webpages for your Franchised Business) and domain names. We intend that any franchisee website will be accessed only through this System Website.

9.4 Supplier Agreements

We or Master Franchisor may, but are not required to, negotiate agreements with suppliers to obtain products or services for our franchisees. If we or Master Franchisor negotiate an agreement, we or Master Franchisor may arrange for you to purchase the products directly from the supplier. We or Master Franchisor may receive rebates from these suppliers based on your purchases. We or Master Franchisor may also purchase certain items from suppliers in bulk and resell them to you at cost (including overhead and salaries), plus shipping fees and a reasonable markup, in our or their sole discretion.

10. MANAGEMENT AND STAFFING

10.1 Owner Participation

If you are an Entity, you must designate an Owner who will be principally responsible for communicating with us about the Franchised Business ("Responsible Owner"). If you are an individual, you are the Responsible Owner. The Responsible Owner must have the authority and responsibility for the day-to-day operations of your Franchised Business and must have at least 25% equity. You acknowledge that a major requirement for the success of your Franchised Business is the active, continuing and substantial personal involvement and hands-on supervision by your Responsible Owner, who must at all times be actively involved in operating the Franchised Business on a full-time basis and provide on-site management and supervision, unless we permit you to delegate management functions to a Franchise Manager, see below. If you appoint a new Responsible Owner then in addition to any Transfer conditions, that person must attend and successfully complete our initial training program at your sole cost and expense.

10.2 Franchise Manager

You may hire a manager to assume responsibility for the daily in-person on-site management and supervision of your Franchised Business ("Franchise Manager"), but only if: (i) we approve the Franchise Manager in our commercially reasonable discretion; (ii) the Franchise Manager successfully completes the initial training program; and (iii) your Responsible Owner agrees to assume responsibility for the on-site management and supervision of your Franchised Business if the Franchise Manager is unable to perform his or her duties due to death, disability, termination of employment, or for any other reason, until such time that you obtain a suitable replacement Franchise Manager. We do not require that the Franchise Manager have an ownership interest in the legal entity of the Franchise owner. If you hire a new Franchise Manager, the new Franchise Manager must attend and successfully complete our initial training program at your sole cost and expense.

10.3 Staff

You must determine appropriate staffing levels for your Franchised Business to ensure full compliance with this Franchise Agreement and our System standards. You are solely responsible to hire, train and supervise employees or independent contractors to assist you with the proper operation of the Franchised Business. You must pay all wages, commissions, fringe benefits, worker's compensation premiums and payroll taxes (and other withholdings levied or fixed by any city, state or federal governmental agency, or otherwise required by law) due for your employees or as applicable, for your independent contractors. These employees and independent contractors will be your employees or contractors, not ours or Master Franchisor's. We do not control the day-to-day activities of your employees or independent contractors or the manner in which they perform their assigned tasks. You agree to inform each of your employees and independent contractors you are exclusively responsible for supervising their activities and dictating the manner in which they perform their assigned tasks. In this regard, you must use your legal business entity name (not our Marks or a fictitious name) on all employee applications, paystubs, pay checks, employment agreements, consulting agreements, time cards and similar items.

You have sole responsibility and authority for all employment-related decisions, including employee hiring and promotion, firing, hours worked, rates of pay and other benefits, work assignments, training and working conditions, compliance with wage and hour requirements, personnel policies, recordkeeping, supervision and discipline. We will not provide you with any advice or guidance on these matters. You must require your employees and independent contractors to review and sign any acknowledgment form we prescribe that explains the nature of the franchise relationship and notifies the employee or independent contractor that you are his or her sole employer. You must also post a conspicuous notice for employees and independent contractors in the back-of-the-house area explaining your franchise relationship with us and that you (and not we or Master Franchisor) are the sole employer. We may prescribe the form and content of this notice. You agree that any direction you receive from us regarding employment/engagement policies should be considered as examples, that you alone are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel competent in employment law.

10.4 **Assumption of Management**

10.4.1 Interim Manager. In order to prevent any interruption of operations which would cause harm to or depreciate the value of the Franchised Business, we have the right, but not the obligation, to step-in and designate an individual or individuals of our choosing ("Interim Manager") for so long as we deem necessary and practical to temporarily manage your Franchised Business ("Step-In Rights"): (i) if you violate any System standard or provision of this Franchise Agreement and do not cure the failure within the time period specified by the Franchise Agreement or us; (ii) if we determine in our sole judgment that the operation of your Franchised Business is in jeopardy; (iii) if we determine in our sole discretion that operational problems require that we operate your Franchised Business; (iv) if you abandon or fail to actively operate your Franchised Business; (v) upon your Responsible Owner or your Franchise Manager's absence, termination, illness, death, incapacity or disability; (vi) if we deem your Responsible Owner or your Franchise Manager incapable of operating your Franchised Business; or (vii) upon a "Crisis Management Event."

A "Crisis Management Event" means any event or series of events that occurs at the Franchised Business that has or may cause harm or injury to customers or employees, or any other circumstance which may damage the System, Marks or image or reputation of the Franchised Business or us or our affiliates. We may establish emergency procedures which may require you to temporarily close the Franchised Business to the public, in which case you agree that we will not be held liable to you for any losses or costs. You agree to notify us immediately by telephone and email upon the occurrence of a Crisis Management Event.

10.4.2 Step-In Rights. If we exercise the Step-In Rights: (i) you agree to pay us, in addition to all other amounts due under this Franchise Agreement, our then-current "Management Fee" (currently, equal to $500 per day per Interim Manager that manages your Franchised Business), plus the Interim Manager's direct out-of-pocket costs and expenses; (ii) all monies from the operation of your Franchised Business during such period of operation by us shall be kept in a separate account, and the expenses of the Franchised Business, including compensation and direct out-of-pocket costs and expenses for the Interim Manager, shall be charged to said account; (iii) you acknowledge that the Interim Manager will have a duty to utilize only reasonable efforts, and will not be liable to you or your owners for any debts, losses, or obligations your Franchised Business incurs, or to any of your creditors for any supplies, products, or other assets or services your Franchised Business purchases, while Interim Manager manages it; (iv) the Interim Manager will have no liability to you except to the extent directly caused by its gross negligence or willful misconduct. We will have no liability to you for the activities of an Interim Manager unless we are grossly negligent in appointing the Interim Manager, and you will indemnify and hold us harmless for and against any of the Interim Manager's acts or omissions, as regards to the interests of you or third parties; and (v) you agree to pay all of our reasonable attorney fees, accountant's fees, and other professional fees and costs incurred as a consequence of our exercise of the Step-In Rights.

Nothing contained herein shall prevent us from exercising any other right which we may have under this Franchise Agreement, including, without limitation, termination.

11. BRAND FUND

The Brand Fund is used to promote public awareness of our brand and to improve our System. You are required to pay the Brand Fund Contribution. The Brand Fund may be administered by us or our affiliate or designees, at our discretion. We may use the Brand Fund for any expenditure that we, in our sole discretion, deem necessary or appropriate to promote or improve the System or the HOCCO The Indian Kitchen brand.

To illustrate, these may include, but are not limited to, the following: (i) developing, maintaining, administering, directing, preparing or reviewing advertising and marketing materials, promotions and programs, including social media management; (ii) public awareness of any of the Marks; (iii) public and consumer relations and publicity; (iv) brand development; (v) research and development of technology, products and services; (vi) website development (including social media) and search engine optimization; (vii) development and implementation of quality control programs and other reputation management functions; (viii) conducting market research; (ix) changes and improvements to the System; (x) the fees and expenses of any advertising agency we engage to assist in producing or conducting advertising or marketing efforts; (xi) the proportionate salary share of our employees that devote time and provide services for advertising, promotion, collection, accounting or administration of the Brand Fund; (xii) preparing and distributing financial accountings of the Brand Fund; (xiii) training tools; and (xiv) our and our affiliates' expenses associated with direct or indirect labor, administrative, overhead, or other expenses incurred in relation to any of these activities.

We have sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location, and all other matters pertaining to any of the foregoing activities. Any surplus of monies in the Brand Fund may be invested. Any unused funds collected in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the Brand Fund on any terms we deem reasonable. The Brand Fund is not a trust, and we have no fiduciary obligations to you regarding our administration of the Brand Fund. An unaudited financial accounting of the operations of the Brand Fund, including deposits into and disbursements from the Brand Fund, will be prepared annually and provided to you upon written request.

We do not ensure that our expenditures from the Brand Fund in or affecting any geographic area are proportionate or equivalent to the Brand Fund Contribution by our franchisees operating in that geographic area or that any of our franchisees benefit directly or in proportion to their Brand Fund Contribution. We reserve the right to change, merge, re-form or dissolve the Brand Fund in our discretion. We will not use the Brand Fund for advertising principally for the solicitation for the sale of Franchises, but we reserve the right to include a notation in any advertisement or website indicating "franchises available" or similar phrasing. We may, upon 30 days' prior written notice to you, reduce or suspend Brand Fund Contribution and operations for one or more periods of any length and terminate and/or reinstate the Brand Fund. We will spend all amounts before any termination of the Brand Fund.

12. FRANCHISEE MARKETING AND ADVERTISING

12.1 Standards

All advertisements and promotions you create or use must be completely factual and conform to the highest standards of ethical advertising and comply with all federal, state and local laws, rules and regulations and our standards and requirements in the Franchise Operations Manual. You must ensure that your advertisements and promotional materials do not infringe upon the intellectual property or legal rights of others.

12.2 Promotional Programs

We may periodically create advertising and sales promotion programs and materials to enhance the collective success of all HOCCO The Indian Kitchen franchisees operating under the System. You must participate in all such rebates, giveaways, advertising and sales promotion programs in accordance with the terms and conditions that we specify. These promotional programs may require that you offer products or services at no charge or discounted rates. We may also request you purchase and use advertisements and promotional materials we designate for your Franchised Business.

12.3 Marketing Materials

You must order any sales and marketing material from us, or our designated suppliers (which may be an affiliate or Master Franchisor), that we require. We may create and make available to you, advertising and other marketing materials. We may charge you for these materials. We may make these materials available over the Internet (in which case you must arrange for printing the materials and paying all printing costs). We may also enter into relationships with third party suppliers who will create the advertising or marketing materials for your purchase.

12.4 Approval

We must approve all advertising and promotional materials we did not prepare or previously approve (including materials we prepared or approved and you modify) before you use them, including but not limited to, those related to any grand opening advertising, local advertising or online advertising that you wish to conduct. We will be deemed to have disapproved the materials if we fail to issue our approval within 30 days after receipt. You may not use any advertising or promotional materials that we have disapproved (including materials that we previously approved and later disapprove). If you utilize any advertising that we have not approved, we may assess a fee of $500 for each use of the unauthorized advertising.

12.5 Grand Opening Advertising

Although you are encouraged to engage in grand opening advertising, you do not have to spend any minimum amount on grand opening advertising to promote your Franchised Business.

12.6 Local Advertising Requirement

Although you are encouraged to engage in local advertising, you do not have to spend any minimum amount on local advertising to promote your Franchised Business.

12.7 Online Advertising

You may not maintain a separate website, conduct e-commerce, or otherwise maintain a presence on the Internet in connection with your Franchised Business without our express written permission, which we may revoke at any time, in our sole discretion. Any website we permit you to establish will be subject to all of your marketing and advertising requirements under this Franchise Agreement and the Franchise Operations Manual. If you wish to utilize social media or advertise online, you must follow our online policy contained in our Franchise Operations Manual. Our online policy may change as technology and the Internet changes. We may require that you utilize our designated supplier for social media marketing services, at your expense. You may not use the Marks in any fundraising campaign, including crowdfunding. We may restrict your use of social media. We restrict your ability to independently market on the Internet, and we may not allow you to use any domain name, address, locator, link, metatag or search technique with words or symbols similar to the Marks.

12.8 Advertising Cooperative

You must participate in any advertising cooperative that we require for the purpose of creating and/or purchasing advertising programs for the benefit of all franchisees operating within a particular region. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. We may require that each cooperative operate with governing documents and prepare annual unaudited financial statements. We may form, change, dissolve or merge any advertising cooperative. Your participation in any cooperative must be in compliance with the provisions of the Franchise Operations Manual, which we may periodically modify at our discretion. We have the right to determine the composition of all geographic territories and market areas for each advertising cooperative. Franchisees in each cooperative will contribute an amount to the cooperative for each Franchised Business that the franchisee owns that exists within any cooperative's geographic area. Each HOCCO The Indian Kitchen business we own that exists within the cooperative's area will not be required contribute to the cooperative.

12.9 Advisory Council

We may form, change, merge or dissolve an advisory council ("Council") at any time, in our sole discretion, to advise us on advertising policies and to promote communications between us and all franchisees. Any such Council will be governed by bylaws that will specify that members of the Council would consist of both franchisees and franchisor representatives and will specify how members are selected, subject to any changes to such bylaws or structure we deem necessary in our sole discretion. Any Council would serve in an advisory capacity only. We may grant the Council any operation or decision-making powers we deem appropriate.

