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FRANCHISE DISCLOSURE DOCUMENT

Jack in the Box Inc
A Delaware corporation
9330 Balboa Avenue
San Diego, California 92123
(858) 571-2121
www jackinthebox com

Jack in the Box Inc franchises quick-service Jack in the Box® restaurants, which serve a variety of foods, including hamburgers, specialty sandwiches, fries, tacos, salads, bowls, drinks and side items Jack in the Box Inc offers franchises for restaurants that are already built, as well as restaurants that franchisees are responsible for building The total investment information below is for a restaurant that a franchisee would build

The total investment necessary to begin operation of a Jack in the Box franchise you build is between $1,502,000 and $2,886,000 This includes $50,000 for the Initial Franchise Fee, three months of computer-related services and licensing, and other expenses that must be paid to Jack in the Box Inc or its affiliates, as described in Item 5

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

You may wish to receive your disclosure document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact the Legal Department at 9330 Balboa Avenue, San Diego, California 92123, 858-571-2422, or franchise legal@jackinthebox com

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

Buying a franchise is a complex investment The information in this disclosure document can help you make up your mind More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission You

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

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

Issuance Date March 15, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in Exhibit B for information about the franchisor, or about franchising in your state

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

2 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN CALIFORNIA OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE

3 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise A franchise broker or referral source represents us, not you We pay this person a fee for selling our franchise or referring you to us You should be sure to do your own investigation of the franchise

Effective Date See the next page for state effective dates

STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

STATES	EFFECTIVE DATE
California	

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T Stored Value Card Service Agreement
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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The franchisor is Jack in the Box Inc ("the Company," "JIB," "we," "us," or "our") The franchisee is the person to whom we grant a franchise, and is referred to as "you " Except in rare cases, we offer franchises only to individuals or groups of individuals You may be permitted to assign your franchise rights to an entity wholly owned by you, but you would remain personally liable for all obligations under the franchise agreement

We incorporated in Delaware in 1971 as Foodmaker, Inc In 1999 we changed our name to Jack in the Box Inc Jack in the Box Inc does business as Jack in the Box® Our principal business address is 9330 Balboa Avenue, San Diego, California 92123

We have no parent company

As of the end of fiscal year 2016, we operated 417 *Jack in the Box* restaurants, and had 1,838 franchised *Jack in the Box* restaurants (or "outlets") Through Qdoba Restaurant Corporation ("Qdoba"), a wholly owned subsidiary of Jack in the Box Inc since January 2003, we also operated 699 *Qdoba Mexican Eats® and Qdoba Mexican Grill®* restaurants in the United States and Canada, of which 367 were company operated and 332 were franchised

We have never offered franchises in any other line of business and are not engaged in any other business

The addresses of our agents for service of process are listed on Exhibit C

Jack in the Box Restaurants

We both operate *Jack in the Box* restaurants and offer franchises for the operation of *Jack in the Box* restaurants *Jack in the Box* restaurants offer a variety of foods primarily hamburgers, specialty sandwiches, french fries, tacos, salads, bowls, drinks and side items The restaurants are operated under a uniform operating system that includes standards for the building and decor, uniforms, the purchase, preparation and sale of foods, and the operations of the restaurant Most of our restaurants have drive-thru windows and a seating capacity ranging from 20 to 100 people, but we also have some nontraditional locations Unless otherwise noted in this disclosure document, all references to a "Franchised Restaurant" or "Franchised Location" also will include a nontraditional restaurant or nontraditional location, respectively, and all references to the Franchise Agreement" also will include the Nontraditional License Agreement

Before we will approve you to develop or operate a *Jack in the Box* restaurant, you must complete an application package (Exhibit E) and sign a non-disclosure agreement (Exhibit F) If you will be developing a new *Jack in the Box* restaurant, you also must sign a Development Agreement (Exhibit K) and may be required to pay a Development Fee You should not obtain any interest in a site for a *Jack in the Box* restaurant until you have

entered into a Development Agreement with us and we have approved the site in writing For each restaurant that you will operate (whether you are developing that restaurant or purchasing an existing restaurant from us), you also must sign a Franchise Agreement (Exhibit J-1) or a Nontraditional License Agreement (Exhibit J-2) and pay an Initial Franchise Fee Your receipt of this disclosure document does not mean that you will be approved as a franchisee

The restaurant business is highly competitive and is affected by changes in consumer preferences, national and regional economic, political, regulatory and socioeconomic conditions, and changes in consumer dining habits, whether based on new information regarding diet, nutrition or health, on the cost of food at home compared to food away from home, or on other factors

The performance of a restaurant may also be affected by seasonal sales fluctuations, severe weather and other natural disasters, changes in operating costs, competition, consumer acceptance of new menu items or price increases, the availability of qualified employees, advertising and marketing programs, commodity costs, supply interruptions, or other factors

Among the key elements of competition in the industry are menu innovation, execution of operational strategies and initiatives, price, service, quality, location, personnel, advertising, brand identification, and attractiveness of facilities

When developing and operating a *Jack in the Box* restaurant, you must comply with all local, state and federal laws and regulations regarding health, sanitation, safety, fire, zoning, building, nutritional disclosures on menus and menu boards, employment, and environmental issues, among others We encourage you to research the specific laws, regulations, and ordinances that will apply to the *Jack in the Box* restaurant you might operate

Each *Jack in the Box* restaurant competes directly and indirectly with a large number of national and regional restaurant chains, some of which have significantly greater financial resources than the Company, as well as with locally owned and/or independent restaurants in the quick-service and the fast-casual segments of the restaurant industry Each restaurant also competes with other "food away from home" consumer options and with grocery store and similar offerings

Our Affiliates

As described more fully below, the Company has the following affiliates that offer franchises for sale or provide services to our franchisees These affiliates have the same principal address as the Company Except as stated, these affiliates have never offered franchises in any line of business and are not engaged in any other business The affiliates are

- JIB Stored Value Cards, LLC is a Virginia limited liability company that is wholly owned by the Company and provides gift card services to our franchisees and company restaurants

- Jack in the Box Eastern Division L P is a Texas limited partnership that is wholly owned by Jack in the Box Inc through its wholly owned limited liability company subsidiaries, JBX General Partner LLC and JBX Limited Partner LLC Jack in the Box Eastern Division L P operates *Jack in the Box* restaurants, the same type of business to be operated by you, in several states Although Jack in the Box Eastern Division L P does not now, nor has it ever, offered franchises in any line of business, you might lease the premises from Jack in the Box Eastern Division L P if you franchise an existing Jack in the Box restaurant located in a state other than the following Arizona, California, Colorado, Idaho, Kansas, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, or Wyoming

- Qdoba Restaurant Corporation ("Qdoba") is a Colorado corporation that has been a wholly owned subsidiary of Jack in the Box Inc since January 2003 Qdoba currently franchises and operates fast-casual Mexican food restaurants under its Qdoba Mexican Eats® and Qdoba Mexican Grill® trademarks, and in the past franchised under the name Qdoba Mexican Grill® Qdoba and its predecessors, Zuma Restaurants, L P , Z-TECA Restaurants, L P and Z-TECA Restaurant Corporation, have offered franchises for fast-casual Mexican restaurants since 1997, and have not offered franchises in any other line of business As of October 3, 2016, Qdoba had 332 Qdoba Mexican Grill® and/or Qdoba Mexican Eats® franchised restaurants (with 5 restaurants located in Canada) and 367 company-operated Qdoba Mexican Grill® and/or Qdoba Mexican Eats® restaurants

- Qdoba of Canada, Inc is a wholly owned subsidiary of Qdoba formed to sell Qdoba Mexican Eats® franchises in Canada

- QMG Stored Value Cards, LLC is a Virginia limited liability company that is wholly owned by Jack in the Box Inc and that provides gift card services to our franchisees

Jack in the Box Eastern Division L P operates a business of the type to be operated by you Qdoba Restaurant Corporation and Qdoba of Canada, Inc offer franchises The other affiliates to not operate the type of business you will operate or offer franchises

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ITEM 2
BUSINESS EXPERIENCE

DIRECTORS

Leonard A Comma Chairman, Chief Executive Officer	Mr Comma became Chairman of the Board and Chief Executive Officer in January 2014 From May 2012 to October 2014, he also was President of Jack in the Box and, from May 2012 to January 2014, Mr Comma served as Chief Operating Officer of Jack in the Box He was previously Executive Vice President and Chief Operating Officer of Jack in the Box from November 2010 to May 2012
David L Goebel Director	Mr Goebel has been a director since December 2008 He has been a partner and Faculty Member for Merryck & Co Ltd, a worldwide business mentoring firm in New York, New York, since May 2008 He has served on the board of directors of QuickChek, a privately held company in the gas/convenience food category in Whitehouse Station, New Jersey, since September 2014 Mr Goebel also served as acting President and Chief Executive Officer of Mr Goodcents Franchise Systems, Inc in De Soto, Kansas, from 2010 until December 2014 In 2008, Mr Goebel became the President of Santoku, Inc in Lenexa, Kansas, which operates sandwich shops under the name Goodcents® Deli Fresh Subs, catering and cafeteria operations under the name Y-Leave Cafe, catering services under the name Prime Catered Events, and a fast-casual pizza concept under the name Pie Five® Pizza Company
Sharon P John Director	Ms John has been a director since September 2014 She has been Chief Executive Officer and a member of the Board of Directors of Build-A-Bear Workshop, Inc in St Louis, Missouri, since June 2013, and was additionally named President effective March 2016 From January 2010 to May 2013, Ms John served as President of Stride Rite Children's Group LLC in Lexington, Massachusetts, a division of Wolverine World Wide, Inc , which designs and markets footwear for children
Madeleine A Kleiner Director	Ms Kleiner has been a director since September 2011 She also has served on the Board of Directors of Northrop Grumman Corporation in Falls Church, Virginia, since 2008

Michael W Murphy Director	Mr Murphy has been a director since September 2002 Since April 1996, Mr Murphy has been President and Chief Executive Officer of Sharp HealthCare in San Diego, California
James M Myers Director	Mr Myers has been a director since December 2010 He has served as Chairman of the Board of Petco Animal Supplies, Inc in San Diego, California since July 2015, and served as Petco's Chief Executive Officer from 2004 to January 2017, and as President from 2004 to July 2015
David M Tehle Director	Mr Tehle has been a director since December 2004 He has also served on the board of directors of Genesco Inc in Nashville, Tennessee, since February 2016, and on the board of US Foods Holding Corp in Rosemont, Illinois, since July 2016 From June 2004 to June 2015, he was Executive Vice President and Chief Financial Officer of Dollar General Corporation, in Goodlettsville, Tennessee
John T Wyatt Director	Mr Wyatt has been a director since May 2010 Since February 2012, he has served as the Chief Executive Officer of KinderCare Education, an early childhood education company in Portland, Oregon From August 2008 to February 2012, Mr Wyatt was President of the Old Navy division of Gap Inc located in San Francisco, California

OFFICERS, EXECUTIVES AND OTHERS WITH MANAGEMENT RESPONSIBILITY

Frances L Allen President	Ms Allen has been President since October 2014 From June 2013 to September 2014, she was Chief Brand Officer of Denny's Corporation in Spartanburg, South Carolina, and from July 2010 to May 2013, she was Chief Marketing Officer of the same company
Iwona Alter Vice President, Chief Marketing Officer	Ms Alter has been Vice President and Chief Marketing Officer for Jack in the Box since October 2016 She was Vice President of Product Marketing and Innovation for Jack in the Box from February 2013 to September 2016, and the Division Vice President of Operations for Jack in the Box from October 2011 to January 2013

Mark H Blankenship, Ph D Executive Vice President, Chief People, Culture and Corporate Strategy Officer	Dr Blankenship has been Executive Vice President, Chief People, Culture and Corporate Strategy Officer since November 2013 He was previously Senior Vice President and Chief Administrative Officer from October 2010 to November 2013
Carol A DiRaimo Vice President of Investor Relations and Corporate Communications	Ms DiRaimo has been Vice President of Investor Relations and Corporate Communications since July 2008
Vanessa C Fox Vice President, Chief Development Officer	Ms Fox has been Vice President, Chief Development Officer since April 2014 and has held the same position with the Qdoba brand since June 2016 She was Vice President of Franchise Business Development and Asset Planning from September 2013 to March 2014, and the Division Vice President of Franchise Business Development from June 2011 to September 2013
Dean C Gordon Vice President of Supply Chain	Mr Gordon has been Vice President of Supply Chain since October 2012 He was previously Division Vice President of Purchasing from February 2009 to October 2012
Maria F Hollandsworth Vice President, Strategic Initiatives and Operations Services	Ms Hollandsworth has been Vice President, Strategic Initiatives and Operations Services for Jack in the Box since October 2014 She was Vice President, Brand Initiatives for Jack in the Box from October 2013 to October 2014 and Regional Franchise Director for Jack in the Box from October 2009 to October 2013
Grant H Kreutzer Director, Franchise and License Business Development	Mr Kreutzer has been Director, Franchise and License Business Development for Jack in the Box and Qdoba since April 2016 He was Director, Franchise Business Development for Jack in the Box and Qdoba from September 2013 to April 2016 He served as Director, Franchise and License Business Development from February 2011 to September 2013
Jeff M Marshall Vice President, Chief Information Officer	Mr Marshall has been Vice President, Chief Information Officer since February 2014 From May 2010 to February 2014, he was a self-employed management consultant based in San Francisco, California

Andrew Martin Vice President, Chief Information Officer	Mr Martin has been Vice President, Chief Information Officer since November 2016 From January 2015 to November 2016, he was President of Silicon Beach Advisors in San Diego, California From October 2011 to December 2014, he was Executive Vice President and Chief Information Officer for LYTX, Inc in San Diego, California
Maria Martinez License Business Development Manager	Ms Martinez has been License Business Development Manager for Jack in the Box and Qdoba since July 2016 She was Non-Traditional Development Supervisor at The UPS Store, Inc in San Diego, California from February 2012 to June 2016 She was Auditor at The UPS Store, Inc from December 2010 to January 2012
Paul D Melancon Senior Vice President of Finance, Controller and Treasurer	Mr Melancon has been Senior Vice President of Finance, Controller and Treasurer since November 2013 He was previously Vice President of Finance, Controller and Treasurer from September 2008 to November 2013
Shane M Paul Vice President, Franchise Operations	Mr Paul has been Vice President, Franchise Operations for Jack in the Box since October 2013 From January 2012 to October 2013 he held the position of Division Vice President of Franchise Operations for Jack in the Box
Raymond Pepper Vice President and General Counsel	Mr Pepper has been Vice President and General Counsel since September 2014 He was previously Vice President, Deputy General Counsel from September 2013 to September 2014, and Division Vice President, Deputy General Counsel from July 2009 to September 2013
Jerry P Rebel Executive Vice President and Chief Financial Officer	Mr Rebel has been Executive Vice President and Chief Financial Officer since October 2005
Phillip H Rudolph Executive Vice President, Chief Legal and Risk Officer and Corporate Secretary	Mr Rudolph has been Executive Vice President since February 2010, before which he was Senior Vice President from November 2007 to February 2010 In addition, he has held the position of Chief Legal and Risk Officer and Corporate Secretary since October 2014, before which he held the titles of General Counsel and Corporate Secretary from November 2007 to October 2014

Ronniann Silver Franchise Business Development Manager	Ms Silver joined the Company as Franchise Business Development Manager in December 2016 From January 2013 to December 2016, she was a self-employed management consultant based in Overland Park, Kansas Ms Silver was an Executive Director Franchise Administration at Applebee's International, Inc in Overland Park, Kansas, Lenexa, Kansas, and Kansas City, Missouri from August 1999 until December 2012
Eric Tunquist Vice President of Franchise Operations	Mr Tunquist has been Vice President of Franchise Operations of Jack in the Box since December 2016, and he served in the same role on an interim basis from August 2016 to December 2016 Previously, he was Vice President, Guest Feedback for Jack in the Box from June 2010 to August 2016
Don L Vietti Vice President, Chief Technology Officer	Mr Vietti has been Vice President, Chief Technology Officer since January 2017, before which he was Chief Information Officer from September 2014 until January 2017 From December 2013 until September 2014, he was on a sabbatical from employment Prior to that, Mr Vietti served as Senior Vice President, Chief Information Officer of Carlson Restaurants Worldwide Inc in Carrolton, Texas, from February 2006 until December 2013

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ITEM 3
LITIGATION

Except for the actions set forth in this Item 3, no litigation is required to be disclosed in this disclosure document

ACTIONS INVOLVING JACK IN THE BOX INC

Pending Cases

In 1997, Foodmaker International Franchising, Inc and Foodmaker, Inc filed an action against a former franchisee in the Republic of the Philippines to force the closure of certain units being operated improperly The action was filed in Regional Trial Court in the Republic of the Philippines, and is entitled Foodmaker International Franchising, Inc and Foodmaker, Inc v JNB Food Corporation and William Ang (Case No 97-1823) The defendants counterclaimed, asserting they suffered damages due to the franchise closures The Company won an initial ruling relating to the closure of the units, but we are awaiting notification of a final resolution by the court

Concluded Cases

On January 27, 2013, the case of Lee v Jack in the Box Inc (Contra Costa Superior Court Case No CIVMSC12-00213) was filed as a class and representative action It contained causes of action for failure to reimburse business expenses, and included a claim of unfair business practices This action resulted in a class-wide settlement in the amount of $750,000, and reached final resolution and closure in March 2014

On October 24, 2013, the case of Olvera v Jack in the Box Inc (San Diego Superior Court Case No 37-2013-00072707) was filed as a class and representative action for damages and injunctive relief in connection with alleged violations of California meal and rest break laws along with other wage and hour claims The case included a claim of unfair business practices under the California Business and Professions Code The matter settled on October 23, 2014, through private mediation The total settlement amount was $1,000,000 The Court ordered a judgment that approved the settlement on March 20, 2015, therefore, this matter reached final resolution and was closed

On October 3, 2014, the case of Lauren Rehkopf v Jack in the Box Inc (Case No 37-2014-00033641-CU-BT-CTL) was filed in the San Diego Superior Court In this class action complaint, a customer, on behalf of a statewide class, claims that we engaged in unfair business practices by failing to allow her to exchange the remaining balance on her gift card for cash once the card held less than $10 in value We settled the case in July 2016

On June 18, 2014, the case of Michael Shames v Jack in the Box Inc (Case No 37-2014-00019866-CU-BT-CTL) was filed in the San Diego Superior Court In this class action complaint, a customer, on behalf of a nationwide class, claims that JIB (and franchisees) violated the Consumer's Legal Remedies Act and Unlawful Business Acts & Practices when they allegedly falsely and systematically overcharged customers who ordered a "Jumbo Jack add cheese " The case settled in October 2016 outside of court with no monetary contribution for Jack in the Box Inc

Currently Effective Injunctive or Restrictive Orders or Decrees

In May 1970 the Office of the Attorney General of the State of Missouri notified the Company of its intention to initiate proceedings alleging that the Company had engaged in deceptive advertising by selling or offering for sale "hamburgers" which contained soy grits as an extender The Company executed a consent decree dated May 28, 1970 (No 31899 Equity), filed in the Circuit Court of St Louis County, Missouri, which prohibits the Company from selling, offering for sale or advertising any substance as "hamburger" that is not fresh chopped or ground beef, with or without the addition of beef fat or seasoning, containing not more than 30% of fat, in the State of Missouri

Other than these actions, 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

This section describes payments you must make for goods or services received from us or our affiliates before your business opens

Initial Franchise Fee

When you sign the Franchise Agreement, you must pay the Company an Initial Franchise Fee The Initial Franchise Fee is typically fifty thousand dollars ($50,000) for each franchised restaurant, plus any tax or other fee imposed upon the Company due to the collection of the Initial Franchise Fee If your franchise term is for less than the standard twenty (20) years, the Initial Franchise Fee is two thousand five hundred dollars ($2,500) for each year or partial year exceeding six (6) months If you will be operating at a nontraditional location, the Initial Franchise Fee is twenty-five thousand dollars ($25,000) for each unit, plus any taxes and fees imposed on the Company due to collection of the Initial Franchise Fee The Initial Franchise Fee is fully earned on the date it is received by the Company, and is nonrefundable

We may reduce the Initial Franchise Fee or accept installment payments In the past, we have done this for (i) sales of existing Company-operated restaurants with restaurant sales significantly below system average and/or with an unusual history of business or management problems, (ii) special incentive programs, which are offered at the discretion of, and subject to such restrictions as may be imposed by, the Company, (iii) settlement of disputes, and (iv) the reopening of certain closed sites or the approved relocation of a franchise (although you have no right to relocate your franchise, and approval of such requests is rare) During the past fiscal year, the Company collected Initial Franchise Fees ranging from $25,000 to $50,000, excluding any franchises for which the fee was waived pursuant to our previous Development Incentive Program (discussed below)

Development Fee

If you sign a Development Agreement with us, it will give you the right to construct an agreed-upon number of *Jack in the Box* restaurants in a specified geographic area When you sign a Development Agreement you may be required to pay us a development fee (the "Development Fee") of twenty-five thousand dollars ($25,000) for each site to be developed unless you qualify for our current Development Incentive Program, as discussed below, in which case the Development Fee is waived If the Development Fee is required, it is payable when you sign the Development Agreement, is fully earned by the Company at the time it is received, and is nonrefundable During the past fiscal year, the Company charged uniform Development Fees of $25,000 per site, but the waiver of the Development Fee was not included as part of the Development Incentive Program that was offered during previous fiscal years

Under our current Development Incentive Program, if you open the restaurant during the time frames specified in the Development Agreement, and certain other requirements are met, you will not be charged a Development Fee, and you may also choose one of the following incentive options (see Development Agreement, Exhibit K)

OPTION A The royalty rate will be reduced to (i) 0% for the first three years, (ii) 2% for the fourth year, (iii) 3% for the fifth year, (iv) 4% for the sixth year, and (v) 5% for all subsequent years

OPTION B Upon opening the restaurant on or before the compliance date, we will loan you $250,000 at 0% interest to be used toward development costs The loan will be repaid by crediting 100% of the royalties otherwise due until the loan is paid in full (i e , payments will be made by crediting the appropriate portion of royalties toward the principal balance outstanding), and, unless it has already been paid, is due in full when the developed restaurant is sold or closed

We may stop offering our current Development Incentive Program at any time

The Company will not grant a Development Agreement to an existing franchisee unless certain conditions are met The conditions may require significant financial

contributions We currently require that any existing franchisee be in compliance with our system standards Also, with rare exceptions, the franchisee, its owners, and the franchisee's wholly owned entities must sign a general release in favor of the Company as a condition to entering into a Development Agreement The standard general release currently in use is attached as Exhibit O The form of general release may change over time, for particular transactions, or for particular states The conditions under which we may grant a Development Agreement will vary over time, and others may be added

Technology Installation Fees

Before your restaurant opens, you must have certain technology systems in place We will require that you sign a Master Technology Agreement (Exhibit S) covering certain technology-related services required in the operation of your restaurant, and pay certain fees as set forth in that agreement The table below shows the initial fees you must pay to us or our affiliates for those services All fees are subject to change Please see Item 6 for ongoing monthly technology-related fees you will be required to pay, and Item 7 for your estimated initial investment for required technology equipment, operating systems and installation We are considering revising our technology requirements, and details will be disclosed when finalized

Description of Charge*	One-Time Fee	Type of Charge	Contract	Comments
POS Software license fee	$ 1 000	per site	MTA	Software license fee
Taxes/Freight	varies	per equipment/ services	As specified in each contract	Taxes may apply on any of the above-related fees as required by taxing authorities and are in addition to the fees stated

* All fees are net of any taxes

The fees described above, and the ongoing fees described in Item 6, defray some, but not all, of the Company's costs associated with developing or implementing new software solutions, obtaining software licenses and providing technology-related services The Company periodically reviews its cost structure and the fair market value of the software and services provided, and increases or decreases fees as it deems appropriate Any fee increase will be communicated thirty (30) days before the effective date of the fee increase

If you purchase or develop a new restaurant, you will need to purchase from us and pay us to install certain IT equipment, including a computer, web-based mobile training device, point-of-sale system, kitchen display equipment, speed of service equipment, network infrastructure equipment, and order confirmation system The approximate cost for the purchase and installation of such equipment currently ranges from $38,000 to $40,000 If you purchase an existing operating restaurant, you may also be required to purchase and install some of this equipment if it is not already installed

Additional Fees for Purchase of an Existing Company-Operated Restaurant

If you purchase the ongoing business of an existing restaurant from the Company, you will need to pay a negotiated purchase price for the existing restaurant business, including the furniture, fixtures and equipment at the restaurant, plus costs for existing inventory (See Item 7 for more information) You will be required to pay a nonrefundable $5,000 application fee at the time you sign a Letter of Intent (Exhibit G), which will be applied to the purchase price if the sale is completed You will also be required to pay a deposit on the purchase price and franchise fee when you sign a Purchase Agreement (Exhibit I) The deposit is nonrefundable after an inspection period

JIB occasionally leases certain equipment from third-party vendors for use at its restaurant locations Such equipment may include bulk oil systems, dishwashers, and computerized safe systems If you buy an existing company-operated restaurant where leased equipment is in use, in most cases you may choose to keep the equipment in place or have the Company or the third-party vendor remove it If you choose to keep the equipment, you will need to enter into a contract with the third-party vendor If you choose not to keep the equipment, you may be required to pay a contract termination fee and/or pay for the equipment removal

Additional Fees for Sites to be Developed

If you are building a restaurant and would like to locate it within fifteen (15) miles of an existing *Jack in the Box* restaurant, you may be required to pay for a Trade Area Survey Analysis to be conducted with respect to each existing restaurant within that radius to estimate potential impact on sales at each such restaurant The cost of a Trade Area Survey Analysis can range from $3,500 to $7,000, plus all expenses, which may vary considerably The Company collects this fee from you on behalf of the third-party company that conducts the Trade Area Survey Analysis If the Trade Area Survey Analysis predicts that sales transfer at any such existing restaurant will exceed a certain threshold, then you will be required to compensate the owner of each such restaurant that is franchisee-owned The compensation amount may vary considerably and depends on the amount of predicted sales transfer You may be required to compensate the Company for any Company-owned impacted restaurants, or we may reduce any development incentive that you otherwise would have received

If you want to develop a site that we are already in the process of acquiring or developing, you will be required to pay certain fees relating to the site If you want to develop a site that cannot legally be assigned to you with a release of our obligations, we may sublease the site to you You will be required to reimburse us for all internal overhead or other charges we have incurred in developing the site, including any training costs associated with preparing the site for opening Those costs will vary considerably based upon time expended by us and the nature of the development services in which we engaged

You will also be required to pay us a separate fee for work we complete toward developing the site The amount of the fee will vary depending upon (i) the stage of development the site was in when it was turned over to you, (ii) whether we or you develop the site, and (iii) what services we provide to you during the development process If the site is developed by you after we acquire it, you will be required to pay a fee of $25,000 plus our out of pocket costs and other expenses and any internal overhead or other charges we incurred in connection with the acquisition, investigation and development of the site None of the costs and fees associated with Company-initiated sites are refundable

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ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty (other than Royalty for Games & Devices)	5% of Gross Sales (unless eligible for a temporary reduction under our Development Incentive Program)	Payable monthly on the 15th day of the next month For nontraditional locations payable weekly on Friday for the prior week	The royalty rate may be higher or lower than five percent (5%) as negotiated in the following circumstances (i) at nontraditional locations if in the Company s opinion the costs are substantially different than at a traditional location (ii) in a market that is new to the brand (iii) if the Company offers a financial incentive program and you meet the requirements of the program (iv) in connection with the settlement of a legal dispute and (v) in limited circumstances at the Company s discretion if a Company-operated site is being franchised Under our current Development Incentive Program developers who build restaurants in accordance with the required time frames and who meet certain other requirements may choose an option to receive a royalty reduction to (i) 0% for the first three years of the Franchise Agreement (ii) 2% for the fourth year (iii) 3% for the fifth year and (iv) 4% for the sixth year Gross Sales is defined in Section 8 C of the Franchise Agreement and generally includes all revenues related to the franchised restaurant premises except taxes and income from Games and Devices
Royalty for Games and Devices	40% of net revenues from such games and devices	Payable quarterly or as negotiated	Games and Devices means coin token card or internet devices like pay telephones cash credit or debit machines (including automated teller machines) newspaper stands slot machines wireless or similar machines
Marketing fee	5% of Gross Sales	Payable monthly on the 15th day of the next month For nontraditional locations payable weekly on Friday for the prior week	The percentage may increase upon majority vote The Company and Franchise Operators have one vote for each restaurant that they operate and that pays the standard marketing fee however the Company s votes will never fall below 20% of all total votes regardless of the number of restaurants it operates Increases are capped at 0 5% of Gross Sales in any 24-month period Marketing Fees may be different at nontraditional locations and in other rare circumstances The typical Marketing Fee for nontraditional locations is 1% of Gross Sales but we may modify this fee
Rent	Minimum and percentage rent if you rent a restaurant location from us (as negotiated) Additional rent if the Franchisee chooses to have the Company build the restaurant (available under our Development Incentive Program)	Minimum and additional rent is due in advance on the first day of each month Percentage rent is payable monthly on the 15th day of the next month	If you lease a restaurant location from us or our affiliates you will pay the higher of monthly minimum rent or a percentage rent based on each month s Gross Sales The amount of your rent will be determined based upon the minimum rent we pay and the sales at the restaurant Under our current Development Incentive Program developers who build restaurants in accordance with the required time frames and who meet certain other requirements may choose to have the Company build the restaurant and charge you additional rent equal to the amount of the development costs amortized over 20 years The availability of this option may be limited to certain circumstances

Type of Fee	Amount	Due Date	Remarks
Common Area Maintenance charges property taxes and other assessments	Varies based on the individual lease if you rent a restaurant location from us (as negotiated)	Varies but typically due with minimum rent in advance on the first day of each month	If you lease a restaurant location from us or our affiliates in addition to any rent obligations you may also be responsible for the location s Common Area Maintenance charges property taxes and other similar assessments Whether you will be responsible for such charges and the amount of such charges will be determined based upon the lease negotiated for the restaurant
Sale or assignment fee	Up to $2 500 per restaurant	Upon demand	No fee is imposed for transfers to an entity that is wholly owned by the persons who have signed the franchise agreement if the same percentage of ownership among the owners is maintained after the transfer
POS hardware maintenance fee	Fees are varied and based on the type of equipment and type of services selected	As incurred	You will contract with the approved vendor
POS software license maintenance fee	$16 67 (plus tax) per restaurant	Monthly	This cost may increase as new features and/or product offerings are added
Back Office Software license fee	$141 67 per restaurant	Monthly	Fee to support back-office software applications
Timekeeping System Maintenance fee	$5 83 per restaurant	Monthly	Payable for as long as software maintenance is required
Menu Management fee	$14 17 per restaurant	Monthly	For restaurant menu management services
RTS Call Center Services fee	$129 17 per restaurant	Monthly	For standard technology support services provided by the Company
Voicemail account fee	$7 00 per account (optional)	Monthly	First voice mail account for the Franchise Operator is free Additional charges will apply for each additional voice mail account Franchisee requests
Next Generation Network (NGN)	$161 to $230 (plus tax) per restaurant plus universal service fee set by vendor if applicable	Monthly	Includes broadband connection managed firewall & network switch security services private Wi-Fi and if selected public Wi-Fi and backup network (satellite/4G) connectivity A purchase option is available which will require an initial investment of approximately $2 200-$2 800 per restaurant You are required to use the NGN equipment and services and pay the associated monthly fees The equipment and services are provided by Hughes Network Systems
Jack s Ca$h	$10 00 per restaurant	Monthly	For processing of Jack s Ca$h gift cards

Type of Fee	Amount	Due Date	Remarks
Financial Audit/ Food Safety Re-audit	Cost of inspection or audit	Upon demand	Payable only if (a) financial audit shows an understatement of one percent (1%) or more of Gross Sales for the period covered by the audit (b) audit is as a result of your failure to timely furnish financial statements reports supporting records or other information required by the franchise agreement or (c) you have failed a food safety audit The cost of a financial audit includes charges for independent accountants outside attorneys fees and travel costs and a reasonable per-diem charge for employees of the Company The cost of a food safety re-audit is approximately $250
Supplier / Distributor / Approval and Review Fee	Varies based on costs of inspection laboratory fees and travel costs	Upon completion of inspection and issuance of approval or disapproval	Charged if you request approval of an alternative vendor for a product or service and two or more such vendors are already approved
Service charge on overdue amounts	The lesser of 18% or maximum rate permitted by law	Upon demand	We are currently charging 12%
Equipment	Varies	Upon purchase of a company-operated site If equipment is leased monthly payments	See Items 7 and 10 If you are selected to test a menu item you may also be required to purchase from us certain equipment to produce and sell the items being tested
Additional training and materials	Varies	Upon demand	The cost of training the Franchise Operator and one manager per new restaurant is included in the Initial Franchise Fee The Company currently conducts certain other required training without charge for tuition but reserves the right to charge tuition in the future The first copy of basic training materials is provided to you free of charge For any additional copies you will be charged a fee approximately equal to our cost plus shipping charges These fees are incurred on an ongoing basis for new hires
Indemnification	Varies	As incurred	You must reimburse the Company for claims against us relating to the construction or operation of your restaurant
Taxes/Freight	Varies	As incurred	Taxes may apply on any of the above-related fees as required by taxing authorities and are in addition to the fees stated

1 Licensees in Nontraditional Locations may pay reduced fees
2 Unless otherwise indicated, all fees are imposed by and payable to Jack in the Box Inc and are nonrefundable

ITEM 7
ESTIMATED INITIAL INVESTMENT

A YOUR ESTIMATED INITIAL INVESTMENT [1]

Type of Expenditure	Estimated Amount or Estimated Low -High Range	Method of Payment	When Due	To Whom Made
Development fee[2] (if applicable)	$25 000	Lump sum	At signing of Development Agreement	Us
Initial franchise fee[3]	$0 - $50 000	Lump sum	At signing of Franchise Agreement	Us
Fee for trade area survey analysis[4]	$0 - $11,000 (plus expenses)	Lump sum	As agreed	Us
Land [5]	Not included	Not included	Not included	Not included
Fee for architect/ engineering services	$192 500 - $520 000	As agreed	As agreed	Consultants
Environmental assessment[6]	$2 500 - $30 000	As agreed	As agreed	Suppliers
On-site improvements (excluding landscaping)[7]	$100,000 - $265 000	As agreed	As incurred	Suppliers
Construction[8]	$640 000 - $900 000	As agreed	As agreed	Consultants/ suppliers
Furniture fixtures and equipment[9]	$250 000 - $460,000	As agreed	As incurred	Suppliers
IT equipment and installation[10]	$45 000 - $60,000	As agreed	As agreed	Us or suppliers
Computer-related services and licensing[11]	$1 000	As agreed	Primarily	Us
Initial inventory	$12 000 - $20,000	As agreed	As incurred	Suppliers
Pre-opening training and inventory expenses[12]	$50 000 - $55 000	As agreed	As incurred	Employees
Pre-opening additional funds[13]	$14 000 - $17,000	As agreed	As incurred	Suppliers
Uniforms	$1,500 - $3,000	As agreed	As incurred	Suppliers
Operating cash	$1 200 - $3 000	As agreed	As incurred	Suppliers
Business licenses and utility deposits [14]	$2 000 - $8 000	As agreed	As incurred	Utilities
Additional funds[15] (3 months)	$165 300 - $458,600	As agreed	As incurred	Employees suppliers utilities
Total estimated cost for prototypical Mark 9-Style restaurant (excluding land financing and certain other costs) [16]	**$1,502,000 - $2,886,000**			