13. BRAND STANDARDS

13.1 Generally

You agree to operate your Franchised Business: (i) in a manner that will promote the goodwill of the Marks; and (ii) in full compliance with our standards and all other terms of this Franchise Agreement and the Franchise Operations Manual. Any required standards exist to protect our and Master Franchisor's interests in the System and the Marks, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be in the Franchise Operations Manual or other written materials and may be periodically modified over the Term. To protect our and Master Franchisor's interests in the System and Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

13.2 Authorized Products and Services

The products or services offered by the Franchised Business are subject to change and we do not represent that your Franchised Business will always be permitted or required to offer all of the products or services currently offered. You agree to offer all products and services we or Master Franchisor require from time to time You may not offer any other products or services at your Franchised Business without our prior written permission. We or Master Franchisor may, without obligation to do so, add, modify or delete authorized products and services, and you must do the same upon notice from us. You may incur additional expenses to offer new products or services. Our or Master Franchisor's addition, modification or deletion of one or more products or services shall not constitute a termination of this Franchise Agreement. You will not enter into any agreements with any third parties that can process orders for you on your behalf without our express written permission, which we may revoke at any time, in our sole discretion. We or Master Franchisor may, but are not required to, create HOCCO The Indian Kitchen proprietary products for sale at your Franchised Business. If we or Master Franchisor develop any of these products, you agree to maintain a reasonable inventory of these items at all times.

13.3 **Suppliers and Purchasing**

You agree to purchase or lease all products, supplies, equipment, services, and other items specified in the Franchise Operations Manual. You agree to maintain an adequate inventory of all items in accordance with the Franchise Operations Manual. If required by the Franchise Operations Manual, you agree to purchase or lease certain products and services only from suppliers designated or approved by us (which may include, or be limited exclusively to, us or our affiliates). You acknowledge that our and Master Franchisor's right to specify the suppliers you may use and add or remove suppliers is necessary and desirable so we can control the uniformity and quality of products and services used, sold or distributed in connection with the development and ongoing operation of your Franchised Business, maintain the confidentiality of Master Franchisor's trade secrets, obtain discounted prices for our franchisees if we choose to do so, and protect the reputation and goodwill associated with the System and the Marks. If we or Master Franchisor receive rebates or other financial consideration from these suppliers based upon your purchases or any other of our franchisee's purchases, we and Master Franchisor have no obligation to pass these amounts on to you or to use them for your benefit. If we or Master Franchisor do not require you to use a designated source or approved supplier for a particular item, you may purchase the item from any vendor you choose so long as your purchases conform to our System and specifications. We or Master Franchisor may restrict the sourcing of current and future items.

If you wish to purchase any items or supplies from a supplier we have not approved or wish to offer any new product or service we have not authorized in writing, you must send us a written notice specifying the supplier's name and qualifications or product or service information and provide any additional information we request. We will approve or reject your request within 30 days after we receive your notice and all additional information (and samples) that we require. If we fail to issue our approval within the 30-day period, it will have the same effect as a rejection to the request. You must reimburse us for all costs and expenses we incur in reviewing a proposed supplier within ten days after invoicing. We may revoke approval of any supplier, product or service in our sole discretion in which case you must stop purchasing from such supplier.

13.4 **Equipment Maintenance and Changes**

You agree to keep any equipment used in the operation of your Franchised Business in good condition and promptly replace or repair any equipment that is damaged, worn out or obsolete. We or Master Franchisor may require that you add new equipment or change, upgrade or replace your equipment, which may require you to make additional investments. You acknowledge that the ability to require franchisees to make significant changes to their equipment is critical to our and Master Franchisor's ability to administer and change the System, and you agree to comply with any such required change within a reasonable time period designated by us.

13.5 **Hours of Operation**

You must keep your Franchised Business open for the minimum hours and minimum days of operation as specified in the Franchise Operations Manual, which may change over the Term. Your Franchised Business must be open every day of the year, other than those approved national holidays listed in the Franchise Operations Manual, unless otherwise agreed to by us. We may require you to establish specific hours of operation and submit those hours to us for approval.

13.6 **Customer Issues**

You acknowledge the importance to the System and uniform standards of quality, service and customer satisfaction, and recognize the necessity of opening and operating a Franchised Business in conformity with the System. You agree to manage the Franchised Business in an ethical and honorable manner and ensure that all those working at the Franchised Business provide courteous and professional service to customers. If you receive a customer complaint, you must promptly follow the complaint resolution process we specify to protect the goodwill associated with the Marks. Also, if we are contacted by a customer of your Franchised Business who wishes to lodge a complaint, we reserve the right to address the customer's complaint to preserve goodwill and prevent damage to the Marks. Our right to address complaints may include refunding money to a dissatisfied customer, in which case you must reimburse us for these amounts including the value of any gift card, refund or other value we provide to the customer as part of addressing the issue.

We may contact any customer of your Franchised Business at any time for any purpose. We, or our authorized representative, shall have the right, during regular business hours, or at such other times as may be mutually agreed upon by you and us, to inspect all client lists and documents and records related to the Franchised Business. Upon reasonable request, you must furnish to us in whatever format we require, all client information and records for the Franchised Business, both active and inactive, which shall include, but not be limited to, names, addresses, and telephone numbers of such clients ("Customer List"). You acknowledge and agree that we are the sole owner of the Customer List and that you shall not use the Customer List for any purpose other than for the operation of the Franchised Business or distribute, in any form or manner, the Customer List to any third party without our prior written consent.

13.7 **Standards Compliance**

You acknowledge the importance of every standard and operating procedures to the reputation and integrity of the System and the goodwill associated with the Marks.

13.8 **Payment Vendors and Data Security**

You agree to maintain, at all times, credit card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial center services, payment providers, merchant service providers, loyalty and gift cards, and electronic fund transfer systems (together, "Payment Vendors") that we may periodically designate as mandatory. The term "Payment Vendors" includes, among other things, companies that provide services for electronic payment. You agree not to use any Payment Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval. We may modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider. You agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC, or any successor organization or standards we may reasonably specify. You agree to implement the enhancements, security requirements and other standards that PCI Security Standards Council, LLC (or its successor) requires of a merchant that accepts payment by credit and/or debit cards or electronic payments.

13.9 **Gift Cards and Loyalty Programs**

You agree to participate in our gift card and loyalty programs, if any, and agree to make gift cards and loyalty programs available for purchase and redemption at your Franchised Business subject to the policies and procedures in the Franchise Operations Manual.

13.10 **Privacy**

You agree to comply with all applicable international, federal, state and local laws pertaining to the privacy of customer, employee and transactional information ("Privacy Laws"). You agree to research and proactively ensure that your Franchised Business is in compliance with Privacy Laws, which may vary depending on the location of your Franchised Business. You also agree to comply with our standards and policies pertaining to Privacy Laws. You agree to inform us of any conflict between our standards and policies and any local or state Privacy Laws that govern your Franchised Business ensure that your conduct complies with all those local or state Privacy Laws.

13.11 **Remodeling**

You agree to remodel and make all improvements and alterations to your Franchised Business we or Master Franchisor reasonably require from time to time to reflect our then-current image, appearance and Premises specifications. There is no limitation on the cost of any remodeling that we or Master Franchisor may require. You will not cause or allow any furnishings, fixtures, equipment, signs, décor, ATM machines, vending machines, video games, juke boxes, public telephone, or other type of vending machines to be installed on the Premises without our prior approval. However, we will not be required to approve any proposed remodeling or alteration that would conform to our then-current standards, specifications or image requirements. You agree to complete any remodel of the Premises within nine months after receiving our written request specifying the requirements.

13.12 **Mystery Shopper**

At any time, we reserve the right to engage the services of one or more mystery shoppers or quality assurance inspection firms who will inspect your Franchised Business for quality control purposes. These inspections may address a variety of issues, including, but not limited to, customer service, food safety, sanitation, and inventory rotation. You agree to fully cooperate with any such inspection.

13.13 **Premises Maintenance**

You agree to maintain your Premises in good order and condition, reasonable wear and tear excepted, and make all necessary repairs, including replacements, renewals and alterations at your sole expense, to comply with our standards and specifications. Without limiting these obligations, you agree to take the following actions at your sole expense: (i) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at the intervals we may prescribe (or at such earlier times that such actions are required or advisable); and (ii) interior and exterior repair of the Premises as needed. You agree to comply with any maintenance, cleaning or facility upkeep schedule we prescribe from time to time.

13.14 **Delivery and Catering Services**

You must follow our delivery and catering policies and procedures in our Franchise Operations Manual, which may require you to provide Delivery Services and/or utilize certain third-party delivery services approved by us. You may be limited to offering Delivery Services in a non-exclusive geographic area (the "Delivery Area"). You acknowledge that the Delivery Area may not be consistent in any way with the geographic limits of the Territory. We may expand, contract or eliminate any Delivery Area provided to you. We may require you to discontinue Delivery Services at any time in our sole discretion. Your failure to abide by the policies and procedures established from time to time by us in regard to Delivery Services shall be a default under this Franchise Agreement. Without limiting our rights in the event of such a default, we shall be permitted, to maintain acceptable guest experience levels consistent with our then-current System standards, to temporarily or permanently suspend you from providing Delivery Services. We may permit other franchisees or third parties to provide Delivery Services in your Territory or Delivery Area without compensating you for such services. You may be required to use the third-party delivery service(s) with which we have a national contract or other agreement, and you may be restricted from contracting with any other delivery providers or platform without our written approval. Our delivery and catering policies and procedures in our Franchise Operations Manual shall be subject to change at any time. You must execute all documents required by us relating to your participation in Delivery Services. You shall be responsible for all fees and charges levied by us or our affiliates or any designated third-party supplier for the Franchisee's participation in the Delivery Services.

14. TECHNOLOGY

14.1 **Technology**

You must utilize the technology, including software, computer hardware and components, point of sale system, cash register(s), communication equipment, and other related accessories or peripheral equipment (collectively, "Technology") that we or Master Franchisor requires. We or Master Franchisor may change the Technology you must use for your Franchised Business at any time. You will utilize the Technology with the Franchised Business under our policies and procedures in the Franchise Operations Manual. You must pay the Technology Fee for the use of certain technologies used in the operation of your Franchised Business. For other required Technology, you agree at your expense to use any approved supplier we or Master Franchisor require. We or Master Franchisor may change or add approved suppliers of this Technology at any time, in our sole discretion. You will, at your expense, purchase and maintain any required communication services, Internet services (including the requirement to maintain a high-speed Internet connection), dedicated telephone and power lines. You acknowledge and agree that changes to Technology are dynamic and not predictable within the Term of this Franchise Agreement. To provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we or Master Franchisor may establish, in writing, reasonable new standards for implementing Technology in the System and you agree to comply with those reasonable new standards we establish as if we periodically revised this Section for that purpose. You will keep the Technology in good maintenance and repair, and you will promptly install, at your expense, any additions, changes, modifications or substitutions to Technology, as we may specify periodically. There is no limitation on the frequency and cost of your obligation to maintain, update or upgrade your Technology or its components. You acknowledge that you are solely responsible for protecting your Franchised Business from computer viruses, bugs, failures, data breaches and attacks by hackers and other unauthorized intruders in the Technology.

14.2 Proprietary Software

We or Master Franchisor may also develop proprietary software or technology that must be used by HOCCO The Indian Kitchen franchisees. If this occurs, you agree to enter into a license agreement with us (or an affiliate of ours) or Master Franchisor and pay us (or our affiliate) or Master Franchisor commercially reasonable licensing, support and maintenance fees. The license agreement will govern the terms under which you may utilize this software or technology. We also reserve the right to enter into a master software or technology license agreement with a third party licensor and then sublicense the software or technology to you, in which case we may charge you for all amounts we must pay to the licensor based on your use of the software or technology.

14.3 Our Access

You will provide any assistance we require to connect to the Technology. We will have the right at any time to retrieve data and other information from your Technology as we, in our sole discretion, deem necessary or desirable. You shall ensure that we have access at all times to any Technology we request, at your cost. You must provide us with any and all requested codes, passwords and information necessary to access your Technology. You must receive our prior approval before changing such codes, passwords and other necessary information.

15. TRANSFER BY US

This Franchise Agreement is fully assignable by us (without prior notice to you) and shall inure to the benefit of any assignee(s) or other legal successor(s) to our interest in this Franchise Agreement and we shall only remain responsible and liable for the performance of our obligations under this Franchise Agreement up to the effective date of the assignment. You agree to accept and continue the performance of this Franchise Agreement with any assignee(s) or other legal successor(s) to our interest and recognize and agree that the assignee(s) or other legal successor(s) shall be entitled to all rights and benefits as if it were the original franchisor under this Franchise Agreement. We may also delegate some or all of our obligations under this Franchise Agreement to one or more designees without assigning this Franchise Agreement.

We and Master Franchisor may change our ownership or form and/or assign this Franchise Agreement and any other agreement to a third party without restriction. After our assignment of this Franchise Agreement to a third party who expressly assumes the obligations under this Franchise Agreement, we no longer will have any performance or other obligations under this Franchise Agreement.

16. TRANSFER BY YOU

16.1 Approval

For purposes of this Franchise Agreement, "Transfer" means any direct or indirect, voluntary or involuntary (including by judicial award, order or decree) assignment, sale, conveyance, subdivision, sublicense or other transfer or disposition of the Franchise Agreement, the Franchised Business (or any portion thereof), or a direct or indirect ownership interest in an Entity that is the franchisee (or any interest therein), including by merger or consolidation, by issuance of additional securities representing an ownership interest in the Entity that is the franchisee, or by operation of law, will or a trust upon the death of an Owner (including the laws of intestate succession).

Neither you nor any Owner may engage in any Transfer without our prior written approval. Any Transfer without our approval shall be void and constitute a breach of this Franchise Agreement. Our consent to a Transfer shall not constitute a waiver of any claims we may have against you or the Owners, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of the Franchise Agreement by the transferee.

16.2 Our Right of First Refusal

If you or an Owner desires to engage in a Transfer, you or the Owner, as applicable, must obtain a bona fide, signed written offer from the fully disclosed purchaser and submit an exact copy of the offer to us. We will have 30 days after receipt of the offer to decide whether we will purchase the Franchised Business (our "Right of First Refusal"). If we notify you that we intend to purchase the Franchised Business within such 30-day period, you or the Owner, as applicable, must sell the Franchised Business to us on the same terms as contained in the offer you received; provided that we may substitute cash for any non-cash form of payment proposed in the offer.

We will have at least an additional 30 days to conduct a due diligence review and to prepare for closing. You agree to provide us with all information and records we request about the Franchised Business, and we will have the absolute right to terminate the obligation to purchase the Franchised Business for any reason during the due diligence period. You and we will act in good faith to agree on the terms and conditions of the written offer, and closing will take place on the 61st day following receipt of your offer. We will be entitled to receive from you or the Owner, as applicable, all customary representations and warranties given by you as the seller of the assets or the Owner as the seller of the ownership interest or, at our election, the representations and warranties contained in the offer. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to and on the terms of the offer, subject to the requirements of this Section (including our approval of the transferee). However, if the sale to the purchaser is not completed within 120 days after delivery of the offer to us, or there is a material change in the terms of the sale, we will again have the Right of First Refusal specified in this Section. If, after submitting the bona-fide, signed written offer, there is any change in the sale terms from the offer that you submitted to us in accordance with this Section then you acknowledge and agree that our Right of First Refusal will restart and you must submit us the new written offer and you further agree that cannot complete the Transfer until you have done so.

Our Right of First Refusal is fully transferable by us to any affiliate or third party.

16.3 Transfer Conditions

We will not unreasonably withhold our approval of any proposed Transfer; provided that the following conditions are all satisfied ("Transfer Conditions"):

16.3.1 Written Notice. You have provided us with written notice of the proposed Transfer at least 45 days before the transaction. You must also submit a copy of the proposed purchase agreement together with all supporting documents and schedules between you and the proposed transferee to us for our review to ensure that the Transfer does not violate any term of this Franchise Agreement.

16.3.2 Qualified Transferee. The proposed transferee is, in our opinion, an individual of good moral character with sufficient business experience, aptitude and financial resources to own and operate a Franchised Business and otherwise meets all of our then-applicable standards for franchisees and the purchase price and terms of the proposed transfer must not be so burdensome to the prospective transferee as to impair or threaten the future operation of the Franchised Business.

16.3.3 Monetary Obligations. All of your monetary obligations to us and our affiliates have been paid in full and you and the Owners are in full compliance with the terms of this Franchise Agreement and all other agreements with us or our affiliate(s) and have cured all existing defaults of this Franchise Agreement.

16.3.4 Training. The transferee has (or if the transferee is an Entity, its approved Responsible Owner and any Franchise Manager have) successfully completed, or made arrangements to attend, the initial training program (and the transferee has paid us the training fee for each new person who must attend training).

16.3.5 Licenses and Permits. The transferee and its owners, to the extent necessary, have obtained all licenses and permits required by applicable law to own and operate the Franchised Business.

16.3.6 New Franchise Agreement. You must request that the transferee be provided with our then-current form of franchise disclosure document. You agree that we will not be liable for any representations that you or your Owners make that are inconsistent with such franchise disclosure document. The transferee and its owners sign our then-current form of franchise agreement and related documents, including, but not limited to, our then-current form of Franchise Owner Agreement or other guaranty (unless we, in our sole discretion, instruct you to assign this Franchise Agreement to the transferee), except that: (i) the Term and successor term(s) shall be the Term and successor term(s) remaining under this Franchise Agreement; and (ii) the transferee does not need to pay a separate initial franchise fee.

16.3.7 Transfer Fee. You pay us a transfer fee of $10,000 ("Transfer Fee"). You will pay the Transfer Fee to us as follows: (i) $1,000 non-refundable deposit at the time of your transfer application request; and (ii) the remaining balance shall be due at or before the time you consummate the approved Transfer.

16.3.8 General Release. You and each of your Owners sign a general release in the form we prescribe for all known and unknown claims against us, our affiliates and subsidiaries, and our and their respective members, officers, directors, agents and employees, arising before or contemporaneously with the Transfer. If the proposed transferee has any previous relationship with us or our affiliates, then the proposed transferee must also execute a general release.

16.3.9 Right of First Refusal. We do not elect to exercise our Right of First Refusal.

16.3.10 Subordination. We may, in our sole discretion, require you to enter into an agreement with us to subordinate the transferee's obligations to you to the transferee's financial obligations owed to us under the Franchise Agreement.

16.3.11 Broker Costs. You must pay any broker costs, commissions or other placement fees we incur as a result of the Transfer.

16.3.12 Premises. Your landlord consents to your assignment of the lease for the Premises to the transferee, or the transferee is diligently pursuing an approved substitute location within the Territory.

16.3.13 Remodel. You must remodel your Premises to comply with our then-current standards and specifications, or you obtain a written commitment from the transferee to do so.

16.3.14 Other Conditions. You and each of your Owners agree to comply with all obligations that survive the termination, expiration or Transfer of this Franchise Agreement. The transfer must be made in compliance with any laws that apply to the transfer including all laws governing the offer and sale of franchises. You or the transferring Owner, as applicable, and the transferee have satisfied any other conditions we reasonably require as a condition to our approval of the Transfer.

16.4 Transfer to an Entity

If you entered into this Franchise Agreement as one or more individual(s), you may transfer your ownership interests to an Entity provided that: (i) the Owner or Owners of the Entity are the same persons who signed this Franchise Agreement and (ii) you comply with the Transfer Conditions. Our Right of First Refusal will not apply for a Transfer conducted under this Section and you must reimburse us for all of our fees and costs, including attorney fees (in lieu of the Transfer Fee), associated with your Transfer to the Entity. In lieu of entering into a new Franchise Agreement, you will be required to enter into any required documentation, which may include an approval of transfer agreement, a general release of claims and a Franchise Owner Agreement in the forms we prescribe.

16.5 Death or Disability

Upon the death or disability of you (if you are an individual) or of an Owner (if you are an Entity), your interest in the Franchised Business or the Owner's ownership interest in you, as applicable, must be assigned to a third party or another Owner approved by us within 180 days of such person's death or disability, as the case may be. For purposes of this Section, a person is deemed to have a disability only if the person has a medical or mental illness, problem or incapacity that would prevent the person from substantially complying with his or her obligations under this Franchise Agreement or otherwise operating the Franchised Business in the manner required by this Franchise Agreement and the Franchise Operations Manual for a continuous period of at least 90 consecutive calendar days, and from which condition recovery within 90 days from the date of determination of disability is unlikely. If the parties disagree as to whether a person is disabled, the existence of disability will be determined by a licensed practicing physician selected by us, upon examination of the person; or if the person refuses to submit to an examination, then (for the purpose of this Section) the person automatically will be considered disabled as of the date of refusal. Your (or the deceased Owner's) estate or legal representative must apply to us for the right to Transfer to the next of kin within 120 calendar days after your or your Owner's death or disability. We may appoint an Interim Manager and charge you the Management Fee if the death or disability of you or any Owner has any impact on the Franchised Business.

17. INTELLECTUAL PROPERTY

17.1 Ownership and Use of Intellectual Property

For purposes of this Franchise Agreement, "Intellectual Property" means the Marks, copyrighted materials, "Confidential Information" (defined below), the System and "Improvements" (defined below). You acknowledge that: (i) Master Franchisor, or its affiliates, are the sole and exclusive owner of the HOCCO The Indian Kitchen Intellectual Property and the goodwill associated with the Marks; (ii) your right to use the Intellectual Property is derived solely from this Franchise Agreement and Master Franchise Agreement; and (iii) your right to use the Intellectual Property is limited to a license granted by us to operate your Franchised Business during the Term pursuant to, and only in compliance with, this Franchise Agreement, the Franchise Operations Manual, and all applicable standards, specifications and operating procedures we or Master Franchisor prescribe from time to time. You may not use any of the Intellectual Property in connection with the sale of any unauthorized product or service, or in any other manner not expressly authorized by us. Any unauthorized use of the Intellectual Property constitutes an infringement of Master Franchisor's rights. You agree to comply with all provisions of the Franchise Operations Manual governing your use of the Intellectual Property. This Franchise Agreement does not confer to you any goodwill, title or interest in any of the Intellectual Property. You agree that during the Term of this Franchise Agreement and after its termination, expiration or Transfer you will not, directly or indirectly, contest Master Franchisor's interest in the Intellectual Property.

For purposes of this Franchise Agreement, "Confidential Information" means all of our and/or Master Franchisor's trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a Franchised Business, including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information comprising the System, the Franchise Operations Manual, written directives and all drawings, equipment, computer and point of sale programs (and output from such programs), and any other information, know-how, techniques, material and data imparted or made available by Master Franchisor to us, and by us to you.

For purposes of this Franchise Agreement, "Improvements" means any improvements or additions to the System, marketing, method of operation, or the products or services offered by a Franchised Business.

17.2 **Changes to Intellectual Property**

Master Franchisor may modify the Intellectual Property at any time in its sole and absolute discretion, including by changing the Marks, the System, copyrights or the Confidential Information. If Master Franchisor modifies or discontinue use of any of the Intellectual Property, then you must comply with any such instructions from us within 30 days, at your expense. We and Master Franchisor will not be liable to you for any expenses, losses or damages you incur (including the loss of any goodwill associated with a Mark) because of any addition, modification, substitution or discontinuation of the Intellectual Property.

17.3 **Use of Marks**

You agree to use the Marks as the sole identification of your Franchised Business; provided, however, you must identify yourself as the independent owner of your Franchised Business in the manner we prescribe. You may not use any Marks in any modified form or as part of any corporate name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you by this Franchise Agreement). You agree to: (i) prominently display the Marks on or in connection with any media advertising, promotional materials, posters and displays, receipts, stationery and forms that we designate, and in the manner we prescribe to give notice of trade and service mark registrations and copyrights; and (ii) obtain any fictitious or assumed name registrations required under applicable law. You may not use the Marks in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation or in any manner that is likely to confuse or result in liability to us for any indebtedness or obligation of yours. You agree that any use of the Marks by you and your Franchised Business shall contribute and inure to our and Master Franchisor's benefit.

Upon our request, you agree to display in a conspicuous location in your Premises, a sign containing a notice stating that your Franchised Business is owned and operated independently by you.

17.4 **Use of Confidential Information**

You acknowledge that you will use the Confidential Information only in operating the Franchised Business, and you will not disclose Confidential Information to others, except as expressly authorized by this Franchise Agreement. You will take all actions to preserve the confidentiality of all Confidential Information, including safeguarding access to the Franchise Operations Manual. You will not copy or permit copying of Confidential Information. Your obligations under this Section begin when you sign this

Franchise Agreement and continue for trade secrets as long as they remain secret, and, for other Confidential Information, for as long as we and Master Franchisor continue to use the information in confidence (even if edited or revised) plus an additional three years afterwards. We will respond promptly and in good faith to any inquiry by you about continued protection of any Confidential Information.

All data you collect, create, provide or otherwise develop (including, but not limited to, customer information and customer lists) is (and will be) owned exclusively by us and/or Master Franchisor, and we and Master Franchisor will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies and/or originals of such data must be provided to us upon our request. We license use of such data back to you, at no additional cost, solely for the Term of this Franchise Agreement and solely for your use in connection with the Franchised Business. You agree to provide us with the information we reasonably require regarding data and cybersecurity requirements. You agree to indemnify us and Master Franchisor for any loss of data, including, but not limited to, customer information resulting from a breach of such data caused, in whole or in part, by you.

The restrictions on the disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; or (iii) made in cases of suit for retaliation based on the reporting of a suspected violation of law, disclosure of Confidential Information to an attorney, and for use of the Confidential Information in such court proceeding, so long as any document containing the Confidential Information is filed under seal and Confidential Information is not otherwise disclosed pursuant to a court order.

We and Master Franchisor do not make any representation or warranty that your use of the System and Confidential Information will not infringe on the patent, copyright or other proprietary rights of third parties. You agree that we and Master Franchisor will have no liability to you if the System and/or any Confidential Information is held not to be secret or confidential or in the event that any infringement of others' proprietary rights occurs because of your use of the System and Confidential Information.