(1) These initial investment figures are based on Company costs in fiscal year 2016 to open a Mark 9-Style restaurant The Mark 9-style building is the building style currently approved for new construction All portions of the initial investment paid to the Company are fully earned by the Company when paid and are not refundable Your financing cost may affect your total investment significantly You may not incur all the costs identified you may incur additional costs, and your actual costs will likely be a blend of the costs identified The total capital cost to build a Jack in the Box restaurant per our 10-K guidance is between $1 200 000 and $2 000 000

(2) We describe the Development Fee in Item 5 Under the Development Incentive Program the development fee may be waived

(3) We describe the Initial Franchise Fee in Item 5

(4) We describe a trade area survey analyses in Item 5 Amount listed is for a single site survey

(5) The cost of land will vary widely depending upon size and location of the property and whether you purchase or own the land or enter into a lease arrangement therefore (See Exhibit N Lease Agreement for a description of lease terms if you lease from JIB) Typical physical site criteria would include 20 000 - 30 000 square feet, 150 feet of frontage 2 032 - 2 561 square feet for building and parking to accommodate 20 - 30 spaces

(6) A Phase One" assessment costs approximately $2 500 to $3 500 The cost of a ' Phase Two assessment varies considerably ranging from $10 000 to $20 000 The cost of a "Phase Three ' assessment ranges from $30 000, up

(7) Site improvements include excavation grading utility work and outdoor lighting among other things Offsite development costs if any, are excluded

(8) The Company compiled these estimates based on its experience building its prototypical building where there were no unusual conditions such as special signage needs or city-required exterior finishes The estimate does not include costs of building permits onsite or offsite site improvements such as lighting land excavation or fill, utility work and paving landscaping or complying with the requirements of any governmental authority Construction costs will vary widely depending upon the size condition and location of the property

(9) Depends upon kitchen configuration and dining room size Excludes security equipment

(10) Includes purchase and installation of Back-Office PC, Web-based mobile training device point-of-sale system kitchen display equipment, speed of service equipment, network infrastructure equipment and order confirmation system

(11) The computer-related licensing fees are POS Software

(12) The pre-opening training and inventory expenses in a new market can be significantly higher

(13) Pre-opening additional funds" include any miscellaneous expenses required before the restaurant opens, but excludes the following rent related items, property taxes labor and food cost Costs may vary widely depending upon your restaurant location economic conditions and competition

(14) Business licenses and utility deposits costs vary greatly by municipality and state

(15) Additional funds include the following for the first three (3) months of operations initial employee wages management compensation, ongoing purchases of inventory of food and supplies utilities repairs and maintenance and insurance (annual premium) It excludes income taxes officer compensation Workers' compensation insurance property insurance general and administrative expenses interest, other income and expense, royalties marketing fees, depreciation rent taxes and license expenses other labor expenses bonuses travel expenses and cash overage/shortage You may have additional expenses starting the business Costs may vary widely depending upon your restaurant location sales volume staffing choices, management skill and experience, economic conditions, the labor market and competition

(16) Financing rates lease rates cash injection loan or lease fees creditworthiness lender selection and interest rates closing costs and factors may vary greatly and will significantly affect your initial investment The Company may offer some limited financing (See Item 10)

If you are developing a Nontraditional Restaurant certain categories of the identified costs may vary significantly from those disclosed above We anticipate that at least the following expenditures will vary from those stated above You will not pay any Development Fee The Initial Franchise Fee will be $25 000 On-Site Improvements are likely to range from $0 to $404,000 On-Site Improvement costs will be vary depending on the stage of build out that the site is in when you lease it Construction costs are likely to range from $369,900 to $695,500 Furnishings, fixtures and equipment are likely to range from $235 200 to $420 100 Construction costs and Furnishings fixtures and equipment costs vary depending on the size of the location, finishes signage and other items The environmental assessment will likely range from $0 to $30 000 All other initial costs disclosed above are expected to be the same for both traditional and non-

traditional restaurants Accordingly we anticipate that the overall cost range for a non-traditional location will be $988 100 to $2 302 200

B INITIAL INVESTMENT IF EXISTING RESTAURANT IS PURCHASED

If you purchase an existing *Jack in the Box* restaurant from us, your costs will be different from those stated under A above You will pay a negotiated price for the ongoing business, including fixtures, furniture, and equipment, plus costs for existing inventory If you buy one of certain older restaurants from us, you will be required to remodel the restaurant within a designated time frame after acquisition You will receive a remodel incentive credited at closing to remodel the restaurant, but if you do fail to remodel the restaurant within the time frame required, you will be required to reimburse us the incentive amount You may also be required to enter into a lease with vendors for certain equipment that has already been installed at the restaurant In some cases, signage at the restaurant will have to be replaced at an average approximate cost of $20,000 per restaurant

If you purchase an existing restaurant from us, you are taking the restaurant in "as-is" condition and are responsible for resolving any maintenance and repair issues that may exist

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must adhere to Company standards and specifications in the development and operation of your restaurant The Company's standards and specifications apply to the vast majority of goods, services, supplies, uniforms, fixtures, equipment, real estate and inventory items you will use All standards and specifications are developed by the Company in its sole discretion, and may be modified by the Company at any time Standards and some specifications are provided to you in the Company's manuals and other written materials If you ask the Company to evaluate a supplier for possible approval, the Company may issue its specifications to the supplier, pending final approval by the Company, if the supplier signs the Company's confidentiality agreement and General Manufacturing Requirements document There are only a small number of products or services that are not subject to our standards and specifications, such as maintenance and repair services, security equipment or services, landscaping, and certain cleaning supplies and paper products

Real Estate and Building The Company does not require you to purchase or lease real estate from us in order to develop a *Jack in the Box* restaurant, but the Company has the right to approve or disapprove sites Our approval of a site is no representation, promise, or guarantee of its success If you purchase a franchise for a restaurant currently operated by the Company, you will be required to lease or sublease the real estate from us In certain markets that contain both Company and franchisee restaurants, you may be required to use our approved real estate broker(s) to identify sites to develop

The Company has standards and specifications relating to the building design for *Jack in the Box* restaurants You do not need to purchase design or construction services from us or a JIB-approved supplier, other than brand-specific items as discussed below, however, we do require that your suppliers be properly licensed, and your architects be

approved by us The standards and specifications for the building are created by the Company, and we may modify them from time to time If you are building or remodeling a restaurant, the Company will give you access to the current standards and specifications for various engineering, architectural design, and equipment aspects of a prototypical *Jack in the Box* restaurant We are beginning a remodel program, but the scope of the program has not been determined, and the program will require franchisees to remodel some of their existing restaurants We will provide the remodel program details, along with associated costs, when that information is available

Computers, Fixtures, Furniture and Equipment As a franchisee, you will be required to buy certain computer software, peripheral equipment and technology services from us, as described in Items 5 and 11, and you will be required to purchase or lease specified restaurant and technology equipment only from our approved suppliers Other than that, the Company does not require you to purchase or lease furniture, fixtures, or equipment directly from us, however, if you purchase a franchise for a restaurant currently operated by the Company, you will be required to purchase the existing business assets from us, including computers, furniture, fixtures, equipment, and inventory

In the fiscal year ending October 2, 2016, the Company and its affiliates received revenue of approximately $1 5 million (or 0 1% of the Company's total annual revenue of approximately $1 6 billion) from leasing equipment to franchisees These amounts were almost entirely offset by costs The Company also received revenue of approximately $233 million (or 14 6% of the Company's total annual revenue of approximately $1 6 billion) of rental income from leasing real property to franchisees

Food, Packaging, Smallwares, Chemicals, and Uniforms You must purchase and use in your restaurant only those food, chemicals, uniform, and packaging items that are approved by the Company In most cases, those items must be purchased from and distributed by suppliers that are approved or designated by the Company You may be required to participate in testing new products, services or equipment, and there may be certain test items, such as promotional items, specialized food preparation utensils, or food products, that must be purchased through the Company

The Company does not issue specifications for food, chemicals, packaging, smallwares and uniforms directly to franchisees Those specifications are provided to the approved suppliers The Company may change approved suppliers at any time The Company is an approved supplier for only a small number of items, such as certain technology services and promotional items

If you want to purchase any company-specified item from any source other than an existing approved supplier, you must send us a written request for approval of the proposed supplier We generally make a determination on the approval of new suppliers within three to six months, although that time frame can vary depending on the circumstances You may not purchase from any supplier until that supplier has been approved in writing by the Company In most cases, we require that the Company or its agents be permitted to inspect the supplier's facilities, and that the supplier send samples for evaluation and testing to the Company, or at our option, to a laboratory designated by us In addition, the Company may evaluate the supplier's adherence to, among other things, food safety, quality, sanitation, environmental, and human rights programs, ability

to make a product safely and to specifications, production, storage and delivery capabilities, financial condition, willingness to protect the Company's confidential information, integrity of ownership and management, potential conflicts of interest, and ability to comply with the provisions of our Vendor Code of Conduct

Certain criteria for supplier approval are contained in the Approved Supplier Manual The time we need to approve or disapprove a supplier varies depending on a number of factors, including the complexity of the product or equipment, and competing business imperatives When there are already two (2) approved suppliers for an item, the Company can require a fee from the proposed new supplier or the requestor to cover the reasonable costs and expenses of inspection and approval, including expenses relating to travel, testing, training supplier employees, and coordinating product rollouts The Company may limit the number of approved suppliers for any given item

The Company requires that suppliers consistently comply with all of the Company's standards, specifications, and contractual expectations We visit and inspect the approved suppliers' facilities on a continuing basis, and independently evaluate and test the products they are producing Termination of a supplier as an approved supplier occurs by written notice to the supplier If a supplier is no longer approved, we will notify all approved distributors and may notify individual franchisees Upon receipt of written notice of a revocation of approval, you must stop selling any unapproved products, and stop buying from the unapproved supplier The company will determine an appropriate supplier and/or product replacement for you

The Company estimates that from eighty-five percent (85%) to ninety-five percent (95%) of the total costs associated with developing a franchised *Jack in the Box* restaurant (excluding the development fee and Initial Franchise Fee), and from forty-five percent (45%) to sixty-five percent (65%) of the total annual costs associated with the ongoing operation of a franchised *Jack in the Box* restaurant (excluding rent), relate to items that must conform to the Company's specifications or be purchased from us or our approved suppliers

During fiscal year 2016, the Company received marketing-related reimbursements and/or services from certain suppliers, with an approximate value of $1,600,000 All such funds are contributed to the Marketing Fund

The Company and its franchisees now purchase almost all food and beverage products through a single, third-party distributor The distributor purchases products from suppliers, then resells the product to the Company and franchisees The Company negotiates price and certain other contract terms with the suppliers, conducts food safety and product quality testing, inspections and remediation activities, manages product tests, rollouts and related product obsolescence, reviews distribution charges and performance, and participates in distribution councils and dispute resolutions For those services, the Company receives a Sourcing Fee from franchisees who use the third-party distributor The amount of the Sourcing Fee is determined each year in consultation with a franchisee/franchisor committee, and is currently a per-unit charge of ten cents ($0 10) (a unit is a case of goods sold through the distribution network) The Sourcing Fee is collected by our third-party distributor in connection with sales to both franchised and Company restaurants, and is forwarded on to us In fiscal year 2016, JIB received total

Sourcing Fees of approximately $4,487,556, a large portion of which was returned to franchisees on a pro-rata basis

We do not provide franchisees any material benefits based on their purchase of particular products or services, or their use of particular suppliers

None of the officers of the Company own a substantial interest in any of our third-party approved suppliers Several of our officers own an interest in the Company

As stated above, franchisees purchase product through one particular third-party distributor The contract terms that the Company has negotiated with its primary suppliers (including with the third-party distributor) are made available to franchisees that enter into a participation agreement with the Company and the third-party distributor Franchisees that choose not to use the Company's third-party distributor can negotiate their own contracts with another approved distributor and approved suppliers, and are not bound by the terms we negotiate

The Company may negotiate contract terms with suppliers of products or services other than food and packaging, such as equipment suppliers or credit card processors While we often ask suppliers to offer the same contract terms to our franchisees, we cannot assure that this will happen, or what terms ultimately will be made available to franchisees

Insurance You must obtain and maintain, at your sole expense, all of the insurance coverage that the Company requires Current insurance requirements include (a) commercial general liability insurance, including products liability coverage and broad form contractual liability coverage (this insurance must not contain an exclusion for occurrences arising from food-borne illness), written on an "occurrence" policy form, with a limit not less than $5,000,000 combined single limit per occurrence and aggregate, (b) business automobile liability insurance, including owned, leased, non-owned, and hired automobile coverage, with not less than $1,000,000 per accident, (c) workers' compensation insurance as required by law, and employer's liability insurance with a limit of not less than $1,000,000, and (d) "all risk" property insurance covering (i) the building, furniture, fixtures, equipment, inventory, and other tangible property of the franchised restaurant, including plate glass insurance, on a full one-hundred percent (100%) repair or replacement value basis, (ii) Business Interruption/Business Income insurance, including Extra Expense insurance (at least one (1) year of actual loss sustained), so as to re-establish normal business operations, and (iii) loss-of-rents insurance covering a minimum of twelve (12) months' fixed minimum rent If you are building or renovating a franchised restaurant, you must also have Builder's Risk Insurance for the replacement cost of the real and personal property being built

All of the insurance coverage (a) must be primary and noncontributory, (b) must be issued by an insurance company(ies) with a rating of not less than "A-VIII" in the current A M Best Insurance Rating Guide or as approved by the Company, (c) must name the Company, its affiliates, and any other parties as the Company may request, as "additional insureds," and shall contain an "Additional Insured – Designated Person or Organization" endorsement (or its equivalent), except workers' compensation insurance only, without any qualifying language, (d) must provide that the insurance cannot be canceled, materially

changed, or not renewed, except upon thirty (30) days' advance written notice to the Company, and (e) must contain a waiver of subrogation rights of the insurer(s) against the Company, which waiver shall be effective regardless of whether any loss is caused by the act, omission or negligence of the Company, and shall contain a "Waiver of Transfer of Rights of Recovery Against Others" endorsement (or its equivalent)

All deductible amounts on all insurance policies required of you must be disclosed in writing to the Company, must be noted on the certificates of insurance, and are subject to the approval of the Company The insurance required to be maintained by you, including but not limited to coverages and policy limits, may be increased or otherwise modified from time to time by the Company at its sole discretion

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Agreement	Item in Disclosure Document
a	Site selection and acquisition/lease	Sections 1 3 and 5 B of Franchise Agreement Sections 6 A and 7 A of Development Agreement Sections 1 , 3 and 5 B of License Agreement	Items 8 and 11
b	Pre-opening purchases/lease	Not applicable	Items 5, 7 and 8
c	Site development and other pre-opening requirements	Section 5 B of Franchise Agreement, Section 8 of Development Agreement Section 5 B of License Agreement	Items 8 and 11
d	Initial and ongoing training	Sections 5 J and 7 of Franchise Agreement Section 6 of License Agreement	Item 11
e	Opening	Section 8 of Development Agreement	Item 11
f	Fees	Sections 2 8 and 14 of Franchise Agreement, Section 10 D of Development Agreement Section 2 , 7 and 14 of License Agreement	Items 5 and 6
g	Compliance with standards and policies/Operating Manual	Section 5 of Franchise Agreement Section 5 of License Agreement	Items 11 and 14
h	Trademarks and proprietary information	Sections 5 A , 5 C , 5 L 5 M 10 and 11 of Franchise Agreement Section 21 of Development Agreement Sections 5 A 5 C 5 K 9 and 10 of License Agreement	Items 13 and 14
i	Restrictions on products/services offered	Section 5 of Franchise Agreement Section 5 of License Agreement	Item 16

Obligation		Section in Agreement	Item in Disclosure Document
j	Warranty and customer service requirements	Not applicable	Not applicable
k	Territorial development and sales quota	Section 6 of Development Agreement	Not applicable
l	Ongoing product/service purchases	Sections 5 D 5 E and 5 F of Franchise Agreement Sections 5 D 5 E , and 5 F of License Agreement	Item 8
m	Maintenance, appearance and remodeling requirements	Sections 5 A 5 B 5 C 5 D and 5 E of Franchise Agreement Section 5 of License Agreement	Not applicable
n	Insurance	Section 12 of Franchise Agreement Section 14 B of Development Agreement, Section 11 of License Agreement	Items 7 and 8
o	Advertising	Section 5 L and 8 B of Franchise Agreement Sections 5 K and 7 B of License Agreement	Items 6 and 11
p	Indemnification	Section 13 of Franchise Agreement Section 14 of Development Agreement Section 12 of License Agreement	Item 6
q	Owner s participation/ management/staffing	Sections 4 5 J 5 O 7 and 20 G of Franchise Agreement Section 5 of Development Agreement, Sections 4 5 I and 5 M of License Agreement	Item 15
r	Records/reports	Section 9 of Franchise Agreement, Section 8 of License Agreement	Item 6
s	Inspections/audits	Sections 5 N and 9 D of Franchise Agreement Sections 5 L 8 E of License Agreement	Item 6 and 11
t	Transfer	Sections 14 , 15 and 16 of Franchise Agreement Sections 10 and 11 of Development Agreement Sections 13 and 14 of License Agreement	Items 17
u	Renewal	Section 1 of Franchise Agreement Section 1 of License Agreement	Item 17
v	Post-termination obligations	Sections 18 and 20 I of Franchise Agreement Sections 15 B and 15 C of Development Agreement Section 16 of License Agreement	Item 17
w	Non-competition covenants	Section 19 of Franchise Agreement Section 17 of License Agreement	Item 17
x	Dispute resolution	Sections 20 C , 20 D, and 20 E of Franchise Agreement, Section 18 B of License Agreement	Item 17
y	Taxes and compliance with law	Sections 4 C , 5 K 9 C 18 D , and 18 I of Franchise Agreement Sections 7 H 9 and 12 of Development Agreement, Sections 4 F, 5 J and 8 D of License Agreement	Item 17

Obligation		Section in Agreement	Item in Disclosure Document
z	Compliance with other agreements	Section 17 of Franchise Agreement, Section 16 of License Agreement	None

ITEM 10
FINANCING

The Company does not regularly offer financing in connection with the establishment or operation of new franchised restaurants In some circumstances, however, the Company may offer short-term (typically two- (2) month or less) bridge financing of up to eighty percent (80%) of the purchase price of the restaurant if you are not able to secure the financing from other sources at the time of the closing of the transaction The Company may also offer longer-term mezzanine financing for up to twenty percent (20%) of the purchase price of the restaurant if you are not able to obtain complete financing from other sources This mezzanine financing is generally repayable within twenty-four (24) months The interest rate on the financing is negotiated, but it is typically between 5% and 10% You are required to make monthly payments on the loan, but there is no prepayment penalty If such financing is provided, the Company takes a security interest in all *Jack in the Box* restaurants owned by you If you default under any such financing arrangement, the default constitutes a default under all franchise agreements and other agreements between you and the Company or its affiliates (see Exhibit M, Promissory Note)

In limited circumstances, the Company may offer build-to-suit arrangements to assist you in meeting construction obligations In such instances, the Company completes the acquisition and construction of the site, and then leases the land and newly constructed building and improvements to you The rent payable by you under the lease is negotiated, as are periodic rent increases As part of the build-to-suit arrangement, the Company will negotiate with you to allow you the option of eliminating the building rent by making a lump sum payment to the Company at a future date

In other limited circumstances, under our current Development Incentive Program, if you open the restaurant in accordance with the time frames specified in the Development Agreement, and certain other requirements are met, you may also choose an option where the Company will loan you $250,000 at zero percent (0%) interest after ground break to be used toward development costs The loan must be repaid by crediting 100% of the royalties that would otherwise have been due and payable until the Note is paid in full, and, unless it has already been repaid, is due in full when the developed restaurant is sold or closed Under this loan agreement, (i) you will be required to sign a Promissory Note (see Exhibit M), (ii) no security interest is required by the Company, (iii) no one other than you, as franchisee, must personally guarantee the debt, and (iv) the debt can be prepaid without any penalty

If you default on the Promissory Note, you will incur potential liabilities, including (i) an accelerated obligation to pay the entire amount due, (ii) obligations to pay the prevailing party's court costs and reasonable attorneys' fees incurred in collecting the debt, (iii) liabilities from cross defaults under any Franchise Agreement(s), Lease Agreement(s), or other related agreement(s) between you and the Company, and (iv) termination of the franchise This loan agreement does not require you to waive defenses or other legal rights or bar you from asserting a defense against the Company It is not the Company's practice or intent to sell, assign, or discount to a third party all or part of the loan arrangement

If you are franchising an existing Company-operated restaurant, then

- We may allow you to pay the standard franchise fee in annual installments
- If the restaurant is on real property currently owned or leased by us, you may be required to lease or sublease the premises from us The Lease Agreement is a standard commercial lease under which you pay rent to the Company for use of the premises The Lease Agreement does not contain any financing terms (See Exhibit N, Lease Agreement)
- If there is a significant possibility that the restaurant will close for any reason within a few years, we may, in our sole discretion, allow you to pay for the restaurant in two (2) installments, with the second payment coming due if and when it is clear that the restaurant will remain open for ten (10) years or more No financing terms are included in any such agreement

We may, upon request, try to help you locate a source of financial assistance We will not charge a fee or receive other compensation for this service

The Franchise Agreement gives us a first-priority security interest in the business assets of your *Jack in the Box* restaurant in order to secure payment of all amounts that you may owe to us under the Franchise Agreement and any other agreements you may have with us Granting us a security interest in these assets may impair your ability to obtain financing from other potential lenders In order to facilitate your efforts to obtain financing, we may agree to subordinate our security interest to the security interest of another lender, but only under certain conditions

We presently offer to act as a broker to purchase certain equipment for franchised *Jack in the Box* restaurants, as discussed in the Equipment Brokerage Agreement and the Master Technology Agreement (See Exhibits R and S) If you participate, the Company will charge you a standard eight percent (8%) mark-up on all equipment purchased, with the exception of certain technology equipment, for which there is no mark-up Payment is due twenty-one (21) days after invoicing The Company reserves the right to take a security interest in any equipment purchased The duration, terms and conditions of the program are subject to change at any time at the Company's sole discretion We may limit or eliminate our equipment broker program at any time

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

Except as listed below, the Company is not required to provide you with any assistance

Pre-Opening Assistance

If you are a Developer, the Company must approve or disapprove your proposed site after you have submitted a completed Site Acquisition Package, which is described in the Development Agreement We consider many factors when deciding whether or not to approve a site, including the size of the property, ingress, egress, geography, traffic count, traffic patterns, parking, drive-thru availability, physical characteristics of existing buildings, demographics, proposed building and kitchen style, lease terms, and the location of other restaurants in the area, among others The Company will communicate to you its approval or disapproval of a site within a reasonable time, not to exceed ninety (90) days If we cannot agree upon a site, you may be held in default of the Development Agreement, you could lose any Development Fee you paid, and the Development Agreement could be terminated (See Exhibit K, Development Agreement, Section 7C) The Company's approval of a site is not a representation that the site will be successful

The Company has no obligation to help you locate a site You are responsible for locating a site, negotiating the purchase or lease of the site, and arranging for appropriate financing (See Exhibit K, Development Agreement, Section 7D) However, the Company may locate a site and offer it to you with various options for development, in which case there may be additional fees as described in Item 5

If you are a Developer, and the Company has approved your proposed site, the Company must provide you with one set of prototypical plans for constructing a building that meets our specifications (For Nontraditional Locations, we will provide you with specifications and standards, but we may not provide you with prototypical plans) Except as otherwise agreed, you are responsible for all aspects of the construction, including hiring necessary architects, engineers and contractors, and ensuring that the building is constructed in compliance with all ordinances and codes, as well as in compliance with the Company's specifications (See Exhibit K, Development Agreement, Section 7D) The Company must also provide you with specifications for equipment, signs and fixtures, opening inventory, supplies and most other materials needed to open the restaurant The Company will provide you with a list of approved suppliers for all items where approved suppliers are required

Regardless of whether you develop a site or are buying an existing *Jack in the Box* restaurant, the Company must provide training to the franchise operator The Company must also provide training for one restaurant manager, unless you are buying an existing restaurant and choose to retain the then-current restaurant manager See "Training" below for more information

We will provide franchisees access to or copies of our confidential manuals You may view the manuals under the supervision of our representative at a mutually

convenient time and place at least ten business days before signing the Franchise Agreement Before doing so, you will be required to sign a confidentiality agreement

Time Between Signing a Contract/Paying Fees and Opening of Restaurant

The typical length of time between the date you first sign a contract with us or pay us any money, and the date your restaurant opens, depends upon whether you are a Developer or you are franchising an existing restaurant If you are developing a site, it typically takes about twenty-four (24) to thirty-six (36) months after signing the Development Agreement to open the first restaurant, depending upon restaurant location and other factors If you are franchising an existing restaurant, it typically takes between eight (8) and twelve (12) weeks after signing the Letter of Intent and paying a deposit to us to take over operations of the restaurant These time frames can vary considerably based on the time it takes to construct a restaurant, obtain financing, secure permitting, and hire and train your workforce, among other things

Post-opening Assistance

After your restaurant is open, the Company will continue to offer you and your employees access to certain basic training materials See "Training" below for more information

The Company must also provide information on the preparation of new products and other new procedures The Company will train you on those new procedures and if necessary provide training materials to assist you in training your employees on those new procedures (See Exhibit J-1, Franchise Agreement, Section 7) Currently, the first copy of the training materials is free of charge, but the Company may charge you for access to additional copies, subject to the provisions in Item 14

The Company must provide consultation and advice from time to time concerning the operation of the restaurant, merchandising and local store marketing, as we deem appropriate (See Exhibit J-1, Franchise Agreement, Section 6)

After the restaurant opens, we may require that you, your Designated Market Operator, and/or one Certified Franchise Restaurant Manager attend additional or refresher training programs If such training is required, training will be offered without charge to you, but you will be responsible for paying the salary of your manager, as well as any travel, living and personal expenses for you and your employee while taking the training (See Exhibit J-1, Franchise Agreement, Section 7)

The Advertising Program

The Company develops and executes marketing programs and activities for the *Jack in the Box* brand, including advertising production, media, promotion development, marketing research and product/concept development The Company has complete discretion regarding the choice of media outlets, whether the funds are spent at the local, regional, or national level, and whether to use in-house or national or regional advertising agencies Media may appear across several outlets, including, but not limited to, television, radio, out-of-home, coupons, digital, online, and/or public relations events The

Company has no obligation to spend any amount in the area or territory where your restaurant may be located, unless you will be developing a restaurant in what we consider a "new market," and we have a written agreement to spend a specific amount on marketing in that market (See Exhibit J-1, Franchise Agreement, Section 6) Our general practice is to spend approximately twenty percent (20%) of the Marketing Fees in the market from which the fees were collected, and to collaborate with the franchisees on the market activities in their markets, but this practice may vary, and we may change that practice at any time

Other than paying the Marketing Fee discussed below, you are not required to spend any additional amounts on advertising, although you may incur costs associated with marketing-related activities, such as loyalty program rewards or free or reduced-cost food promotions If franchisees want to use marketing or advertising materials they have developed, including any internet-based advertising, they must obtain the Company's written approval before using them (See Exhibit J-1, Franchise Agreement, Section 5)

There is no franchisee advertising council that advises the Company on advertising policy, however, the Company has a Marketing Advisory Committee that advises regarding certain marketing-related matters The committee includes both Company employees and franchisees, and serves in an advisory capacity only The Company retains the right to change or dissolve the committee

There are no advertising cooperatives

Marketing programs and activities are paid for from the Marketing Fund (as that term is defined in the Franchise Agreement) The Marketing Fund is a combination of (a) the marketing fees paid by United States franchisees (in an amount equal to the percentage paid by all traditional *Jack in the Box* restaurants in the system, which is currently five percent (5%) for traditional locations), and (b) an amount contributed by the Company of no less than five percent (5%) of the Gross Sales of its traditional Company-owned and -operated *Jack in the Box* restaurants (See Exhibit J-1, Franchise Agreement, Section 8 B) In addition to restaurant contributions, we occasionally receive money from vendors in support of marketing campaigns, but the sum collected from these vendors varies All vendor receipts are recorded in a separate account within the Marketing Fund

The Marketing Fund is administered by the Company, and is not audited Franchisee members of the Brand Building Council are entitled to review certain financial reports of the Marketing Fund, but individual franchisees are not

Each year, the Company provides the Brand Building Council with a review of the prior year Marketing Fund expenditures by category If Marketing Fund contributions are not spent during the year contributed, or overspending occurs, the surplus or deficit is carried over to the following year With the exception of very limited shared overhead expenses, none of the Marketing Fund is used to solicit new franchise sales

During the last fiscal year, approximately 78 7% of the money contributed to the Marketing Fund was spent on media, approximately 6 3% on production, approximately 7 1% on administrative expense, and approximately 7 6% on other expenses The "other expenses" were for preparation and distribution of point-of-purchase advertising and

promotional materials, marketing research, product development and testing, brand development initiatives and data processing Because any surplus or deficit that exists at the end of the fiscal year is carried over into the next year, the surplus of approximately 0 3% will be carried over into next year

Licensees of nontraditional restaurants pay a Marketing Fee, which is typically 1% of Gross Sales The Company may spend that amount in its sole discretion for any marketing, promotional or advertising purpose the Company determines is appropriate Licensees of nontraditional restaurants must, at all times through the term of the License Agreement, use reasonable efforts to advance the reputation of *Jack in the Box* restaurants and the products sold under the trademarks in order to increase the goodwill of the trademarks and the system Before using any advertising materials, such Licensees must submit all advertising materials to us for approval, which we will not unreasonably withhold

Computer System

You must use a Company-specified computer system (See Exhibit J-1, Franchise Agreement, Section 5 E) We estimate the cost to purchase the computer system to be $38,000-$40,000 and the cost to replace/upgrade the computer system to be $38,000-$40,000 The cost for computer support varies based on the type of equipment and services selected, but we estimate such cost is at least $300 per month The computer system includes the following items

(a) a personal computer system, which runs the proprietary JIB Restaurant Management Software The personal computer system includes a CPU, a monitor, and a laser printer, which must be purchased using the Company-approved specifications from a Company-approved vendor The personal computer system also includes a time clock, brackets, cables and PC cabinet, which must be purchased from the Company Costs are approximately $3,000, depending upon the configuration We anticipate replacing this system with a new back office solution in 2017, and the costs may increase

(b) a Company-specified point-of-sale ("POS") system that is integrated with the PC system, and is used to collect data on sales, product mix, and inventory, among other things The POS system will include order terminals, kitchen video equipment, a web-based mobile training device, and a printer, and it may include other items such as cash drawers, receipt printers, customer interfacing POS integrated selling systems, POS integrated mobile payment systems, PCI compliant payment systems, integrated order confirmation boards, and drive-thru communications headsets The cost of these additional items varies (See Exhibit S)

(c) the Next Generation Network (NGN) equipment and services, which includes a broadband connection, managed firewall & network switch, security services, private Wi-Fi, and, if selected, public Wi-Fi and backup network (satellite/4G) connectivity The equipment and services are provided by Hughes Network Systems (See Item 6 for charges)

(d) personal computer software and POS software The software must be licensed or sublicensed from us (See Item 5 for charges)

You are also required to purchase certain computer support services from us at an approximate cost of $130 per month (See Exhibit S)

You must keep your personal computer system, POS system, and network communication system in good maintenance and repair, and promptly install any upgrades, updates or changes to them as the Company directs There are no contractual limitations on the frequency or cost of that work The Company has no obligation to provide any ongoing maintenance, repairs, upgrades or updates for you

The Company has the ability to access information and data from your personal computer system, POS system and network communication system There are no contractual limitations on the Company's right to access such information and data (See Exhibit J-1, Franchise Agreement, Section 5 E)

Training

The following is a table showing the specific training courses that we offer to you and/or your employees Additional information about the training follows the table, including where the training will take place

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TRAINING PROGRAM

				Requirements By Level			
Subject	Hours of Classroom Training	Hours of On The-Job Training	Location	TM	TL	MGT	FO
Welcome to JIB	3 h	1 h	Restaurant	x	x	x	x
Jack in the Box Basics (New on Jack s Team FS Cleaning)	3 h	1 h	Restaurant	x	x	x	x
Assembly Workstation Training	6h 30m	16 h	Restaurant	x	x	x	x
Fryer Workstation Training	6 h	20 h	Restaurant	x	x	x	x
Grill Workstation Training	2h 15m	17h 20m	Restaurant	x	x	x	x
Guest Service Workstation Training	4h 20m	21h 45m	Restaurant	x	x	x	x
Prep Workstation Training	8h 30m	15 h	Restaurant	x	x	x	x
Receiving and Storage Training	1h	4h	Restaurant	x	x	x	x
Maintenance Workstation Training	2 h	3h 30m	Restaurant	x	x	x	x
Introduction to the Role of Team Leader	2 h 5m	1h 5m + continual	Restaurant		x	x	x
Communication Coaching and Feedback	2 h	3 h + continual	Restaurant		x	x	x
Food Safety for Team Leaders	Varies	Varies	Third Party Vendor	*	x	x	x
Food Safety Checklist	5h	1h 45m	Restaurant	*	x	x	x
Administration Basics	4h 30m	3h 50m	Restaurant		x	x	x
Equipment and Troubleshooting	2h	2h	Restaurant		x	x	x
Training	1h 20m	1 h 10m	Restaurant		x	x	x
Leading Your Team	3h 45m	6h 30m	Restaurant		x	x	x
Practice #1 Leading A Shift	0m	7h	Restaurant		x	x	x
Practice #2 Leading A Shift	0m	7h	Restaurant		x	x	x
Practice #3 Leading A Shift	0m	7h	Restaurant		x	x	x
Schedule – DM/Field Leader Discussion w/ Trainee	2h	0m	Restaurant		x	x	x
Business Basics	1h 30m	0h 30m	Restaurant			x	x
Cash Management	1h 0m	2h 0m	Restaurant			x	x
Managing Cash Loss	2h 30m	1h 30m	Restaurant			x	x
Forecasting Sales Using 4Sight	2h 30m	2h	Restaurant			x	x
Food Cost	8 h	20 h	Restaurant			x	x
Restaurant Ordering	2h 45m	4h 30m	Restaurant			x	x
Labor Scheduling	4h	6h	Restaurant			x	x
Increasing Sales	2h 15m	3h 30m	Restaurant			x	x
Business Analysis	4h	4h	Restaurant			x	x
Guest Experience	4 h	4 h	Restaurant			x	x
Personnel Information Management	4 h	2 h	Restaurant			x	x
Jack s Timekeeping System	3h 15m	5h 15m	Restaurant			x	x
Time Management	4 h	2 h	Restaurant			x	x
Problem Solving	50m	40m	Restaurant			x	x
Leading for Success	1h 10 m	45m	Restaurant			x	x
Well Trained Employees	2h 30m	3h	Restaurant			x	x
TOTAL	110 hours and 15 minutes	183 hours and 25 minutes					