17.5 **Improvements**

If you conceive of or develop any Improvements, you agree to promptly and fully disclose the Improvements to us without disclosing the Improvements to others. You must obtain our approval before using any such Improvements. Any Improvement we approve may be used by us, Master Franchisor, and any third parties we authorize to operate a Franchised Business, without any obligation to pay you royalties or other fees. You must assign to us or our designee, without charge, all rights to any such Improvement, including the right to grant sublicenses. In return, we will authorize you to use any Improvements we or other franchisees develop that we authorize for general use with the operation of a Franchised Business. These obligations shall survive the termination, expiration or Transfer of this Franchise Agreement.

17.6 **Notification of Intellectual Property Issues**

You must notify us and Master Franchisor as soon as possible, but no later than three business days of any: (i) apparent infringement of any of the Intellectual Property; (ii) challenge to your use of any of the Intellectual Property; or (iii) claim by any person of any rights in any of the Intellectual Property. You may not communicate with any person other than Master Franchisor, us and our and their counsel in connection with any such infringement, challenge or claim. We and Master Franchisor will have sole discretion to take such action as we deem appropriate. We and Master Franchisor have the right to exclusively control any litigation, Patent and Trademark Office proceeding, or other proceeding arising out of any such infringement, challenge or claim. You agree to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of our counsel, be necessary or advisable to protect and maintain our interest in any such litigation, Patent and Trademark Office proceeding, or other proceeding, or to otherwise protect and maintain our interest in the Intellectual Property.

18. BRAND COVENANTS

18.1 Reason for Covenants

The covenants in this Section 18 shall be referred to as the "Brand Covenants."

You acknowledge that the System licensed to us is distinctive and has been developed by Master Franchisor and/or its affiliates at great effort, time and expense, and that the Intellectual Property and the training and assistance we provide would not be acquired except through implementation of this Franchise Agreement. You also acknowledge that competition by you, the Owners, or persons associated with you or the Owners (including family members) could jeopardize the entire System because you and the Owners have received an advantage through knowledge of our and Master Franchisor's day-to-day operations and Confidential Information related to the System. Accordingly, you and the Owners agree to comply with the covenants described in this Section to protect the Intellectual Property and our System.

18.2 Unfair Competition During the Term

For purposes of this Franchise Agreement, "Competitive Business" means any business that: (i) sells or offers to sell products the same as or similar to the type of products sold by the Franchised Business; or (ii) provides or offers to provide services the same as or similar to the type of services sold by the Franchised Business, but excludes a Franchised Business operating under a franchise agreement with us or Master Franchisor. A Competitive Business shall not include ownership of up to five percent (5%) of any publicly-held company or mutual fund that owns, operates, has an interest in, or controls any business that otherwise would meet the definition of a Competitive Business.

You agree not to compete with us or Master Franchisor during the Term by engaging in any of the following activities ("Prohibited Activities"): (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in any Competitive Business; (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); or (iii) inducing any customer of ours (or of one of our affiliates' or franchisees') to transfer their business to you or to any other person that is not then a franchisee of ours.

18.3 Unfair Competition After the Term

For purposes of this Section, the "Restricted Period" means a period of two years after the termination, expiration or Transfer of this Franchise Agreement. For purposes of this Section, the "Restricted Territory" means the geographic area within: (i) a 10-mile radius of the Premises; and (ii) a 10-mile radius from all other HOCCO The Indian Kitchen businesses that are operating or under development as of the date of the termination, expiration or Transfer of this Franchise Agreement.

During the Restricted Period, you agree that you will not engage in any Prohibited Activities within the Restricted Territory and that you will cause each of your Owners to not engage in any Prohibited Activities within the Restricted Territory. If you or any Owner engages in a Prohibited Activity within the Restricted Territory during the Restricted Period, then the Restricted Period applicable to you (and applicable to each non-compliant Owner under the Franchise Owner Agreement) will be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity.

18.4 Employees and Others

Any Franchise Manager and, if you are an Entity, any officer that does not own equity in you must sign our current System Protection Agreement. You must ensure that all of your employees, officers, directors, partners, members, independent contractors, and other persons associated with you or your Franchised Business who may have access to our Confidential Information, and who are not required to sign a System Protection Agreement, sign the Confidentiality Agreement before having access to our Confidential Information. You must use your best efforts to ensure these individuals comply with the terms of the Confidentiality Agreements and System Protection Agreements, and you must immediately notify us of any breach that comes to your attention. You agree to reimburse us for all expenses we incur in enforcing a Confidentiality Agreement or System Protection Agreement, including reasonable attorney fees and court costs.

18.5 Covenants Reasonable

The parties agree that the Brand Covenants will be construed as independent of any other covenant or provision of this Franchise Agreement. It is the parties' intent that the provisions of this Section be judicially enforced to the fullest extent permissible under applicable law. If all or any portion of any Brand Covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, you agree to be bound by any lesser covenant subsumed within the terms of such Brand Covenant that imposes the maximum duty permitted by law, as if the resulting Brand Covenant were separately stated in and made a part of this Section. Accordingly, the parties agree that any reduction in scope or modification of any part of the non-competition provisions contained herein shall not render any other part unenforceable. You acknowledge and agree that: (i) the terms of this Franchise Agreement are reasonable both in time and in scope of geographic area; (ii) our use and enforcement of covenants similar to those described above with respect to other HOCCO The Indian Kitchen franchisees benefits you and the Owners because it prevents others from unfairly competing with your Franchised Business; and (iii) you and the Owners have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Franchise Agreement. You hereby waive any right to challenge the terms of the Brand Covenants as being overly broad, unreasonable or otherwise unenforceable.

We have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any Brand Covenant without your consent (before or after any dispute arises), effective when we give you written notice of this reduction and you agree to comply with any covenant as so modified.

18.6 Breach of Covenants

You agree that failure to comply with the terms of Brand Covenants will cause substantial and irreparable damage to us and/or other HOCCO The Indian Kitchen franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Section 18 will entitle us to injunctive relief. We may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). Notwithstanding the foregoing, if a court requires the filing of a bond, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us, at law or in equity, under this Franchise Agreement are mutually exclusive, and may be combined with others, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense or cause of action you or an Owner may have against us, regardless of cause or origin, cannot be used as a defense against our enforcement of the Brand Covenants.

19. INSURANCE

Before your Franchised Business first opens for business, you will obtain insurance in the types and amounts specified in this Section. You will maintain all required insurance in force during the Term of this Franchise Agreement, and you will obtain and maintain any additional or substituted insurance coverage, limits and amounts as we may periodically require. Your compliance with these insurance provisions does not relieve you of any liability under any indemnity provisions of this Franchise Agreement.

We currently require you to maintain the following insurance coverages: (1) comprehensive general liability coverage, including products liability coverage, liquor liability and liability coverage of hired, owned and non-owned automobiles, under one or more policies of insurance containing minimum liability coverage of $1,000,000 per occurrence, $2,000,000 aggregate, and umbrella coverage of an additional $2,000,000 per occurrence; (2) business personal property insurance, including business interruption for a period adequate to re-establish normal business operations; (3) workers' compensation and employer's liability insurance as well as any other insurance that may be required by statute or rule in the state in which your Franchised Business is located; (4) employment practices liability of $250,000; and (5) any other insurance that we may require in the future or that may be required according to the terms of your lease.

Our insurance requirements are subject to change during the Term of this Franchise Agreement, and you agree to comply with each such change. You agree to provide us a copy of your Certificate of Insurance or other proof of coverage before opening, within ten days of any renewal of a policy, and at any other time on demand. You agree to obtain these insurance policies from insurance carriers rated "A" or better by A.M. Best & Company, Inc. and that are licensed and admitted in the state in which you operate your Franchised Business. All insurance policies (except for employment liability insurance policies) must be endorsed to: (i) name us, Master Franchisor, any affiliate we or they require, and our and their members, officers, directors and employees as additional insureds ("Additional Insureds"); (ii) contain a waiver by the insurance carrier of all subrogation rights against us; and (iii) provide that we receive 30-days' prior written notice of the termination, expiration, cancellation or modification of the policy. If any of your policies fail to meet these criteria, then we may disapprove the policy and you must immediately find additional coverage with an alternative carrier satisfactory to us. Upon ten days' notice to you, we may increase the minimum protection requirement as of the renewal date of any policy and require different or additional types of insurance at any time, including excess liability (umbrella) insurance, to reflect inflation, identification of special risks, changes in law or standards or liability, higher damage awards, or other relevant changes in circumstances.

If you fail to maintain any required insurance coverage, we have the right to obtain the coverage on your behalf (which right shall be at our option and in addition to our other rights and remedies in this Franchise Agreement), and you must promptly sign all applications and other forms and instruments required to obtain the insurance and pay to us, within ten days after invoicing, all costs and premiums we incur, plus a twenty percent (20%) administrative surcharge.

20. REPORTING REQUIREMENTS

20.1 Books and Records

You agree to record all transactions and Gross Sales of your Franchised Business in the manner we specify. You agree to prepare and maintain for at least seven years after their preparation, complete and accurate books, records, accounts and tax returns pertaining to your Franchised Business including a list of all customers that your Franchised Business does business with and all contracts that your Franchised Business enters into. You must send us and/or Master Franchisor copies of your books, records, customer data and contracts within five days of our or their request. This obligation survives the expiration, termination or Transfer of this Franchise Agreement.

20.2 Reports

You will prepare and submit other reports and information about your operations as we may request in writing or as required by the Franchise Operations Manual. You will submit all required reports in the formats and by the due dates specified in the Franchise Operations Manual. We may modify the deadline days and times for submission of all reports. If you do not submit any report by the due date, we will debit your Franchise Account a late fee of $100 per occurrence and $100 per week until you submit the required report. We may require, in our sole discretion, that certain reports be certified as accurate and complete by you, your owners or your chief financial officer, and that they be submitted in certain methods or formats. If requested by us, your profit and loss statements and balance sheets must be certified by a certified public accountant at your expense. You must also make your certified public accountant available and cover the cost for him or her to consult with us concerning these statements and balance sheets.

20.3 Financial and Tax Statements

You will deliver a balance sheet, profit and loss statement, statement of cash flows and explanatory footnotes prepared under generally accepted accounting principles applied on a consistent basis ("Financial Statements") to us within the time period required by the Franchise Operations Manual. You must also prepare annual Financial Statements within 30 days of the end of your fiscal year. All Financial Statements must be in the form specified by us and must conform to our standard chart of accounts as prescribed by us. We and Master Franchisor have the right to use such Financial Statements in the franchise disclosure document to make financial performance representations and to share these reports on a system-wide intranet or other similar means.

You must also provide us with complete signed copies of all state sales tax returns and state and federal income tax returns covering the operation of the Franchised Business within 30 days of filing. If you do not submit the Financial Statements or tax returns to us by the deadline, you will be required to pay a late fee of $100 per occurrence and $100 per week until you submit required Financial Statements or tax returns.

20.4 Legal Compliance

You must secure and maintain in force all required licenses, permits and regulatory approvals for the operation of your Franchised Business, and operate and manage your Franchised Business in full compliance with all applicable laws, ordinances, rules and regulations. You are solely responsible for complying with all federal, state and local tax laws, agree to timely pay all applicable federal, state and local taxes, and timely file all returns, notices and other forms required to comply with all federal, state and local tax laws in connection with the operation of the Franchised Business. It is your responsibility to make sure that you comply with all laws that are applicable to the Technology.

You must notify us in writing within three business days of the beginning of any action, suit, investigation or proceeding, or of the issuance of any order, writ, injunction, disciplinary action, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation of your Franchised Business or your financial condition. You must immediately deliver to us a copy of any inspection report, warning, certificate or rating by any governmental agency involving any health or safety law, rule or regulation that reflects a claim you have failed to fully comply with the law, rule or regulation.

You agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you certify, represent and warrant that none of your property or interests is subject to being blocked under, and that you and the owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, rules, regulations, policies, lists and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or the Owners, or any blocking of your or the Owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Franchise Agreement.

21. INSPECTION AND AUDIT

21.1 **Inspections**

To ensure compliance with this Franchise Agreement, we and Master Franchisor and our and their our representatives will have the right to enter your Premises, evaluate your Franchised Business operations, and inspect or examine your books, records, accounts and tax returns. We may also interview personnel and customers of the Franchised Business. Our evaluation may include observing or participating during business hours. We may conduct our evaluation at any time and without prior notice. During the course of inspections, representatives will use reasonable efforts to minimize our interference with the operation of your Franchised Business, and you, your employees and independent contractors will cooperate and not interfere with our inspection. You consent to us and Master Franchisor accessing your Technology and retrieving any information we deem appropriate in conducting the inspection.

If any such inspection indicates any deficiency or unsatisfactory condition, including quality, cleanliness, service, health and authorized product line, we will notify you in writing of your noncompliance with the System, Franchise Operations Manual, or this Franchise Agreement and you shall promptly correct or repair such deficiency or unsatisfactory condition. In addition, if you fail any food safety inspection, cleanliness inspection or other inspection or audit that we or our designee, any applicable restaurant association or any public health and safety agency conducts, you will be required to undergo an additional inspection or audit at your sole expense. You agree to reimburse us or the third-party auditor directly upon invoicing. We may require you to take, and you agree to take, immediate corrective action, which action may include temporarily closing the Franchised Business.

21.2 **Audit**

We and Master Franchisor have the right, at any time, to have an independent audit made of the books and financial records of your Franchised Business. You agree to fully cooperate with Master Franchisor and us and any third parties we hire to conduct the audit. Any audit will be performed at our cost and expense. However, you agree to reimburse us for the cost of the audit and inspection, including reasonable accounting, legal, travel and lodging expenses if the audit: (i) is necessitated by your failure to provide the information requested or to preserve records, or file reports as required by this Franchise Agreement; or (ii) reveals an understatement of any amount due to us by at least two percent (2%) in any week, in which case you must also pay any amount owed to us, including any related expenses and Late Fees. The audit cost reimbursements will be due ten days after invoicing. Accepting reimbursements for our audit costs does not waive our right to terminate this Franchise Agreement.

22. INDEMNITY

22.1 **Your Indemnification of Us and Master Franchisor**

Independent of your obligation to procure and maintain insurance, you and your Owners will indemnify, defend and hold us and our affiliates, Master Franchisor, the respective officers, directors, managers, partners, shareholders, members, employees, agents and contractors of these entities, and the successors, assigns, personal representatives, heirs and legatees of all of these persons or entities (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by law, from and against all expenses, losses, payments or obligations to make payments either (i) to or for third party claimants by any and all Indemnified Parties, including refunds, or (ii) incurred by any and all Indemnified Parties to investigate, take action, respond to or defend a matter, including investigation and trial charges, costs and expenses, fees, fees paid to professionals, attorney fees, experts' fees, court costs, settlement amounts, judgments and costs of collection (collectively, "Losses and Expenses"), incurred by any Indemnified Parties for any investigation, claim, action, suit, demand, administrative or alternative dispute resolution proceeding, actually or allegedly, directly or indirectly, relating to, arising out of, or resulting from or in connection with: any transaction, occurrence, product or service involving the Franchised Business or this Franchise Agreement; your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including but not limited to any allegation, claim, finding, or ruling that we are an employer or joint employer of your employees; your marketing, selling, or providing of items and services; and any breach of violation of any agreement (including this Franchise Agreement), or any law, regulation or ruling, by any act, error or omission (active or passive) of you, any party associated with you, or any of your or your affiliates' owners, officers, directors, managers, employees, owners and agents, including when any of the Indemnified Parties is alleged or proven to be negligent.

You agree to give us and Master Franchisor notice of any action, suit, proceeding, claim, demand, inquiry or investigation described above. The Indemnified Parties shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into an agreement to settle such claim. You may participate in such defense at your own expense. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such claim, including court costs and reasonable attorney fees, within ten days of the date of each invoice delivered by such Indemnified Party to you enumerating such costs, expenses and attorney fees.

22.2 **Our Indemnification of You**

Provided that you are not in default under this Franchise Agreement or any other agreement with us, we will indemnify you and hold you harmless for, from and against any and all costs and expenses incurred by you as a result of or in connection with any claim asserted against you based upon the violation of any third party's intellectual property rights caused by your use of our Marks in strict compliance with the terms of this Franchise Agreement and Franchise Operations Manual. You must promptly notify us of any such claim and fully cooperate with us in the defense of such claim.

23. TERMINATION BY YOU

You may terminate this Franchise Agreement if you are in full compliance and we breach this Franchise Agreement and fail to cure the breach within 60 days after you send us a written notice specifying the nature of the breach. You may also terminate this Franchise Agreement if you and we mutually agree, in our sole discretion, which may be withheld, in writing to terminate this Franchise Agreement. In such an event, you and we will be deemed to have waived any required notice period. If you terminate this Franchise Agreement, you must still comply with your post-termination obligations described below and all other obligations that survive the expiration or termination of this Franchise Agreement.

24. TERMINATION BY US

The rights to terminate the Franchise Agreement in the Section shall be referred to as our "Termination Rights."

24.1 **Automatic Termination Without Notice**

You shall be in default under this Franchise Agreement, and we may automatically terminate all rights granted to you by this Franchise Agreement without notice if (i) you file or cause to be filed a petition in bankruptcy or you are adjudicated bankrupt or judicially determined to be insolvent (subject to any contrary provisions of any applicable state or federal laws); or (ii) you admit to your inability to meet your financial obligations as they become due, or make a disposition for the benefit of its creditors (unless prohibited by law); or (iii) a receiver or custodian (permanent or temporary) is appointed for any of your assets or property; or (iv) a final judgment in excess of $10,000 against you remains unsatisfied or of record for sixty (60) days or longer (unless a bond is filed or other steps are taken to effectively stay enforcement of such judgment), except that we may provide you with additional time to satisfy the judgment if you demonstrate that you are using commercially reasonable efforts to resolve the issues related to the judgment.

24.2 **Option to Terminate Without Opportunity to Cure**

We may, in our sole discretion, terminate this Franchise Agreement immediately upon written notice to you, without opportunity to cure, upon the occurrence of any of the following events, each of which constitute material events of default under this Franchise Agreement.

24.2.1 Failure to Open. If you fail to open your Franchised Business within the time period required.

24.2.2 Material Misrepresentation. If you or any Owner commits any fraud or makes any material misrepresentation to us, whether occurring before or after the Effective Date.

24.2.3 Violation of Law. If you fail, for a period of 10 days after having received notification of noncompliance from us or any governmental or quasi-governmental agency or authority, to comply with any federal, state or local law or regulation applicable to the operation of the Franchised Business.

24.2.4 Criminal Offense. If you or any of your Owners, officers, directors, or key employees is convicted of or pleads guilty or nolo contendere to a felony or any other crime or offense that is reasonably likely, in our sole opinion, to adversely affect our reputation, the System, or the Marks. If the crime or offense is committed by an Owner other than a Responsible Owner, then we may, in our sole discretion, terminate if such Owner fails to sell its ownership interest in the Entity to any of the other Owners within 30 days after the conviction or guilty plea, whichever first occurs.

24.2.5 Under-Reporting. If an audit or investigation discloses that you have knowingly maintained false books or records, or submitted false reports to us, or knowingly understated its Gross Sales or withheld the reporting of same, or, if, on two or more occasions in any single 24 month period, any audits or other investigations reveals an under-reporting or under-recording error of two percent (2%) or more, or on any single occasion any audit or other investigation reveals an under-reporting or under-recording of five percent (5%) or more.

24.2.6 Intellectual Property Misuse. If you misuse or make any unauthorized use of the Marks or otherwise impair the goodwill of our rights, or you take any action which reflects unfavorably upon the operation and reputation of the Franchised Business, the System, or the HOCCO The Indian Kitchen brand generally. If your employees or independent contractors engage in any of the same actions described above, unless you shall have exercised your best efforts to prevent such disclosures or use.

24.2.7 Health or Safety Violations. If you manage or operate your Franchised Business in a manner that presents a health or safety hazard to your customers, employees or the public.

24.2.8 Abandonment. If you abandon or fail to operate your Franchised Business for three consecutive business days unless you had received our prior written authorization to do so.

24.2.9 Failure to Pay. If you fail to pay any amount owed to us or an affiliate of ours within ten days after receipt of a demand for payment.

24.2.10 Unauthorized Transfer. If you attempt to sell, Transfer, encumber or otherwise dispose of any interest in you, this Franchise Agreement or the Franchised Business in violation of Section 16 of this Franchise Agreement.

24.2.11 Brand Covenants. If you or any of your Owners violates any of the Brand Covenants.

24.2.12 License/Permits. If a regulatory authority suspends or revokes a license or permit held by you or an Owner that is required to operate the Franchised Business, even if you or the Owner still maintain appeal rights.

24.2.13 Failure to Complete Initial Training. If you or any required attendee fails to attend and complete the initial training program within the time period prescribed in this Franchise Agreement.

24.2.14 Repeated Defaults. If you commit a default of any obligation under this Franchise Agreement and have previously received two or more written notices of default from us within the preceding 12 months, regardless of whether any default is cured.

24.2.15 Cross Default. If we terminate any other agreement between you and us, or if any affiliate of ours terminates any agreement between you and the affiliate because of your default.

24.2.16 Franchise Owner Agreement Default. If any Owner, or the spouse of any Owner, breaches a Franchise Owner Agreement.

24.2.17 Premises Issues. If: (i) if you fail to secure a fully executed lease within the time period required; or (ii) the Premises or your assets are seized, taken over or foreclosed by a government official in the exercise of its duties, or by a creditor or lienholder provided that a final judgment against you remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or (iii) a levy of execution of attachment has been made upon the license granted by this Franchise Agreement or upon any property used in the Premises, and it is not discharged within five days of such levy or attachment; or (iv) you permit a mechanics lien to be recorded against the Premises or any equipment at the Premises which is not released within 60 days, or if any person commences any action to foreclose on the Premises or said equipment; or (v) a condemnation or transfer in lieu of condemnation has occurred; or (vi) if you default under the lease for your Premises and you do not cure the default within the cure period set forth by the landlord or your lease is otherwise terminated due to your default.

24.3 Termination with Notice and Opportunity to Cure

In addition to our Termination Rights, we may, in our sole discretion, terminate this Franchise Agreement upon 30 days' written notice if you or an Owner fails to comply with any other provision of this Franchise Agreement (including failure to comply with any provision in the Franchise Operations Manual) or any other agreement with us, unless such default is cured, as determined by us in our sole discretion, within such 30-day notice period, each of which shall constitute an event of default under this Franchise Agreement. If we deliver a notice of default to you pursuant to this Section, we may suspend performance of any of our obligations under this Franchise Agreement until you fully cure the breach.

25. LIQUIDATED DAMAGES

Upon termination of this Franchise Agreement: (i) by us due to your default of this Franchise Agreement; or (ii) following your purported termination without cause, you agree to pay to us, within 15 days after the effective date of this Franchise Agreement's termination, in addition to any other amounts owed under this Franchise Agreement, liquidated damages equal to the average monthly Royalties and Brand Fund Contributions you owed during the total months of operation preceding the effective date of termination multiplied by: (i) 36; or (ii) the number of months remaining in this Franchise Agreement had it not been terminated, whichever is less, but in no case will such damages be less than $30,000.

You and we acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Franchise Agreement's termination and the loss of cash flow from Royalties and Brand Fund Contributions due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalties and Brand Fund Contributions would have grown over what would have been this Franchise Agreement's remaining Term. You and we consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

The liquidated damages provision only covers our damages from the loss of cash flow from the Royalties and Brand Fund Contributions. It does not cover any other damages, including damages to the HOCCO The Indian Kitchen reputation with the public and landlords and damages arising from a violation of any provision of this Franchise Agreement other than the Royalty payments and Brand Fund Contributions. You agree that the liquidated damages provision does not give us an adequate remedy at law for any default under, or for the enforcement of, any provision of this Franchise Agreement other than the payment of Royalties and Brand Fund Contributions.

26. POST TERM OBLIGATIONS

The obligations contained in this Section shall be referred to as your "Post Term Obligations." After the termination, expiration or Transfer of this Franchise Agreement, you agree to undertake each and every one of the obligations listed in this Section.

26.1 **Cease Operations**

Immediately cease to be a franchise owner of the Franchised Business under this Franchise Agreement and cease to operate the Franchised Business under the System. You agree to not hold yourself out to the public as a present or former franchise owner of the Franchised Business.

26.2 **Intellectual Property**

Immediately cease to use the Intellectual Property in any manner whatsoever and not use any trademarks or trade names that may be confusingly similar to the Intellectual Property. You acknowledge and agree that any continued use of the Marks would constitute trademark infringement.

26.3 **Monetary Obligations**

Pay us all amounts you owe us and our affiliates.

26.4 **Surviving Covenants**

Comply with all covenants described in this Section and otherwise in this Franchise Agreement that apply after the expiration, termination or Transfer of this Franchise Agreement or of an ownership interest by an Owner.

26.5 **Branded Items**

Return all copies of the Franchise Operations Manual, or any portions thereof, as well as all signs, sign faces, brochures, advertising and promotional materials, forms and any other materials bearing or containing any of the Marks, copyrights or other identification relating to a Franchised Business, unless we allow you to Transfer such items to an approved transferee.

26.6 **Technology and Data**

Return all copies of any software we license to you (and delete all such software from your computer memory and storage), provide us the then-current customer list and contracts that your Franchised Business has entered into and transfer all login information and data from any Technology, social media accounts and email addresses from your Franchised Business.

26.7 **Entity Name**

Ensure that any names or registrations related to your use of the Marks are canceled.

26.8 Identifiers and Advertisements

Immediately stop using all telephone numbers, advertisements, domain names and social media accounts associated with the Franchised Business. Notify all telephone companies, listing agencies, social media companies and domain name registration companies (collectively, the "Agencies") of the termination or expiration of your right to use the following, and immediately transfer to us: (A) the telephone numbers, accounts and/or domain names, if applicable, related to the operation of your Franchised Business; and (B) any online listings associated with the Marks (you hereby authorize the Agencies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct the Agencies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so).