TM = Team Member
TL = Team Leader
MGT = Restaurant Management
FO = Franchise Operator
x = Indicates required subject matter
* = If required by state or local law or regulation

The training subjects will routinely change, as will the minimum training requirements by level The Franchise Operator and the restaurant employees will be required to complete the training provided by the Company, as indicated

New Franchise Operator Training Program

Before your restaurant opens, the Company must provide the Franchise Operator (or, if applicable, a Designated Market Operator) with pre-opening training, as shown in the table above

The training program for you is approximately ten (10) to twelve (12) weeks (400 hours) long, and takes place in San Diego, California The cost of your training is included in the Initial Franchise Fee, but you are responsible for paying travel, living and personal expenses while taking the training programs

You (or, if applicable, a Designated Market Operator) must successfully complete the entire training program before you (or a Designated Market Operator) will be approved to operate a franchised restaurant

Certified Franchise Restaurant Manager Training

In addition, before your restaurant opens, we must provide training for one of your employees to become a Certified Franchise Restaurant Manager (See Exhibit J-1, Franchise Agreement, Section 7) The Certified Franchise Restaurant Manager training program is shown in the table above The training can take place in San Diego, California, or in some instances, at a location closer to the franchised restaurant

The cost of the initial training of one restaurant manager per restaurant is included in the Initial Franchise Fee, but you are responsible for paying your manager's salary, as well as travel, living and personal expenses for you and your employee while taking the training programs If your state or local jurisdiction requires additional training of more than one trained manager, you are responsible for the cost of that training

Your restaurant manager must successfully complete the entire training program before you will be permitted to open your franchised restaurant

Training for Other Employees

Before your restaurant opens, we will also give you and your employees access to our Tablet-Based Training Programs You must ensure that all employees acting in the capacity of a "person in charge" of the restaurant (for example, team leader, assistant manager, etc) have completed, at a minimum, the Food Safety for Team Leaders course, the Food Safety Checklist course offered through Tablet-Based Training Programs, and Food Safety Management Certification, if required in your jurisdiction

There are charges associated with setting up your tablet equipment, but there is currently no extra charge for obtaining access to the Tablet-Based Training Programs, although we reserve the right to charge for these programs in the future You are

responsible for paying your employees while they are engaged in training programs and training initiatives (e g , new product training roll outs)

Although we are not required to do so, we may offer you the opportunity to have your employees attend certain additional training classes We reserve the right to charge a fee for those classes and related materials

Additional Information About Training

The training program is under the direction of Mark Blankenship, Executive Vice President, Chief People, Culture and Corporate Strategy Officer Dr Blankenship received both his master's and doctoral degrees in industrial and organizational psychology from the California School of Professional Psychology in San Diego He earned his bachelor's degree in psychology from California State University in Sacramento He has been employed by the Company since 1997

Our training program is currently comprised of tablet-based training and on-the-job training ("OJT"), but we are testing alternative methods of delivering training, including via the internet Tablet-based training must be completed in combination with, and never in lieu of, OJT Tablet-based training is currently available at all restaurants OJT is conducted in a restaurant by a specially trained Restaurant Manager Tablet-Based Training Programs can be conducted by certified trainers who are employed by a franchisee It is your responsibility to verify that employees who receive training have been properly trained We may audit you or your employees or otherwise verify that you or your employees are properly trained

The following list summarizes the training requirements you and your employees must meet before you will be permitted to take a restaurant under your operational control (See Exhibit J-1, Franchise Agreement, Sections 6 E and 7)

- The Franchise Operator must have successfully completed the training program discussed above and must demonstrate that he/she has the required knowledge, skills, and abilities
- You must ensure that your restaurant is staffed by at least one person who has successfully completed the Company's Certified Franchise Restaurant Manager Training Program discussed above
- If you have managerial employees above the restaurant level, they also must have successfully completed the Certified Franchise Restaurant Manager Training Program at your expense
- You must ensure that any other employee who is acting in the capacity of a "person in charge" of the restaurant (for example, team leader, assistant manager, etc) has completed, at a minimum, the Food Safety for Team Leaders course and the Food Safety Checklist course offered through Tablet-Based Training Programs and OJT, as well as Food Safety Management Certification, if required in your jurisdiction OJT validation is accomplished via, among other ways, workstation certifications
- You must ensure that you and all of your employees have taken all courses required by state and local laws and ordinances, whether relating to food safety or otherwise, and are properly trained

- You must ensure that you have conducted any other training that you feel is necessary or appropriate for your employees

The Company may require you and your Certified Franchised Restaurant Manager to take additional or refresher training, including recertification training If such training is required, we currently provide it without charge, but you will be responsible for any travel, living, and personal expenses incurred during the training We may charge for such additional or refresher training in the future

The Company must provide you with electronic access to the most current version of our reference documents, which contain standards and other information regarding the operation of a franchised restaurant We must also provide you with any other written standards that comprise part of our operating system (See Exhibit J-1, Franchise Agreement, Section 5 A) There are charges associated with setting up and maintaining the computer system that displays the reference documents, but there is no extra charge for obtaining access to the reference documents We will allow you to review the reference documents before you sign a franchise agreement if you sign a confidentiality agreement promising not to reveal any of the information contained in the reference documents (See Exhibit E, Application Package)

Our training program uses various training materials, including workbooks and participant guides We currently provide training materials free of charge, but we may begin charging for some of those materials

ITEM 12
TERRITORY

Franchise Agreement and Nontraditional License Agreement (Exhibits J-1 and J-2)

The Company only grants franchises for specific restaurant locations You will not receive an exclusive territory You may face competition from other franchisees, restaurants that we own, other channels of distribution we may use, or other brands that we control You will have no right to relocate your business (although, in the past we have permitted franchisees to relocate their franchised business when there was a serious business impediment outside of their control and an offsetting location was available in the immediate vicinity of the original restaurant) Neither the Franchise Agreement nor the License Agreement gives you the right to establish additional franchised or licensed restaurants, whether by option or right of first refusal

There are no restrictions on the Company's right to establish *Jack in the Box* or other restaurants, or to franchise *Jack in the Box* or other restaurants near your restaurant There are also no restrictions on the Company's right to sell any type of product or service through any other channel of distribution, such as the Internet, food trucks, or grocery stores, under the *Jack in the Box* trademarks or any other trademarks, or to license others to do so Your franchise agreement will give you no right to sell products or services anywhere other than at your specific restaurant location

Development Agreement (Exhibit K)

If you sign a Development Agreement, you will have the right and obligation to construct an agreed-upon number of *Jack in the Box* restaurants within a defined geographic area (the "Development Area") during the term of, and subject to the conditions defined in, the Development Agreement All Development Areas will be specifically described in Development Agreements In most cases, the Development Agreement gives you no option or right to increase, reduce or otherwise change your Development Area, the number of restaurants you must open, or the time period in which you must open the restaurants

Under a Development Agreement, the Company agrees not to build new Company-owned *Jack in the Box* restaurants or allow any other person to build new *Jack in the Box* restaurants within the Development Area during the term of the Development Agreement, except at nontraditional venues or other locations specifically disclosed in the Development Agreement However, if there is a restaurant already operating in the Development Area at the time you enter into a Development Agreement, the Company may allow it to operate, may buy the restaurant, or may allow it to be sold to a franchisee other than you Development Areas may be designated at the Company's discretion in such manner as it deems appropriate

You must obtain the Company's written approval of each location before you may develop it If you are already operating one or more *Jack in the Box* restaurants, you must continue to operate those restaurants in full compliance with our Standards throughout the development process Approximately three (3) months before you open a restaurant you have built, you must sign a Franchise Agreement with us, and pay any Initial Franchise Fee owed

If you do not adhere to the Development Schedule, or if you violate any other term or condition of the Development Agreement, any Franchise Agreement or any other agreement with the Company, we may declare a default under the Development Agreement, your development fee will not be returned, we may build restaurants in the Development Area or allow other franchisees to build in that Development Area, and/or you will no longer be permitted to build restaurants in the Development Area

Jack in the Box Inc is the parent corporation of Qdoba Restaurant Corporation Qdoba operates and franchises Mexican food restaurants in the fast-casual segment of the restaurant industry under the tradenames *Qdoba Mexican Grill*® and *Qdoba Mexican Eats*®, and in the future may operate and franchise under the tradename Qdoba® or other similar tradenames Qdoba's principal business address is the same as ours These restaurants may be located near your restaurant's location, and may solicit and accept orders from customers near your restaurant's location Even if you have a Development Agreement that provides for an exclusive Development Area, these Qdoba restaurants may be located within your Development Area, or open there at any time The Company anticipates no significant conflicts with, or between, its franchisees regarding territory, customers or franchisor support because the Company only grants *Jack in the Box* franchises covering specific restaurant locations, and because the Company and Qdoba restaurant concepts offer different food products and dining experiences If conflicts do arise, the Company will analyze the conflict and take

actions (if any) that we deem appropriate, which may include participating in nonbinding mediation

ITEM 13
TRADEMARKS

Under the Franchise Agreement, the Company grants a license to use our principal trademarks "*Jack in the Box®*" and "*Jack®*," as well as certain other names, trademarks, service marks, logos and commercial symbols at the Franchised Restaurant

The trademarks and service marks listed below are our currently approved principal trademarks, and unless otherwise designated, are registered in the United States Patent and Trademark Office on the Principal Register All required affidavits have been filed

1 **"JACK IN THE BOX"**

a Reg No 722,380
Reg Date Oct 3, 1961
The registration has been renewed

b Reg No 841,334
Reg Date Dec 26, 1967
The registration has been renewed

c Reg No 848,246
Reg Date April 30, 1968
The registration has been renewed

d Reg No 1,957,318
Reg Date February 20, 1996
The registration has been renewed

2 **"JACK IN THE BOX" Logo (Canted)**

a Reg No 1,806,576
Reg Date November 23, 1993
The registration has been renewed

b Reg No 1,931,108
Reg Date October 31, 1995
The registration has been renewed

3 **"JACK IN THE BOX LOGO AND 3D CUBE DESIGN"**

a Reg No 3,701,423
Reg Date October 27, 2009

b Reg No 3,783,515
Reg Date May 4, 2010

4 "JACK " Logo (Word Mark)
Reg No 1,139,000
Reg Date August 26, 1980
The registration has been renewed

5 "JACK IN THE BOX LOGO AND 3D CUBE DESIGN"
Reg No 4,276,035
Reg Date January 15, 2013

The Company also has many other valuable registered and common law marks The Company has common law rights in the foregoing principal and other marks as a result of its use of the marks

The Company relies upon its common law rights and the protection of federal trademark registrations, and does not consider state registrations material to the protection of its rights Although some of the marks may have been or currently are registered under various state trademark registration statutes, these registrations, if not already expired, will be allowed to lapse and will not be renewed

There are no known effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, state trademark administrators or any court, pending infringement, opposition or cancellation, or pending material litigation involving the principal trademarks listed in this Item 13

There are no agreements currently in effect that significantly limit the Company's rights to use or license the use of the above-mentioned marks in any manner material to the franchise

The Company may require you to modify or discontinue your use of the trademarks or any of them, in its sole discretion, and you may be required to modify or discontinue such use at your own expense You must promptly notify us if you become aware of the use of, or a claim of a right to, one of our trademarks We may thereafter take such action as we deem appropriate Under the franchise agreement, the Company has the right to control any administrative proceedings or litigation involving a trademark licensed to you You must fully cooperate in defending or settling of any administrative proceeding or litigation relating to our trademarks Subject to the terms of the franchise agreement, we must protect you against claims of infringement or unfair competition based upon any authorized use or display of our trademarks

There are no infringing uses known to the Company that could materially affect your use of such trademarks, service marks, names, logos or other commercial symbols in any state in which the Company operates *Jack in the Box* restaurants or in any other state in which the Company presently intends to offer franchises

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

The Company claims a copyright in its manuals, training materials, policies and procedures materials, advertising and marketing materials, menus, certain software processes, restaurant design and similar materials We have not registered all of these copyrights These materials and/or other third-party materials may be supplied or made available to you exclusively for use in connection with your operation of the franchised restaurant under the terms of the Franchise Agreement and software agreements or other licenses They must be used strictly in compliance with the terms of those agreements, and returned to the Company upon termination or expiration of the franchise

The Company also claims proprietary rights in the contents of its manuals and other materials, much of which constitute trade secrets under applicable law This information includes product recipes, product preparation procedures, customer service procedures, franchise support procedures, supplier relationship and distribution system information, new product development information, product testing procedures and information, restaurant operation standards and tactics, growth plans or strategies, real estate development plans or strategies, restaurant design plans, equipment designs, computer systems, financial information, business and development plans and strategies, training programs, performance support tools, access to and information contained on the *Jack in the Box* intranet and other non-public *Jack in the Box* websites, partner sites or other online sources (including, but not limited to, training materials and manuals), consumer research results, marketing and advertising strategies and materials, and all other information designated by the Company as confidential You will only be permitted to use these confidential materials in connection with the approved development and operation of your franchised *Jack in the Box* restaurant You must take reasonable steps to protect the confidentiality of all such material

The Company will also be the sole owner of any new products, equipment, uniforms, building design, facility improvements, service format, advertising or similar items relating to *Jack in the Box* that you might create No compensation will be owed to you for them

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

Each franchised restaurant must have a designated "Operator" approved by the Company The Operator may be you, someone else who has signed the Franchise Agreement, or, in some cases, someone you designate Usually, the Operator must hold an ownership interest in the franchised business, and be highly experienced in the quick-service restaurant industry The percentage of the required ownership interest is subject to our approval In some circumstances, if you are qualified to be an Operator, have two years of ownership experience, and do not live in or near the Designated Market Area, we may permit you to name a Designated Market Operator to operate the restaurant This Designated Market Operator need not hold an ownership interest in the

business, but must otherwise satisfy the criteria to be an Operator, and other criteria we deem necessary, before he can be approved In all cases, the Designated Market Operator must exercise his full time best efforts on the *Jack in the Box* restaurants in the Designated Market Area In other rare circumstances, we may approve as an Operator someone who does not yet hold a significant ownership interest in the business, but is working under an employment contract with you that we believe will result in the Operator remaining in position for a significant period of time

The Operator must be actively involved in the operation of the franchised business, but may act as the Operator for more than one *Jack in the Box* restaurant The Operator must have authority to represent you in all dealings with the Company

Each franchised restaurant must also have at least one manager who has successfully completed the Company's Certified Restaurant Manager training program The Certified Restaurant Manager must provide direct, full-time, on-premises supervision of the restaurant, and may manage only one (1) restaurant, unless otherwise approved by the Company in writing You must inform us of the identity of the Certified Restaurant Manager

If you have fifteen or more franchised restaurants, you are also required to have at least one employee dedicated to helping you oversee the operations of the restaurants All of your employees that have managerial duties above the restaurant level must also have successfully completed our Certified Restaurant Manager training program at your expense You must inform us of the identity of those employees

Individual owners of the franchise must sign the franchise agreement

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Company requires that you sell all menu items, and only those menu items, specified by the Company Menu specifications will change from time to time We also may require that certain menu items be served only during certain hours The Company maintains general menu uniformity, subject to exceptions such as menu item testing, supply considerations, or regional customer preferences We may consent to, or require, menu variation in some areas due to regional customer preference, supply considerations or other reasons Any variation in the approved menu format requires the Company's prior written authorization, which will be given only in extraordinary circumstances

You are restricted to retail restaurant sales activity Without the written consent of the Company, you will be prohibited from having pay telephones, automated teller machines or similar machines, coin-operated, card-operated or similar machines, or games or devices of any nature on the premises of the restaurant For example, you may not sell bulk food, packaging or promotional items, unprepared food, or food or packaging for the purpose of third-party resale (schools, lunch wagons, restaurants, bars, etc) You may not permit the sale of unauthorized products on the restaurant premises, including in the parking lot

The Franchise Agreement requires a minimum of sixteen (16) hours of operation per day, as determined by the Company and you, seven (7) days a week, fifty-two (52) weeks a year These requirements may be modified only with the Company's written consent Precise hours of operation may be specified by the Company

All advertising or promotional materials or items you propose to use, sell or distribute at or relating to the franchised restaurant must be approved by us

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

This table lists important provisions of the Franchise Agreement You should read the provisions in the Franchise Agreement attached to this disclosure document

THE FRANCHISE RELATIONSHIP

	Provision	Section in Franchise Agreement	Summary
a	Term of the franchise	§ 1	Negotiated
b	Renewal or extension of the term	§ 1	No right of renewal We may in our sole discretion decide to grant you a new franchise (rewrite) based on your past performance and potential, your representation of the brand to your customers and community, payment history and overall financial condition, the location and operations of the restaurant, and the needs of the system as a whole, among other things If offered, a rewrite may be for twenty years or shorter, and you will have to satisfy certain conditions as part of the rewrite commitment, including building design improvements to meet current standards, executing a General Release in favor of the Company (see Exhibit O), signing a new Franchise Agreement and paying a new franchise fee, and amending your other existing Franchise Agreements to reflect current provisions These conditions may require significant financial contributions
c	Requirements for you to renew or extend	Not Applicable	No right of renewal See above
d	Termination by you	Not Applicable	
e	Termination by the Company without cause	Not Applicable	

Provision		Section in Franchise Agreement	Summary
f	Termination by the Company with cause	§ 15, § 18	We may terminate for cause
g	"Cause" defined - defaults which can be cured	§ 18 C	Failure to pay fees, having unsatisfied monetary judgment, selling unapproved product, transfer without consent, violation of covenants, denying right to inspect, failure to pay taxes, violation of labor laws, failure to meet required hours, failure to pay vendors, restaurant disrepair, failure to operate in accordance with the standards, including food safety standards, and other grounds
h	"Cause" defined - defaults which cannot be cured	§ 15, § 18 A and § 18 B	Failure to transfer to approved party within one year of Franchisee's death, voluntary bankruptcy[1], insolvency, making an assignment for the benefit of creditors, or court appointment of a receiver or custodian, conviction of a felony, making material misrepresentation, misusing marks, three (3) contractual violations within twenty-four (24) months, two (2) violations of the same requirement in twelve (12) months, and other grounds
i	Your obligations on termination/non-renewal	§ 18	Cease operating the Restaurant, discontinue use of Marks and System, return Manuals and other confidential items, de-identify, sell us all usable inventory of food, supplies, paper goods, containers and printed materials bearing our Marks, sell us equipment, fixtures, furniture, and signs, at fair market value, unless our lease agreement specifies otherwise
j	Assignment of contract by the Company	§ 14 F	There are no limits on our assignment rights
k	"Transfer" by you - definition	§ 14	Includes any sale, assignment, pledge, mortgage, hypothecation, gift, or encumbrance of any direct or indirect interest in the Franchise Agreement, the franchisee, the Franchised Restaurant, or the Franchised Location

Provision		Section in Franchise Agreement	Summary
l	Our approval of transfer by you	§ 14 A and § 14 C	We have the right to approve transfers
m	Conditions for the Company's approval of transfer	§ 14 E	Completion of Certification of Entity Structure Form, payment of transfer fee, execution of a General Release of the Company, payment of all monies owed, material defaults corrected, personal guarantees signed, training completed, assignment agreement or new franchise agreement on then-current form, and any other conditions
n	The Company's right of first refusal to acquire your business	§ 16	We can match any offer to buy your business or any portion of your business, including your real estate, fixtures, other assets and/or securities
o	The Company's option to purchase your business	§ 15 and § 16	We can purchase under some circumstances upon your death or disability (See paragraph below)
p	Your death or disability	§ 15	Must be transferred within twelve (12) months, or the Company may purchase your interest in the business
q	Non-competition covenants during the term of the franchise	§ 19	Includes prohibition on engaging in, or having any interest in, certain restaurant businesses
r	Non-competition covenants after the franchise is terminated or expires	§ 19	Includes one- (1) year prohibition on engaging in, having an interest in, or performing any services for certain restaurant businesses (2)
s	Modification of the agreement	§ 20 H	Must be in writing and signed by both parties
t	Integration/merger clause	§ 20 A and § 20 B	Only the terms of the Franchise Agreement (including exhibits) are binding (subject to state law) Except for the statements contained in this disclosure document, you may not rely on any other oral or written statements you may have been provided about the franchise
u	Dispute resolution by arbitration or mediation	§ 20 C	Non-binding mediation

	Provision	Section in Franchise Agreement	Summary
v	Choice of forum	§ 20 D	State courts located in San Diego, California, federal courts located in the Southern District of California You and the Company waive trial by jury in any action brought against each other
w	Choice of law	§ 20 D	California law controls You and the Company must bring any action against each other within two (2) years of the occurrence of the facts on which the action is based, or within a shorter term if required by law

(1) This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)
(2) This provision may not be enforceable under certain state laws

This table lists important provisions of the Development Agreement You should read the provisions in the Development Agreement attached to this disclosure document

	Provision	Section in Development Agreement	Summary
a	Term of the franchise	§ 4	The term of the Development Agreement is negotiated
b	Renewal or extension of the term	Not Applicable	No right of renewal We may in our sole discretion decide to grant you a new development agreement based on your compliance with the development obligations, your representation of the brand to your customers and community, your financial condition, the status of your existing franchised restaurants, and the needs of the system as a whole, among other things If offered, we will agree to a new development schedule and territory, and you will have to satisfy certain conditions as part of the new development agreement commitment, including executing a General Release in favor of the Company (see Exhibit O), signing a new Development Agreement and paying any fees we require

	Provision	Section in Development Agreement	Summary
c	Requirements for you to renew or extend	Not Applicable	No right of renewal See above
d	Termination by you	Not Applicable	
e	Termination by the Company without cause	Not Applicable	
f	Termination by the Company with cause	§ 15	Default under Development Schedule, bankruptcy[1], and other grounds
g	"Cause" defined - defaults which can be cured	§ 15	Default under Development Schedule, failure to obtain expansion approval or site approval before beginning site development, assignment without consent, involuntary bankruptcy filing, failure to obtain permits, breach of a franchise agreement or other agreement with the Company
h	"Cause" defined - defaults which cannot be cured	§ 15	Voluntary bankruptcy[1] and other insolvency
i	Your obligations on termination/nonrenewal	§ 3	Cease establishing restaurants, cease operating any restaurant for which a Franchise Agreement has not been executed, payment of amounts due, compliance with covenants
j	Assignment of contract by the Company	§ 10 E	There are no limits on our assignment rights
k	"Transfer" by you - defined	§ 10	Includes transfer of any interest in Development Agreement, Developer, or all or substantially all of the Developer's business
l	The Company's approval of transfer by you	§ 10 B	We have the right to approve transfers
m	Conditions for the Company's approval of transfer	§ 10 D	Non-default, execution of new Development Agreement, a General Release of the Company, and any applicable personal guarantees, payment of transfer fee, and others, see § 8 D
n	The Company's right of first refusal to acquire your business	Not Applicable	
o	The Company's option to purchase your business	Not Applicable	

Provision		Section in Development Agreement	Summary
p	Your death or disability	§ 11	Must be transferred within six (6) months
q	Non-competition covenants during the term of the agreement	Not Applicable	
r	Non-competition covenants after the agreement is terminated or expires	Not Applicable	
s	Modification of the agreement	§ 23 E	Must be in writing and signed by both parties
t	Integration/merger clause	§ 23 B	Only the terms of the Development Agreement are binding (subject to state law) Except for the statements contained in this disclosure document, you may not rely on any other oral or written statements you may have been provided about the franchise
u	Dispute resolution by arbitration or mediation	Not Applicable	
v	Choice of forum	§ 23 D	State courts located in San Diego, California, federal courts located in the Southern District of California
w	Choice of law	§ 23 A	California, but if such law would not enforce an Agreement provision, then the law where Developer is located, if that state's law would enforce the provision

(1) This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)

This table lists important provisions of the License Agreement (for Nontraditional Locations) You should read the provisions in the License Agreement attached to this disclosure document

Provision		Section in License Agreement	Summary
a	Term of the franchise	§ 1	Negotiated
b	Renewal or extension of the term	Not Applicable	No right of renewal

	Provision	Section in License Agreement	Summary
c	Requirements for you to renew or extend	Not Applicable	No right of renewal We may in our sole discretion decide to grant you a new license (rewrite) based on your past performance and potential, your representation of the brand to your customers and community, payment history and overall financial condition, the location and operations of the restaurant, and the needs of the system as a whole, among other things If offered, a rewrite may be for twenty years or shorter, and you may have to satisfy certain conditions as part of the rewrite commitment, including improving the restaurant to meet current standards, executing a General Release in favor of the Company (see Exhibit O), signing a new License Agreement and paying a new franchise fee, and amending your other existing License Agreements to reflect current provisions These conditions may require significant financial contributions
d	Termination by you	§ 15	If the Facility requests that you cease operating the nontraditional restaurant, you may terminate by providing Company sixty (60) days' written notice
e	Termination by the Company without cause	Not Applicable	
f	Termination by the Company with cause	§ 15	We may terminate for cause
g	"Cause" defined - defaults which can be cured	§ 15	Failure to pay fees, having unsatisfied monetary judgment, selling unapproved product, transfer without consent, violation of covenants, denying right to inspect, failure to pay taxes, violation of labor laws, failure to meet required hours, failure to pay vendors, restaurant disrepair, failure to operate in accordance with the standards, including food safety standards, and other grounds
h	"Cause" defined - defaults which cannot be cured	§15	Your contract with the Facility terminates or expires, there is a threat to the public health or safety, multiple defaults

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	Provision	Section in License Agreement	Summary
i	Your obligations on termination/nonrenewal	§ 16	Cease right to use Marks and System, return all Manuals and other confidential items, de-identify Sell us all usable inventory of food supplies, paper goods, containers, and printed menus and other materials bearing our Marks, sell us restaurant equipment, furniture, fixtures and signs at fair market value
j	Assignment of contract by the Company	§ 13	There are no limits on our assignment rights
k	"Transfer" by you - defined	§ 14	Includes any sale, assignment, pledge, mortgage, hypothecation, gift, or encumbrance of any direct or indirect interest in the License Agreement, Licensee, the Licensed Restaurant, or the Licensed Location
l	The Company's approval of transfer by you	§ 14	We have the right to approve transfers
m	Conditions for the Company's approval of transfer	§ 14	Updated Certification of Entity Structure Form, complete financials, payment of transfer fee, execution of a General Release of the Company, payment of all monies owed, material defaults corrected, personal guarantees signed, training completed, assignment agreement or new franchise agreement on then-current form, and any other conditions
n	The Company's right of first refusal to acquire your business	Not Applicable	
o	The Company's option to purchase your business	Not Applicable	
p	Your death or disability	Not Applicable	
q	Non-competition covenants during the term of the agreement	§ 17	Includes prohibition on engaging in, or having any interest in, certain restaurant businesses
r	Non-competition covenants after the agreement is terminated or expires	§ 17	Includes one-year prohibition on engaging in, or having any interest in, certain restaurant businesses (1)
s	Modification of the agreement	§ 18 A	Must be in writing and signed by both parties

Provision		Section in License Agreement	Summary
t	Integration/merger clause	§ 18 A	Only the terms of the License Agreement are binding (subject to state law) Except for the statements contained in this disclosure document, you may not rely on any other oral or written statements you may have been provided about the franchise
u	Dispute resolution by arbitration or mediation	Not Applicable	
v	Choice of forum	§ 18 B	State courts located in San Diego, California, federal courts located in the Southern District of California You and the Company waive trial by jury in any action brought against each other
w	Choice of law	§ 18 B	California law controls You and the Company must bring any action against each other within two (2) years of the occurrence of the facts on which the action is based, or within a shorter term if required by law

(1) This provision may not be enforceable under certain state laws

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION IN THIS DISCLOSURE DOCUMENT THESE ADDITIONAL DISCLOSURES APPEAR IN EXHIBIT U TO THIS DISCLOSURE DOCUMENT

ITEM 18
PUBLIC FIGURES

The Company does not currently use any public figure in our business name or trademarks, or use a public figure to endorse or recommend our franchises

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATION

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying, or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances
The table below represents the sales and operating figures of franchise-operated *Jack in the Box* restaurants in the continental United States that were in operation for more than 360 days within the twelve-month period ended October 2, 2016, and were operated by the same franchisee(s) for that entire period

The table represents data for 1,767 franchise-operated restaurants, which excludes the information for the following franchise-operated restaurants twelve (12) restaurants that opened in 2016, ten (10) restaurants that permanently closed in 2016, one (1) restaurant that we sold to franchisees in 2016, one (1) restaurant that franchisees sold to us in 2016, eight (8) restaurants with insufficient data because of temporary closures, thirty-one (31) restaurants operated in Hawaii and Guam, and nineteen (19) restaurants that we operated in the capacity of a receiver in connection with an ongoing lawsuit with a former franchisee The restaurants represented in the table comprise approximately 96% of franchised *Jack in the Box* restaurants as of October 2, 2016 We have divided the restaurants into five ranges based on sales volume We have calculated the average sales and certain expenses of restaurants in each of the five ranges

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Average and Median Sales and Select Costs of Franchise-owned Restaurants in 5 Sales Ranges in the Continental U S (i e excluding Hawaii and Guam) for the 12-Month Period Ended October 2 2016						
	Below $1 000 000	$1 000 000 to $1,250 000	$1 250 000 to $1 500 000	$1,500 000 to $1 750 000	$1 750 000 and above	Total/ Average
Number of Restaurants	281	334	427	300	424	1766
	16%	19%	24%	17%	24%	100%
% by State						
CA	12%	23%	33%	49%	63%	38%
AZ	7%	11%	10%	8%	6%	9%
TX	53%	32%	23%	18%	17%	27%
Other	28%	33%	33%	24%	15%	26%
Average Sales (1)	842 759	1 133 064	1,372 492	1 619 140	2 052 769	1 448 147
High of Sales (1)	999 649	1 248 797	1 499 983	1 749 369	3 971 689	3 971 689
Median of Sales (1)	864 327	1 136 667	1 371 330	1 615 329	1 976 320	1 402 516
Low of Sales (1)	477 676	1 001,535	1 250 046	1 500 318	1 750 961	477 676
Cost of Sales (2)	243 756	324 344	387 537	452 377	570 619	407 678
	28 9%	28 6%	28 2%	27 9%	27 8%	28 2%
Labor						
Production Labor (3)	203 743	248,540	287 025	326 954	398 208	299 971
	24 2%	21 9%	20 9%	20 2%	19 4%	20 7%
Management Comp (4)	41,455	45 187	49 854	54,397	60 142	50 877
Payroll Taxes/Ins (5)	34 658	43 681	50 971	59 204	74 441	54 030
Total Labor	279 856	337 407	387 850	440 555	532 791	404 878

	33 2%	29 8%	28 3%	27 2%	26 0%	28 0%
Gross Profit	319 147	471 313	597 106	726 208	949 359	635 591
	37 9%	41 6%	43 5%	44 9%	46 2%	43 9%
Operating Costs						
Advertising (6)	43,571	58 889	70 785	83 042	105 703	74 670
Royalty (7)	38 020	54 024	67 798	83 513	110 986	73 493
Utilities (8)	41 821	44 994	47 801	51 008	56 222	48 885
Occupancy (9)	123 135	144 433	163 388	188 435	230 694	173 813
Other (10)	76 740	85,546	91,955	95 211	108 670	92,888
Total Operating Costs	323 287	387 885	441,726	501 209	612 276	463 750
	38 4%	34 2%	32 2%	31 0%	29 8%	32 0%
Operating Margin	-4 140	83 428	155,379	224 999	337 084	171 841
	-0 5%	7 4%	11 3%	13 9%	16 4%	11 9%
	-					
High of Operating Margin	224 086	232 377	350,305	440 321	717 404	717 404
Median of Operating Margin	-4 824	81 562	154 284	221 124	322 464	160 123
Low of Operating Margin	-209 357	-94 036	-43 954	-58 943	-107 747	-209 357

1) Product sales and promotional sales
2) Food and packaging costs less supplier rebates
3) Wages of hourly employees and team leaders including overtime
4) Wages and bonuses paid to restaurant and assistant restaurant managers
5) Payroll taxes paid time-off workers' compensation and medical insurance
6) Marketing Fee as described in the franchise agreement and restaurant specific promotional programs
7) Our Standard Royalty is 5% of Gross Sales
8) Electricity gas water and sewer

9)	Rent building depreciation taxes and licenses
10)	Maintenance and repairs menu panels uniforms supplies bank charges equipment depreciation and other services
11)	Subtotals may not total due to rounding

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We have only included some of the cost categories in the table above Among others, we excluded depreciation and amortization, interest, income taxes, general and administrative expenses, officer compensation and other income and expenses

The information in the table was prepared using financial information provided to us by franchisees The franchisees' financial information is not audited and may not have been prepared in accordance with generally accepted accounting practices, however, we believe the information is reliable The footnotes to the table describe the primary types of items that we ask franchisees to include in each financial category, but we cannot guarantee that all franchisees used these categories in the manner we have requested

Some outlets have earned these amounts Your individual results may differ There is no assurance you will earn as much We encourage you to review this material with your attorney or accountant Written substantiation for the financial performance representation will be made available to you upon reasonable request We do not provide any historical operating data for our company-operated *Jack in the Box* restaurants

Except for the information in this Item 19, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Chief Legal and Risk Officer, Phillip H Rudolph, 9330 Balboa Avenue, San Diego, California 92123 (858) 571-2435, the Federal Trade Commission, and the appropriate state regulatory agencies

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

SYSTEM-WIDE OUTLET SUMMARY FOR FISCAL YEARS 2014 TO 2016

Outlet Type	Year	Outlets At The Start Of The Year	Outlets At The End Of The Year	Net Change
Franchised	2014	1,786	1,819	33
	2015	1,819	1,836	17
	2016	1,836	1,838	2
Company-owned	2014	465	431	-34
	2015	431	413	-18
	2016	413	417	4
Total Outlets	2014	2,251	2,250	-1
	2015	2 250	2,249	-1
	2016	2,249	2,255	6

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR FISCAL YEARS 2014 TO 2016

State	Year	Number of Transfers
Arizona	2014	0
	2015	25
	2016	1
California	2014	0
	2015	11
	2016	5
Nevada	2014	0
	2015	1
	2016	0
Texas	2014	0
	2015	4
	2016	37
Utah	2014	0
	2015	2
	2016	0

State	Year	Number of Transfers
Total	2014	0
	2015	43
	2016	43

STATUS OF FRANCHISE OUTLETS
FOR FISCAL YEARS 2014 TO 2016

State/ Territory	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Arizona	2014	162	0	0	0	0	2	160
	2015	160	1	2	0	0	1	158
	2016	158	2	1	0	0	2	157
California*	2014	692	2	0	0	0	2	692
	2015	692	9	3	0	1	2	695
	2016	695	6	1	0	1	3	696
Colorado	2014	5	0	0	0	0	1	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	0	4
Guam	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Hawaii	2014	27	1	0	0	0	0	28
	2015	28	2	0	0	0	0	30
	2016	30	0	0	0	0	0	30
Idaho	2014	28	3	0	0	0	0	31
	2015	31	0	0	0	0	1	30
	2016	30	1	0	0	0	0	31
Illinois	2014	13	0	0	0	0	0	13
	2015	13	0	0	0	0	0	13
	2016	13	0	0	0	0	0	13
Indiana	2014	4	0	0	0	4	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
Louisiana	2014	17	0	0	0	0	0	17
	2015	17	0	0	0	0	0	17
	2016	17	0	0	0	0	0	17

State/ Territory	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Missouri	2014	57	0	0	0	0	0	57
	2015	57	2	0	0	0	0	59
	2016	59	0	0	0	0	0	59
Nevada	2014	59	15	0	0	0	0	74
	2015	74	0	0	0	0	0	74
	2016	74	0	0	0	0	0	74
New Mexico	2014	9	0	0	0	0	0	9
	2015	9	0	0	0	0	0	9
	2016	9	0	0	0	0	0	9
North Carolina	2014	0	1	0	0	0	0	1
	2015	1	18	0	0	0	0	19
	2016	19	0	0	0	0	0	19
Oklahoma	2014	11	1	0	0	0	0	12
	2015	12	0	0	0	0	0	12
	2016	12	0	1	0	0	0	11
Oregon	2014	55	0	0	0	0	1	54
	2015	54	1	0	0	0	0	55
	2016	55	0	0	0	0	1	54
South Carolina	2014	0	8	0	0	0	0	8
	2015	8	2	0	0	0	0	10
	2016	10	0	0	0	0	0	10
Tennessee	2014	0	14	0	0	0	0	14
	2015	14	0	0	0	0	0	14
	2016	14	0	0	0	0	0	14
Texas	2014	497	1	0	0	0	5	493
	2015	493	1	4	0	6	0	484
	2016	484	3	1	0	0	0	486
Utah	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Washington	2014	148	1	0	0	0	0	149
	2015	149	1	0	0	0	0	150
	2016	150	1	0	0	0	0	151
TOTAL	2014	1 786	48	0	0	4	11	1 819
	2015	1,819	37	9	0	7	4	1 836
	2016	1,836	13	4	0	1	6	1 838

* The Company terminated nineteen (19) Franchise Agreements held by Mehta Enterprises, Inc and Deepak Enterprises Inc but the franchisees did not immediately cease operations The Company assumed temporary operational control per Court order on October 12 2013 and assumed final operational control on January 23 2017 per final Court order confirming that the terminations were valid These restaurants have been removed from our franchisee list but are included in the total units for California noted in the chart

STATUS OF COMPANY-OWNED OUTLETS FOR FISCAL YEARS 2014 TO 2016

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Arizona	2014	12	0	0	0	0	12
	2015	12	0	0	0	0	12
	2016	12	0	0	0	0	12
California*	2014	240	1	0	0	0	241
	2015	241	2	1	0	1	243
	2016	243	0	1	0	1	243
Colorado	2014	16	0	0	0	0	16
	2015	16	0	0	0	0	16
	2016	16	0	0	0	0	16
Indiana	2014	2	0	4	0	0	6
	2015	6	0	0	0	0	6
	2016	6	0	0	0	0	6
Kansas	2014	5	0	0	0	0	5
	2015	5	0	0	0	0	5
	2016	5	0	0	0	0	5
Louisiana	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Missouri	2014	2	0	0	0	0	2
	2015	2	0	0	0	0	2
	2016	2	0	0	0	0	2
Nevada	2014	14	0	0	0	14	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
North Carolina	2014	23	0	0	0	1	22
	2015	22	0	0	4	18	0
	2016	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Ohio	2014	2	0	0	0	0	2
	2015	2	0	0	0	0	2
	2016	2	0	0	0	0	2
Oklahoma	2014	5	0	0	0	0	5
	2015	5	0	0	0	0	5
	2016	5	0	0	0	0	5
South Carolina	2014	13	0	0	2	8	3
	2015	3	0	0	1	2	0
	2016	0	0	0	0	0	0
Tennessee	2014	14	0	0	0	14	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Texas	2014	117	0	0	0	0	117
	2015	117	0	6	1	0	122
	2016	122	4	0	0	0	126
Washington	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
TOTAL	2014	465	1	4	2	37	431
	2015	431	2	7	6	21	413
	2016	413	4	1	0	1	417

* The Company terminated nineteen (19) Franchise Agreements held by Mehta Enterprises Inc and Deepak Enterprises Inc , but the franchisees did not immediately cease operations The Company assumed temporary operational control per Court order on October 12 2013 and assumed final operational control on January 23, 2017, per final Court order upholding the terminations These restaurants are included in Table 3

PROJECTED OPENINGS (AS OF OCTOBER 2, 2016)

State	Franchise Agreements Signed but Outlets Not Opened (1)	Projected New Franchised Outlets in the Current Fiscal Year 2017	Projected New Company-Owned Outlets in the Current Fiscal Year 2017
Arizona	1	6	0
California	3	4	2
Hawaii	1	0	0

State	Franchise Agreements Signed but Outlets Not Opened (1)	Projected New Franchised Outlets in the Current Fiscal Year 2017	Projected New Company-Owned Outlets in the Current Fiscal Year 2017
Idaho	0	1	0
Missouri	1	2	1
Nevada	1	2	0
Oklahoma	1	0	0
Oregon	1	0	0
Texas	6	5	1
Utah	0	1	0
Washington	2	0	0
Total	**17**	**21**	**4**

(1) Company requires franchisees that will open new units to sign a development agreement (rather than a franchise agreement) to cover site selection and unit development

FRANCHISEES

Please see Exhibit D for

- a list of the names of all current franchisees and the address and telephone number of each of their restaurants, and

- a list of the names, addresses and telephone numbers of all franchisees who have had a restaurant terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during fiscal year 2016, or who have not communicated with the Company within the 10-week period before this Franchise Disclosure Document was issued

There were no franchisees that have signed a Franchise Agreement but not yet opened a restaurant

FRANCHISEE ASSOCIATIONS

The Company is aware of one trade name-specific franchisee association called the National JIB Franchise Association, Inc (NFA"), a California corporation It can be contacted at 3550 Mowry Avenue, #301, Fremont, CA 94538 (510) 792-3393 The Company does not sponsor or endorse that association

The Company has created, sponsors, and endorses the Brand Building Council ("BBC") The BBC focuses on issues relating to brand strategy and priorities, emerging business trends and changes to the competitive landscape, and the progress reports

issued by the committees it forms Membership is comprised of nine representatives of the Company, with the right to add representatives as appropriate Franchisee members include thirteen (13) members of the Board of the NFA, who are elected by NFA members There are up to seven (7) at-large members selected by the Company All franchisee members serve for a minimum of two years with a possible one-year extension The co-chair of the Supply Chain Management Committee, who is elected in accordance with the Charter of the Supply Chain Management Committee, also serves on the BBC The BBC can be contacted at 9330 Balboa Avenue, San Diego, California 92123 (858) 571-2300

CONFIDENTIALITY AGREEMENTS

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Jack in the Box Inc You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you

ITEM 21
FINANCIAL STATEMENTS

Attached hereto as Exhibit A are copies of the audited consolidated balance sheets of Jack in the Box Inc and subsidiaries as of October 2, 2016, and September 27, 2015, and the related consolidated statements of earnings, comprehensive income, cash flows, and stockholders' (deficit) equity for the fifty-three weeks ended October 2, 2016, and the fifty-two weeks ended September 27, 2015, and September 28, 2014, and the unaudited condensed consolidated balance sheets, statements of earnings, statements of comprehensive income, and statements of cash flows of Jack in the Box Inc and subsidiaries as of January 22, 2017

ITEM 22
CONTRACTS

The following contracts are attached

EXHIBITS

E Application Package [including Non-Disclosure Agreement]
F Non-Disclosure Agreement
G Letter of Intent
H Statement of Prospective Franchisee
I Purchase Agreement
J-1 Franchise Agreement (and Development Incentive Amendment to Franchise Agreement)
J-2 Nontraditional License Agreement
K Development Agreement
L Authorization for Prearranged Payments
M Promissory Note Development Incentive Program
N Lease Agreement – Jack in the Box Franchised Restaurant
O General Release of All Claims

P Co-tenancy Operating Agreement
Q National Burger League Participation Agreement
R Equipment Brokerage Agreement
S Master Technology Agreement
T Stored Value Card Service Agreement
U State-Specific Disclosure Addenda and Agreement Amendments

ITEM 23
RECEIPT

The last two pages of this Disclosure Document are documents acknowledging receipt of the Disclosure Document ("Receipts") You should detach one receipt, sign it and deliver it to us You may keep the others for your records

EXHIBIT A

CONSOLIDATED FINANCIAL STATEMENTS
OF JACK IN THE BOX INC AND SUBSIDIARIES

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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Schedules not filed All schedules have been omitted as the required information is inapplicable immaterial or the information is presented in the consolidated financial statements or related notes

KPMG LLP
Suite 600
4747 Executive Drive
San Diego CA 92121

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Jack in the Box Inc

We have audited the accompanying consolidated balance sheets of Jack in the Box Inc and subsidiaries (the Company) as of October 2 2016 and September 27 2015 and the related consolidated statements of earnings, comprehensive income cash flows and stockholders (deficit) equity for the fifty-three weeks ended October 2 2016 and the fifty two weeks ended September 27 2015 and September 28 2014 These consolidated financial statements are the responsibility of the Company s management Our responsibility is to express an opinion on these consolidated financial statements based on our audits

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States) Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion the consolidated financial statements referred to above present fairly in all material respects the financial position of Jack in the Box Inc and subsidiaries as of October 2 2016 and September 27 2015 and the results of their operations and their cash flows for the fifty-three weeks ended October 2 2016 and the fifty-two weeks ended September 27 2015 and September 28 2014 in conformity with U S generally accepted accounting principles

KPMG LLP

San Diego California
November 22 2016

KPMG LLP is a Delaware limited liability partnership and the U S member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (KPMG International) a Swiss entity

JACK IN THE BOX INC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	October 2, 2016	September 27 2015
ASSETS		
Current assets		
Cash	$ 17 030	$ 17 743
Accounts and other receivables net	73 360	47 975
Inventories	8 229	7 376
Prepaid expenses	40 398	16 240
Assets held for sale	14 259	15 516
Other current assets	2 129	3 106
Total current assets	155 405	107 956
Property and equipment, at cost		
Land	117 166	112 991
Buildings	1 116 244	1 091 237
Restaurant and other equipment	331 644	315 235
Construction in progress	40 522	43 914
	1 605 576	1 563 377
Less accumulated depreciation and amortization	(886 526)	(835 114)
Property and equipment net	719 050	728 263
Intangible assets net	14 042	14 765
Goodwill	166 046	149 027
Other assets net	294 248	303 968
	$ 1 348 791	$ 1 303 979
LIABILITIES AND STOCKHOLDERS (DEFICIT) EQUITY		
Current liabilities		
Current maturities of long term debt	$ 57 574	$ 26 677
Accounts payable	40 736	32 137
Accrued liabilities	181 250	170 575
Total current liabilities	279 560	229 389
Long term debt, net of current maturities	937 512	688 579
Other long term liabilities	348 925	370 058
Stockholders (deficit) equity		
Preferred stock $0 01 par value 15 000 000 shares authorized none issued	—	—
Common stock $0 01 par value 175 000 000 shares authorized 81 598 524 and 81 096 156 issued respectively	816	811
Capital in excess of par value	432 564	402 986
Retained earnings	1 399 721	1 316 119
Accumulated other comprehensive loss	(187 021)	(132 530)
Treasury stock at cost 49 190 992 and 45 314 529 shares respectively	(1 863 286)	(1 571 433)
Total stockholders (deficit) equity	(217 206)	15 953
	$ 1 348 791	$ 1 303 979

See accompanying notes to consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share data)

	Fiscal Year		
	2016	2015	2014
Revenues			
Company restaurant sales	$ 1 204 535	$ 1 156 863	$ 1 120 912
Franchise rental revenues	232 907	226 702	217 182
Franchise royalties and other	161 889	156 752	146 037
	1 599 331	1 540 317	1 484 131
Operating costs and expenses net			
Company restaurant costs			
Food and packaging	363 002	361 988	357 338
Payroll and employee benefits	334 470	313 302	308 494
Occupancy and other	264 158	246 023	247 861
Total company restaurant costs	961 630	921 313	913 693
Franchise occupancy expenses	170 152	170 102	169 034
Franchise support and other costs	15 991	15 688	13 852
Selling general and administrative expenses	203 816	221 145	206 788
Impairment and other charges net	19 057	11 757	14 908
(Gains) losses on the sale of company operated restaurants	(1 230)	3 139	3 548
	1 369 416	1 343 144	1 321 823
Earnings from operations	229 915	197 173	162 308
Interest expense net	31 081	18 803	15 678
Earnings from continuing operations and before income taxes	198 834	178 370	146 630
Income taxes	72 564	65 769	51 786
Earnings from continuing operations	126 270	112 601	94 844
Losses from discontinued operations net of income tax benefit	(2 197)	(3 789)	(5 894)
Net earnings	$ 124 073	$ 108 812	$ 88 950
Net earnings per share — basic			
Earnings from continuing operations	$ 3 74	$ 3 00	$ 2 33
Losses from discontinued operations	(0 07)	(0 10)	(0 14)
Net earnings per share (1)	$ 3 68	$ 2 89	$ 2 18
Net earnings per share — diluted			
Earnings from continuing operations	$ 3 70	$ 2 95	$ 2 26
Losses from discontinued operations	(0 06)	(0 10)	(0 14)
Net earnings per share (1)	$ 3 63	$ 2 85	$ 2 12
Weighted average shares outstanding			
Basic	33 735	37 587	40 781
Diluted	34 146	38 215	41 973
Cash dividends declared per common share	$ 1 20	$ 1 00	$ 0 40

(1) Earnings per share may not add due to rounding

See accompanying notes to consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Fiscal Year		
	2016	2015	2014
Net earnings	$ 124 073	$ 108 812	$ 88 950
Cash flow hedges			
Net change in fair value of derivatives	(25 439)	(26 596)	(1 890)
Net loss reclassified to earnings	4 048	2 011	1 291
	(21 391)	(24 585)	(599)
Tax effect	8 281	9 517	229
	(13 110)	(15 068)	(370)
Unrecognized periodic benefit costs			
Actuarial losses arising during the period	(71 971)	(54 407)	(49 173)
Actuarial losses and prior service cost reclassified to earnings	4 546	9 863	5 245
	(67 425)	(44 544)	(43 928)
Tax effect	26 087	17 243	16 821
	(41 338)	(27 301)	(27 107)
Other			
Foreign currency translation adjustments	(70)	(45)	10
Tax effect	27	16	(3)
	(43)	(29)	7
Other comprehensive loss net of tax	(54 491)	(42 398)	(27 470)
Comprehensive income	$ 69 582	$ 66 414	$ 61 480

See accompanying notes to consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal Year		
	2016	2015	2014
Cash flows from operating activities			
Net earnings	$ 124 073	$ 108 812	$ 88 950
Adjustments to reconcile net earnings to net cash provided by operating activities			
Depreciation and amortization	92 844	89 468	91 384
Deferred finance cost amortization	2 736	2 309	2 175
Excess tax benefits from share based compensation arrangements	(7 461)	(18 602)	(17 664)
Deferred income taxes	34 973	(3 191)	4 152
Share based compensation expense	11 455	12 420	10 358
Pension and postretirement expense	13 484	18 749	13 760
(Gains) losses on cash surrender value of company owned life insurance	(5 365)	1 240	(6 049)
(Gains) losses on the sale of company operated restaurants	(1 230)	3 139	3 548
Losses on the disposition of property and equipment	2 654	1 847	1 680
Impairment charges and other	4 759	6 815	10 434
Loss on early retirement of debt	—	—	789
Changes in assets and liabilities			
Accounts and other receivables	(28 181)	(82)	19 589
Inventories	(713)	105	(300)
Prepaid expenses and other current assets	(15 367)	35 255	14 051
Accounts payable	2 225	2 281	(627)
Accrued liabilities	8 662	798	7 140
Pension and postretirement contributions	(101 052)	(25 374)	(25 349)
Other	(4 314)	(9 114)	(16 999)
Cash flows provided by operating activities	134 182	226 875	201 022
Cash flows from investing activities			
Purchases of property and equipment	(96 615)	(86 226)	(60 525)
Purchases of assets intended for sale and leaseback	(9 785)	(10 396)	(2 801)
Proceeds from sale and leaseback of assets	17 123	—	5 698
Proceeds from the sale of company operated restaurants	1 439	3 951	10 536
Collections on notes receivable	3 555	5 917	2 974
Acquisition of franchise operated restaurants	(19 816)	—	(1 750)
Other	(299)	2 281	2 889
Cash flows used in investing activities	(104 398)	(84 473)	(42 979)
Cash flows from financing activities			
Borrowings on revolving credit facilities	705 000	857 000	652 000
Repayments of borrowings on revolving credit facilities	(817 578)	(768 000)	(521 000)
Proceeds from issuance of debt	417 578	300 000	200 000
Principal repayments on debt	(26 154)	(198 397)	(193 399)
Debt issuance costs	(2 385)	(2 030)	(3 607)
Dividends paid on common stock	(40 295)	(37 390)	(15 808)
Proceeds from issuance of common stock	10 564	15 170	31 748
Repurchases of common stock	(284 645)	(320 163)	(323 866)
Excess tax benefits from share based compensation arrangements	7 461	18 602	17 664
Change in book overdraft	—	—	(848)
Cash flows used in financing activities	(30 454)	(135 208)	(157 116)
Effect of exchange rate changes on cash	(43)	(29)	7
Net (decrease) increase in cash	(713)	7 165	934
Cash at beginning of year	17 743	10 578	9 644
Cash at end of year	$ 17 030	$ 17 743	$ 10 578

See accompanying notes to consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY
(Dollars in thousands)

	Number of Shares	Amount	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance at September 29 2013	78 515 171	$ 785	$ 296 764	$ 1 171 823	$ (62 662)	$ (934 692)	$ 472 018
Shares issued under stock plans including tax benefit	1 612 216	16	49 605	—	—	—	49 621
Share based compensation	—	—	10 358	—	—	—	10 358
Dividends declared	—	—	—	(15 876)	—	—	(15 876)
Purchases of treasury stock	—	—	—	—	—	(319 690)	(319 690)
Net earnings	—	—	—	88 950	—	—	88 950
Foreign currency translation adjustment	—	—	—	—	7	—	7
Effect of interest rate swaps net	—	—	—	—	(370)	—	(370)
Effect of actuarial losses and prior service cost, net	—	—	—	—	(27 107)	—	(27 107)
Balance at September 28 2014	80 127 387	801	356 727	1 244 897	(90 132)	(1 254 382)	257 911
Shares issued under stock plans including tax benefit	968 769	10	33 762	—	—	—	33 772
Share based compensation	—	—	12 420	—	—	—	12 420
Dividends declared	—	—	77	(37 590)	—	—	(37 513)
Purchases of treasury stock	—	—	—	—	—	(317 051)	(317 051)
Net earnings	—	—	—	108 812	—	—	108 812
Foreign currency translation adjustment	—	—	—	—	(29)	—	(29)
Effect of interest rate swaps net	—	—	—	—	(15 068)	—	(15 068)
Effect of actuarial losses and prior service cost net	—	—	—	—	(27 301)	—	(27 301)
Balance at September 27 2015	81 096 156	811	402 986	1 316 119	(132 530)	(1 571 433)	15 953
Shares issued under stock plans including tax benefit	502 368	5	18 020	—	—	—	18 025
Share based compensation	—	—	11 455	—	—	—	11 455
Dividends declared	—	—	103	(40 471)	—	—	(40 368)
Purchases of treasury stock	—	—	—	—	—	(291 853)	(291 853)
Net earnings	—	—	—	124 073	—	—	124 073
Foreign currency translation adjustment	—	—	—	—	(43)	—	(43)
Effect of interest rate swaps net	—	—	—	—	(13 110)	—	(13 110)
Effect of actuarial losses and prior service cost, net	—	—	—	—	(41 338)	—	(41 338)
Balance at October 2 2016	81 598 524	$ 816	$ 432 564	$ 1 399 721	$ (187 021)	$ (1 863 286)	$ (217 206)

See accompanying notes to consolidated financial statements

1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations — Founded in 1951, Jack in the Box Inc (the "Company") operates and franchises Jack in the Box® quick-service restaurants and Qdoba Mexican Eats® (Qdoba') fast casual restaurants The following table summarizes the number of restaurants as of the end of each fiscal year

	2016	2015	2014
Jack in the Box			
Company operated	417	413	431
Franchise	1 838	1 836	1 819
Total system	2 255	2 249	2 250
Qdoba			
Company operated	367	322	310
Franchise	332	339	328
Total system	699	661	638

References to the Company throughout these notes to the consolidated financial statements are made using the first person notations of "we," "us' and "our "

Basis of presentation — The accompanying consolidated financial statements have been prepared in accordance with U S generally accepted accounting principles ("U S GAAP') and the rules and regulations of the Securities and Exchange Commission (' SEC ') During fiscal 2012, we entered into an agreement to outsource our Jack in the Box distribution business In fiscal 2013, we closed 62 Qdoba restaurants (the "2013 Qdoba Closures") as part of a comprehensive Qdoba market performance review The results of operations for our distribution business and for the 2013 Qdoba Closures are reported as discontinued operations for all periods presented Refer to Note 2, *Discontinued Operations*, for additional information Unless otherwise noted, amounts and disclosures throughout these notes to the consolidated financial statements relate to our continuing operations

Reclassifications and adjustments — Certain prior year amounts have been reclassified in the table disclosing the fair values of our defined benefit pension plan's assets within Note 11, *Retirement Plans*, to conform to the fiscal 2016 presentation

Fiscal year — Our fiscal year is 53 or 52 weeks ending the Sunday closest to September 30 Comparisons throughout these notes to the consolidated financial statements refer to the 53-week period ended October 2 2016 for the fiscal year 2016 and 52 week periods ended September 27, 2015 and September 28, 2014 for fiscal years 2015 and 2014, respectively

Principles of consolidation — The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries and the accounts of any variable interest entities (' VIEs") where we are deemed the primary beneficiary All significant intercompany accounts and transactions are eliminated

The Financial Accounting Standards Board ("FASB") authoritative guidance on consolidation requires the primary beneficiary of a VIE to consolidate that entity The primary beneficiary of a VIE is an enterprise that has a controlling financial interest in the VIE Controlling financial interest exists when an enterprise has both the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE

The primary entities in which we possess a variable interest are franchise entities, which operate our franchise restaurants We do not possess any ownership interests in franchise entities We have reviewed these franchise entities and determined that we are not the primary beneficiary of the entities and therefore, these entities have not been consolidated We hold and consolidate a variable interest in a subsidiary formed for the purpose of operating a franchisee lending program The financial results and position of our VIE are immaterial to our consolidated financial statements

Use of estimates — In preparing the consolidated financial statements in conformity with U S GAAP, management is required to make certain assumptions and estimates that affect reported amounts of assets, liabilities, revenues, expenses and the disclosure of contingencies In making these assumptions and estimates, management may from time to time seek advice and consider information provided by actuaries and other experts in a particular area Actual amounts could differ materially from these estimates

Accounts and other receivables, net is primarily comprised of receivables from franchisees, tenants and credit card processors Franchisee receivables primarily include rents royalties, and marketing fees associated with lease and franchise agreements Tenant receivables relate to subleased properties where we are on the master lease agreement We accrue interest on notes receivable based on the contractual terms The allowance for doubtful accounts is based on historical experience and a review of existing receivables Changes in accounts and other receivables are classified as an operating activity in the consolidated statements of cash flows

Inventories consist principally of food, packaging and supplies, and are valued at the lower of cost or market on a first in, first out basis Changes in inventories are classified as an operating activity in the consolidated statements of cash flows

Assets held for sale typically represent the costs for new sites and existing sites that we plan to sell and lease back within the next year Gains or losses realized on sale leaseback transactions are deferred and amortized over the lease terms If the determination is made that we no longer expect to sell an asset within the next year, the asset is reclassified out of assets held for sale Assets held for sale also periodically includes the net book value of property and/or equipment we plan to sell within the next year Assets held for sale consisted of the following at each fiscal year end (*in thousands*)

	2016	2015
Assets held for sale and leaseback	$ 14 259	$ 15 216
Other property and equipment held for sale	—	300
Assets held for sale	$ 14 259	$ 15 516

Property and equipment, net — Expenditures for new facilities and equipment and those that substantially increase the useful lives of the property, are capitalized Facilities leased under capital leases are stated at the present value of minimum lease payments at the beginning of the lease term, not to exceed fair value Maintenance and repairs are expensed as incurred When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and gains or losses on the dispositions are reflected in results of operations

Buildings, equipment and leasehold improvements are generally depreciated using the straight line method based on the estimated useful lives of the assets, over the initial lease term for certain assets acquired in conjunction with the lease commencement for leased properties, or the remaining lease term for certain assets acquired after the commencement of the lease for leased properties In certain situations, one or more option periods may be used in determining the depreciable life of assets related to leased properties if we deem that an economic penalty would be incurred otherwise In either circumstance, our policy requires lease term consistency when calculating the depreciation period in classifying the lease and in computing straight-line rent expense Building, leasehold improvement assets and equipment are assigned lives that range from 1 to 35 years Depreciation expense related to property and equipment was $92 1 million, $88 8 million and $90 7 million in 2016, 2015, and 2014, respectively

Impairment of long-lived assets — We evaluate our long lived assets such as property and equipment, for impairment on an annual basis or whenever events or changes in circumstances indicate that their carrying value may not be recoverable This review generally includes a restaurant level analysis, except when we are actively selling a group of restaurants in which case we perform our impairment evaluations at the group level Impairment evaluations for individual restaurants take into consideration a restaurant's operating cash flows, the period of time since a restaurant has been opened or remodeled, refranchising expectations, and the maturity of the related market, which are all significant unobservable inputs ("Level 3 Inputs") Impairment evaluations for a group of restaurants take into consideration the group's expected future cash flows and sales proceeds from bids received if any, or fair market value based on, among other considerations the specific sales and cash flows of those restaurants If the assets of a restaurant or group of restaurants subject to our impairment evaluation are not recoverable based upon the forecasted, undiscounted cash flows we recognize an impairment loss by the amount which the carrying value of the assets exceeds fair value Refer to Note 9, *Impairment and Other Charges Net*, for additional information Long-lived assets that meet the held for sale criteria, which excludes assets intended to be sold and leased back, are held for sale and reported at the lower of their carrying value or fair value, less estimated costs to sell

Goodwill and intangible assets — Goodwill is the excess of the purchase price over the fair value of identifiable net assets acquired, if any We generally record goodwill in connection with the acquisition of restaurants from franchisees Likewise, upon the sale of restaurants to franchisees, goodwill is decremented The amount of goodwill written-off is determined as the fair value of the reporting unit disposed of as a percentage of the fair value of the reporting unit retained Goodwill is evaluated for impairment annually or more frequently if indicators of impairment are present We first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount If the qualitative factors indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we perform a two step impairment test of goodwill In the first step, we estimate the fair value of the reporting unit using Level 3 Inputs and compare it to the carrying value of the reporting unit If the carrying value exceeds the fair value of the reporting unit, the second step is performed to measure the amount of the impairment loss, if any In the second step, the amount of the impairment loss is the excess of the carrying amount of the goodwill over its implied fair value

Intangible assets, net is comprised primarily of our Qdoba trademark, acquired franchise contract costs, lease acquisition costs and reacquired franchise rights Our Qdoba trademark and acquired franchise contract costs were recorded in connection with our acquisition of Qdoba Restaurant Corporation in fiscal 2003 Acquired franchise contract costs represent the acquired value of franchise contracts, which are amortized over the term of the franchise agreements plus options based on the projected royalty revenue stream Our Qdoba trademark asset has an indefinite life and is not amortized Lease acquisition costs primarily represent the fair values of acquired lease contracts having contractual rents lower than fair market rents and are amortized on a straight line basis over the remaining initial lease term Reacquired franchise rights are recorded in connection with our acquisition of franchised restaurants and are amortized over the remaining contractual period of the franchise contract in which the right was granted

Our non amortizing intangible asset is evaluated for impairment annually, or more frequently if indicators of impairment are present We first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of the intangible asset is less than its carrying amount If the qualitative factors indicate that it is more likely than not that the fair value of the intangible asset is less than its carrying amount, we compare the fair value of the non amortizing intangible asset, established using Level 3 Inputs, with its carrying amount If the carrying amount of an intangible asset exceeds its fair value an impairment loss is recognized equal to the excess

Refer to Note 4, Goodwill and Intangible Assets Net, for additional information

Company-owned life insurance — We have purchased company owned life insurance ("COLI") policies to support our non-qualified benefit plans The cash surrender values of these policies were $106 0 million and $99 5 million as of October 2, 2016 and September 27, 2015, respectively, and are included in other assets, net in the accompanying consolidated balance sheets Changes in cash surrender values are included in selling, general and administrative expenses in the accompanying consolidated statements of earnings These policies reside in an umbrella trust for use only to pay plan benefits to participants or to pay creditors if the Company becomes insolvent

Leases — We review all leases for capital or operating classification at their inception under the FASB authoritative guidance for leases Our operations are primarily conducted under operating leases Within the provisions of certain leases, there are rent holidays and escalations in payments over the base lease term, as well as renewal periods The effects of the holidays and escalations have been reflected in rent expense on a straight line basis over the expected lease term Differences between amounts paid and amounts expensed are recorded as deferred rent The lease term commences on the date when we have the right to control the use of the leased property Certain leases also include contingent rent provisions based on sales levels, which are accrued at the point in time we determine that it is probable such sales levels will be achieved Refer to Note 8, *Leases*, for additional information

Revenue recognition — Revenue from company restaurant sales is recognized when the food and beverage products are sold and are presented net of sales taxes

Our franchise arrangements generally provide for franchise fees and continuing fees based upon a percentage of sales ("royalties") In order to renew a franchise agreement upon expiration, a franchisee must obtain the Company s approval and pay then current fees Franchise development and license fees are recorded as deferred revenue until we have substantially performed all of our contractual obligations and the restaurant has opened for business Franchise royalties are recorded in revenues on an accrual basis Among other things, a franchisee may be provided the use of land and building, generally for a period of 20 years, and is required to pay negotiated rent, property taxes, insurance and maintenance Franchise rents based on fixed rental payments are recognized as revenue over the term of the lease Certain franchise rents, which are contingent upon sales levels, are recognized in the period in which the contingency is met

Gift cards — We sell gift cards to our customers in our restaurants and through selected third parties The gift cards sold to our customers have no stated expiration dates and are subject to actual and/or potential escheatment rights in several of the jurisdictions in which we operate We recognize income from gift cards when redeemed by the customer

While we will continue to honor all gift cards presented for payment, we may determine the likelihood of redemption to be remote for certain card balances due to among other things long periods of inactivity In these circumstances to the extent we determine there is no requirement for remitting balances to government agencies under unclaimed property laws, card balances may be recognized as a reduction to selling general and administrative expenses in the accompanying consolidated statements of earnings

Income recognized on unredeemed gift card balances was $1 0 million, $1 0 million and $0 8 million in fiscal 2016, 2015 and 2014, respectively

Pre-opening costs associated with the opening of a new restaurant consist primarily of property rent and employee training costs, and are expensed as incurred in selling, general and administrative expenses in the accompanying consolidated statements of earnings

Restaurant closure costs — All costs associated with exit or disposal activities are recognized when they are incurred Restaurant closure costs, which are included in impairment and other charges, net and (gains) losses on the sale of company operated restaurants in the accompanying consolidated statements of earnings, primarily consist of future lease commitments, net of anticipated sublease rentals, and expected ancillary costs

Self-insurance — We are self insured for a portion of our workers' compensation, general liability, employee medical and dental and automotive claims We utilize a paid-loss plan for our workers' compensation, general liability and automotive programs, which have predetermined loss limits per occurrence and in the aggregate We establish our insurance liability (undiscounted) and reserves using independent actuarial estimates of expected losses for determining reported claims and as the basis for estimating claims incurred, but not reported As of October 2, 2016 and September 27 2015, our estimated liability for general liability and workers compensation claims exceeded our self insurance retention limits by $8 6 million and $25 8 million, respectively, which we expect our insurance providers to pay on our behalf in accordance with the contractual terms of our insurance policies

Advertising costs — We administer marketing funds which include contractual contributions In fiscal 2016 and 2015, the marketing funds at franchise and company operated restaurants were generally 5% and 2% of gross revenues at Jack in the Box and Qdoba restaurants, respectively In fiscal 2014 the marketing funds were approximately 5% and 1% of gross revenues at Jack in the Box and Qdoba restaurants, respectively We record contributions from franchisees as a liability included in accrued liabilities in the accompanying consolidated balance sheets until such funds are expended The contributions to the marketing funds are designated for sales driving and marketing related initiatives and advertising and we act as an agent for the franchisees with regard to these contributions Therefore, we do not reflect franchisee contributions to the funds in our consolidated statements of earnings

Production costs of commercials, programming and other marketing activities are charged to the marketing funds when the advertising is first used for its intended purpose, and the costs of advertising are charged to operations as incurred Total contributions and other marketing expenses are included in selling general, and administrative expenses in the accompanying consolidated statements of earnings The following table provides a summary of advertising costs in each fiscal year (*in thousands*)

	2016	2015	2014
Jack in the Box	$ 41 189	$ 41 895	$ 42 349
Qdoba	20 488	17 687	18 215
Total	$ 61 677	$ 59 582	$ 60 564

Share-based compensation — We account for our share-based compensation under the FASB authoritative guidance on stock compensation which generally requires among other things, that all employee share based compensation be measured using a fair value method and that the resulting compensation cost be recognized in the financial statements Compensation expense for our share-based compensation awards is generally recognized on a straight line basis over the shorter of the vesting period or the period from the date of grant to the date the employee becomes eligible to retire Refer to Note 12, *Share-based Employee Compensation*, for additional information

Income taxes — Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as tax loss and credit carryforwards Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled We recognize interest and, when applicable, penalties related to unrecognized tax benefits as a component of our income tax provision

Authoritative guidance issued by the FASB prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position Refer to Note 10, *Income Taxes,* for additional information

Derivative instruments — From time to time we use interest rate swap agreements to manage interest rate exposure We do not speculate using derivative instruments We purchase derivative instruments only for the purpose of risk management

All derivatives are recognized on the consolidated balance sheets at fair value based upon quoted market prices Changes in the fair values of derivatives are recorded in earnings or other comprehensive income ("OCI"), based on whether or not the instrument is designated as a hedge transaction Gains or losses on derivative instruments that qualify for hedge designation are reported in OCI and are reclassified to earnings in the period the hedged item affects earnings If the underlying hedge transaction ceases to exist, any associated amounts reported in OCI are reclassified to earnings at that time Any ineffectiveness is recognized in earnings in the current period Refer to Note 5, *Fair Value Measurements*, and Note 6, *Derivative Instruments* for additional information regarding our derivative instruments