26.9 Modifications

Remove all trade dress, equipment, software and property owned by us or Master Franchisor and make such modifications and alterations to the Premises that are necessary or that we require to prevent any association between us, Master Franchisor, or the System and any business subsequently operated by you or any third party using any of the inventory, the Premises, vehicles, or equipment used in the operation of the Franchised Business; provided, however, that this subsection shall not apply if your Franchised Business is transferred to an approved transferee or if we exercise our right to purchase your entire Franchised Business. If you fail to do so, you must pay us any expenses we incur to de-identify your Premises.

26.10 Customers

We may contact customers of your Franchised Business and offer such customers continued rights to use one or more HOCCO The Indian Kitchen franchises on such terms and conditions we deem appropriate, which in no event will include assumption of any then-existing liability arising or relating to those customers or act or failure to act by you or your Franchised Business.

26.11 Compliance Evidence

Provide us with written satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Franchise Agreement.

27. RIGHT TO PURCHASE

27.1 Generally

Upon the expiration or termination of this Franchise Agreement for any reason, we will have the right but not the obligation to purchase from you some or all of the assets used in the Franchised Business ("Acquired Assets"). We may exercise our option to begin this process by giving written notice to you at any time following expiration or termination up until 30 days after the later of: (a) the effective date of expiration or termination; or (b) the date you cease operating the Franchised Business (the "Specified Date"). We have the right to inspect the assets used in the Franchised Business in order to determine which we wish to acquire and any refusal by you to cooperate with our right to inspect will extend the Specified Date by an equal period. The term "Acquired Assets" means, without limitation, equipment, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Franchised Business, all licenses necessary to operate the Franchised Business (if transferable) and the real estate fee simple or the lease or sublease for the Premises. Customer information and customer lists are owned by us and accordingly are not included within the definition of "Acquired Assets" and must be returned to us without charge upon expiration or termination. You may not sell the information or lists to a third party. We will be entitled to have the provisions in this Section enforced by a court of competent jurisdiction should you fail to meet your obligations. We will have the unrestricted right to assign this option to purchase the Acquired Assets. We or our assignee will be entitled to all customary representations and warranties, including that the Acquired Assets are free and clear (or, if not, accurate and complete disclosure) as to: (1) ownership, condition and title; (2) liens and encumbrances; (3) environmental and hazardous substances; and (4) validity of contracts and liabilities inuring to us or affecting the Acquired Assets, whether contingent or otherwise.

27.2 **Purchase Price**

The purchase price for the Acquired Assets ("Purchase Price") will be their fair market value (or, for leased assets, the fair market value of the lease), determined as of the Specified Date in a manner that accounts for reasonable depreciation and condition of the Acquired Assets; provided, however, that the Purchase Price will take into account the termination of this Franchise Agreement. The Purchase Price for the Acquired Assets will not factor in the value of any trademark, service mark, or other commercial symbol used in connection with the operation of the Franchised Business, nor any goodwill or "going concern" value for the Franchised Business. We may exclude from the Acquired Assets purchased in accordance with this Section any equipment, furnishings, fixtures, signs, and inventory that are not accepted as meeting then-current standards for a Franchised Business or for which you cannot deliver a Bill of Sale in a form satisfactory to us.

If you and we cannot agree upon a fair market value, we shall appoint an independent, third party appraiser with experience appraising businesses comparable to your Franchised Business in the United States ("Qualified Appraiser") within 30 days after the Specified Date. We shall pay for 50% of the cost of this Qualified Appraiser, and you shall pay the other 50% of the cost.

The Qualified Appraiser shall appraise the Acquired Assets as described above ("Appraised Value"). If you agree with the Appraised Value, the Appraised Value shall be the Purchase Price. If you disagree with the Appraised Value, upon written notice to us, you may hire an additional Qualified Appraiser at your expense. In such situation, the Qualified Appraiser chosen by you shall appraise the Acquired Assets at fair market value determined as described above. The average of the two values provided by the Qualified Appraisers shall be the Purchase Price.

27.3 **Access to Franchised Business**

The Qualified Appraiser will be given full access to the Franchised Business, the Premises and your books and records during customary business hours to conduct the appraisal and will value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section.

27.4 **Exercise of Option; Operation**

Within 10 days after the Purchase Price has been determined, we may fully exercise our option to purchase the Acquired Assets by notifying you of our decision in writing ("Purchase Notice"). The Purchase Price will be paid in cash or cash equivalents at the closing of the purchase ("Closing"), which will take place no later than 60 days after the date of the Purchase Notice. From the date of the Purchase Notice until Closing, you will operate the Franchised Business and maintain the Acquired Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Franchise

Agreement. During such time, we may exercise Step-in Rights, and be entitled to the Management Fee. Alternatively, we may require you to close the Franchised Business during that time period without removing any Acquired Assets from the Franchised Business.

27.5 **Due Diligence**

For a period of 30 days after the date of the Purchase Notice ("Due Diligence Period"), we will have the right to conduct such investigations as we deem necessary and appropriate. You will grant us and our representatives access to the Franchised Business and the Premises at all reasonable times for the purpose of conducting inspections of the Acquired Assets; provided that such access does not unreasonably interfere with your operations of the Franchised Business.

Prior to the end of the Due Diligence Period, we will notify you in writing of any objections that we have to any finding disclosed in any title to lien search, survey, environmental assessment or inspection. If you cannot or elect not to correct any such title defect, environmental objection or defect in the working condition of the Acquired Assets, we will have the option to either accept the condition of the Acquired Assets as they exist or rescind our option to purchase on or before the Closing.

27.6 **Closing**

We will have the right to set off against and reduce the Purchase Price by any and all amounts owed by you to us or our affiliates, and the amount of any encumbrances or liens against the Acquired Assets or any obligations assumed by us. If you cannot deliver clear title to all of the purchased Acquired Assets as indicated in this Section, or if there are other unresolved issues, the Closing will be accomplished through an escrow.

28. DISPUTE RESOLUTION

28.1 **Mediation Requirement**

Except for any "Litigation Exceptions" as defined below, without limiting our Termination Rights, all claims or disputes between you and us or our affiliates arising out of, or in any way relating to, this Franchise Agreement, or any of the parties' respective rights and obligations arising out of this Franchise Agreement, shall be submitted first to non-binding mediation ("Required Mediation") prior to a hearing in binding arbitration. Before commencing any mediation against us or our affiliates with respect to any such claim or dispute, you must submit a notice to us, which specifies, in detail, the precise nature and grounds of such claim or dispute. Such mediation shall take place in the city closest to our principal place of business (currently Virginia Beach, VA) under the auspices of the American Arbitration Association ("AAA"), or other mediation service acceptable to us in our sole discretion, in accordance with AAA's Commercial Mediation Procedures then in effect. You may not commence any action against us or our affiliates with respect to any such claim unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by us. The parties shall each bear their own costs of mediation and shall share equally the filing fee imposed by AAA and the mediator's fees. We reserve the right to specifically enforce our right to mediation.

28.2 **Arbitration**

If the parties cannot fully resolve and settle a dispute through Required Mediation, all unresolved issues involved in the dispute shall be, at the request of either party, submitted to final and binding arbitration to be conducted in the city closest to our principal place of business (currently Virginia Beach, VA) by AAA (if AAA or any successor thereto is no longer available for arbitration in such city, you and we will agree on another arbitration organization to conduct the arbitration proceeding), in accordance with AAA's Commercial Arbitration Rules and otherwise as set forth below on an individual basis (not a class action) ("Required Arbitration").

In any arbitration proceeding, each party will submit or file any claim that would constitute a compulsory counterclaim as defined by the Federal Rules of Civil Procedure within the same proceeding as the claim it relates to. Any claim that is not submitted or filed as required is forever barred. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Franchise Agreement including, but not limited to any claim that all or any part of this Franchise Agreement is void or voidable.

28.2.1 Notice of Arbitration. Either party may initiate an arbitration proceeding by making a written demand to the other party, and both parties will then be obligated to engage in arbitration. The demand for arbitration must be served on the other party within the period provided by the applicable statute of limitations, and must contain a statement setting forth the nature of the dispute, the amount involved, if any, and the remedies sought. A demand for arbitration will not operate to stay, postpone or rescind the effectiveness of any termination of this Franchise Agreement. Arbitration will not proceed until any protest of arbitrability is resolved by the arbitrator or by an appropriate court, if necessary.

28.2.2 Selection of Arbitrator. Arbitration will be conducted before a single, neutral arbitrator who is familiar with legal disputes of the type at issue and who has franchise business or contract experience. The parties will mutually agree on the selection of the arbitrator; however, if the parties have not agreed on the selection of an arbitrator within 30 days after the arbitration demand, either party may request AAA or successor organization, to appoint a qualified arbitrator.

28.2.3 Discovery. All discovery must be completed within 60 days following appointment of an arbitrator, unless otherwise agreed by the parties. Depositions will be limited to a maximum of five per party and will be held within 30 days after making a request. Additional depositions may be scheduled only with the permission of the arbitrator and for good cause shown. Each deposition will be limited to a maximum of six hours duration. Should a dispute arise over the extent of or propriety of any discovery request, the arbitrator will make a final determination after hearing each party's position.

28.2.4 Statement of Case. At least five days before the scheduled hearing, each party must deliver to the arbitrator and to the other party a written summary of its position on the issues in dispute.

28.2.5 Arbitrator's Decision. The arbitrator will issue a written decision within ten days after conclusion of the hearing, explaining the basis for the decision. Judgment upon the decision rendered by the arbitrator may be entered in any court having jurisdiction. This decision will be binding upon both parties. The arbitrator will have authority to assess actual damages sustained by reason of any breach or wrongful termination of this Franchise Agreement, including monetary damages and interest on unpaid amounts from date due, specific performance, injunctive and declaratory relief, and legal fees and costs, but will not have any authority to amend or modify the terms of this Franchise Agreement or to assess exemplary or punitive damages. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Franchise Agreement including, but not limited to any claim that all or any part of this Franchise Agreement is void or voidable.

28.2.6 Time Schedule. Any award will be made within nine months of the filing of the notice of intention to arbitrate and the arbitrator will agree to comply with this schedule before accepting appointment. The parties will use due diligence to meet the foregoing time schedule, and the arbitrator will have the right to impose appropriate sanctions against any party who fails to comply with the agreed-upon time schedule. The arbitrator will use his best efforts to comply with the foregoing time schedule, but may unilaterally modify it if, in his opinion, modification is necessary for a proper and just resolution of the dispute. The parties may jointly modify the agreed-upon time schedule, subject to the arbitrator's approval.

28.2.7 Arbitration Expenses. The fees of, and authorized costs incurred by, the arbitrator will be shared equally by the parties, and each party will bear all of its own costs of arbitration; provided, however, that the arbitration decision will provide that the substantially prevailing party will recover from the other party its actual costs and expenses (including arbitrator's fees and expenses, and attorney fees and expenses) incurred in connection with the dispute.

28.3 Disputes Not Subject to Mediation or Arbitration

If any of the following exceptions occur, either party may immediately file a lawsuit in accordance with this Section without going through the Required Mediation or Required Arbitration (for purposes of this Franchise Agreement, the following shall be referred to as the "Litigation Exceptions"): (i) any action that involves an alleged breach of any Brand Covenant; (ii) any action petitioning specific performance to enforce your use of the Marks or the System or to prevent unauthorized duplication of the Marks or the System; (iii) any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, or other relief in the nature of equity, including an action to enjoin an alleged violation or harm (or imminent risk of violation or harm) to any of our rights in the Intellectual Property, our copyrighted works, Marks, the System, or in any of our specialized training, trade secrets, or other Confidential Information, brought at any time, including prior to or during any pending mediation or arbitration proceedings; (iv) any action seeking compliance with the Post Term Obligations; or (v) any action in ejectment or for possession of any interest in real or personal property.

28.4 Venue

All disputes and claims must be mediated, arbitrated and, if applicable, litigated in the principal city (and, if applicable, court) closest to our principal place of business (currently Virginia Beach, VA); provided that for claims brought under the Litigation Exceptions, we have the option to bring suit against you in any state or federal court within the jurisdiction where your Franchised Business is or was located, or where any of your owners lives. The parties consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Franchise Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum, and waives any bond, surety, or other security that might be required of any other party with respect to venue.

28.5 Fees and Costs

If you breach any term of this Franchise Agreement or any other agreement with us or an affiliate of ours, you agree to reimburse us for all reasonable attorneys' fees and other expenses we incur relating to such breach, regardless of whether the breach is cured prior to the commencement of any dispute resolution proceedings.

If we or you must enforce this Franchise Agreement in an arbitration or judicial proceeding, the substantially prevailing party will be entitled to reimbursement of its costs and expenses, including reasonable fees for accountants, attorneys, and expert witnesses, costs of investigations and proof of facts, court costs, travel and living expenses, and other dispute-related expenses.

If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has substantially prevailed over the other party using reasonable business and arbitrator's judgment. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding for such arbitration proceeding to take place, and by doing so will not be deemed to have waived or relinquished our right to seek recovery of those costs in accordance with this Section. If either party commences any legal action or proceeding in any court in contravention of the terms of this Section, that party shall pay all costs and expenses that the other party incurs in the action or proceeding, including, without limitation, costs and attorneys' fees as described in this Section.