Contingencies — We recognize liabilities for contingencies when we have an exposure that indicates it is probable that an asset has been impaired or that a liability has been incurred and the amount of impairment or loss can be reasonably estimated Our ultimate legal and financial liability with respect to such matters cannot be estimated with certainty and requires the use of estimates When the reasonable estimate is a range, the recorded loss will be the best estimate within the range We record legal settlement costs when those costs are probable and reasonably estimable Refer to Note 15, *Commitments Contingencies and Legal Matters*, for additional information

Segment reporting — An operating segment is defined as a component of an enterprise that engages in business activities from which it may earn revenues and incur expenses, and about which separate financial information is regularly evaluated by our chief operating decision makers in deciding how to allocate resources Similar operating segments can be aggregated into a single operating segment if the businesses are similar We operate our business in two operating segments, Jack in the Box and Qdoba restaurant operations Refer to Note 16 *Segment Reporting*, for additional discussion regarding our segments

Effect of new accounting pronouncement adopted in fiscal 2016 — In November 2015, the FASB issued ASU No 2015 17, *Income Taxes (Topic 740) Balance Sheet Classification of Deferred Taxes*, which simplifies the presentation of deferred income taxes This standard requires deferred tax liabilities and assets to be classified as noncurrent in a classified statement of financial position This standard is effective prospectively or retrospectively for all periods presented for annual and interim periods beginning after December 15, 2017, with early adoption permitted We early adopted this standard in 2016 and the prior period was retrospectively adjusted, resulting in a $40 0 million reclassification of current deferred income taxes to other assets, net on our September 27, 2015 consolidated balance sheet

Effect of new accounting pronouncements to be adopted in future periods — In April 2015, the FASB issued Accounting Standards Update ("ASU") No 2015 03 *Simplifying the Presentation of Debt Issuance Costs*, which changes the presentation of debt issuance costs in financial statements Under this ASU, an entity presents such costs on the balance sheet as a direct deduction from the related debt liability rather than as an asset This new standard is effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period As such, we will be required to adopt this standard in the first quarter of fiscal 2017 and will reclassify debt issuance costs from other assets net to long term debt within our consolidated balance sheets As of October 2, 2016, the carrying amount of unamortized debt issuance costs totaled $8 2 million Other than this reclassification, the adoption of this ASU will not impact our consolidated financial statements

In May 2014, the FASB issued ASU No 2014 09 *Revenue Recognition - Revenue from Contracts with Customers (Topic 606)* which provides a comprehensive new revenue recognition model that requires an entity to recognize revenue in an amount that reflects the consideration the entity expects to receive for the transfer of promised goods or services to its customers The standard also requires additional disclosure regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers Further, in March 2016, the FASB issued ASU No 2016 08 *Revenue from Contracts with Customers (Topic 606) Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* which clarifies the guidance in ASU No 2014 09 when evaluating when another party, along with the entity, is involved in providing a good or service to a customer In April 2016, the FASB issued ASU No 2016-10, *Revenue from Contracts with Customers (Topic 606) Identifying Performance Obligations and Licensing*, which clarifies the guidance in ASU No 2014 09 regarding assessing whether promises to transfer goods or services are distinct, and whether an entity s promise to grant a license provides a customer with a right to use, or right to access the entity s intellectual property All standards are effective for annual periods beginning after December 15, 2017, and interim periods within that reporting period As such, we will be required to adopt these standards in the first quarter of fiscal 2019

These standards are to be applied retrospectively or using a cumulative effect transition method, and early adoption is not permitted We do not believe the new revenue recognition standard will impact our recognition of restaurant sales, rental revenues or royalty fees from franchisees However, we are still evaluating the impact that this pronouncement will have on the recognition of transactions on our consolidated financial statements including the initial franchise fees currently recognized upon the opening of a franchise restaurant and our advertising arrangements with franchisees currently reported on a net versus gross basis in our consolidated statements of earnings, and the effect it will have on our disclosures We have not yet selected a transition method

In August 2015, the FASB issued ASU No 2015 15 "*Interest-Imputation of Interest Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements*," which addresses line of credit arrangements that were omitted from ASU No 2015 03 (see below) This ASU states that the SEC staff would not object to an entity deferring and presenting debt issuance costs related to a line of credit arrangement as an asset and subsequently amortizing those costs ratably over the term of the arrangement, regardless of whether there are any outstanding borrowings on the line-of credit arrangement This new standard is effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period, with early adoption permitted We do not expect that this standard will have a material impact on our consolidated financial statements or disclosures upon adoption in fiscal 2017

In February 2016, the FASB issued ASU No 2016 02, *Leases (Topic 842)* which requires a lessee to recognize assets and liabilities on the balance sheet for those leases classified as operating leases under previous guidance This standard is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years As such, we will be required to adopt this standard in the first quarter of fiscal 2020 This standard requires adoption based upon a modified retrospective transition approach with early adoption permitted Based on a preliminary assessment, we expect that most of our operating lease commitments will be subject to the new guidance and recognized as operating lease liabilities and right of use assets upon adoption resulting in a significant increase in the assets and liabilities on our consolidated balance sheets We are continuing our evaluation, which may identify additional impacts this standard will have on our consolidated financial statements and related disclosures

In March 2016, the FASB issued ASU No 2016 04 *Liabilities-Extinguishment of Liabilities (Subtopic 405-20) Recognition of Breakage for Certain Prepaid Stored Value Products*, which is designed to provide guidance and eliminate diversity in the accounting for the derecognition of financial liabilities related to certain prepaid stored-value products using a revenue like breakage model This standard is effective for fiscal years beginning after December 15, 2017 and interim periods within those fiscal years, with early adoption permitted This standard is to be applied retrospectively or using a cumulative effect transition method as of the date of adoption We are currently evaluating which transition method to use, but believe the impact this standard will have on our consolidated financial statements and related disclosures will be immaterial upon adoption

In March 2016 the FASB issued ASU No 2016 09 *Compensation-Stock Compensation (Topic 718) Improvements to Employee Share-Based Payment Accounting* This standard is intended to simplify various aspects of accounting for share based compensation arrangements, including the income tax impact classification on the statement of cash flows and forfeitures This standard is effective for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period, with early adoption permitted As such, we will be required to adopt this standard in fiscal 2018 and will classify the excess tax benefits from share based compensation arrangements, which were $7 5 million in fiscal 2016, as a discrete item within income tax expense on the consolidated statements of earnings, rather than recognizing such excess income tax benefits in capital in excess of par value on the consolidated statements of stockholders' (deficit) equity This reclassification will be made on a prospective basis and will also impact the related classification on our consolidated statements of cash flows as excess tax benefits from share based compensation arrangements are currently reported in cash flows from operating activities and cash flows used in investing activities Other than these reclassifications, we do not believe the adoption of this ASU will materially impact our consolidated financial statements

In August 2016, the FASB issued ASU 2016 15, *Statement of Cash Flows (Topic 230) Classification of Certain Cash Receipts and Cash Payments* This standard is intended to address eight classification issues related to the statement of cash flows to reduce diversity in practice in how certain transactions are classified This standard is effective for fiscal years beginning after December 15, 2017 and interim periods within those fiscal years, with early adoption permitted This standard requires adoption based upon a retrospective transition method We are currently evaluating this standard but do not believe it will have a material impact on the classification of cash flows within our statement of cash flows

2 DISCONTINUED OPERATIONS

Distribution business — During fiscal 2012, we entered into an agreement with a third party distribution service provider pursuant to a plan approved by our board of directors to sell our Jack in the Box distribution business During fiscal 2013, we completed the transition of our distribution centers The operations and cash flows of the business have been eliminated and in accordance

with the provisions of the FASB authoritative guidance on the presentation of financial statements, the results are reported as discontinued operations for all periods presented

In 2016, 2015 and 2014, results of discontinued operations were immaterial to our consolidated results of operations Our liability for lease commitments related to our distribution centers is immaterial to our consolidated balance sheets as of October 2, 2016 and September 27 2015 The lease commitment balance relates to one distribution center lease that expires in fiscal 2017 and is currently subleased at a loss The future minimum lease payments and receipts for the next fiscal year are included in the amounts disclosed in Note 8, *Leases*

2013 Qdoba Closures — During fiscal 2013, we closed 62 Qdoba restaurants The decision to close these restaurants was based on a comprehensive analysis that took into consideration levels of return on investment and other key operating performance metrics Since the closed restaurants were not predominantly located near those remaining in operation, we did not expect the majority of cash flows and sales lost from these closures to be recovered In addition, we did not anticipate any ongoing involvement or significant direct cash flows from the closed stores Therefore in accordance with the provisions of the FASB authoritative guidance on the presentation of financial statements the results of operations for these restaurants are reported as discontinued operations for all periods presented

The following table summarizes the results related to the 2013 Qdoba Closures for each fiscal year (*in thousands*)

	2016	2015	2014
Asset impairments	$ —	$ —	$ (2 170)
Unfavorable lease commitment adjustments	(2 818)	(4 594)	(4 536)
Bad debt expense related to subtenants	(234)	(366)	—
Brokers commissions	(58)	(234)	(652)
Ongoing facility related and other costs	(71)	(302)	(889)
Loss before income tax benefit	$ (3 181)	$ (5 496)	$ (8 247)

We do not expect the remaining costs to be incurred related to the closures to be material, however, the estimates we make related to our future lease obligations, primarily sublease income, are subject to a high degree of judgment and may differ from actual sublease income due to changes in economic conditions, desirability of the sites and other factors

Our liability for lease commitments related to the 2013 Qdoba closures is included in accrued liabilities and other long term liabilities in the accompanying consolidated balance sheets and has changed as follows during fiscal year 2016 (*in thousands*)

Balance at September 27 2015	$ 4 256
Adjustments (1)	2 818
Cash payments	(4 131)
Balance at October 2 2016 (2)	$ 2 943

(1) Adjustments relate to revisions to certain sublease and cost assumptions due to changes in market conditions as well as a charge to terminate three lease agreements and includes interest expense

(2) The weighted average remaining lease term related to these commitments is approximately three years

The balance at October 2, 2016 relates to six locations subleased at a loss and 16 locations we are marketing for sublease The future minimum lease payments and receipts for the next five fiscal years and thereafter are included in the amounts disclosed in Note 8, *Leases*

3 SUMMARY OF REFRANCHISINGS, FRANCHISEE DEVELOPMENT AND ACQUISITIONS

Refranchisings and franchisee development — The following table summarizes the number of restaurants sold to franchisees, the number of restaurants developed by franchisees, and the related fees and gains (losses) recognized in each fiscal year (*dollars in thousands*)

	2016	2015	2014
Restaurants sold to franchisees	1	21	37
New restaurants opened by franchisees			
Jack in the Box	12	16	11
Qdoba	18	22	22
Initial franchise fees	$ 955	$ 1 453	$ 1 886
Proceeds from the sale of company operated restaurants (1)	$ 1 439	$ 3 951	$ 10 536
Net assets sold (primarily property and equipment)	(195)	(4 283)	(5 558)
Goodwill related to the sale of company operated restaurants	(15)	(47)	(170)
Other (2)	1	(2 760)	(6 500)
Gains (losses) on the sale of company operated restaurants	1 230	(3 139)	(1 692)
Loss on anticipated sale of a Jack in the Box company operated market (3)	—	—	(1 856)
Gains (losses) on the sale of company operated restaurants	$ 1 230	$ (3 139)	$ (3 548)

(1) Amounts in 2016 2015 and 2014 include additional proceeds of $1 4 million $1 5 million and $2 1 million respectively recognized upon the extension of the underlying franchise and lease agreements related to restaurants sold in a prior year

(2) Amounts in 2015 and 2014 primarily represent impairment and lease commitment charges related to restaurants closed in connection with the sale of the related markets and charges for operating restaurant leases with lease commitments in excess of our sublease rental income

(3) In 2014 the loss on the anticipated sale of a Jack in the Box market relates to 25 company operated restaurants of which we sold 20 and closed the remaining five in fiscal 2015

Franchise acquisitions — We acquired one, seven and four Jack in the Box franchise restaurants in 2016 2015 and 2014, respectively In 2016, we acquired 14 Qdoba franchise restaurants We account for the acquisition of franchised restaurants using the acquisition method of accounting for business combinations The purchase price allocations were based on fair value estimates determined using significant unobservable inputs (Level 3) The goodwill recorded primarily relates to the sales growth potential of the markets acquired and is expected to be deductible for income tax purposes The following table provides detail of the combined acquisitions in each fiscal year (*dollars in thousands*)

	2016	2015	2014
Restaurants acquired from franchisees	15	7	4
Goodwill	$ 17 034	$ —	$ 256
Property and equipment	2 954	646	1 398
Gains on the acquisition of franchise operated restaurants	(289)	(33)	—
Liabilities assumed	(114)	(613)	—
Other	231	—	96
Total consideration	$ 19 816	$ —	$ 1 750

4 GOODWILL AND INTANGIBLE ASSETS, NET

The changes in the carrying amount of goodwill during fiscal 2016 and 2015 by reportable segment were as follows (*in thousands*)

	Jack in the Box	Qdoba	Total
Balance at September 28 2014	$ 48 477	$ 100 597	$ 149 074
Sale of company operated restaurants to franchisees	(47)	—	(47)
Balance at September 27 2015	48 430	100 597	149 027
Acquisition of franchise operated restaurants	—	17 034	17 034
Sale of company operated restaurants to franchisees	(15)	—	(15)
Balance at October 2 2016	$ 48 415	$ 117 631	$ 166 046

Intangible assets, net consist of the following as of the end of each fiscal year (*in thousands*)

	2016	2015
Amortized intangible assets		
Gross carrying amount	$ 17 205	$ 17 267
Less accumulated amortization	(11 963)	(11 302)
Net carrying amount	5 242	5 965
Non amortized intangible assets		
Trademark	8 800	8 800
Net carrying amount	$ 14 042	$ 14 765

Amortized intangible assets include acquired franchise contracts recorded in connection with our acquisition of Qdoba in 2003, lease acquisition costs and reacquired franchise rights The weighted average life of these amortized intangible assets is approximately 27 years Total amortization expense related to intangible assets was $0 8 million $0 8 million and $0 9 million in fiscal 2016, 2015 and 2014, respectively

The following table summarizes, as of October 2, 2016 the estimated amortization expense for each of the next five fiscal years (*in thousands*)

2017	$ 777
2018	$ 732
2019	$ 671
2020	$ 633
2021	$ 592

5 FAIR VALUE MEASUREMENTS

Financial assets and liabilities — The following table presents the financial assets and liabilities measured at fair value on a recurring basis (*in thousands*)

	Total	Quoted Prices in Active Markets for Identical Assets (3) (Level 1)	Significant Other Observable Inputs (3) (Level 2)	Significant Unobservable Inputs (3) (Level 3)
Fair value measurements as of October 2, 2016				
Non qualified deferred compensation plan (1)	$ (36 933)	$ (36 933)	$ —	$ —
Interest rate swaps (Note 6) (2)	(47 765)	—	(47 765)	—
Total liabilities at fair value	$ (84 698)	$ (36 933)	$ (47 765)	$ —
Fair value measurements as of September 27 2015				
Non qualified deferred compensation plan (1)	$ (35 003)	$ (35 003)	$ —	$ —
Interest rate swaps (Note 6) (2)	(26 374)	—	(26 374)	—
Total liabilities at fair value	$ (61 377)	$ (35 003)	$ (26 374)	$ —

(1) We maintain an unfunded defined contribution plan for key executives and other members of management The fair value of this obligation is based on the closing market prices of the participants elected investments

(2) We entered into interest rate swaps to reduce our exposure to rising interest rates on our variable rate debt The fair values of our interest rate swaps are based upon Level 2 inputs which include valuation models as reported by our counterparties The key inputs for the valuation models are quoted market prices discount rates and forward yield curves

(3) We did not have any transfers in or out of Level 1 2 or 3

The fair values of the Company's debt instruments are based on the amount of future cash flows associated with each instrument discounted using the Company's borrowing rate At October 2, 2016 the carrying value of all financial instruments was not materially different from fair value as the borrowings are prepayable without penalty The estimated fair values of our capital lease obligations approximated their carrying values as of October 2, 2016

Non-financial assets and liabilities — Our non financial instruments, which primarily consist of property and equipment, goodwill and intangible assets, are reported at carrying value and are not required to be measured at fair value on a recurring basis However, on an annual basis or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, non financial instruments are assessed for impairment If the carrying values are not fully recoverable, they are written down to fair value

In connection with our impairment reviews performed during fiscal 2016, we recorded an impairment charge of $0 5 million related to an underperforming Qdoba restaurant which is currently held for use No other fair value adjustments were required Refer to Note 9, *Impairment and Other Charges Net* for additional information regarding impairment charges

6 DERIVATIVE INSTRUMENTS

Objectives and strategies — We are exposed to interest rate volatility with regard to our variable rate debt In April 2014, to reduce our exposure to rising interest rates, we entered into nine forward starting interest rate swap agreements that effectively converted $300 0 million of our variable rate borrowings to a fixed rate basis from October 2014 through October 2018 Additionally in June 2015, we entered into eleven forward starting interest rate swap agreements that effectively convert an additional $200 0 million of our variable rate borrowings to a fixed rate from October 2015 through October 2018 and $500 0 million from October 2018 through October 2022

These agreements have been designated as cash flow hedges under the terms of the FASB authoritative guidance for derivatives and hedging To the extent that they are effective in offsetting the variability of the hedged cash flows, changes in the fair values of the derivatives are not included in earnings but are included in OCI These changes in fair value are subsequently reclassified into net earnings as a component of interest expense as the hedged interest payments are made on our variable rate debt

Financial position — The following derivative instruments were outstanding as of the end of each fiscal year (*in thousands*)

	Balance Sheet Location	Fair Value	
		October 2 2016	September 27 2015
Derivatives designated as hedging instruments			
Interest rate swaps (Note 5)	Accrued liabilities	$ (5 857)	$ (3 379)
Interest rate swaps (Note 5)	Other long term liabilities	(41 908)	(22 995)
Total derivatives		$ (47 765)	$ (26 374)

Financial performance — The following table summarizes the accumulated OCI activity related to our interest rate swap derivative instruments in each fiscal year (*in thousands*)

	Location of Loss in Income	2016	2015	2014
Loss recognized in OCI	N/A	$ (25 439)	$ (26 596)	$ (1 890)
Loss reclassified from accumulated OCI into net earnings	Interest expense net	$ 4 048	$ 2 011	$ 1 291

Amounts reclassified from accumulated OCI into interest expense represent payments made to the counterparty for the effective portions of the interest rate swaps During the fiscal years presented, our interest rate swaps had no hedge ineffectiveness

7 INDEBTEDNESS

The detail of our long term debt at the end of each fiscal year is as follows (*in thousands*)

	2016	2015
Revolver variable interest rate based on an applicable margin plus LIBOR 2 52% at October 2 2016	$ 282 422	$ 395 000
Term loan variable interest rate based on an applicable margin plus LIBOR, 2 53% at October 2 2016	694 141	300 000
Capital lease obligations 3 6% weighted average interest rate at October 2 2016	18 523	20,256
	995 086	715 256
Less current portion	(57 574)	(26 677)
	$ 937 512	$ 688 579

New credit facility — On September 16, 2016, the Company amended its credit facility to increase its overall borrowing capacity The amended credit facility was increased to $1 6 billion, consisting of (i) a $900 0 million revolving credit agreement and (ii) a $700 0 million term loan The interest rate on the amended credit facility is based on the Company's leverage ratio and can range from the London Interbank Offered Rate (LIBOR) plus 1 25% to 2 25% with a 0% floor on the LIBOR The amendment also among other things, amended certain covenants already contained in the credit agreement Both the revolving credit agreement and the term loan have maturity dates of March 19 2019 which did not change as part of the amendment As part of the existing credit agreement, we may also request the issuance of up to $75 0 million in letters of credit, the outstanding amount of which reduces our net borrowing capacity under the agreement As of October 2, 2016, our unused borrowing capacity was $592 5 million

Use of proceeds — Upon amendment, the Company borrowed $417 6 million under the amended term loan and used the full amount to pay down our revolving credit agreement

Collateral — The Company's obligations under the credit facility are secured by first priority liens and security interests in the capital stock partnership and membership interests owned by the Company and/or its subsidiaries, and any proceeds thereof, subject to certain restrictions set forth in the credit agreement Additionally there is a negative pledge on all tangible and intangible assets (including all real and personal property) with customary exceptions as reflected in the credit agreement

Covenants — We are subject to a number of customary covenants under our credit facility, including limitations on additional borrowings, acquisitions, loans to franchisees lease commitments, stock repurchases and dividend payments, and requirements to maintain certain financial ratios as defined in the credit agreement

Future cash payments — Scheduled principal payments on our long term debt outstanding at October 2 2016 for each of the next five fiscal years and thereafter are as follows (*in thousands*)

2017	$ 57 574
2018	66 633
2019	860 353
2020	2 371
2021	2 440
Thereafter	5 715
	$ 995 086

We may make voluntary prepayments of the loans under the revolving credit agreement and term loan at any time without premium or penalty Specific events such as asset sales, certain issuances of debt, and insurance and condemnation recoveries, may trigger a mandatory prepayment

8 LEASES

As lessee — We lease restaurants and other facilities which generally have renewal clauses of 1 to 20 years exercisable at our option In some instances, these leases have provisions for contingent rentals based upon a percentage of defined revenues Many of our restaurant and other facility leases also have rent escalation clauses and require the payment of property taxes, insurance and maintenance costs We also lease certain restaurant and office equipment Minimum rental obligations are accounted for on a straight line basis over the term of the initial lease, plus lease option terms for certain locations

The components of rent expense were as follows in each fiscal year (*in thousands*)

	2016	2015	2014
Minimum rentals	$ 222 437	$ 212 722	$ 213 082
Contingent rentals	2 943	2 549	1 986
Total rent expense	225 380	215 271	215 068
Less rental expense on subleased properties	(145 173)	(141 946)	(139 976)
Net rent expense	$ 80 207	$ 73 325	$ 75 092

The following table presents as of October 2, 2016, future minimum lease payments under capital and operating leases, including leases recorded as lease obligations relating to continuing and discontinued operations (*in thousands*)

Fiscal Year	Capital Leases	Operating Leases
2017	$ 3 423	$ 235 048
2018	3 295	206 170
2019	2 911	198 043
2020	2 808	171 101
2021	2 810	153 809
Thereafter	7 107	530 142
Total minimum lease payments	22 354	$ 1 494 313
Less amount representing interest 3 6% weighted average interest rate	(3 831)	
Present value of obligations under capital leases	18 523	
Less current portion	(2 818)	
Long term capital lease obligations	$ 15 705	

Total future minimum lease payments of approximately $1 0 billion included in the table above are expected to be recovered under our non cancelable operating subleases

Assets recorded under capital leases are included in property and equipment and consisted of the following at each fiscal year-end (*in thousands*)

	2016	2015
Buildings	$ 9 716	$ 10 716
Equipment	17 855	16 770
Less accumulated amortization	(10 325)	(8 453)
	$ 17 246	$ 19 033

Amortization of assets under capital leases is included in depreciation and amortization expense in the consolidated statements of earnings

As lessor — We lease or sublease restaurants to certain franchisees and others under agreements that generally provide for the payment of percentage rentals in excess of stipulated minimum rentals usually for a period up to 20 years Most of our leases have rent escalation clauses and renewal clauses of 5 to 20 years The following table summarizes rents received under these agreements in each fiscal year (*in thousands*)

	2016	2015	2014
Total rental income (1)	$ 238 375	$ 232 264	$ 222 443
Contingent rentals	$ 31 632	$ 28 348	$ 19 551

(1) Includes contingent rentals

The minimum rents receivable expected to be received under these non cancelable operating leases and subleases, including leases recorded as lease obligations relating to continuing and discontinuing operations, and excluding contingent rentals as of October 2, 2016 are as follows (*in thousands*)

Fiscal Year	
2017	$ 207 754
2018	187 029
2019	202 471
2020	199 072
2021	210 909
Thereafter	1 200 831
Total minimum future rent receivable	$ 2 208 066

Assets held for lease and included in property and equipment consisted of the following at each fiscal year-end (*in thousands*)

	2016	2015
Land	$ 73 527	$ 72 248
Buildings	674 690	678 044
Equipment	4 382	4 374
	752 599	754 666
Less accumulated depreciation	(480 600)	(453 056)
	$ 271 999	$ 301 610

9 IMPAIRMENT AND OTHER CHARGES, NET

Impairment and other charges, net in the accompanying consolidated statements of earnings is comprised of the following (*in thousands*)

	2016	2015	2014
Restructuring costs	$ 10 067	$ 29	$ 8 621
Costs of closed restaurants (primarily lease obligations) and other	3 431	3 592	2 841
Losses on disposition of property and equipment net	2 801	1 319	1 674
Accelerated depreciation	2 214	6 260	1 202
Restaurant impairment charges	544	557	570
	$ 19 057	$ 11 757	$ 14 908

Restructuring costs — Since the beginning of 2012, we have been engaged in a comprehensive review of our organization structure, including evaluating opportunities to decrease general and administrative expenses, as well as improve profitability across both brands In 2016, management initiated a plan that includes cost saving initiatives from workforce reductions, the relocation of our Qdoba corporate support center, refranchising initiatives, and the consolidation of information technology across both brands

The following is a summary of the costs incurred in connection with these activities during each fiscal year (*in thousands*)

	2016	2015	2014
Employee severance and related costs	$ 7 583	$ 29	$ 2 141
Facility closing costs	2 004	—	—
Other (1)	480	—	6 480
	$ 10 067	$ 29	$ 8 621

(1) Other primarily represents employee relocation costs in 2016 and in 2014 an impairment charge related to a restaurant software asset we no longer planned to place in service

In 2016, approximately $2 0 million and $6 3 million of the restructuring costs are related to our Jack in the Box and Qdoba restaurant operating segments, respectively, and approximately $1 8 million is related to shared services functions At this time, we are unable to estimate additional charges to be incurred subsequent to fiscal 2016

Total accrued severance costs related to our restructuring activities are included in accrued liabilities and changed as follows during fiscal 2016 *(in thousands)*

Balance as of September 27 2015	$ —
Additions	7 583
Cash payments	(3 385)
Balance as of October 2 2016	$ 4 198

Restaurant closing costs — Costs of closed restaurants primarily consist of future lease commitments and expected ancillary costs, net of anticipated sublease rentals Accrued restaurant closing costs, included in accrued liabilities and other long term liabilities, changed as follows during fiscal 2016 (*in thousands*)

Balance as of September 27 2015	$ 9 707
Additions	464
Adjustments (1)	946
Interest expense	1 442
Cash payments	(5 328)
Balance as of October 2 2016 (2)	$ 7 231

(1) Adjustments relate primarily to revisions of certain sublease and cost assumptions Our estimates related to our future lease obligations, primarily the sublease income we anticipate are subject to a high degree of judgment and may differ from actual sublease income due to changes in economic conditions desirability of the sites and other factors

(2) The weighted average remaining lease term related to these commitments is approximately five years

The future minimum lease payments and receipts for the next five fiscal years and thereafter are included in the amounts disclosed in Note 8 *Leases* Our obligations under the leases included in the above table expire at various dates between fiscal 2017 and 2029

Disposition of property and equipment — In 2015, losses on the disposition of property and equipment were offset by $0 9 million in gains from the resolution of one eminent domain matter involving a Jack in the Box restaurant

Accelerated depreciation — When a long-lived asset will be replaced or otherwise disposed of prior to the end of its estimated useful life, the useful life of the asset is adjusted based on the estimated disposal date and accelerated depreciation is recognized In 2016 and 2015, accelerated depreciation primarily relates to expenses at our Jack in the Box company-operated restaurants for exterior facility enhancements and the replacement of technology equipment and in 2015 it also includes a $3 6 million charge related to the replacement of beverage equipment In 2014, accelerated depreciation primarily relates to restaurant facility enhancements

Restaurant impairment charges — When events and circumstances indicate that our long-lived assets might be impaired and their carrying amount is greater than the undiscounted cash flows we expect to generate from such assets we recognize an impairment loss as the amount by which the carrying value exceeds the fair value of the assets Impairment charges in all years presented were not material to our consolidated financial statements

10 INCOME TAXES

Income taxes consist of the following in each fiscal year (*in thousands*)

	2016	2015	2014
Current			
Federal	$ 32 276	$ 59 362	$ 43 864
State	5 315	9 598	3 770
	37 591	68 960	47 634
Deferred			
Federal	29 975	(2 018)	3 700
State	4 998	(1 173)	452
	34 973	(3 191)	4 152
Income tax expense from continuing operations	$ 72 564	$ 65 769	$ 51 786
Income tax benefit from discontinued operations	$ (1 365)	$ (2 410)	$ (3 629)

A reconciliation of the federal statutory income tax rate to our effective tax rate for continuing operations is as follows

	2016	2015	2014
Computed at federal statutory rate	35 0%	35 0%	35 0%
State income taxes net of federal tax benefit	3 7	3 7	3 3
Benefit of jobs tax credits net of valuation allowance	(1 0)	(1 1)	(1 2)
(Benefit) expense related to COLIs	(1 3)	0 3	(1 6)
Other net	0 1	(1 0)	(0 2)
	36 5%	36 9%	35 3%

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and deferred tax liabilities at each year end are presented below (*in thousands*)

	2016	2015
Deferred tax assets		
Accrued defined benefit pension and postretirement benefits	$ 89 253	$ 92 456
Impairment	21 904	23 982
Interest rate swaps	18 483	10 208
Accrued insurance	14 378	13 245
Tax loss and tax credit carryforwards	13 624	14 081
Leasing transactions	11 144	11 442
Share based compensation	9 091	9 331
Lease commitments related to closed or refranchised locations	7 440	11 471
Accrued incentive compensation	5 536	6 412
Accrued vacation pay expense	2 137	2 193
Other reserves and allowances	1 935	1 584
Deferred income	1 887	1 417
Other net	3 876	2 030
Total gross deferred tax assets	200 688	199 852
Valuation allowance	(11 365)	(11 563)
Total net deferred tax assets	189 323	188 289
Deferred tax liabilities		
Property and equipment principally due to differences in depreciation	(38 859)	(38 403)
Intangible assets	(31 827)	(30 132)
Other	(1 050)	(1 568)
Total gross deferred tax liabilities	(71 736)	(70 103)
Net deferred tax assets	$ 117 587	$ 118 186

Deferred tax assets as of October 2, 2016 include state net operating loss carry-forwards of approximately $72 5 million expiring at various times between 2017 and 2036 At October 2, 2016 and September 27, 2015, we recorded a valuation allowance related to losses and state tax credits of $11 4 million and $11 6 million, respectively We believe that it is more likely than not that these net operating loss and credit carry forwards will not be realized and that the remaining deferred tax assets will be realized through future taxable income or alternative tax strategies

Our gross unrecognized tax benefits associated with uncertain income tax positions decreased during fiscal 2015 due to the conclusion of an audit regarding a specific claim with California A reconciliation of the beginning and ending amounts of unrecognized tax benefits follows (*in thousands*)

	2016	2015
Balance beginning of year	$ —	$ 374
Change related to tax positions	—	(374)
Balance at end of year	$ —	$ —

From time to time, we may take positions for filing our tax returns which may differ from the treatment of the same item for financial reporting purposes The ultimate outcome of these items will not be known until the Internal Revenue Service or state has completed its examination or until the statute of limitations has expired

The major jurisdictions in which the Company files income tax returns include the United States and states in which we operate that impose an income tax The federal statutes of limitations have not expired for fiscal years 2013 and forward The statutes of limitations for California and Texas, which constitute the Company s major state tax jurisdictions, have not expired for fiscal years 2012 and forward and 2011 and forward, respectively

11 RETIREMENT PLANS

We sponsor programs that provide retirement benefits to our employees These programs include defined contribution plans, defined benefit pension plans and postretirement healthcare plans

Defined contribution plans — We maintain a qualified savings plan pursuant to Section 401(k) of the Internal Revenue Code ("IRC") Effective January 1, 2016, the plan was amended and restated to incorporate Safe Harbor Plan design features which include changes to participant eligibility and company contribution amounts and vesting The plan allows all employees who have satisfied the service requirements and reached age 21 to defer a percentage of their pay on a pre tax basis Beginning January 1, 2016, we match 100% of the first 4% of compensation deferred by the participant Prior to January 1, 2016, we matched 50% of the first 4% of compensation deferred by the participant Our contributions under this plan were $3 8 million in fiscal 2016, and $1 2 million and $1 0 million in 2015 and 2014, respectively

We also maintain an unfunded non qualified deferred compensation plan for key executives and other members of management whose compensation deferrals or company matching contributions to the qualified savings plan are limited due to IRC rules Effective January 1, 2016 this non qualified plan was amended to replace the company matching contribution with an annual restoration match that is intended to "restore up to the full 4% match for participants whose elective deferrals (and related company matching contributions) to the qualified savings plan were limited due to IRC rules Prior to January 1, 2016, we matched 100% of the first 3% contributed by the participant This plan allows participants to defer up to 50% of their salary and 85% of their bonus, on a pre tax basis In addition, to compensate executives who were hired or promoted into an eligible position prior to May 7 2015 and who may no longer participate in our supplemental defined benefit pension plan, we also contribute a supplemental amount equal to 4% of an eligible employee's salary and bonus for a period of 10 years in such eligible position Our contributions under the non-qualified deferred compensation plan were $0 3 million in fiscal 2016, and $1 3 million and $1 1 million in fiscal 2015 and 2014, respectively A participant's right to Company contributions in the qualified plan vests immediately, and in the non qualified plan vests at a rate of 25% per year of service

Defined benefit pension plans — We sponsor two defined benefit pension plans, a "Qualified Plan" covering substantially all full-time employees hired prior to January 1, 2011, and an unfunded supplemental executive retirement plan ('SERP") which provides certain employees additional pension benefits and was closed to new participants effective January 1, 2007 In fiscal 2011, the Board of Directors approved changes to our Qualified Plan whereby participants will no longer accrue benefits effective December 31, 2015 This change was accounted for as a plan "curtailment" in accordance with FASB authoritative guidance Benefits under both plans are based on the employees years of service and compensation over defined periods of employment

Postretirement healthcare plans — We also sponsor two healthcare plans, closed to new participants, that provide postretirement medical benefits to certain employees who have met minimum age and service requirements The plans are contributory with retiree contributions adjusted annually, and contain other cost sharing features such as deductibles and coinsurance

Obligations and funded status — The following table provides a reconciliation of the changes in benefit obligations, plan assets and funded status of our retirement plans for each fiscal year (*in thousands*)