28.6 **Jury Trial and Class Action Waiver**

WE AND YOU IRREVOCABLY WAIVE: (I) TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRING SUIT; AND (II) THE RIGHT TO ARBITRATE OR LITIGATE ON A CLASS ACTION BASIS IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THE PARTIES.

28.7 **Limitation of Actions and Waiver of Punitive Damages**

We and you agree that any legal action of any kind by a party arising out of or relating to this Franchise Agreement or a default of this Franchise Agreement must be commenced within one (1) year from the occurrence of the facts giving rise to any such claim or action or such claim or action will be barred provided, however, that the forgoing limitation shall not apply where required by applicable law, to the parties indemnification obligations under this Franchise Agreement or to the Litigation Exceptions. You and we, for yourselves, ourselves and on behalf of the Owners respectively, hereby waive to the fullest extent permitted by applicable law, any right to, or claim for, punitive or exemplary damages against the other, and agree that except to the extent provided to the contrary in this Franchise Agreement, in the event of a dispute you and we shall each be limited to recovering only the actual damages proven to be sustained any legal action of any kind.

28.8 **Confidentiality**

Except as required by applicable law, including the required disclosure in our franchise disclosure document, the entire mediation, arbitration or litigation proceedings and related documents are confidential. Except as necessary to enforce the decision of the arbitrator hereunder, all conduct, statements, promises, offers, views and opinions, whether oral or written, made in the course of the arbitration by any of the parties, their agents, employees or representatives and by the arbitrator, are confidential. These matters will not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the parties, and will not be disclosed to anyone who is not an agent, employee, expert witness, or representative for any of the parties; however, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in the arbitration.

28.9 Acknowledgment

The parties acknowledge that nothing herein shall delay or otherwise limit our Termination Rights. A notice or request for arbitration or mediation will have no effect on the status of any demand for performance or notice of termination under this Franchise Agreement.

28.10 Survival

We and you agree that the provisions of this Section shall apply during the Term of this Franchise Agreement and following the termination, expiration, Transfer or non-renewal of this Franchise Agreement. You agree to fully perform all obligations under this Franchise Agreement during the entire mediation, arbitration or litigation process.

29. SECURITY INTEREST

You grant to us a security interest ("Security Interest") in all of the furniture, fixtures, equipment, signage and real estate (including your interests under all real property and personal property leases and all improvements to real estate) of the Franchised Business, together with all similar property now owned or hereafter acquired, including additions, substitutions, replacements, proceeds and products thereof, wherever located, used in connection with the Franchised Business.

You are prohibited from granting a security interest in the Franchised Business or in any of your assets without our prior written consent, which shall not be unreasonably withheld. We may take a subordinate position in the security interest if a Small Business Administration-participating or third-party lender requires a first or senior lien, and the appropriate subordination documentation is executed by all parties. This security interest shall be security for any and all Royalties, damages, expenses or other sums owed to us hereunder and for any other amounts you owe to us. You agree to execute any documents, including but not limited to, a UCC-1 (or replacements or extensions for the UCC-1) that we reasonably believe to be necessary to perfect said security interest prior to the opening of the Franchised Business, and hereby appoint us as its attorney-in-fact for the purpose of executing such documents should you fail to do so. Except with respect to your sales of inventory in the ordinary course of business, you shall not sell, transfer, lease, sublease, assign, remove, waste, destroy, encumber or relocate any of the property described herein as subject to our security interest. Further, you shall take no other action which interferes with our security interest in said property, unless and until we release our security interest in the same.

30. GENERAL PROVISIONS

30.1 Governing Law

Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Franchise Agreement and the franchise relationship shall be governed by the laws of the state where your Franchised Business is located (without reference to its principles of conflicts of law), but any law of that State that regulate the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

30.2 Relationship of the Parties

You understand that you are an independent contractor and are not authorized to make any contract, agreement, warranty or representation or create any obligation on our behalf under this Franchise Agreement. You understand and agree that nothing in this Franchise Agreement creates a fiduciary relationship between you and us, or you and Master Franchisor, or is intended to make either party a general or special agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose. During the Term, you must conspicuously identify yourself at your base of operations, and in all dealings with third parties, as a franchisee of ours and the independent owner of your Franchised Business. You agree to place such other notices of independent ownership on such forms, stationery, advertising, business cards and other materials as we may require from time to time. Neither we nor you are permitted to make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other, or represent that our relationship is other than franchisor and franchisee. In addition, neither we nor you will be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized by this Franchise Agreement. You further agree that fulfillment of any and all of our obligations written in the Franchise Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

30.3 Severability and Substitution

Each section, subsection, term and provision of this Franchise Agreement, and any portion thereof, shall be considered severable. If any applicable and binding law imposes mandatory, non-waivable terms or conditions that conflict with a provision of this Franchise Agreement, the terms or conditions required by such law shall govern to the extent of the inconsistency and supersede the conflicting provision of this Franchise Agreement. If a court concludes that any promise or covenant in this Franchise Agreement is unreasonable and unenforceable, including without limitation, the Brand Covenants: (i) the court may modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable; or (ii) we may unilaterally modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable and consistent with the original intent of the parties (i.e., to provide maximum protection for us and to effectuate your obligations under the Franchise Agreement to the fullest extent permitted by law), and you agree to be bound by the modified provisions.

30.4 Waivers

We and you may, by written instrument, unilaterally waive or reduce any obligation of or restriction upon the other. Any waiver granted by us shall apply only the to the specifically waived provisions and shall not affect any other rights we may have. We and you shall not be deemed to have waived or impaired any right, power or option reserved by this Franchise Agreement (including the right to demand exact compliance with every term, condition and covenant in this Franchise Agreement, or to declare any breach of this Franchise Agreement to be a default, and to terminate the Franchise Agreement before the expiration of its Term) by virtue of: (i) any custom or practice of the parties that varies with the terms of this Franchise Agreement; (ii) any failure, refusal or neglect of us or you to exercise any right under this Franchise Agreement or to insist upon exact compliance by the other with its obligations under this Franchise Agreement, including any mandatory specification, standard or operating procedure; (iii) any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature, relating to other HOCCO The Indian Kitchen franchisees; or (iv) the acceptance by us of any payments due from you after breach of this Franchise Agreement.

30.5 **Approvals**

Whenever this Franchise Agreement requires our approval, you must make a timely written request for approval, and the approval must be in writing in order to bind us. Except as otherwise expressly provided in this Franchise Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have denied your request. If we deny approval and you seek legal redress for the denial, the only relief to which you may be entitled is to acquire our approval. Except where this Franchise Agreement states that we may not unreasonably withhold our approval or consent, we may withhold such approval or consent, in our sole discretion. You are not entitled to any other relief or damages for our denial of approval.

30.6 **Force Majeure**

No party shall be liable for any loss or damage that arises directly or indirectly through or as a result of any failure or delay in the fulfilment its obligations in whole or in part (other than the payment of money as may be owed by a party) under this Franchise Agreement where the delay or failure is due to "Force Majeure." In the event of Force Majeure, the parties shall be relieved of their respective obligations only to the extent each party, respectively, is prevented or delayed in performing its obligations during the period of Force Majeure. As used in this Franchise Agreement, the term "Force Majeure" shall mean any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government and any other similar cause which is beyond the party's control and cannot be overcome by use of normal commercial measures. The party whose performance is affected by an event of Force Majeure shall give prompt notice of such event to the other party, which in no case shall be more than 48 hours after the event, and provide them with the information regarding the nature of the event and its estimated duration. The affected party will provide the other party with periodic reports regarding the status and progress of the Force Majeure event. Each party must use its best efforts to mitigate the effect of the event of Force Majeure upon its performance of the Agreement and to fulfill its obligations under the Franchise Agreement.

Upon completion of a Force Majeure event, the party affected must as soon as reasonably practicable recommence the performance of its obligations under this Franchise Agreement. Any delay resulting from an event of Force Majeure will extend performance accordingly or excuse performance (other than payment of money), in whole or in part, only to the extent reasonable under the circumstances. However, in the event the Force Majeure continues for a period of six months or more, then the unaffected party may, at its option, terminate this Franchise Agreement by thirty (30) days prior written notice to the party asserting such Force Majeure. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the event, nor does that event affect any obligation to pay money owed under the Franchise Agreement or to indemnify us, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect your obligations to comply with any restrictive covenants in this Franchise Agreement during or after the Force Majeure event.

30.7 **Delegation**

We have the right in our sole and absolute discretion to delegate to third party designees, whether these designees are our agents or independent contractors with whom we have contracted the performance of any portion or all of our obligations under this Franchise Agreement, and any right that we have under this Franchise Agreement. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Franchise Agreement.

30.8 **Binding Effect**

This Franchise Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Franchise Agreement is binding upon the parties to this Franchise Agreement and their respective executors, administrators, heirs, assigns and successors in interest. Except for Master Franchisor's third-party beneficiary rights set forth herein, nothing in this Franchise Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Franchise Agreement; provided, however, that the Additional Insureds and the Indemnified Parties are intended third party beneficiaries under this Franchise Agreement with respect to indemnification obligations of the franchisee.

Franchisee acknowledges and agrees that all of Franchisor's rights and all of Franchisee's obligations under this Franchise Agreement inure to the benefit of Master Franchisor and that it has a third-party beneficiary interest in this Franchise Agreement. Master Franchisor has the right but not the obligation to enforce any provision of this Franchise Agreement if Franchisor fails to properly and promptly do so. Upon termination or expiration of the term of the Master Franchise Agreement between Master Franchisor and Franchisor for any reason, this Franchise Agreement will remain in effect and Franchisor's interest in this Agreement may be automatically assigned to and assumed by Master Franchisor at its sole discretion. Franchisee agrees to be bound by the assignment upon receipt of notice from Master Franchisor of the effective date of such assignment.

30.9 **Integration**

This Franchise Agreement constitutes the entire agreement between the parties and may not be changed except by a written document signed by both parties. Any email correspondence or other form of informal electronic communication shall not be deemed to modify this Franchise Agreement unless such communication is signed by both parties and specifically states that it is intended to modify this Franchise Agreement. The attachment(s) are part of this Franchise Agreement, which, together with any amendments or addenda executed on or after the Effective Date, constitutes the entire understanding and agreement of the parties, and there are no other oral or written understandings or agreements between us and you about the subject matter of this Franchise Agreement. No provision herein expressly identifying any term or breach of this Franchise Agreement as material shall be construed to imply that any other term or breach which is not so identified is not material. As referenced above, all mandatory provisions of the Franchise Operations Manual are part of this Franchise Agreement; however, notwithstanding the foregoing, we may modify the Franchise Operations Manual at any time.

Any representations made before entering into this Franchise Agreement are not enforceable unless they are specifically contained in this Franchise Agreement. This provision is intended to define the nature and extent of the parties' mutual contractual intent, and serves to show that there is no intention to enter into contract relations other than the terms contained in this Franchise Agreement. The parties acknowledge that these limitations are intended to achieve the highest possible degree of certainty in the definition of the contract being formed, in recognition of the fact that uncertainty creates economic risks for both parties which, if not addressed as provided in this Franchise Agreement, would affect the economic terms of this bargain. Nothing in this Franchise Agreement is intended to disclaim any of the representations we made in the franchise disclosure document.

30.10 **Covenant of Good Faith**

If applicable law implies a covenant of good faith and fair dealing in this Franchise Agreement, the parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Franchise Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Franchise Agreement (and the relationship of the parties that is inherent in this Franchise Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Franchise Agreement that may favorably or adversely affect your interests; (ii) we will use our judgment in exercising that discretion based on our general assessment of our own interests and balancing those interests against the general interests of our franchisees (including ourselves and our affiliates if applicable), and not based on your or any other franchisee's specific individual interests; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

30.11 **Cumulative Rights**

The rights of the parties under this Franchise Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Franchise Agreement will preclude any other right or remedy available under this Franchise Agreement or by law.

30.12 **Survival**

All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Franchise Agreement (or the Transfer of an ownership interest in the Franchised Business) will continue in full force and effect, even after the termination, expiration or Transfer of the Franchise Agreement, until they are fully satisfied or expire by their own terms.

30.13 **Construction**

The headings in this Franchise Agreement are for convenience only and do not define, limit or construe the contents of the sections or subsections. All references to Sections refer to the Sections contained in this Franchise Agreement unless otherwise specified. All references to days in this Franchise Agreement refer to calendar days unless otherwise specified. The term "you" as used in this Franchise Agreement is applicable to one or more persons or an Entity, and the singular usage includes the plural and the masculine and neuter usages include the other, the feminine and the possessive.

30.14 **Time is of the Essence**

Time is of the essence in this Franchise Agreement and every term thereof.

30.15 **Notice**

All notices given under this Franchise Agreement must be in writing and shall be considered given at the time delivered by hand, or one business day after sending by email or comparable electronic system, one business day after delivery by a reputable overnight delivery service, or one business day after delivery confirmation by priority mail, and addressed: (a) to us at 942 J Clyde Morris Blvd., Newport News, VA 23601, unless written notice is given of a change of address; and (b) to you at the address set forth on Attachment A of this Franchise Agreement, unless written notice is given of a change of address.

(Signature page follows)

The parties to this Franchise Agreement have executed this Franchise Agreement effective as of the Effective Date set forth in Attachment A.

FRANCHISOR:	**FRANCHISEE:**
INGENIOUS FOODS FRANCHISING LLC a Virginia limited liability company	[INSERT NAME OF FRANCHISEE] a(n) [state] [limited liability company / partnership / corporation]
Sign: ______________________________	Sign: ______________________________
Printed Name: _______________________	Printed Name: _______________________
Title: ______________________________	Title: ______________________________

Or if Franchisee is an individual(s)

Sign: ______________________________
individually

Printed Name:_______________________

Sign: ______________________________
individually

Printed Name:_______________________

ATTACHMENT A
TO THE FRANCHISE AGREEMENT
FRANCHISE DATA SHEET

1. **Effective Date**. The Effective Date of the Franchise Agreement is: _________________, 20___.

2. **Franchisee**. The Franchisee identified in the introductory paragraph of the Franchise Agreement is: ____

3. **Notice Address**. Franchisee Notice Address is:

   Attn: ____________________________
   ____
   ____
   ____

4. **Initial Franchise Fee**. The "Initial Franchise Fee" is: (check one):

   ____ $30,000 for a single Franchise.

   ____ Not applicable; this Franchise Agreement is signed as a Successor Franchise Agreement or as a result of a Transfer.

5. **Location**. If a particular site for the Premises has been selected and approved at the time of the signing of this Franchise Agreement, it shall be entered in Attachment A-1 as the Premises location, and the Territory shall be as listed in Attachment A-1, if applicable. If a particular site has not been selected and approved at the time of the signing of this Franchise Agreement, Attachment A-1 will be updated once we have, which we have agreed will be in the following general area:____.

(Signature page follows)

FRANCHISOR:

INGENIOUS FOODS FRANCHISING LLC
a Virginia limited liability company

Sign: ________________________________

Printed Name: ________________________

Title: ________________________________

FRANCHISEE:

[INSERT NAME OF FRANCHISEE]
a(n) [state] [limited liability company / partnership / corporation]

Sign: ________________________________

Printed Name: ________________________

Title: ________________________________

Or if Franchisee is an individual(s)

Sign: ________________________________
individually

Printed Name:_________________________

Sign: ________________________________
individually

Printed Name:_________________________

ATTACHMENT A-1
TO THE FRANCHISE AGREEMENT

PREMISES, TERRITORY AND DELIVERY AREA

You have received acceptance for site location for the Premises that satisfies the demographics and location requirements minimally necessary for a Premises and that meets our minimum current standards and specifications for the buildout, interior design, layout, floor plan, signs, designs, color and décor of a Premises. You acknowledge that our acceptance of the site location for the Premises is in no way a representation by us that your site will be successful. You and we have mutually agreed upon a Territory based on the site for the Premises which is indicated below. You acknowledge that the Territory is in conformance with the territory guidelines stated in Item 12 of the Franchise Disclosure Document. If applicable, you and we have mutually agreed on the Delivery Area described below.

Location for the Premises:

The Premises for your Franchised Business as provided in Section 2 of the Franchise Agreement is:

Territory:

The Territory for your Franchised Business as provided in Section 4 of the Franchise Agreement is:

Delivery Area (select one):

_____ Not applicable; you do not receive a Delivery Area

_____ We have permitted you to offer delivery and catering services. The boundaries of Delivery Area as provided in Section 13.14 of the Franchise Agreement shall be the geographic area described below and/or as depicted in the following map:

(***Signature Page Follows***)

FRANCHISOR:

INGENIOUS FOODS FRANCHISING LLC
a Virginia limited liability company

Sign: ________________________________

Printed Name: ________________________

Title: ________________________________

FRANCHISEE:

[INSERT NAME OF FRANCHISEE]
a(n) [state] [limited liability company / partnership / corporation]

Sign: ________________________________

Printed Name: ________________________

Title: ________________________________

Or if Franchisee is an individual(s)

Sign: ________________________________
individually

Printed Name:_________________________

Sign: ________________________________
individually

Printed Name:_________________________

ATTACHMENT B

TO THE FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: ____

Form of Ownership
(Check One)

____ **Individual(s)** ____ **Partnership** ____ **Corporation** ____ **Limited Liability Company**

INSTRUCTIONS: If the franchisee is an individual (or individuals), please complete section I below only. If the franchisee is a business entity, please complete sections II and III below.

SECTION I (For Individual(s)*):

Name	Address

*If you plan to operate your Franchised Business through a business entity in the future, you will need to notify us, transfer this Franchise Agreement to the Entity, and sign all of our transfer documents.

SECTION II (For Entities):

A. **State and date of Formation/Incorporation:** ____

B. **Management (managers, officers, board of directors, etc.):**

Name	Title

C. Owners (Members, Stockholders, Partners):**

Please include each person who is a direct and indirect owner of franchisee (attach additional sheets if necessary). If any of the owners are also business entities, please list the owners of each of those business entities also.

Name	Address	Percentage Owned

**If any members, stockholders or partners are entities, please list the owners of such entities up through the individuals.

<u>SECTION III (For Entities)</u>:

A. Identification of Responsible Owner. Your Responsible Owner is ________________________ __________________________________. You may not change the Responsible Owner without prior written approval.

B. Identification of Franchise Manager. Your Franchise Manager, if applicable, is ____________ ____. You may not change the Franchise Manager without prior written approval.

This form is current and complete as of ______________________________, 20___.

FRANCHISEE:

____
a(n) ____________________________________

Sign: ___________________________________

Printed Name: ____________________________

Title: ___________________________________

ATTACHMENT C

TO THE FRANCHISE AGREEMENT

FRANCHISE OWNERS AGREEMENT

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

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of ________________, 20___ ("Franchise Agreement"). Capitalized words not defined in this Franchise Owner Agreement will have the same meanings ascribed to them in the Franchise Agreement.

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

2. Non-Disclosure and Protection of Confidential Information.

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

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

3. Covenant Not to Compete.

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

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

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

4. Continuing Guarantee.

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

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

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

4.4 No Exhaustion of Remedies. Owners acknowledge and agree that we are not obligated to exhaust all remedy (whether legal or equitable) against or pursue relief from the Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Franchise Owner Agreement. The enforcement of Owners' obligations can take place before, after, or simultaneously with the enforcement of any of the Franchisee's debts or obligations under the Franchise Agreement.

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

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

4.7 Waiver of Acceptance, Default and Defenses. Owners waive: (i) acceptance and notice of acceptance by us of the forgoing undertakings; (b) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; and (c) any and all other notices and legal or equitable defenses, right of setoff, claim or counterclaim whatsoever to which they may be entitled at any time hereunder.

4.8 Continuing Nature. Owners agree that each of the obligations in this Section 4 shall be continuing and shall not be discharged by: (i) the insolvency of Franchisee or the payment in full of all of the obligations at any time; (ii) the power or authority or lack thereof of Franchisee to incur the obligations; (iii) the validity or invalidity of any of the obligations; (iv) the existence or non-existence of Franchisee as a legal entity; (v) any statute of limitations affecting the liability of Owners or the ability of us to enforce this Franchise Owner Agreement or the obligations; or (vi) any right of offset, counterclaim or defense of any Owner, including, without limitation, those which have been waived by Owners pursuant to this Franchise Owners Agreement.

5. Transfers. Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources, and personal character. Accordingly, Owners agree not to sell, encumber, assign, transfer, convey, pledge, merge, or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding Transfers. Owners acknowledge and agree that attempting to Transfer an interest in the Franchisee without our express written consent, except those situations provided in the Franchise Agreement where our consent is not required, will be a breach of this Franchise Owner Agreement and the Franchise Agreement. We may, from time to time, without notice to Owners, assign or transfer any or all of Owners' rights, duties and obligations or any interest therein in this Franchise Owners Agreement and, notwithstanding any assignment(s) or transfer(s), the rights, duties and obligations shall be and remain for the purpose of this Franchise Owners Agreement. Each and every immediate and successive assignee or transferee of any of the rights, duties or obligations of any interest therein shall, to the extent of such party's interest in the rights duties and/or obligations, be entitled to the benefits of this Franchise Owners Agreement to the same extent as if such assignee or transferee were us.

6. Notices.

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

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

Ingenious Foods Franchising LLC
943 J Clyde Morris Blvd.
Newport News, VA 23601

The current address of each Owner for all communications under this Franchise Owner Agreement is designated on the signature page of this Franchise Owner Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Franchise Owner Agreement.

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

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

7.3 Equitable Remedies. Owners acknowledge and agree that the covenants and obligations of the Owners relate to special, unique and extraordinary matters and that a violation of any of the terms of such covenants and obligations will cause us irreparable injury for which adequate remedies are not available at law. Therefore, Owners agree that we shall be entitled to an injunction, restraining order or such other equitable relief (without the requirement to post bond) as a court of competent jurisdiction may deem necessary or appropriate to restrain Owners from committing any violation of the covenants and obligations contained in this Franchise Owner Agreement. If equitable relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If equitable relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Franchise Owner Agreement constitutes the entire, full, and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings, or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Franchise Owner Agreement, other than those in this Franchise Owner Agreement. No other obligations, restrictions, or duties that contradict or are inconsistent with the express terms of this Franchise Owner Agreement may be implied into this Franchise Owner Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Franchise Owner Agreement), no amendment, change, or variance from this Franchise Owner Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Franchise Owner Agreement, and any portions thereof, will be considered severable. If any provision of this Franchise Owner Agreement or the application of any provision to any person, property, or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Franchise Owner Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent with the original intent of the parties (i.e., to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement to the fullest extent permitted by law), and the parties agree to be bound by the modified provisions.

8.3 No Third-Party Beneficiaries. Nothing in this Franchise Owner Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors, and assigns) any rights or remedies under or by reason of this Franchise Owner Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Franchise Owner Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Franchise Owner Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Franchise Owner Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

8.5 Binding Effect. This Franchise Owner Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Franchise Owner Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors, and (permitted) assigns.

8.6 Successors. References to "Franchisor," "Owners," "the undersigned," or "you" include the respective parties' heirs, successors, assigns, or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Franchise Owner Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Franchise Owner Agreement shall be cumulative.

8.8 No Personal Liability. Owners agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Franchise Owner Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to Owners for any reason.

8.9 Franchise Owner Agreement Controls. In the event of any discrepancy between this Franchise Owner Agreement and the Franchise Agreement, this Franchise Owner Agreement shall control.

(Signature page follows)

IN WITNESS WHEREOF, the parties have entered into this Franchise Owner Agreement as of the Effective Date of the Franchise Agreement.

OWNER(S):	**SPOUSE(S):**
Sign: ______________________________ Printed Name: [Insert Name of Owner] Address: [Insert Address of Owner]	Sign: ______________________________ Printed Name: [Insert Name of Spouse] Address: [Insert Address of Spouse]
Sign: ______________________________ Printed Name: [Insert Name of Owner] Address: [Insert Address of Owner]	Sign: ______________________________ Printed Name: [Insert Name of Spouse] Address: [Insert Address of Spouse]
Sign: ______________________________ Printed Name: [Insert Name of Owner] Address: [Insert Address of Owner]	Sign: ______________________________ Printed Name: [Insert Name of Spouse] Address: [Insert Address of Spouse]

Rev.030824

EXHIBIT H

HOCCO FRANCHISE

STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
California	Pending
Illinois	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
Virginia	Pending
Wisconsin	Pending

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

EXHIBIT I

HOCCO FRANCHISE

RECEIPTS

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 HOCCO Foods USA LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, HOCCO Foods USA LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires HOCCO Foods USA LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If HOCCO Foods USA LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Nidhi Shah, +91 9825800095; Ankit Chona +91 9825800095; Japesh Jayadhevan, +91 9717458126; Biseswar Mukherjee, +91 9909029004; and Umang Sood, +91 9920290368; 12th & 13th Floor, Maruti Elanza Vertex, Opp Sterling Cancer Hospital, Sindhu Bhavan Road, Ahmedabad 380058.

Issuance Date: June 5, 2025

I received a disclosure document issued June 5, 2025 which included the following exhibits:

Exhibit A	List of State Administrators and Agents for Service of Process
Exhibit B	Master Franchise Agreement
Exhibit C	Franchise Operations Manual Table of Contents
Exhibit D	List of Current and Former Franchisees
Exhibit E	Financial Statements
Exhibit F	State Addenda and Agreement Riders
Exhibit G	Single Unit Franchise Agreement
Exhibit H	State Effective Dates
Exhibit I	Receipts

__________	__________	__________
Date	Signature	Printed Name
__________	__________	__________
Date	Signature	Printed Name

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.

RECEIPT
(Our Copy)

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 HOCCO Foods USA LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, HOCCO Foods USA LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires HOCCO Foods USA LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If HOCCO Foods USA LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit A.

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Exhibit H	State Effective Dates
Exhibit I	Receipts

Date	Signature	Printed Name
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to HOCCO Foods USA LLC, 1100 Mill Creek, Greensboro, Georgia 30145, or by emailing a copy of the signed and dated receipt to HOCCO Foods USA LLC at nidhi.shah@hocco.in.