	Qualified Plan		SERP		Postretirement Health Plans	
	2016	2015	2016	2015	2016	2015
Change in benefit obligation						
Obligation at beginning of year	$ 442 264	$ 434 896	$ 75 346	$ 69 733	$ 28 911	$ 27 626
Service cost	4 479	7 592	773	676	—	—
Interest cost	20 926	19 750	3 253	2 945	1 263	1 196
Participant contributions	—	—	—	—	127	114
Actuarial loss (gain)	75 456	16 757	6 938	6 447	(768)	1 008
Benefits paid	(9 791)	(10 261)	(4 860)	(4 455)	(1 161)	(1 184)
Settlements	(10 875)	(26 470)	—	—	—	—
Other	—	—	—	—	(158)	151
Obligation at end of year	$ 522 459	$ 442 264	$ 81 450	$ 75 346	$ 28,214	$ 28 911
Change in plan assets						
Fair value at beginning of year	$ 332 657	$ 356 312	$ —	$ —	$ —	$ —
Actual return on plan assets	31 411	(6 924)	—	—	—	—
Participant contributions	—	—	—	—	127	114
Employer contributions	95 000	20 000	4 860	4 455	1 192	919
Benefits paid	(9 791)	(10 261)	(4 860)	(4 455)	(1 161)	(1 184)
Settlements	(10 875)	(26 470)	—	—	—	—
Other	—	—	—	—	(158)	151
Fair value at end of year	$ 438 402	$ 332 657	$ —	$ —	$ —	$ —
Funded status at end of year	$ (84 057)	$ (109 607)	$ (81 450)	$ (75 346)	$ (28 214)	$ (28 911)
Amounts recognized on the balance sheet						
Current liabilities	$ —	$ —	$ (4 504)	$ (4 477)	$ (1 325)	$ (1 294)
Noncurrent liabilities	(84 057)	(109 607)	(76 946)	(70 869)	(26 889)	(27 617)
Total liability recognized	$ (84 057)	$ (109 607)	$ (81 450)	$ (75 346)	$ (28 214)	$ (28 911)
Amounts in AOCI not yet reflected in net periodic benefit cost						
Unamortized actuarial loss net	$ 216 129	$ 153 156	$ 37 417	$ 31 738	$ 2 239	$ 3 226
Unamortized prior service cost	—	—	571	811	—	—
Total	$ 216 129	$ 153 156	$ 37 988	$ 32 549	$ 2 239	$ 3 226
Other changes in plan assets and benefit obligations recognized in OCI						
Net actuarial loss (gain)	$ 65 801	$ 46 952	$ 6 938	$ 6 447	$ (768)	$ 1 008
Amortization of actuarial loss	(2 828)	(8 278)	(1 259)	(1 134)	(219)	(182)
Amortization of prior service cost	—	—	(240)	(269)	—	—
Total recognized in OCI	62 973	38 674	5 439	5 044	(987)	826
Net periodic benefit cost and other losses	6 477	12 347	5 525	5 024	1 482	1 378
Total recognized in comprehensive income	$ 69 450	$ 51 021	$ 10 964	$ 10 068	$ 495	$ 2 204
Amounts in AOCI expected to be amortized in fiscal 2017 net periodic benefit cost						
Net actuarial loss	$ 4 455		$ 1 658		$ 161	
Prior service cost	—		153		—	
Total	$ 4 455		$ 1 811		$ 161	

Additional year-end pension plan information — The projected benefit obligation ("PBO") is the actuarial present value of benefits attributable to employee service rendered to date including the effects of estimated future pay increases The accumulated benefit obligation ("ABO") also reflects the actuarial present value of benefits attributable to employee service rendered to date but does not include the effects of estimated future pay increases Therefore the ABO as compared to plan assets is an indication of the assets currently available to fund vested and nonvested benefits accrued through the end of the fiscal year The funded status is measured as the difference between the fair value of a plan's assets and its PBO

As of October 2 2016 and September 27, 2015 the Qualified Plan's ABO exceeded the fair value of its plan assets The SERP is an unfunded plan and, as such, had no plan assets as of October 2, 2016 and September 27 2015 The following sets forth the PBO, ABO and fair value of plan assets of our pension plans as of the measurement date in each fiscal year (*in thousands*)

	2016	2015
Qualified Plan		
Projected benefit obligation	$ 522 459	$ 442 264
Accumulated benefit obligation	$ 522 459	$ 441 451
Fair value of plan assets	$ 438 402	$ 332 657
SERP		
Projected benefit obligation	$ 81 450	$ 75 346
Accumulated benefit obligation	$ 80 815	$ 74 388
Fair value of plan assets	$ —	$ —

Net periodic benefit cost — The components of the fiscal year net periodic benefit cost were as follows (*in thousands*)

	2016	2015	2014
Qualified Plan			
Service cost	$ 4 479	$ 7 592	$ 7 633
Interest cost	20 926	19 750	20 196
Expected return on plan assets	(21 756)	(23 273)	(24 492)
Actuarial loss	2 828	8 278	3 575
Net periodic benefit cost	$ 6 477	$ 12 347	$ 6 912
SERP			
Service cost	$ 773	$ 676	$ 490
Interest cost	3 253	2 945	3 049
Actuarial loss	1 259	1 134	859
Amortization of unrecognized prior service cost	240	269	269
Net periodic benefit cost	$ 5 525	$ 5 024	$ 4 667
Postretirement health plans			
Interest cost	$ 1 263	$ 1 196	$ 1 639
Actuarial loss	219	182	542
Net periodic benefit cost	$ 1 482	$ 1 378	$ 2 181

Prior service costs are amortized on a straight line basis from date of participation to full eligibility Unrecognized gains or losses are amortized using the "corridor approach" under which the net gain or loss in excess of 10% of the greater of the PBO or the market-related value of the assets, if applicable, is amortized For our Qualified Plan in fiscal year 2016, actuarial losses were amortized over the average future expected lifetime of all participants expected to receive benefits, and in 2015 and 2014, actuarial losses were amortized on a straight line basis over the expected remaining service period of plan participants For our SERP, actuarial losses are amortized over the expected remaining future lifetime for inactive participants and for our postretirement health plans, actuarial losses are amortized over the expected remaining future lifetime of inactive participants expected to receive benefits

Assumptions — We determine our actuarial assumptions on an annual basis In determining the present values of our benefit obligations and net periodic benefit costs as of and for the fiscal years ended October 2, 2016, September 27, 2015 and September 28, 2014, we used the following weighted-average assumptions

	2016	2015	2014
Assumptions used to determine benefit obligations (1)			
Qualified Plan			
Discount rate	3 85 %	4 79 %	4 60 %
Rate of future pay increases	— %	3 50 %	3 50 %
SERP			
Discount rate	3 60 %	4 45 %	4 36 %
Rate of future pay increases	3 50 %	3 50 %	3 50 %
Postretirement health plans			
Discount rate	3 64 %	4 47 %	4 43 %
Assumptions used to determine net periodic benefit cost (2)			
Qualified Plan			
Discount rate	4 79 %	4 60 %	5 37 %
Long term rate of return on assets	6 50 %	6 50 %	7 25 %
Rate of future pay increases	3 50 %	3 50 %	3 50 %
SERP			
Discount rate	4 45 %	4 36 %	4 88 %
Rate of future pay increases	3 50 %	3 50 %	3 50 %
Postretirement health plans			
Discount rate	4 47 %	4 43 %	5 04 %

(1) Determined as of end of year

(2) Determined as of beginning of year

The assumed discount rates were determined by considering the average of pension yield curves constructed of a population of high quality bonds with a Moody's or Standard and Poor's rating of "AA" or better whose cash flow from coupons and maturities match the year-by year projected benefit payments from the plans As benefit payments typically extend beyond the date of the longest maturing bond cash flows beyond 30 years were discounted back to the 30th year and then matched like any other payment

The assumed expected long term rate of return on assets is the weighted-average rate of earnings expected on the funds invested or to be invested to provide for the pension obligations The long-term rate of return on assets was determined taking into consideration our projected asset allocation and economic forecasts prepared with the assistance of our actuarial consultants

The assumed discount rate and expected long-term rate of return on assets have a significant effect on amounts reported for our pension and postretirement plans A quarter percentage point decrease in the discount rate and long term rate of return used would have decreased fiscal 2016 earnings before income taxes by $0 5 million and $0 8 million, respectively

The assumed average rate of compensation increase is the average annual compensation increase expected over the remaining employment periods for the participating employees For determining our Qualified Plan's projected benefit obligation as of October 2, 2016, no future pay increases were included in our assumptions as our plan participants no longer accrue benefits effective December 31, 2015

For measurement purposes, the weighted average assumed health care cost trend rates for our postretirement health plans were as follows for each fiscal year

	2016	2015	2014
Healthcare cost trend rate for next year			
Participants under age 65	7 75%	8 00%	8 25%
Participants age 65 or older	7 25%	7 50%	7 75%
Rate to which the cost trend rate is assumed to decline			
Participants under age 65	4 50%	4 50%	4 50%
Participants age 65 or older	4 50%	4 50%	4 50%
Year the rate reaches the ultimate trend rate			
Participants under age 65	2030	2030	2030
Participants age 65 or older	2028	2028	2028

The assumed healthcare cost trend rate represents our estimate of the annual rates of change in the costs of the healthcare benefits currently provided by our postretirement plans The healthcare cost trend rate implicitly considers estimates of healthcare inflation changes in healthcare utilization and delivery patterns technological advances and changes in the health status of the plan participants The healthcare cost trend rate assumption has a significant effect on the amounts reported For example, a 1 0% change in the assumed healthcare cost trend rate would have the following effect on the 2016 net periodic benefit cost and end of year PBO (*in thousands*)

	1% Point Increase	1% Point Decrease
Total interest and service cost	$ 156	$ (132)
Postretirement benefit obligation	$ 3 373	$ (2 875)

Plan assets — Our investment philosophy is to (1) protect the corpus of the fund, (2) establish investment objectives that will allow the market value to exceed the present value of the vested and unvested liabilities over time, while (3) obtaining adequate investment returns to protect benefits promised to the participants and their beneficiaries Our asset allocation strategy utilizes multiple investment managers in order to maximize the plan's return while minimizing risk We regularly monitor our asset allocation, and senior financial management and the Finance Committee of the Board of Directors review performance results quarterly We continually review our target asset allocation for our Qualified Plan and when changes are made we reallocate our plan assets over a period of time, as deemed appropriate by senior financial management, to achieve our target asset allocation Our plan asset allocation at the end of fiscal 2016 and target allocations were as follows

	2016	Target	Minimum	Maximum
Cash and cash equivalents	1%	—%	—%	—%
Domestic equity	23	25	15%	35%
International equity	28	25	15%	35%
Core fixed funds	27	25	20%	30%
High yield	6	5	—%	10%
Alternative investments	6	9	—%	20%
Real estate	9	8	—%	10%
Real return bonds	—	3	—%	10%
	100%	100%		

The Company measures its defined benefit plan assets and obligations as of the month-end date closest to its fiscal year end, which is a practical expedient under FASB authoritative guidance The fair values of the Qualified Plan's assets by asset category are as follows (*in thousands*)

		Total	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Items Measured at Fair Value at September 30, 2016					
Asset Category					
Cash and cash equivalents	(1)	$ 5 479	$ —	$ 5 479	$ —
Equity					
U S	(3)	101 174	101 174	—	—
International	(4)	121 884	118 960	2 924	—
Fixed income					
Investment grade	(5)	120 439	46 152	74 287	—
High yield	(6)	24 638	24 638	—	—
Alternatives	(7)	24 642	24 642	—	—
Real estate	(8)	40 146	—	—	40 146
		$ 438 402	$ 315 566	$ 82 690	$ 40 146
Items Measured at Fair Value at September 30 2015					
Asset Category					
Cash and cash equivalents	(2)	$ 3 629	$ 3 629	$ —	$ —
Equity					
U S	(3)	83 034	83 034	—	—
International	(4)	88 827	88 827	—	—
Fixed income					
Investment grade	(5)	88 621	29 054	59 567	—
High yield	(6)	7 243	7 243	—	—
Alternatives	(7)	24 336	24 336	—	—
Real estate	(8)	36 967	—	—	36 967
		$ 332 657	$ 236 123	$ 59 567	$ 36 967

(1) Cash and cash equivalents are comprised of commercial paper short term bills and notes and short term investment funds which are valued at quoted prices in active markets for similar securities

(2) Cash and cash equivalents are comprised of commercial paper short term bills and notes and short term investment funds which are valued at unadjusted quoted market prices

(3) U S equity securities are comprised of investments in common stock of U S companies for total return purposes These investments are valued by the trustee at closing prices from national exchanges on the valuation date

(4) International equity securities are comprised of investments in common stock of companies located outside of the U S for total return purposes These investments are valued by the trustee at closing prices from national exchanges on the valuation date or the values are adjusted as a result of market movements following the close of local trading using inputs to models that are observable either directly or indirectly

(5) Investment grade fixed income consists of debt obligations either issued by the US government or have a rating of BBB / Baa or higher assigned by a major credit rating agency These investments are valued based on unadjusted quoted market prices (Level 1) or based on quoted prices in inactive markets or whose values are based on models but the inputs to those models are observable either directly or indirectly (Level 2)

(6) High yield fixed income consists primarily of debt obligations that have a rating of below BBB / Baa or lower assigned by a major credit rating agency These investments are valued based on unadjusted quoted market prices

(7) Alternative investments consists primarily of an investment in asset classes other than stocks bonds and cash Alternative investments can include commodities hedge funds private equity managed futures and derivatives These investments are valued based on unadjusted quoted market prices

(8) Real estate is investments in a real estate collective trust for purposes of total return These investments are valued based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement

The following table presents the changes in Level 3 investments for the Qualified Plan during 2015 and 2016 (*in thousands*)

	Real Estate
Balance at September 30 2014	$ 32 593
Actual return on plan assets	
Relating to assets still held at the reporting date	4 665
Relating to assets sold during the period	40
Purchases sales and settlements	(331)
Balance at September 30 2015	$ 36 967
Actual return on plan assets	
Relating to assets still held at the reporting date	$ 3 486
Relating to assets sold during the period	67
Purchases sales and settlements	(374)
Balance at September 30 2016	$ 40 146

Future cash flows — Our policy is to fund our plans at or above the minimum required by law As of the date of our last actuarial funding valuation, there was no minimum requirement We do not anticipate making any contributions to our Qualified Plan in fiscal 2017 Contributions expected to be paid in the next fiscal year, the projected benefit payments for each of the next five fiscal years, and the total aggregate amount for the subsequent five fiscal years are as follows (*in thousands*)

	Defined Benefit Pension Plans	Postretirement Health Plans
Estimated net contributions during fiscal 2017	$ 4 504	$ 1 349
Estimated future year benefit payments during fiscal years		
2017	$ 15 413	$ 1 349
2018	$ 15 708	$ 1 411
2019	$ 16 455	$ 1 471
2020	$ 17 125	$ 1 524
2021	$ 17 651	$ 1 625
2022 2026	$ 106 805	$ 8 564

We will continue to evaluate contributions to our Qualified Plan based on changes in pension assets as a result of asset performance in the current market and economic environment Expected benefit payments are based on the same assumptions used to measure our benefit obligations at October 2 2016 and include estimated future employee service if applicable

12 SHARE-BASED EMPLOYEE COMPENSATION

Stock incentive plans — We offer share based compensation plans to attract, retain and motivate key officers, employees and non employee directors to work toward the financial success of the Company

Our stock incentive plans are administered by the Compensation Committee of the Board of Directors and have been approved by the stockholders of the Company The terms and conditions of our share based awards are determined by the Compensation Committee for each award date and may include provisions for the exercise price, expirations vesting restriction on sales and forfeitures, as applicable We issue new shares to satisfy stock issuances under our stock incentive plans

Our Amended and Restated 2004 Stock Incentive Plan authorizes the issuance of up to 11,600,000 common shares in connection with the granting of stock options stock appreciation rights, restricted stock purchase rights, restricted stock bonuses, restricted stock units or performance units to key employees, directors, and other designated employees As of October 2, 2016, 2,322,490 shares of common stock were available for future issuance under this plan

We also maintain a deferred compensation plan for non management directors under which those who are eligible to receive fees or retainers may choose to defer receipt of their compensation The deferred amounts are converted to stock equivalents The plan requires settlement in shares of our common stock based on the number of stock equivalents and dividend equivalents at the time of a participant's separation from the Board of Directors This plan provides for the issuance of up to 350,000 shares of common stock in connection with the crediting of stock equivalents As of October 2, 2016, 143,122 shares of common stock were available for future issuance under this plan

We terminated our employee stock purchase plan ('ESPP') on February 26, 2015 The ESPP plan was available for all eligible employees to purchase shares of common stock at 95% of the fair market value on the date of purchase Employees could authorize us to withhold up to 15% of their base compensation during any offering period, subject to certain limitations

Compensation expense — The components of share based compensation expense recognized in each year are as follows (*in thousands*)

	2016	2015	2014
Nonvested stock units	$ 5 520	$ 4 989	$ 3 247
Performance share awards	3 068	4 229	3 923
Stock options	2 509	2 782	2 660
Nonvested restricted stock awards	88	156	310
Deferred compensation for directors	270	264	218
Total share based compensation expense	$ 11 455	$ 12 420	$ 10 358

Nonvested restricted stock units — Nonvested restricted stock units ('RSUs") are generally issued to executives non management directors and certain other members of management and employees Prior to fiscal 2011, RSUs were granted to certain Executive and Senior Vice Presidents pursuant to our share ownership guidelines These awards vest upon retirement or termination based on years of service As of October 2 2016, 60 272 of such RSUs were outstanding

Beginning fiscal 2011, we replaced the ownership share grants with time vested RSUs for certain Vice Presidents and Officers that vest ratably over four to five years and have a 50% or 100% holding requirement on settled shares, which must be held until termination As of October 2, 2016, 146,063 of such RSUs were outstanding RSUs issued to non management directors vest 12 months from the date of grant, or upon termination of board service if the director elects to defer receipt, and totaled 48 456 units outstanding as of October 2 2016 RSUs issued to certain other employees either cliff vest or vest ratably over three years and totaled 74,114 units outstanding as of October 2, 2016 These awards are amortized to compensation expense over the estimated vesting period based upon the fair value of our common stock on the award date discounted by the present value of the expected dividend stream over the vesting period

The following is a summary of RSU activity for fiscal 2016

	Shares	Weighted Average Grant Date Fair Value
RSUs outstanding at September 27 2015	332 973	$ 44 34
Granted	140 794	$ 72 06
Released	(105 254)	$ 42 65
Forfeited	(39 608)	$ 64 30
RSUs outstanding at October 2 2016	328 905	$ 54 05

As of October 2, 2016, there was approximately $8 7 million of total unrecognized compensation cost related to RSUs which is expected to be recognized over a weighted average period of 2 9 years The weighted average grant date fair value of awards granted was $72 06 $75 07 and $49 79 in 2016, 2015 and 2014, respectively In 2016 2015 and 2014, the total fair value of RSUs that vested and were released was $4 5 million, $2 4 million and $3 5 million respectively

Performance share awards — Performance share awards, granted in the form of stock units, represent a right to receive a certain number of shares of common stock based on the achievement of corporate performance goals and continued employment during the vesting period Performance share awards issued to executives vest at the end of a three year period and vested amounts may range from 0% to a maximum of 150% of targeted amounts depending on the achievement of performance measures at the end of a three-year period The expected cost of the shares is based on the fair value of our stock on the date of grant and is reflected over the vesting period with a reduction for estimated forfeitures These awards may be settled in cash or shares of common stock at the election of the Company on the date of grant It is our intent to settle these awards with shares of common stock

The following is a summary of performance share award activity for fiscal 2016

	Shares	Weighted Average Grant Date Fair Value
Performance share awards outstanding at September 27 2015	162 914	$ 59 37
Granted	20 685	$ 75 25
Issued	(63 708)	$ 49 44
Forfeited	(11 632)	$ 69 16
Performance adjustments	9 360	$ 62 87
Performance share awards outstanding at October 2 2016	117 619	$ 62 13

As of October 2, 2016, there was approximately $1 7 million of total unrecognized compensation cost related to performance share awards which is expected to be recognized over a weighted average period of 1 5 years The weighted average grant date fair value of awards granted was $75 25, $73 53 and $47 29 in 2016 2015 and 2014, respectively The total fair value of awards that became fully vested during 2016, 2015 and 2014 was $3 5 million, $3 5 million and $3 6 million respectively

Stock options — Prior to fiscal 2007, options granted had contractual terms of 10 or 11 years and employee options generally vested over a four year period Beginning fiscal 2007 option grants have contractual terms of seven years and employee options vest over a three-year period Options may vest sooner for employees meeting certain age and years of service thresholds All option grants provide for an option exercise price equal to the closing market value of the common stock on the date of grant

The following is a summary of stock option activity for fiscal 2016

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Options outstanding at September 27 2015	594 348	$ 42 72		
Granted	99 923	$ 75 24		
Exercised	(333 406)	$ 31 68		
Forfeited	(22 408)	$ 64 96		
Options outstanding at October 2 2016	338 457	$ 61 73	5 23	$ 11 579
Options exercisable at October 2 2016	113 880	$ 50 25	4 20	$ 5 203
Options exercisable and expected to vest at October 2 2016	338 457	$ 61 73	5 23	$ 11 579

The aggregate intrinsic value in the table above is the amount by which the current market price of our stock on October 2, 2016 exceeds the weighted average exercise price

We use a valuation model to determine the fair value of options granted which requires the input of highly subjective assumptions, including the expected volatility of the stock price The following table presents the weighted average assumptions used for stock option grants in each fiscal year, along with the related weighted average grant date fair value

	2016	2015	2014
Risk free interest rate	1 66%	1 78%	2 05%
Expected dividends yield	1 59%	1 09%	—%
Expected stock price volatility	26 68%	32 09%	39 18%
Expected life of options (in years)	4 90	6 00	6 50
Weighted average grant date fair value	$ 16 21	$ 22 04	$ 20 04

The risk free interest rate was determined by a yield curve of risk free rates based on published U S Treasury spot rates in effect at the time of grant and has a term equal to the expected life of the related options The dividend yield assumption is based on the Company's history and expectations of dividend payouts at the grant date We declared our first dividend on May 9, 2014 The expected stock price volatility in all years represents the Company s historical volatility The expected life of the options represents the period of time the options are expected to be outstanding and is based on historical trends

As of October 2, 2016, there was approximately $1 8 million of total unrecognized compensation cost, net of estimated forfeitures, related to stock options grants which is expected to be recognized over a weighted average period of 1 3 years The total intrinsic value of stock options exercised was $18 6 million, $41 8 million and $42 4 million in 2016, 2015 and 2014 respectively

Nonvested stock awards — We previously issued nonvested stock awards ('RSAs) to certain executives under our share ownership guidelines Effective fiscal 2009, we no longer issue RSA awards and have replaced them with grants of RSUs The RSAs vest subject to the discretion of our Board of Directors in certain circumstances, upon retirement or termination based upon years of service These awards are amortized to compensation expense over the estimated vesting period based upon the fair value of our common stock on the award date As of October 2 2016, RSAs outstanding totaled 95 815 shares with a weighted average grant date fair value of $20 56 per share

In fiscal 2016, there was no activity related to RSAs As of October 2 2016, there was approximately $0 1 million of total unrecognized compensation cost related to RSAs, which is expected to be recognized over a weighted average period of 1 5 years

Non-management directors' deferred compensation — All awards outstanding under our directors' deferred compensation plan are accounted for as equity based awards and deferred amounts are converted into stock equivalents at the then current market price of our common stock During 2016 and 2015 no common stock was issued in connection with director retirements In 2014, 10,616 shares of common stock were issued in connection with a director's retirement with a fair value of $0 6 million

The following is a summary of the stock equivalent activity for fiscal 2016

	Stock Equivalents	Weighted Average Grant Date Fair Value
Stock equivalents outstanding at September 27 2015	79 158	$ 26 64
Deferred directors compensation	3 924	$ 68 81
Dividend equivalents	1 282	$ 80 57
Stock equivalents outstanding at October 2 2016	84 364	$ 29 43

Employee stock purchase plan — The ESPP plan was terminated during fiscal 2015 The following is a summary of shares issued pursuant to our ESPP in fiscal 2015 and 2014

	2015	2014
Common stock issued	1 371	4 055
Fair value of common stock issued	$ 70 78	$ 49 25

13 STOCKHOLDERS' EQUITY

Repurchases of common stock — In February and May 2016, the Board of Directors approved two stock buyback programs which provided repurchase authorizations for up to $100 0 million each, in shares of our common stock, expiring November 2017 In September 2016, the Board of Directors approved an additional stock buyback program for up to $300 0 million in shares of our common stock, expiring in November 2018 During fiscal 2016, we repurchased 3 9 million shares at an aggregate cost of $291 9 million As of October 2, 2016, there was approximately $408 2 million remaining under the stock buyback programs, of which $108 2 million expires in November 2017 and $300 0 million expires in November 2018

Dividends — In fiscal 2016, the Board of Directors declared four cash dividends of $0 30 per share totaling $40 5 million Future dividends are subject to approval by our Board of Directors

14 AVERAGE SHARES OUTSTANDING

Our basic earnings per share calculation is computed based on the weighted average number of common shares outstanding Our diluted earnings per share calculation is computed based on the weighted average number of common shares outstanding adjusted by the number of additional shares that would have been outstanding had the potentially dilutive common shares been issued Potentially dilutive common shares include stock options nonvested stock awards and units, and non management director stock equivalents Performance share awards are included in the average diluted shares outstanding each period if the performance criteria have been met at the end of the respective periods

The following table reconciles basic weighted average shares outstanding to diluted weighted average shares outstanding (*in thousands*)

	2016	2015	2014
Weighted average shares outstanding — basic	33 735	37 587	40 781
Effect of potentially dilutive securities			
Stock options	150	274	641
Nonvested stock awards and units	188	199	281
Performance share awards	73	155	270
Weighted average shares outstanding — diluted	34 146	38 215	41 973
Excluded from diluted weighted average shares outstanding			
Antidilutive	147	84	153
Performance conditions not satisfied at the end of the period	38	15	20

15 COMMITMENTS, CONTINGENCIES AND LEGAL MATTERS

Commitments — As of October 2, 2016, we had unconditional purchase obligations during the next five fiscal years as follows (*in thousands*)

2017	$ 993 500
2018	554 900
2019	455 200
2020	369 600
2021	358 900
Total	$ 2 732 100

These obligations primarily represent amounts payable under purchase contracts for goods related to system-wide restaurant operations

Legal matters — The Company assesses contingencies, including litigation contingencies to determine the degree of probability and range of possible loss for potential accrual in its financial statements An estimated loss contingency is accrued in the financial statements if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter In addition, damage amounts claimed in litigation against us may be unsupported exaggerated or unrelated to possible outcomes, and as such are not meaningful indicators of our potential liability or financial exposure The Company regularly reviews contingencies to determine the adequacy of the accruals and related disclosures The ultimate amount of loss may differ from these estimates

Gessele v Jack in the Box Inc — In August 2010, five former employees instituted litigation in federal court in Oregon alleging claims under the federal Fair Labor Standards Act and Oregon wage and hour laws The plaintiffs alleged that the Company failed to pay non exempt employees for certain state-mandated breaks and improperly made payroll deductions for shoe purchases and for workers' compensation expenses and later added additional claims relating to timing of final pay and related wage and hour claims involving employees of a franchisee The most recent complaint seeks damages of $45 0 million but does not provide a basis for that amount In fiscal 2012, we accrued for a single claim for which we believe a loss is both probable and estimable, this accrued loss contingency did not have a material effect on our results of operations We have not established a loss contingency accrual for those claims as to which we believe liability is not probable or estimable and we plan to vigorously defend against this lawsuit Nonetheless an unfavorable resolution of this matter in excess of our current accrued loss contingencies could have a material adverse effect on our business, results of operations, liquidity or financial condition

Other legal matters — In addition to the matter described above, the Company is subject to normal and routine litigation brought by former, current or prospective employees, customers franchisees, vendors, landlords, shareholders or others We intend to defend ourselves in any such matters Some of these matters may be covered, at least in part, by insurance Our insurance liability (undiscounted) and reserves are established in part by using independent actuarial estimates of expected losses for reported claims and expected losses for claims incurred but not reported Our estimated liability for general liability and workers' compensation claims which exceeded our self insurance retention limits by $25 8 million as of September 27 2015 was reduced by $21 7 million in 2016 due to a judgment paid by our insurance providers We currently expect to be fully covered by our insurance providers for any amounts that may exceed our self insurance retention limits We believe that the ultimate determination of liability in connection with legal claims pending against us if any, in excess of amounts already provided for such matters in the consolidated financial statements, will not have a material adverse effect on our business, our annual results of operations liquidity or financial position, however it is possible that our business, results of operations, liquidity, or financial condition could be materially affected in a particular future reporting period by the unfavorable resolution of one or more matters or contingencies during such period

Lease guarantees — In connection with the sale of the distribution business we have assigned the lease at one of our distribution centers to a third party Under this agreement, which expires in 2017, the Company remains secondarily liable for the lease payments for which we were responsible under the original lease As of October 2, 2016, the amount remaining under this lease guarantee totaled $0 7 million We have not recorded a liability for this guarantee as the likelihood of the third party defaulting on the assignment agreements was deemed to be less than probable

16 SEGMENT REPORTING

Our principal business consists of developing, operating and franchising our Jack in the Box and Qdoba restaurant concepts, each of which we consider reportable operating segments This segment reporting structure reflects the Company's current management structure, internal reporting method and financial information used in deciding how to allocate the Company's resources Based upon certain quantitative thresholds, each operating segment is considered a reportable segment

We measure and evaluate our segments based on segment revenues and earnings from operations The reportable segments do not include an allocation of the costs related to shared service functions, such as accounting/finance, human resources, audit services, legal, tax and treasury, nor do they include unallocated costs such as pension expense, share based compensation and restructuring expense These costs are reflected in the caption "Shared services and unallocated costs " The following table provides information related to our operating segments in each fiscal year (*in thousands*)

	2016	2015	2014
Revenues by segment			
Jack in the Box restaurant operations	$ 1 162 258	$ 1 145 176	$ 1 127 243
Qdoba restaurant operations	437 073	395 141	356 888
Consolidated revenues	$ 1 599 331	$ 1 540 317	$ 1 484 131
Earnings from operations by segment			
Jack in the Box restaurant operations	$ 290 346	$ 265 230	$ 235 574
Qdoba restaurant operations	47 250	47 264	34,287
Shared services and unallocated costs	(108 911)	(112 182)	(104 005)
Gains (losses) on the sale of company operated restaurants	1 230	(3 139)	(3 548)
Consolidated earnings from operations	229 915	197 173	162 308
Interest expense net	31 081	18 803	15 678
Consolidated earnings from continuing operations and before income taxes	$ 198 834	$ 178 370	$ 146 630
Total expenditures for long lived assets by segment (including discontinued operations)			
Jack in the Box restaurant operations	$ 38 607	$ 41 928	$ 30 858
Qdoba restaurant operations	53 316	34 071	17 967
Shared services and unallocated costs	4 692	10 227	11 700
Consolidated expenditures for long lived assets	$ 96 615	$ 86 226	$ 60 525
Total depreciation expense by segment			
Jack in the Box restaurant operations	$ 66 287	$ 64 597	$ 66 409
Qdoba restaurant operations	19 306	17 103	16 992
Shared services and unallocated costs	6 489	7 078	7 254
Consolidated depreciation expense	$ 92 082	$ 88 778	$ 90 655

We do not evaluate, manage or measure performance of segments using asset, interest income and expense, or income tax information accordingly, this information by segment is not prepared or disclosed

17 SUPPLEMENTAL CONSOLIDATED CASH FLOW INFORMATION (*in thousands*)

	2016	2015	2014
Cash paid during the year for			
Interest net of amounts capitalized	$ 28 576	$ 16 233	$ 13 754
Income tax payments	$ 33 454	$ 28 764	$ 29 145
Non cash transactions			
Equipment capital lease obligations incurred	$ 1 085	$ 16 770	$ —
Increase (decrease) in accrued stock repurchases	$ 7 208	$ (3 112)	$ (4 176)
Increase in dividends accrued or converted to common stock equivalents	$ 176	$ 174	$ 68
(Decrease) increase in obligations for purchases of property and equipment	$ (3 122)	$ 5 388	$ (1 187)

18 SUPPLEMENTAL CONSOLIDATED FINANCIAL STATEMENT INFORMATION (*in thousands*)

	October 2 2016	September 27 2015
Accounts and other receivables net		
Trade	$ 66 837	$ 36 990
Notes receivable	1 603	1 726
Other	7 680	10 814
Allowance for doubtful accounts	(2 760)	(1 555)
	$ 73 360	$ 47 975
Prepaid expenses		
Prepaid rent	$ 18 613	$ 318
Prepaid income taxes	12 113	7 645
Other	9 672	8 277
	$ 40 398	$ 16 240
Other assets net		
Company owned life insurance policies	$ 105 957	$ 99 513
Deferred tax assets	117 587	118 186
Deferred rent receivable	47 485	45 330
Other	23 219	40 939
	$ 294 248	$ 303 968
Accrued liabilities		
Payroll and related taxes	$ 44 627	$ 56 223
Insurance	38 368	35 370
Advertising	21 827	20 692
Deferred rent income	15 909	1 806
Sales and property taxes	14 311	11 574
Gift card liability	5 183	4 608
Deferred franchise fees	929	1 198
Other	40 096	39 104
	$ 181 250	$ 170 575
Other long term liabilities		
Defined benefit pension plans	$ 161 003	$ 180 476
Straight line rent accrual	47 070	46 807
Other	140 852	142 775
	$ 348 925	$ 370 058

19 UNAUDITED QUARTERLY RESULTS OF OPERATIONS (*in thousands, except per share data*)

	16 Weeks Ended	12 Weeks Ended		13 Weeks Ended
Fiscal Year 2016	**January 17 2016**	**April 10 2016**	**July 3 2016**	**October 2, 2016**
Revenues	$ 470 823	$ 361 151	$ 368 938	$ 398 419
Earnings from operations	$ 62 514	$ 52 786	$ 55 705	$ 58 910
Net earnings	$ 33 221	$ 28 682	$ 30 189	$ 31 981
Net earnings per share				
Basic	$ 0 94	$ 0 85	$ 0 92	$ 0 98
Diluted	$ 0 92	$ 0 84	$ 0 91	$ 0 97

	16 Weeks Ended	12 Weeks Ended		
Fiscal Year 2015	**January 18 2015**	**April 12 2015**	**July 5 2015**	**September 27 2015**
Revenues	$ 468 621	$ 358 122	$ 359 506	$ 354 068
Earnings from operations	$ 63 236	$ 41 868	$ 50 395	$ 41 674
Net earnings	$ 35 835	$ 23 005	$ 26 831	$ 23 141
Net earnings per share				
Basic	$ 0 93	$ 0 61	$ 0 72	$ 0 64
Diluted	$ 0 91	$ 0 60	$ 0 71	$ 0 63

20 SUBSEQUENT EVENTS

Declaration of dividend — On November 17, 2016, the Board of Directors declared a cash dividend of $0 40 per share, to be paid on December 16, 2016 to shareholders of record as of the close of business on December 5, 2016 Future dividends will be subject to approval by our Board of Directors

UNAUDITED FINANCIAL STATEMENTS

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM

PART I FINANCIAL INFORMATION

ITEM 1 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

JACK IN THE BOX INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share data)
(Unaudited)

	January 22 2017	October 2 2016
ASSETS		
Current assets		
Cash	$ 6,090	$ 17,030
Accounts and other receivables net	54,711	73,360
Inventories	8 344	8,229
Prepaid expenses	12 631	40 398
Assets held for sale	18,357	14,259
Other current assets	2 371	2,129
Total current assets	102 504	155,405
Property and equipment, at cost	1,596,676	1 605,576
Less accumulated depreciation and amortization	(899 077)	(886 526)
Property and equipment, net	697,599	719,050
Intangible assets, net	13,793	14,042
Goodwill	166 045	166,046
Other assets, net	278,616	290,469
	$ 1,258,557	$ 1,345,012
LIABILITIES AND STOCKHOLDERS DEFICIT		
Current liabilities		
Current maturities of long-term debt	$ 55,931	$ 55,935
Accounts payable	30 052	40,736
Accrued liabilities	134,701	181,250
Total current liabilities	220,684	277 921
Long term debt, net of current maturities	985 588	935,372
Other long term liabilities	325,526	348,925
Stockholders' deficit		
Preferred stock $0 01 par value, 15,000,000 shares authorized, none issued	—	—
Common stock $0 01 par value, 175,000 000 shares authorized, 81,824,541 and 81,598,524 issued respectively	818	816
Capital in excess of par value	445,147	432,564
Retained earnings	1,422,614	1,399,721
Accumulated other comprehensive loss	(170,388)	(187,021)
Treasury stock, at cost 50 182,807 and 49,190,992 shares, respectively	(1 971 432)	(1,863,286)
Total stockholders' deficit	(273,241)	(217 206)
	$ 1 258,557	$ 1,345,012

See accompanying notes to condensed consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share data)
(Unaudited)

	Sixteen Weeks Ended	
	January 22 2017	January 17, 2016
Revenues		
Company restaurant sales	$ 367,270	$ 353,221
Franchise rental revenues	71,469	69,738
Franchise royalties and other	49,194	47,864
	487,933	470,823
Operating costs and expenses, net		
Company restaurant costs		
Food and packaging	108,936	108,911
Payroll and employee benefits	106 921	97 907
Occupancy and other	83,044	77,699
Total company restaurant costs	298 901	284 517
Franchise occupancy expenses	51,449	52,219
Franchise support and other costs	3,838	4 862
Selling, general and administrative expenses	55,708	65,872
Impairment and other charges, net	5,057	1,657
Gains on the sale of company-operated restaurants	(137)	(818)
	414 816	408,309
Earnings from operations	73,117	62,514
Interest expense net	12,717	8 175
Earnings from continuing operations and before income taxes	60 400	54,339
Income taxes	23,366	20,442
Earnings from continuing operations	37,034	33,897
Losses from discontinued operations net of income tax benefit	(1,105)	(676)
Net earnings	$ 35,929	$ 33,221
Net earnings per share basic		
Earnings from continuing operations	$ 1 15	$ 0 96
Losses from discontinued operations	(0 03)	(0 02)
Net earnings per share (1)	$ 1 12	$ 0 94
Net earnings per share diluted		
Earnings from continuing operations	$ 1 14	$ 0 94
Losses from discontinued operations	(0 03)	(0 02)
Net earnings per share (1)	$ 1 11	$ 0 92
Weighted average shares outstanding		
Basic	32,168	35,458
Diluted	32 442	35,946
Cash dividends declared per common share	$ 0 40	$ 0 30

(1) Earnings per share may not add due to rounding

See accompanying notes to condensed consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Net earnings	$ 35 929	$ 33,221
Cash flow hedges		
Net change in fair value of derivatives	23,086	(11 437)
Net loss reclassified to earnings	2,066	1,444
	25 152	(9,993)
Tax effect	(9,731)	3,868
	15,421	(6,125)
Unrecognized periodic benefit costs		
Actuarial losses and prior service costs reclassified to earnings	1,978	1,398
Tax effect	(766)	(541)
	1,212	857
Other		
Foreign currency translation adjustments	—	(52)
Tax effect	—	20
	—	(32)
Other comprehensive income (loss), net of tax	16,633	(5,300)
Comprehensive income	$ 52,562	$ 27,921

See accompanying notes to condensed consolidated financial statements

JACK IN THE BOX INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Cash flows from operating activities		
Net earnings	$ 35,929	$ 33,221
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation and amortization	27 987	28 514
Deferred finance cost amortization	1,123	823
Excess tax benefits from share based compensation arrangements	(3,981)	(2,020)
Deferred income taxes	2,239	(2,128)
Share based compensation expense	3 814	4,088
Pension and postretirement expense	1 297	4,149
Losses on cash surrender value of company owned life insurance	326	2,466
Gains on the sale of company operated restaurants	(137)	(818)
Losses on the disposition of property and equipment	699	651
Impairment charges and other	1,871	446
Changes in assets and liabilities		
Accounts and other receivables	19,378	(4 204)
Inventories	(115)	(495)
Prepaid expenses and other current assets	31 506	1,205
Accounts payable	(5 487)	7,386
Accrued liabilities	(43,328)	(25 403)
Pension and postretirement contributions	(1,440)	(1,883)
Other	(726)	(1 089)
Cash flows provided by operating activities	70,955	44 909
Cash flows from investing activities		
Purchases of property and equipment	(20,865)	(31 543)
Purchases of assets intended for sale and leaseback	(1,770)	(3,274)
Proceeds from the sale and leaseback of assets	2,466	5,803
Proceeds from the sale of company operated restaurants	138	1,021
Collections on notes receivable	298	441
Acquisition of franchise operated restaurants	—	324
Other	51	(28)
Cash flows used in investing activities	(19 682)	(27 256)
Cash flows from financing activities		
Borrowings on revolving credit facilities	231,000	176,000
Repayments of borrowings on revolving credit facilities	(167 000)	(97,000)
Principal repayments on debt	(14,438)	(8,479)
Dividends paid on common stock	(12,962)	(10,592)
Proceeds from issuance of common stock	4,756	492
Repurchases of common stock	(115 354)	(100,000)
Excess tax benefits from share based compensation arrangements	3,981	2,020
Change in book overdraft	7 804	9 295
Cash flows used in financing activities	(62 213)	(28 264)
Effect of exchange rate changes on cash	—	(32)
Net decrease in cash	(10,940)	(10,643)
Cash at beginning of period	17,030	17,743
Cash at end of period	$ 6,090	$ 7,100

See accompanying notes to condensed consolidated financial statements

1 BASIS OF PRESENTATION

Nature of operations — Founded in 1951 Jack in the Box Inc (the ' Company") operates and franchises Jack in the Box® quick service restaurants and Qdoba Mexican Eats® ("Qdoba) fast casual restaurants The following table summarizes the number of restaurants as of the end of each period

	January 22 2017	January 17 2016
Jack in the Box		
Company operated	419	413
Franchise	1,842	1,840
Total system	2,261	2 253
Qdoba		
Company operated	376	330
Franchise	336	344
Total system	712	674

References to the Company throughout these notes to condensed consolidated financial statements are made using the first person notations of "we," "us" and ' our '

Basis of presentation — The accompanying condensed consolidated financial statements have been prepared in accordance with U S generally accepted accounting principles ("U S GAAP") and the rules and regulations of the Securities and Exchange Commission ('SEC") During fiscal 2012 we entered into an agreement to outsource our Jack in the Box distribution business In fiscal 2013 we closed 62 Qdoba restaurants (the 2013 Qdoba Closures ') as part of a comprehensive Qdoba market performance review The results of operations for our distribution business and for the 2013 Qdoba Closures are reported as discontinued operations for all periods presented Refer to Note 2, *Discontinued Operations*, for additional information Unless otherwise noted amounts and disclosures throughout these notes to condensed consolidated financial statements relate to our continuing operations In our opinion, all adjustments considered necessary for a fair presentation of financial condition and results of operations for these interim periods have been included Operating results for one interim period are not necessarily indicative of the results for any other interim period or for the full year

These financial statements should be read in conjunction with the consolidated financial statements and related notes contained in our Annual Report on Form 10 K for the fiscal year ended October 2, 2016 (' 2016 Form 10 K ') The accounting policies used in preparing these condensed consolidated financial statements are the same as those described in our 2016 Form 10 K with the exception of two new accounting pronouncements adopted in fiscal 2017 which are described below

Reclassifications and adjustments — Certain prior year amounts in the condensed consolidated balance sheets have been reclassified due to the adoption of a new accounting pronouncement See discussion below

Fiscal year — Our fiscal year is 52 or 53 weeks ending the Sunday closest to September 30 Fiscal year 2017 includes 52 weeks, while fiscal year 2016 includes 53 weeks Our first quarter includes 16 weeks and all other quarters include 12 weeks, with the exception of the fourth quarter of fiscal 2016, which includes 13 weeks All comparisons between 2017 and 2016 refer to the 16 weeks ("quarter ') ended January 22, 2017 and January 17, 2016, respectively, unless otherwise indicated

Principles of consolidation — The condensed consolidated financial statements include the accounts of the Company its wholly-owned subsidiaries and the accounts of any variable interest entities ("VIEs ') where we are deemed the primary beneficiary All significant intercompany accounts and transactions are eliminated The financial results and position of our VIE are immaterial to our condensed consolidated financial statements

Use of estimates — In preparing the condensed consolidated financial statements in conformity with U S GAAP, management is required to make certain assumptions and estimates that affect reported amounts of assets liabilities, revenues, expenses and the disclosure of contingencies In making these assumptions and estimates, management may from time to time seek advice and consider information provided by actuaries and other experts in a particular area Actual amounts could differ materially from these estimates

Effect of new accounting pronouncements adopted in fiscal 2017 — In April 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No 2015 03, *Simplifying the Presentation of Debt Issuance Costs*, which changes the presentation of debt issuance costs in financial statements Under this ASU, an entity presents such costs on the balance sheet as a direct deduction from the related debt liability rather than as an asset This new standard is effective for annual reporting periods beginning after December 15, 2015, including interim periods within that reporting period We adopted this standard in the first quarter of 2017 and the prior period was retrospectively adjusted The adjustment resulted in a reclassification of $3 8 million in debt issuance costs from other assets, net to current maturities of long term debt and long term debt, net of current maturities in the amount of $1 6 million and $2 2 million respectively, in our October 2, 2016 condensed consolidated balance sheet

In August 2015, the FASB issued ASU No 2015 15, *Interest Imputation of Interest Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line of Credit Arrangements*, which addresses line of-credit arrangements that were omitted from ASU No 2015 03 This ASU states that the SEC staff would not object to an entity deferring and presenting debt issuance costs related to a line of credit arrangement as an asset and subsequently amortizing those costs ratably over the term of the arrangement, regardless of whether there are any outstanding borrowings on the line of credit arrangement This new standard is effective for annual reporting periods beginning after December 15, 2015 including interim periods within that reporting period We adopted this standard in the first quarter of 2017 and there was no impact on our consolidated financial statements as we continue to present debt issuance costs associated with our line of credit arrangement as an asset on our condensed consolidated balance sheets

Effect of new accounting pronouncements to be adopted in future periods — In May 2014, the FASB issued ASU No 2014 09, *Revenue Recognition - Revenue from Contracts with Customers (Topic 606)*, which provides a comprehensive new revenue recognition model that requires an entity to recognize revenue in an amount that reflects the consideration the entity expects to receive for the transfer of promised goods or services to its customers The standard also requires additional disclosure regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers Further, in March 2016, the FASB issued ASU No 2016 08, *Revenue from Contracts with Customers (Topic 606) Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* which clarifies the guidance in ASU No 2014-09 when evaluating when another party, along with the entity is involved in providing a good or service to a customer In April 2016, the FASB issued ASU No 2016 10, *Revenue from Contracts with Customers (Topic 606) Identifying Performance Obligations and Licensing*, which clarifies the guidance in ASU No 2014 09 regarding assessing whether promises to transfer goods or services are distinct, and whether an entity s promise to grant a license provides a customer with a right to use, or right to access the entity s intellectual property In December 2016, the FASB issued ASU No 2016 20 *Technical Corrections and Improvements to Revenue from Contracts with Customers (Topic 606)* This ASU clarifies the guidance in ASU 2014 09, providing technical corrections and improvements to clarify guidance and correct unintended applications of the guidance All standards are effective for annual periods beginning after December 15, 2017, and interim periods within that reporting period As such, we will be required to adopt these standards in the first quarter of fiscal 2019 These standards are to be applied retrospectively or using a cumulative effect transition method, and early adoption is not permitted We do not believe the new revenue recognition standard will impact our recognition of restaurant sales, rental revenues or royalty fees from franchisees However, we are still evaluating the impact that this pronouncement will have on the recognition of certain transactions on our consolidated financial statements including the initial franchise fees currently recognized upon the opening of a franchise restaurant and our advertising arrangements with franchisees currently reported on a net versus gross basis in our consolidated statements of earnings and the effect it will have on our disclosures We have not yet selected a transition method

In February 2016, the FASB issued ASU No 2016 02, *Leases (Topic 842)*, which requires a lessee to recognize assets and liabilities on the balance sheet for those leases classified as operating leases under previous guidance This standard is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years As such, we will be required to adopt this standard in the first quarter of fiscal 2020 This standard requires adoption based upon a modified retrospective transition approach, with early adoption permitted Based on a preliminary assessment, we expect that most of our operating lease commitments will be subject to the new guidance and recognized as operating lease liabilities and right of-use assets upon adoption, resulting in a significant increase in the assets and liabilities on our consolidated balance sheets We are continuing our evaluation, which may identify additional impacts this standard will have on our consolidated financial statements and related disclosures

In March 2016, the FASB issued ASU No 2016 04, *Liabilities-Extinguishment of Liabilities (Subtopic 405-20) Recognition of Breakage for Certain Prepaid Stored-Value Products*, which is designed to provide guidance and eliminate diversity in the accounting for the derecognition of financial liabilities related to certain prepaid stored value products using a revenue like breakage model This standard is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years, with early adoption permitted As such, we will be required to adopt this standard in the first quarter of fiscal 2019

This standard is to be applied retrospectively or using a cumulative effect transition method as of the date of adoption We are currently evaluating which transition method to use, but believe the impact this standard will have on our consolidated financial statements and related disclosures will be immaterial upon adoption

In March 2016 the FASB issued ASU No 2016 09, *Compensation Stock Compensation (Topic 718) Improvements to Employee Share-Based Payment Accounting* This standard is intended to simplify various aspects of accounting for share-based compensation arrangements, including the income tax impact, classification on the statement of cash flows and forfeitures This standard is effective for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period, with early adoption permitted As such, we will be required to adopt this standard in fiscal 2018 and will classify the excess tax benefits from share based compensation arrangements, which were $4 0 million in the first quarter of 2017, as a discrete item within income tax expense on the consolidated statements of earnings, rather than recognizing such excess income tax benefits in capital in excess of par value on the consolidated statements of stockholders' deficit This reclassification will be made on a prospective basis and will also impact the related classification on our consolidated statements of cash flows as excess tax benefits from share based compensation arrangements are currently reported in cash flows from operating activities and cash flows used in investing activities Other than these reclassifications we do not believe the adoption of this ASU will materially impact our consolidated financial statements

In August 2016, the FASB issued ASU 2016 15, *Statement of Cash Flows (Topic 230) Classification of Certain Cash Receipts and Cash Payments* This standard is intended to address eight classification issues related to the statement of cash flows to reduce diversity in practice in how certain transactions are classified This standard is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years with early adoption permitted As such, we will be required to adopt this standard in the first quarter of fiscal 2019 This standard requires adoption based upon a retrospective transition method We are currently evaluating this standard but do not believe it will have a material impact on the classification of cash flows within our statement of cash flows

In October 2016, the FASB issued ASU No 2016 16, *Income Taxes (740) Intra Entity Transfers of Assets Other Than Inventory* This standard requires that an entity recognize the income tax consequences of an intra entity transfer of an asset other than inventory when the transfer occurs, rather than deferring the recognition until the asset has been sold to an outside party This standard is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years with early adoption permitted As such, we will be required to adopt this standard in the first quarter of fiscal 2019 The standard requires adoption on a modified retrospective basis through a cumulative effect adjustment to retained earnings We are currently evaluating this standard but do not believe it will have a material impact on our consolidated financial statements

In December 2016, the FASB issued ASU 2016 19, *Technical Corrections and Improvements* This standard contains amendments that affect a wide variety of topics in the Accounting Standards Codification The amendments include differences between original FASB guidance and the Accounting Standards Codification, guidance clarification and reference corrections, simplification and minor improvements This standard is effective for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period with early adoption permitted As such, we will be required to adopt this standard in the first quarter of fiscal 2018 This standard is not expected have a significant effect on our accounting policies or on our consolidated financial statements and related disclosures

2 DISCONTINUED OPERATIONS

Distribution business — During fiscal 2012, we entered into an agreement with a third party distribution service provider pursuant to a plan approved by our Board of Directors to sell our Jack in the Box distribution business During fiscal 2013, we completed the transition of our distribution centers The operations and cash flows of the business have been eliminated and in accordance with the provisions of the FASB authoritative guidance on the presentation of financial statements, the results are reported as discontinued operations for all periods presented

In 2017 and 2016 results of discontinued operations were immaterial to our condensed consolidated results of operations Our liability for lease commitments related to our distribution centers is immaterial to our consolidated balance sheets as of January 22, 2017 and October 2, 2016 The lease commitment balance relates to one distribution center lease that expires in fiscal 2017 and is currently subleased at a loss

2013 Qdoba Closures — During fiscal 2013, we closed 62 Qdoba restaurants The decision to close these restaurants was based on a comprehensive analysis that took into consideration levels of return on investment and other key operating performance metrics Since the closed locations were not predominantly located near those remaining in operation we did not expect the majority of cash flows and sales lost from these closures to be recovered In addition, we did not anticipate any ongoing involvement or significant direct cash flows from the closed stores Therefore in accordance with the provisions of the FASB authoritative guidance on the presentation of financial statements the results of operations for these restaurants are reported as discontinued operations for all periods presented

The following table summarizes the results related to the 2013 Qdoba Closures for each period (*in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Unfavorable lease commitment adjustments	$ (2,060)	$ (1,006)
Bad debt expense related to subtenants	389	(124)
Broker commissions	(26)	—
Ongoing facility related and other costs	(18)	(38)
Loss before income tax benefit	$ (1,715)	$ (1 168)

We do not expect the remaining costs to be incurred related to these closures to be material, however, our estimates related to our future lease obligations primarily sublease income are subject to a high degree of judgment and may differ from actual sublease income due to changes in economic conditions, desirability of the sites and other factors

Our liability for lease commitments related to the 2013 Qdoba Closures is included in accrued liabilities and other long term liabilities in the accompanying condensed consolidated balance sheets and has changed as follows in 2017 (*in thousands*)

Balance as of October 2 2016	$ 2,943
Adjustments (1)	2,060
Cash payments	(1,123)
Balance as of January 22, 2017 (2)	$ 3 880

(1) Adjustments relate to revisions to certain sublease assumptions due to changes in market conditions as well as a charge to terminate two lease agreements and includes interest expense

(2) The weighted average remaining lease term related to these commitments is approximately three years

3 SUMMARY OF REFRANCHISINGS, FRANCHISEE DEVELOPMENT AND ACQUISITIONS

Refranchisings and franchisee development — The following table summarizes the number of restaurants sold to franchisees, the number of restaurants developed by franchisees, and the related fees and gains recognized in each period (*dollars in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Restaurants sold to Jack in the Box franchisees	—	1
New restaurants opened by franchisees		
Jack in the Box	7	5
Qdoba	8	6
Initial franchise fees	$ 425	$ 385
Proceeds from the sale of company-operated restaurants (1)	$ 138	$ 1,021
Net assets sold (primarily property and equipment)	—	(193)
Goodwill related to the sale of company operated restaurants	(1)	(10)
Gains on the sale of company-operated restaurants	$ 137	$ 818

(1) Amounts in 2017 and 2016 include additional proceeds related to restaurants sold in a prior year of $0 1 million and $1 0 million respectively

Franchise acquisitions —There was no acquisition activity in 2017 In 2016, we acquired one Jack in the Box franchise restaurant We account for the acquisition of franchised restaurants using the acquisition method of accounting for business combinations The 2016 purchase price allocation was based on fair value estimates determined using significant unobservable inputs (Level 3) The 2016 acquisition was not material to our condensed consolidated financial statements

4 FAIR VALUE MEASUREMENTS

Financial assets and liabilities — The following table presents our financial assets and liabilities measured at fair value on a recurring basis (*in thousands*)

	Total	Quoted Prices in Active Markets for Identical Assets (3) (Level 1)	Significant Other Observable Inputs (3) (Level 2)	Significant Unobservable Inputs (3) (Level 3)
Fair value measurements as of January 22, 2017				
Non qualified deferred compensation plan (1)	$ (38,664)	$ (38,664)	$ —	$ —
Interest rate swaps (Note 5) (2)	(22,613)	—	(22,613)	—
Total liabilities at fair value	$ (61 277)	$ (38,664)	$ (22,613)	$ —
Fair value measurements as of October 2, 2016				
Non qualified deferred compensation plan (1)	$ (36,933)	$ (36,933)	$ —	$ —
Interest rate swaps (Note 5) (2)	(47,765)	—	(47,765)	—
Total liabilities at fair value	$ (84,698)	$ (36,933)	$ (47,765)	$ —

(1) We maintain an unfunded defined contribution plan for key executives and other members of management The fair value of this obligation is based on the closing market prices of the participants elected investments

(2) We entered into interest rate swaps to reduce our exposure to rising interest rates on our variable rate debt The fair values of our interest rate swaps are based upon Level 2 inputs which include valuation models as reported by our counterparties The key inputs for the valuation models are quoted market prices discount rates and forward yield curves

(3) We did not have any transfers in or out of Level 1, 2 or 3

The fair values of our debt instruments are based on the amount of future cash flows associated with each instrument discounted using our borrowing rate At January 22, 2017, the carrying value of all financial instruments was not materially different from fair value, as the borrowings are prepayable without penalty The estimated fair values of our capital lease obligations approximated their carrying values as of January 22, 2017

Non-financial assets and liabilities — Our non financial instruments which primarily consist of property and equipment, goodwill and intangible assets, are reported at carrying value and are not required to be measured at fair value on a recurring basis However on an annual basis or whenever events or changes in circumstances indicate that their carrying value may not be recoverable non financial instruments are assessed for impairment If applicable the carrying values are written down to fair value

In connection with our impairment reviews performed during 2017, no material fair value adjustments were required Refer to Note 6, *Impairment and Other Charges Net* for additional information regarding impairment charges

5 DERIVATIVE INSTRUMENTS

Objectives and strategies — We are exposed to interest rate volatility with regard to our variable rate debt In April 2014, to reduce our exposure to rising interest rates, we entered into nine forward starting interest rate swap agreements that effectively converted $300 0 million of our variable rate borrowings to a fixed rate basis from October 2014 through October 2018 Additionally, in June 2015, we entered into eleven forward-starting interest rate swap agreements that effectively converted an additional $200 0 million of our variable rate borrowings to a fixed rate from October 2015 through October 2018, and $500 0 million from October 2018 through October 2022

These agreements have been designated as cash flow hedges under the terms of the FASB authoritative guidance for derivatives and hedging To the extent that they are effective in offsetting the variability of the hedged cash flows, changes in the fair values of the derivatives are not included in earnings, but are included in other comprehensive income (OCI ') These changes in fair value are subsequently reclassified into net earnings as a component of interest expense as the hedged interest payments are made on our variable rate debt

Financial position — The following derivative instruments were outstanding as of the end of each period (*in thousands*)

	Balance Sheet Location	Fair Value	
		January 22 2017	October 2, 2016
Derivatives designated as cash flow hedging instruments			
Interest rate swaps (Note 4)	Accrued liabilities	$ (4,100)	$ (5,857)
Interest rate swaps (Note 4)	Other long term liabilities	(18,513)	(41,908)
Total derivatives		$ (22 613)	$ (47 765)

Financial performance — The following table summarizes the OCI activity related to our interest rate swap derivative instruments (*in thousands*)

	Location of Loss in Income	Sixteen Weeks Ended	
		January 22 2017	January 17 2016
Gain (loss) recognized in OCI	N/A	$ 23,086	$ (11,437)
Loss reclassified from accumulated OCI into net earnings	Interest expense, net	$ 2,066	$ 1,444

Amounts reclassified from accumulated OCI into interest expense represent payments made to the counterparties for the effective portions of the interest rate swaps During the periods presented, our interest rate swaps had no hedge ineffectiveness

6 IMPAIRMENT AND OTHER CHARGES, NET

Impairment and other charges, net in the accompanying condensed consolidated statements of earnings is comprised of the following (*in thousands*)

	Sixteen Weeks Ended	
	January 22, 2017	January 17 2016
Restructuring costs	$ 2,048	$ —
Costs of closed restaurants (primarily lease obligations) and other	1,997	560
Losses on disposition of property and equipment net	699	651
Accelerated depreciation	313	446
	$ 5,057	$ 1,657

Restructuring costs — Restructuring charges in 2017 are the result of a plan that management initiated in fiscal 2016 to reduce our general and administrative costs This plan includes cost saving initiatives from workforce reductions, relocation and consolidation of our Qdoba corporate support center, refranchising initiatives, and the consolidation of information technology across both brands

The following is a summary of our restructuring costs *(in thousands)*

Facility closing costs	$ 1,202
Employee severance and related costs	477
Other (1)	369
	$ 2 048

(1) Other primarily represents moving expenses related to the relocation of our Qdoba corporate support center and early lease termination costs

Approximately $0 1 million and $1 8 million of the 2017 restructuring costs are related to our Jack in the Box and Qdoba restaurant operating segments, respectively, and approximately $0 1 million is related to shared services functions, such as accounting/finance information technology, human resources, audit services legal tax and treasury At this time, we are unable to estimate additional charges to be incurred subsequent to 2017, but they are not expected to be material

Total accrued severance costs related to our restructuring activities are included in accrued liabilities and changed as follows during 2017 *(in thousands)*

Balance as of October 2, 2016	$ 4,198
Additions	477
Cash payments	(3 568)
Balance as of January 22, 2017	$ 1 107

Restaurant closing costs — Costs of closed restaurants primarily consist of future lease commitments and expected ancillary costs, net of anticipated sublease rentals Accrued restaurant closing costs, included in accrued liabilities and other long-term liabilities changed as follows during 2017 (*in thousands*)

Balance as of October 2 2016	$ 7,231
Adjustments (1)	742
Interest expense	363
Cash payments	(1,122)
Balance as of January 22, 2017 (2) (3)	$ 7,214

(1) Adjustments relate primarily to revisions of certain sublease and cost assumptions Our estimates related to our future lease obligations, primarily the sublease income we anticipate are subject to a high degree of judgment and may differ from actual sublease income due to changes in economic conditions desirability of the sites and other factors

(2) The weighted average remaining lease term related to these commitments is approximately four years

(3) This balance excludes $2 6 million of restaurant closing costs that are included in accrued liabilities and other long term liabilities which were initially recorded as losses on the sale of company operated restaurants upon sale to Jack in the Box franchisees in prior years

Accelerated depreciation — When a long lived asset will be replaced or otherwise disposed of prior to the end of its estimated useful life, the useful life of the asset is adjusted based on the estimated disposal date and accelerated depreciation is recognized In 2017, accelerated depreciation primarily relates to the anticipated closure of two Jack in the Box and three Qdoba company operated restaurants In 2016, accelerated depreciation was primarily related to expenses at Jack in the Box company operated restaurants for exterior facility enhancements and the replacement of technology equipment

7 INCOME TAXES

The income tax provisions reflect tax rates of 38 7% in 2017 and 37 6% in 2016 The major components of the year over year change in tax rates were a decrease in tax credits partially offset by a decrease in losses from the market performance of insurance products used to fund certain non-qualified retirement plans which are excluded from taxable income The Company recognized a benefit from the retroactive reenactment of the Work Opportunity Tax Credit for calendar year 2015 during the first quarter of 2016 This credit was extended continuously through December 31, 2019 Therefore, a similar retroactive reenactment was not applicable during the first quarter of 2017 The final annual tax rate cannot be determined until the end of the fiscal year, therefore, the actual 2017 rate could differ from our current estimates

8 RETIREMENT PLANS

Defined benefit pension plans — We sponsor two defined benefit pension plans a 'Qualified Plan covering substantially all full time employees hired prior to January 1, 2011, and an unfunded supplemental executive retirement plan (SERP) which provides certain employees additional pension benefits and was closed to new participants effective January 1, 2007 In fiscal 2011, the Board of Directors approved the sunset of our Qualified Plan whereby participants no longer accrue benefits effective December 31, 2015 Benefits under both plans are based on the employee's years of service and compensation over defined periods of employment

Postretirement healthcare plans — We also sponsor two healthcare plans, closed to new participants, that provide postretirement medical benefits to certain employees who have met minimum age and service requirements The plans are contributory, with retiree contributions adjusted annually and contain other cost-sharing features such as deductibles and coinsurance

Net periodic benefit cost — The components of net periodic benefit cost in each period were as follows (*in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Defined benefit pension plans		
Interest cost	$ 6,996	$ 7,440
Service cost	673	1,616
Expected return on plan assets	(8,659)	(6,694)
Actuarial loss (1)	1 881	1,257
Amortization of unrecognized prior service costs (1)	47	74
Net periodic benefit cost	$ 938	$ 3,693
Postretirement healthcare plans		
Interest cost	$ 309	$ 389
Actuarial loss (1)	50	67
Net periodic benefit cost	$ 359	$ 456

(1) Amounts were reclassified from accumulated OCI into net earnings as a component of selling general and administrative expenses

Future cash flows — Our policy is to fund our plans at or above the minimum required by law As of January 1, 2016, the date of our last actuarial funding valuation, there was no minimum contribution funding requirement Details regarding 2017 contributions are as follows (*in thousands*)

	SERP	Postretirement Healthcare Plans
Net year to date contributions	$ 1,122	$ 318
Remaining estimated net contributions during fiscal 2017	$ 3,400	$ 1,000

We continue to evaluate contributions to our Qualified Plan based on changes in pension assets as a result of asset performance in the current market and the economic environment We do not anticipate making any contributions to our Qualified Plan in fiscal 2017

9 SHARE-BASED COMPENSATION

We offer share-based compensation plans to attract, retain and motivate key officers employees and non employee directors to work towards the financial success of the Company During 2017, we granted the following shares related to our share based compensation awards

Nonvested stock units	59,248
Performance share awards	29,625
Stock options	89 792

The components of share-based compensation expense recognized in each period are as follows (*in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Nonvested stock units	$ 2,146	$ 1 815
Performance share awards	824	1,271
Stock options	817	975
Nonvested stock awards	27	27
Total share based compensation expense	$ 3,814	$ 4,088

10 STOCKHOLDERS' EQUITY

Repurchases of common stock — In fiscal 2017, we repurchased 992,000 common shares at an aggregate cost of $108 1 million As of January 22, 2017, there was approximately $27,000 remaining under a stock-buyback program which expires in November 2017, and $300 0 million remaining under a stock-buyback program which expires in November 2018 In our condensed consolidated statement of cash flows for the 16 weeks ended January 22 2017, repurchases of common stock includes $7 2 million related to repurchase transactions traded in the prior fiscal year that settled in the current fiscal year

Dividends — In fiscal 2017, the Board of Directors declared a cash dividend of $0 40 per common share which was paid on December 16, 2016 to shareholders of record as of the close of business on December 5, 2016, and totaled $13 0 million Future dividends are subject to approval by our Board of Directors

11 AVERAGE SHARES OUTSTANDING

Our basic earnings per share calculation is computed based on the weighted average number of common shares outstanding Our diluted earnings per share calculation is computed based on the weighted average number of common shares outstanding adjusted by the number of additional shares that would have been outstanding had the potentially dilutive common shares been issued Potentially dilutive common shares include stock options, nonvested stock awards and units, and non management director stock equivalents Performance share awards are included in the average diluted shares outstanding each period if the performance criteria have been met at the end of the respective periods

The following table reconciles basic weighted average shares outstanding to diluted weighted average shares outstanding (*in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Weighted average shares outstanding – basic	32 168	35 458
Effect of potentially dilutive securities		
Nonvested stock awards and units	181	187
Stock options	76	176
Performance share awards	17	125
Weighted average shares outstanding – diluted	32 442	35 946
Excluded from diluted weighted average shares outstanding		
Antidilutive	44	149
Performance conditions not satisfied at the end of the period	79	—

12 CONTINGENCIES AND LEGAL MATTERS

Legal matters — We assess contingencies including litigation contingencies, to determine the degree of probability and range of possible loss for potential accrual in our financial statements An estimated loss contingency is accrued in the financial statements if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated or unrelated to possible outcomes, and as such are not meaningful indicators of our potential liability or financial exposure We regularly review contingencies to determine the adequacy of the accruals and related disclosures The ultimate amount of loss may differ from these estimates

Gessele v Jack in the Box Inc — In August 2010, five former employees instituted litigation in federal court in Oregon alleging claims under the federal Fair Labor Standards Act and Oregon wage and hour laws The plaintiffs alleged that the Company failed to pay non exempt employees for certain meal breaks and improperly made payroll deductions for shoe purchases and for workers compensation expenses, and later added additional claims relating to timing of final pay and related wage and hour claims involving employees of a franchisee In December 2016, the court dismissed the federal claims and those relating to franchise employees In fiscal 2012 we accrued for a single claim for which we believe a loss is both probable and estimable, this accrued loss contingency did not have a material effect on our results of operations We have not established a loss contingency accrual for those claims as to which we believe liability is not probable or estimable, and we plan to vigorously defend against this lawsuit Nonetheless, an unfavorable resolution of this matter in excess of our current accrued loss contingencies could have a material adverse effect on our business, results of operations, liquidity or financial condition

Other legal matters — In addition to the matter described above, we are subject to normal and routine litigation brought by former, current or prospective employees customers, franchisees, vendors, landlords, shareholders or others We intend to defend ourselves in any such matters Some of these matters may be covered, at least in part, by insurance Our insurance liability (undiscounted) and reserves are established in part by using independent actuarial estimates of expected losses for reported claims and for estimating claims incurred but not reported We believe that the ultimate determination of liability in connection with legal claims pending against us, if any, in excess of amounts already provided for such matters in the condensed consolidated financial statements, will not have a material adverse effect on our business, our annual results of operations, liquidity or financial position, however, it is possible that our business results of operations liquidity, or financial condition could be materially affected in a particular future reporting period by the unfavorable resolution of one or more matters or contingencies during such period

13 SEGMENT REPORTING

Our principal business consists of developing, operating and franchising our Jack in the Box and Qdoba restaurant concepts, each of which we consider a reportable operating segment This segment reporting structure reflects our current management structure, internal reporting method and financial information used in deciding how to allocate our resources Based upon certain quantitative thresholds each operating segment is considered a reportable segment

We measure and evaluate our segments based on segment revenues and earnings from operations The reportable segments do not include an allocation of the costs related to shared service functions, nor do they include unallocated costs such as pension expense, share based compensation and restructuring expense These costs are reflected in the caption "Shared services and unallocated costs " The following table provides information related to our operating segments in each period (*in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Revenues by segment		
Jack in the Box restaurant operations	$ 353 181	$ 347,583
Qdoba restaurant operations	134 752	123,240
Consolidated revenues	$ 487 933	$ 470 823
Earnings from operations by segment		
Jack in the Box restaurant operations	$ 92,404	$ 85 690
Qdoba restaurant operations	8,732	8,737
Shared services and unallocated costs	(28,156)	(32,731)
Gains on the sale of company operated restaurants	137	818
Consolidated earnings from operations	73,117	62,514
Interest expense, net	12,717	8,175
Consolidated earnings from continuing operations and before income taxes	$ 60,400	$ 54 339
Total depreciation expense by segment		
Jack in the Box restaurant operations	$ 19,289	$ 20,473
Qdoba restaurant operations	6,492	5,588
Shared services and unallocated costs	1,974	2,225
Consolidated depreciation expense	$ 27,755	$ 28,286

We do not evaluate, manage or measure performance of segments using asset interest income and expense or income tax information accordingly this information by segment is not prepared or disclosed

The following table provides detail of the change in the balance of goodwill for each of our reportable segments (*in thousands*)

	Jack in the Box	Qdoba	Total
Balance at October 2 2016	$ 48 415	$ 117 631	$ 166 046
Sale of company-operated restaurants to franchisees	(1)	—	(1)
Balance at January 22, 2017	$ 48 414	$ 117,631	$ 166,045

Refer to Note 3, *Summary of Refranchisings Franchisee Development and Acquisitions*, for information regarding the transactions resulting in the changes in goodwill

14 SUPPLEMENTAL CONSOLIDATED CASH FLOW INFORMATION (*in thousands*)

	Sixteen Weeks Ended	
	January 22 2017	January 17 2016
Cash paid during the year for		
Interest, net of amounts capitalized	$ 12,209	$ 8,378
Income tax payments	$ 47	$ 16,012
Decrease in obligations for purchases of property and equipment	$ 7,290	$ 6,025
Decrease in obligations for treasury stock repurchases	$ 7,208	$ —
Non-cash transactions		
Equipment capital lease obligations incurred	$ 254	$ 271
Increase in dividends accrued or converted to common stock equivalents	$ 74	$ 53

15 SUPPLEMENTAL CONSOLIDATED BALANCE SHEET INFORMATION *(in thousands)*

	January 22 2017	October 2 2016
Accounts and other receivables, net		
Trade	$ 45,688	$ 66,837
Notes receivable	1,608	1,603
Other	10,065	7,680
Allowance for doubtful accounts	(2,650)	(2,760)
	$ 54,711	$ 73,360
Prepaid expenses		
Prepaid rent	$ 5,690	$ 18,613
Prepaid income taxes	—	12,113
Other	6,941	9,672
	$ 12 631	$ 40,398
Other assets, net		
Company owned life insurance policies	$ 105,631	$ 105,957
Deferred tax assets	104,851	117,587
Deferred rent receivable	47,815	47,485
Other	20,319	19,440
	$ 278,616	$ 290,469
Accrued liabilities		
Insurance	$ 39,389	$ 38,368
Payroll and related taxes	31,892	44,627
Advertising	11,168	21,827
Sales and property taxes	8 131	14,311
Gift card liability	6,484	5,183
Deferred rent income	4,430	15,909
Deferred franchise fees	1,147	929
Other	32 060	40,096
	$ 134 701	$ 181,250
Other long-term liabilities		
Defined benefit pension plans	$ 158,892	$ 161,003
Straight line rent accrual	46 998	47,070
Other	119,636	140,852
	$ 325,526	$ 348 925

16 SUBSEQUENT EVENTS

On February 21, 2017, the Board of Directors declared a cash dividend of $0 40 per common share, to be paid on March 20, 2017 to shareholders of record as of the close of business on March 7, 2017

Subsequent to the end of the first quarter, we signed non binding letters of intent with franchisees to sell approximately 75 company restaurants in several different markets Pre tax gross proceeds related to these sales are estimated at $40 0 million to $45 0 million

EXHIBIT B

LIST OF STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a franchise in some or all of the following states if required by the applicable state laws If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states the following are the state administrators responsible for the review registration and oversight of franchises in these states

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 876-7500 Toll Free (866) 275-2677	**NEW YORK** Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway 23rd Floor New York NY 10271-0332 (212) 416-8236 Phone (212) 416-6042 Fax
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street Room 203 Honolulu Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor Dept 414 Bismarck North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division Bldg 69 First Floor John O Pastore Center 1511 Pontiac Avenue Cranston Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington Room E-111 Indianapolis Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Department of Labor and Regulation Division of Securities 124 S Euclid Suite 104 Pierre South Dakota 57501 (605) 773-4823
MARYLAND Office of the Attorney General Securities Division 200 St Paul Place Baltimore Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General s Office Consumer Protection Div Franchise Section 525 West Ottawa Street G Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 373-7117	**WASHINGTON** Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S W Tumwater Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Department of Commerce 85 7th Place East Suite 500 St Paul Minnesota 55101 (651) 539-1500	**WISCONSIN** Office of the Commissioner of Securities 201 W Washington Ave , Suite 300 Madison, WI 53703 (608) 261-9555

EXHIBIT C

AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a franchise" in some or all of the following states if required by the applicable state law If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states we will designate the following state offices or officials as our agents for service of process in these states

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street Suite 750 Los Angeles California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**NEW YORK** New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany NY 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street Room 203 Honolulu Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Commissioner 600 East Boulevard Avenue State Capitol Fifth Floor Bismarck North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division Bldg 69 First Floor John O Pastore Center 1511 Pontiac Avenue Cranston Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington Room E-111 Indianapolis Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Department of Labor and Regulation Director of the Division of Securities 124 S Euclid Suite 104 Pierre South Dakota 57501 (605) 773-4823
MARYLAND Maryland Securities Commissioner 200 St Paul Place Baltimore Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Consumer Protection Div Franchise Section 525 West Ottawa Street G Mennen Williams Building 1st Floor Lansing Michigan 48913 (517) 373-7117	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road S W Tumwater Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce 85 7th Place East, Suite 500 St Paul Minnesota 55101 (651) 539-1500	**WISCONSIN** Commissioner of Securities 201 W Washington Ave , Suite 300 Madison, WI 53703 (608) 261-9555

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
AZ	Anthem	1537	39526 N Gavilan Peak Pkwy	85086	(623) 551 3380	Calzona Foods Inc	Joseph	Espinosa
AZ	Apache Junction	1538	2600 W Apache Trl	85120	(480) 671 1061	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Avondale	1139	13088 W Rancho Santa Fe Blvd	85392	(623) 935-4141	Stine Enterprises Inc	Adam	Stine
AZ	Avondale	1564	250 N Avondale Blvd	85323	(623) 932 2058	Stine Enterprises Inc	Stephen	Stine
AZ	Buckeye	1547	1460 S Watson Rd	85326	(623) 691-6042	Stine Enterprises Inc	Adam	Stine
AZ	Bullhead City	1122	2350 Miracle Mile Ste 100	86442	(928) 758 5828	River Fast Foods Inc	Adel	Farag
AZ	Casa Grande	149	1194 E Florence Blvd	85122	(520) 836 0304	Superior Fast Foods Inc	Adel	Farag
AZ	Cave Creek	1148	29815 N Tatum Blvd	85331	(480) 473 8291	Stine Enterprises Inc	Stephen	Stine
AZ	Chandler	138	141 N Arizona Ave	85225	(480) 963 7187	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Chandler	1140	4900 W Ray Rd	85226	(480) 775-4660	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Chandler	1142	900 N Cooper Rd	85225	(480) 821 5027	AAD&J Inc	Adel	Farag
AZ	Chandler	1144	1790 W Chandler Blvd	85224	(480) 726 3758	Stine Enterprises Inc	Adam	Stine
AZ	Chandler	1195	2090 N Arizona Ave	85225	(480) 821 5671	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Chandler	1518	2070 N Dobson Rd	85224	(480) 792 0649	Stine Enterprises Inc	Adam	Stine
AZ	Chandler	1526	955 E Riggs Rd	85249	(480) 802 7807	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Chandler	1548	4250 S Arizona Ave	85248	(480) 895 1903	Stine Enterprises Inc	Stephen	Stine
AZ	Cottonwood	1121	1180 S Highway 260	86326	(928) 639 1261	Cottonwood Fast Foods Inc	Adam	Schmitz
AZ	Flagstaff	141	505 S Milton Rd	86001	(928) 774 1723	Northern Arizona Fast Foods Inc	Adam	Schmitz
AZ	Flagstaff	1198	3620 E Route 66	86004	(928) 526 8775	Northern Arizona Fast Foods Inc	Adam	Schmitz
AZ	Gilbert	1501	4361 E Baseline Rd	85234	(480) 558 0302	Superior Fast Foods Inc	Adel	Farag
AZ	Gilbert	1502	1585 E Warner Rd	85296	(480) 503 2533	Superior Fast Foods Inc	Adel	Farag
AZ	Gilbert	1549	4910 S Val Vista Dr	85296	(480) 782 1845	Stine Enterprises Inc	Stephen	Stine
AZ	Glendale	117	5145 N 59th Ave	85301	(623) 931 6649	Stine Enterprises Inc	Adam	Stine
AZ	Glendale	125	5447 W Glendale Ave	85301	(623) 931 9516	Stine Enterprises Inc	Stephen	Stine
AZ	Glendale	1170	9021 N 59th Ave	85302	(623) 937 0491	Stine Enterprises Inc	Adam	Stine
AZ	Glendale	1176	5104 W Thunderbird Ave	85306	(602) 938 2074	Calzona Foods Inc	Joseph	Espinosa
AZ	Glendale	1184	4305 W Bethany Home Rd	85301	(623) 931 0026	Stine Enterprises Inc	Adam	Stine
AZ	Glendale	1500	20209 N 59th Ave	85308	(623) 362 3564	Calzona Foods Inc	Joseph	Espinosa
AZ	Globe	1160	1390 E Ash St	85501	(928) 425 5522	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Gold Canyon	1503	6478 E Us Highway 60	85118	(480) 288 5430	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Goodyear	1536	520 N Estrella Pkwy	85338	(623) 925 5521	Stine Enterprises Inc	Adam	Stine
AZ	Goodyear	1578	16900 W Yuma Rd	85338	(623) 925 8263	Stine Enterprises Inc	Adam	Stine
AZ	Kingman	1129	3301 Andy Devine Ave	86401	(928) 757 7374	B L K Fast Foods Inc	Mark	Lay
AZ	Lake Havasu City	1177	30 S Lake Havasu Ave	86403	(928) 855 1145	Colo Rio Fast Foods Inc	Mark	Lay
AZ	Laveen	1541	5115 W Southern Ave	85339	(602) 237 0502	Stine Enterprises Inc	Adam	Stine
AZ	Litchfield Park	1589	13860 W Camelback Rd	85340	(623) 594-4273	Stine Enterprises Inc	Adam	Stine
AZ	Maricopa	1544	20975 N John Wayne Pkwy	85139	(520) 568 1943	Stine Enterprises Inc	Adam	Stine
AZ	Mesa	148	1145 W University Dr	85201	(480) 833 1339	Calzona Foods Inc	Joseph	Espinosa
AZ	Mesa	1133	1911 S Power Rd	85206	(480) 654-0232	AAD&J Inc	Adel	Farag

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
AZ	Mesa	1146	2719 N Power Rd	85215	(480) 325 9746	Superior Fast Foods Inc	Adel	Farag
AZ	Mesa	1156	5961 E Main St	85205	(480) 832 3481	CMAZ LLC	Adel	Farag
AZ	Mesa	1165	1860 W Southern Ave	85202	(480) 964-9548	FARAG AND HARIA LLC	Adel	Farag
AZ	Mesa	1171	440 E Southern Ave	85204	(480) 962 1938	CMAZ LLC	Adel	Farag
AZ	Mesa	1178	2846 E Main St	85213	(480) 832 9581	CMAZ LLC	Adel	Farag
AZ	Mesa	1179	1232 W Baseline Rd	85202	(480) 838 0677	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Mesa	1186	2120 E Baseline Rd	85204	(480) 497 2795	AAD&J Inc	Adel	Farag
AZ	Mesa	1199	1945 W Main St	85201	(480) 733 7997	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Mesa	1507	1105 S Val Vista Dr	85204	(480) 324 1623	Dosti Enterprise L L C	Adel	Farag
AZ	Mesa	1508	525 N Stapley Dr	85203	(480) 610 5302	AAD&J Inc	Adel	Farag
AZ	Mesa	1516	427 W Mckellips Rd	85201	(480) 890 7200	Superior Fast Foods Inc	Adel	Farag
AZ	Mesa	1519	1403 S Crismon Rd	85209	(480) 357 3731	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Mesa	1555	5207 S Power Rd	85212	(480) 279 2536	Stine Enterprises Inc	Stephen	Stine
AZ	Nogales	1175	208 N Grand Ave	85621	(520) 287 5266	I Chief LLC	Mustahil	Shah
AZ	Nogales	1539	383 W Mariposa Rd	85621	(520) 377 2974	I Chief LLC	Mustahil	Shah
AZ	Page	1149	931 Highway 89	86040	(928) 645 2711	Gateway Fast Foods Inc	Adam	Schmitz
AZ	Payson	1136	301 E State Highway 260	85541	(928) 472 8060	Payson Fast Foods Inc	Adam	Schmitz
AZ	Peoria	1103	7425 W Cactus Rd	85381	(623) 878 0002	Stine Enterprises Inc	Adam	Stine
AZ	Peoria	1145	9066 W Olive Ave	85345	(623) 486 3938	Stine Enterprises Inc	Adam	Stine
AZ	Peoria	1513	8236 W Deer Valley Rd	85382	(623) 566 7988	Stine Enterprises Inc	Stephen	Stine
AZ	Peoria	1572	9841 W Happy Valley Rd	85383	(623) 561 1610	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	101	1833 W Van Buren St	85007	(602) 254 9324	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	102	1302 E Mcdowell Rd	85006	(602) 254 1756	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	103	2202 E Indian School Rd	85016	(602) 954 9130	AAD&J Inc	Adel	Farag
AZ	Phoenix	105	3545 E Thomas Rd	85018	(602) 956 3020	Superior Fast Foods Inc	Adel	Farag
AZ	Phoenix	106	1601 E Van Buren St	85006	(602) 252 1533	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	108	3455 W Mcdowell Rd	85009	(602) 278 0529	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	112	132 W Mcdowell Rd	85003	(602) 253 8666	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	116	4119 N 7th St	85014	(602) 274 3914	Superior Fast Foods Inc	Adel	Farag
AZ	Phoenix	123	8951 N 19th Ave	85021	(602) 944-0710	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	127	3215 N Central Ave	85012	(602) 265 2995	Superior Fast Foods Inc	Adel	Farag
AZ	Phoenix	129	4313 W Thomas Rd	85031	(602) 278 3971	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	134	4343 E Camelback Rd	85018	(602) 952 9906	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	142	1935 W Thunderbird Rd	85023	(602) 993 8810	Calzona Foods Inc	Joseph	Espinosa
AZ	Phoenix	143	12223 N 32nd St	85032	(602) 992 1030	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	144	3512 W Thunderbird Rd	85053	(602) 938 8340	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	145	1802 W Bell Rd	85023	(602) 866 9048	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1100	10621 N 43rd Ave	85029	(602) 439-4843	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1102	2520 W Glendale Ave	85051	(602) 995 3677	Stine Enterprises Inc	Stephen	Stine

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
AZ	Phoenix	1105	4741 E Mcdowell Rd	85008	(602) 275 0303	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1110	2440 W Thomas Rd	85015	(602) 256 7223	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1114	1902 W Buckeye Rd	85009	(602) 253 8142	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1116	1001 N 24th St	85008	(602) 244-8860	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	1130	4950 E Ray Rd	85044	(480) 496 9168	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1141	19818 N 27th Ave	85027	(623) 780 3669	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1147	4020 E Bell Rd	85032	(602) 953 5495	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1153	17017 N Cave Creek Rd	85032	(602) 971 9496	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1154	7510 W Indian School Rd	85033	(623) 849 3022	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1172	6001 W Thomas Rd	85033	(623) 247 1746	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1180	5814 S Central Ave	85040	(602) 276 2183	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1181	2701 W Camelback Rd	85017	(602) 249 0170	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1182	7850 N 35th Ave	85051	(602) 841 1350	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	1183	4749 E Southern Ave	85042	(602) 438 0578	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	1190	4151 W Bell Rd	85053	(602) 843-5716	Calzona Foods Inc	Joseph	Espinosa
AZ	Phoenix	1192	3150 E Washington St	85034	(602) 275 5083	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1193	6351 N 7th St	85014	(602) 241 1433	Calzona Foods Inc	Joseph	Espinosa
AZ	Phoenix	1514	9920 W Indian School Rd	85037	(623) 772 1600	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1517	8225 W Camelback Rd	85033	(623) 849 0630	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1520	3502 W Buckeye Rd	85009	(602) 353 1660	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1522	9050 W Thomas Rd	85037	(623) 872 1375	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1524	620 E Buckeye Rd	85004	(602) 258 6305	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1525	2141 W Deer Valley Rd	85027	(623) 582 0894	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1529	1921 W Broadway Rd	85041	(602) 305 9019	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1533	2330 E Baseline Rd	85042	(602) 243 5585	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1535	2711 S 40th St	85034	(602) 437 0706	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Phoenix	1552	6120 S 35th Ave	85041	(602) 276 3653	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1553	2420 E Beardsley Rd	85050	(602) 485-4030	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1560	2113 W Happy Valley Rd	85085	(623) 869 5006	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1576	2645 W Carefree Hwy	85085	(623) 587 9515	Stine Enterprises Inc	Adam	Stine
AZ	Phoenix	1587	1075 N 67th Ave	85043	(623) 907 6364	Stine Enterprises Inc	Stephen	Stine
AZ	Phoenix	1590	1125 N 51st Ave	85043	(602) 442 2155	Stine Enterprises Inc	Adam	Stine
AZ	Prescott	1540	3182 Willow Creek Rd	86301	(928) 771 0182	Prescott Fast Foods Inc	Adam	Schmitz
AZ	Prescott Valley	1512	7622 E State Route 69	86314	(928) 759 7227	Prescott Fast Foods Inc	Adam	Schmitz
AZ	Queen Creek	1542	534 E Hunt Hwy	85143	(480) 458 5225	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Queen Creek	1574	21292 E Ocotillo Rd	85142	(480) 655 6027	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Scottsdale	115	7412 E Mcdowell Rd	85257	(480) 946 8941	Stine Enterprises Inc	Stephen	Stine
AZ	Scottsdale	135	8030 E Indian School Rd	85251	(480) 945 1750	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Scottsdale	147	7116 E Shea Blvd	85254	(480) 991 0820	Stine Enterprises Inc	Stephen	Stine

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
AZ	Scottsdale	1143	14842 Frank Lloyd Wright Blvd	85260	(480) 614-2665	Calzona Foods Inc	Joseph	Espinosa
AZ	Scottsdale	1189	13610 N Scottsdale Rd Ste 31	85254	(480) 443 8005	Calzona Foods Inc	Joseph	Espinosa
AZ	Scottsdale	1580	20385 N Hayden Rd	85255	(480) 419-4329	Stine Enterprises Inc	Adam	Stine
AZ	Show Low	1125	4435 S White Mountain Rd	85901	(928) 537 0696	Northern Arizona Fast Foods Inc	Adam	Schmitz
AZ	Sierra Vista	1152	750 E Fry Blvd	85635	(520) 458 2666	I Chief LLC	Mustahil	Shah
AZ	Sierra Vista	1554	2039 El Mercado Loop	85635	(520) 417 0990	I Chief LLC	Mustahil	Shah
AZ	Sun City	1566	9906 W Thunderbird Blvd	85351	(623) 974 3120	Stine Enterprises Inc	Adam	Stine
AZ	Surprise	1510	13738 W Bell Rd	85374	(623) 544 1531	Stine Enterprises Inc	Adam	Stine
AZ	Surprise	1563	16760 W Bell Rd	85374	(623) 975 5294	Stine Enterprises Inc	Adam	Stine
AZ	Surprise	1579	15333 W Waddell Rd	85379	(623) 546 3912	Stine Enterprises Inc	Adam	Stine
AZ	Tempe	118	721 S Mill Ave	85281	(480) 967 8570	Superior Fast Foods Inc	Adel	Farag
AZ	Tempe	131	942 E Broadway Rd	85282	(480) 966 9080	Rucker Restaurant Holdings LLC	Maria	Galaviz
AZ	Tempe	1112	901 E Curry Rd	85281	(480) 966 8367	Calzona Foods Inc	Joseph	Espinosa
AZ	Tempe	1120	850 E Guadalupe Rd	85283	(480) 730 9888	Stine Enterprises Inc	Adam	Stine
AZ	Tempe	1158	3102 S Mill Ave	85282	(480) 894 1077	Calzona Foods Inc	Joseph	Espinosa
AZ	Tempe	1197	2145 E University Dr	85281	(480) 894-8419	CMAZ LLC	Adel	Farag
AZ	Tolleson	1108	8302 W Lynwood St	85353	(623) 936 6259	Stine Enterprises Inc	Adam	Stine
AZ	Tolleson	1561	9840 W Lower Buckeye Rd	85353	(623) 936 1801	Stine Enterprises Inc	Stephen	Stine
AZ	Tucson	132	934 E Speedway Blvd	85719	(520) 792 3054	I Chief LLC	Mustahil	Shah
AZ	Tucson	133	4455 E Broadway Blvd	85711	(520) 326 8108	I Chief LLC	Mustahil	Shah
AZ	Tucson	139	1302 S Kolb Ave	85710	(520) 747 1182	I Chief LLC	Mustahil	Shah
AZ	Tucson	1106	7910 E Speedway Blvd	85710	(520) 298 3002	I Chief LLC	Mustahil	Shah
AZ	Tucson	1111	4450 1st Ave	85719	(520) 888 8846	I Chief LLC	Mustahil	Shah
AZ	Tucson	1127	305 W Grant Rd	85705	(520) 629 0401	I Chief LLC	Mustahil	Shah
AZ	Tucson	1150	7031 E Tanque Verde Rd	85715	(520) 885 3021	I Chief LLC	Mustahil	Shah
AZ	Tucson	1155	3121 N Campbell Ave	85719	(520) 325 3941	I Chief LLC	Mustahil	Shah
AZ	Tucson	1157	550 W Valencia Rd	85706	(520) 889-4422	I Chief LLC	Mustahil	Shah
AZ	Tucson	1166	1195 S Craycroft Rd	85711	(520) 790 3156	I Chief LLC	Mustahil	Shah
AZ	Tucson	1167	4949 N Oracle Rd	85704	(520) 887 8770	I Chief LLC	Mustahil	Shah
AZ	Tucson	1168	3397 S 6th Ave	85713	(520) 622 3235	I Chief LLC	Mustahil	Shah
AZ	Tucson	1173	3326 E Grant Rd	85716	(520) 326 8711	I Chief LLC	Mustahil	Shah
AZ	Tucson	1174	1202 W St Marys Rd	85745	(520) 623 4957	I Chief LLC	Mustahil	Shah
AZ	Tucson	1505	5000 E Valencia Rd	85756	(520) 664 2246	I Chief LLC	Mustahil	Shah
AZ	Tucson	1506	4600 W Ina Rd	85741	(520) 572 2202	I Chief LLC	Mustahil	Shah
AZ	Tucson	1534	3030 W El Camino Del Cerro	85745	(520) 888 1656	I Chief LLC	Mustahil	Shah
AZ	Tucson	1551	2985 W Valencia Rd	85746	(520) 883 7484	I Chief LLC	Mustahil	Shah
AZ	Tucson	1557	6380 E Golf Links Rd	85730	(520) 790 3003	I Chief LLC	Mustahil	Shah
AZ	Tucson	1571	9530 E 22nd St	85748	(520) 751 1881	I Chief LLC	Mustahil	Shah
AZ	Williams	1134	150 Patel Dr	86046	(928) 635 0627	Canyon Fast Foods Inc	Mark	Lay

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
AZ	Youngtown	1546	11101 Nw Grand Ave	85363	(623) 523 0211	Stine Enterprises Inc	Adam	Stine
CA	Acton	3304	3830 W Sierra Hwy	93510	(661) 269 2635	JIB Holdings I LLC	Terry	Shindle
CA	Agoura	181	5033 N Kanan Rd	91301	(818) 889 1653	Herrick Foods LLC	Mike	Herrick
CA	Alameda	432	1257 Park St	94501	(510) 522 8865	Gul Food Management Inc	Saeed	Khan
CA	Alameda	437	1826 Webster St	94501	(510) 523-6396	Gul Food Management Inc	Saeed	Khan
CA	Altadena	364	2305 N Lake Ave	91001	(626) 791 5402	Bromley Foods Inc	Terence	Jones
CA	Anaheim	223	2793 W Ball Rd	92804	(714) 220 9175	Shan Fast Food Inc	Nasim	Siddiqui
CA	Anaheim	231	100 S State College Blvd	92806	(714) 758 9325	Graffius Food Services Inc	Karen	Graffius
CA	Anaheim	264	10642 W Katella Ave	92804	(714) 778 3054	Graffius Enterprises Inc	Mark	Graffius
CA	Anaheim	3165	2210 S Harbor Blvd	92802	(714) 740 1131	Graffius Enterprises Inc	Mark	Graffius
CA	Anaheim	3243	999 S Brookhurst St	92804	(714) 778 1232	Central Group South LLC	Cedric	Fong
CA	Anaheim	3258	290 W Lincoln Ave	92805	(714) 533 0136	Graffius Food Services Inc	Karen	Graffius
CA	Anaheim	3274	1155 N Euclid Ave	92801	(714) 772 3740	TBS Foods Inc	Behzad	Nematzadeh
CA	Anaheim	3510	1101 N Magnolia Ave	92801	(714) 484-4773	KIPER ENTERPRISES INC	Gino	Perucci
CA	Anderson	4368	2010 Arby Way	96007	(530) 365 1765	Chico Foods LLC	Behzad	Nematzadeh
CA	Antelope	3404	7949 Watt Ave	95843	(916) 334-1641	CALJAX INC	Metri	Lutfi
CA	Apple Valley	3232	21630 Bear Valley Rd	92308	(760) 240 1746	Envision Foods LLC	Terry	Shindle
CA	Apple Valley	3326	20168 Us Highway 18	92307	(760) 946 2203	JIB Holdings I LLC	Terry	Shindle
CA	Apple Valley	5400	15818 Apple Valley Rd	92307	(760) 946-1416	Envision Foods LLC	Terry	Shindle
CA	Apple Valley	5413	18901 Bear Valley Rd	92308	(760) 247 6661	Envision Foods LLC	Terry	Shindle
CA	Arcadia	3516	164 E Live Oak Ave	91006	(626) 254 9082	Square King Foods Inc	Sam	Fong
CA	Arroyo Grande	399	1208 Grand Ave	93420	(805) 489 3668	SBF Foods LLC	Pankaj	Bhatia
CA	Artesia	3190	18299 Pioneer Blvd	90701	(562) 860-6657	Square King Foods Inc	Sam	Fong
CA	Atascadero	5418	9000 W Front St	93422	(805) 462 9200	SBF Foods LLC	Pankaj	Bhatia
CA	Atwater	589	1898 Bellevue Rd	95301	(209) 358 5992	Fresno Foods LLC	Behzad	Nematzadeh
CA	Auburn	471	13421 E Lincoln Way	95603	(530) 888 0750	Devika Restaurants Inc	Dev	Sagar
CA	Auburn	535	2680 Grass Valley Hwy	95603	(530) 823 6220	Devika Restaurants Inc	Dev	Sagar
CA	Azusa	3217	877 E Alosta Ave	91702	(626) 969 1153	M & B Restaurant Group	Gregory	Gribble
CA	Azusa	3579	126 N Azusa Ave	91702	(626) 334 7504	California Sunrise Incorporated	Garren	Grieve
CA	Baker	3394	72358 Baker Blvd	92309	(760) 733-4814	JIB Holdings I LLC	Terry	Shindle
CA	Baldwin Park	5303	14611 Dalewood St	91706	(626) 851 9875	California Sunrise Incorporated	Garren	Grieve
CA	Banning	3233	6350 W Ramsey St	92220	(951) 845 2399	Desert Jack LLC	Terry	Shindle
CA	Banning	5359	770 W Ramsey St	92220	(951) 849 0702	Desert Jack LLC	Terry	Shindle
CA	Barstow	368	1370 E Main St	92311	(760) 256 3167	Envision Foods LLC	Terry	Shindle
CA	Beaumont	5405	89 S Beaumont Ave	92223	(951) 769 2888	Highland Food Express Inc	Hai	Zaidul
CA	Bell	242	4525 Florence Ave	90201	(323) 771 9439	Dhillon Foods Inc	Priya	Dhillon
CA	Berkeley	431	2197 San Pablo Ave	94702	(510) 841 3574	Sksingh Inc	Sarjeet	Singh
CA	Big Bear Lake	362	40771 Village Dr	92315	(909) 866 6436	Envision Foods LLC	Terry	Shindle
CA	Bishop	170	575 S Main St	93514	(760) 872 1190	Envision Foods LLC	Terry	Shindle

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Blythe	67	190 S Lovekin Blvd	92225	(760) 921 8453	Stine Enterprises Inc	Adam	Stine
CA	Bonita	68	4011 Bonita Rd	91902	(619) 475 8201	N Farooqi Properties LLC	Nasir	Farooqi
CA	Bonsall	3009	5256 S Mission Rd	92003	(760) 945 0472	Beshay Foods Inc	Dawood	Beshay
CA	Brea	3251	315 S Brea Blvd	92821	(714) 529 2361	Three Powers Foods Inc	Cedric	Fong
CA	Buellton	5411	250 E Highway 246	93427	(805) 688 6886	SBF Foods LLC	Pankaj	Bhatia
CA	Buena Park	158	6865 La Palma Ave	90620	(714) 994-0772	Square King Foods Inc	Sam	Fong
CA	Buena Park	166	5460 Beach Blvd	90621	(714) 522 5308	Jokar Enterprises Inc	Mark	Graffius
CA	Buena Park	3207	5990 Orangethorpe Ave	90620	(714) 670 8412	Square King Foods Inc	Sam	Fong
CA	Calabasas	3191	26510 Agoura Rd	91302	(818) 880 9097	Sood Enterprises Inc	Sudesh	Sood
CA	Calimesa	3550	1199 7th St	92320	(909) 795 8112	SB Food Express Inc	Hai	Zaidul
CA	Camarillo	3247	4901 Verdugo Way	93012	(805) 987 5159	Caltex Foods Inc	Mike	Herrick
CA	Camarillo	3259	1650 Daily Dr	93010	(805) 484 9443	Caltex Foods Inc	Mike	Herrick
CA	Campbell	411	1737 S Bascom Ave	95008	(408) 377 7074	JB Restaurant #411 Inc	Larry	Jones
CA	Campbell	412	1450 W Campbell Ave	95008	(408) 378 0621	JB Restaurant #412 Inc	Larry	Jones
CA	Campbell	496	510 W Hamilton Ave	95008	(408) 866 0131	L J & W Inc	Larry	Jones
CA	Canoga Park	310	20840 Roscoe Blvd	91306	(818) 998-4295	Newco Foods Inc	Sudesh	Sood
CA	Canoga Park	348	7264 Topanga Canyon Blvd	91303	(818) 347 8353	Sunrise Foods LLC	Riju	Sood
CA	Canoga Park	3308	6800 De Soto Ave	91303	(818) 313 9459	Sunrise Foods LLC	Riju	Sood
CA	Canyon Country	187	18955 W Soledad Cyn Rd	91351	(661) 252-4321	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Carlsbad	3006	7050 Avenida Encinas	92009	(760) 438 1461	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Carmichael	494	5845 Marconi Ave	95608	(916) 487 6876	Brian W Emry	Brian	Emry
CA	Carson	273	23813 Avalon Blvd	90745	(310) 830 2621	Dhillon Foods Inc	Priya	Dhillon
CA	Carson	3255	111 E 223rd St	90745	(310) 518 3025	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Carson	3525	939 E Carson St	90745	(310) 522 5696	JVS Foods Inc	Victoria	Su
CA	Carson	5310	319 E Albertoni St	90746	(310) 217 0882	Jushen Restaurants Inc	Priya	Dhillon
CA	Carson	5369	22220 Wilmington Ave	90745	(310) 522 0725	TBS Foods Inc	Behzad	Nematzadeh
CA	Castaic	3208	31769 The Old Rd	91384	(661) 257 1889	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Castaic	5389	28090 N Hasley Canyon Rd	91384	(661) 775 9360	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Cathedral City	3279	34 311 Date Palm Dr	92234	(760) 770 4504	Envision Foods LLC	Terry	Shindle
CA	Cathedral City	5397	68020 Vista Chino	92234	(760) 327 0580	Desert Jack LLC	Terry	Shindle
CA	Chico	446	500 Broadway St	95928	(530) 893 5198	Chico Foods LLC	Behzad	Nematzadeh
CA	Chico	549	2542 Esplanade	95973	(530) 894-6910	Chico Foods LLC	Behzad	Nematzadeh
CA	Chico	4350	1955 20th St	95928	(530) 894-2559	Chico Foods LLC	Behzad	Nematzadeh
CA	Chino Hills	178	14864 Pipeline Ave	91709	(909) 597 8995	Jumbo Fun Foods	Kevin	Townsend
CA	Chino Hills	3246	13850 Peyton Dr	91709	(909) 465 1803	Highland Food Express Inc	Hai	Zaidul
CA	Chino Hills	3537	6570 Butterfield Ranch Rd	91709	(909) 606-8003	Las Malvinas Inc	Alex	Carcavallo
CA	Chowchilla	3399	18158 Avenue 24	93610	(559) 665 2091	Fresno Foods LLC	Behzad	Nematzadeh
CA	Chula Vista	86	5 N 4th Ave	91910	(619) 426 0533	N Farooqi Properties LLC	Nasir	Farooqi
CA	Chula Vista	3070	947 Otay Lake Rd	91913	(619) 216 3070	DMSD Foods Inc	Dawood	Beshay

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Chula Vista	3072	925 Eastlake Parkway	91914	(619) 482 3072	DMSD Foods Inc	Dawood	Beshay
CA	Chula Vista	3078	2015 Birch Rd Ste 2700	91915	(619) 421 3078	DMSD Foods Inc	Dawood	Beshay
CA	Citrus Heights	489	6131 Greenback Ln	95621	(916) 722 2600	Nor Cal Venture Group Inc	Anil	Yadav
CA	Citrus Heights	4323	7807 Sunrise Blvd	95610	(916) 726 1028	Nor Cal Venture Group Inc	Anil	Yadav
CA	City Of Industry	3201	18271 Gale Ave	91748	(626) 810 7963	TBS Foods Inc	Behzad	Nematzadeh
CA	Clearlake	4314	15945 Dam Rd	95422	(707) 994-4387	North Bay Jack Inc	Ali	Morovat
CA	Clovis	3222	1132 Clovis Ave	93612	(559) 297 1992	Fresno Foods LLC	Behzad	Nematzadeh
CA	Clovis	3567	1680 Herndon Ave	93611	(559) 323 5295	Fresno Foods LLC	Behzad	Nematzadeh
CA	Clovis	5440	3120 Fowler Ave	93611	(559) 577 1358	Fresno Foods LLC	Behzad	Nematzadeh
CA	Coachella	3523	46651 Dillon Rd	92236	(760) 347 3006	Desert Jack LLC	Terry	Shindle
CA	Coachella	5344	52144 Harrison St	92236	(760) 398 9727	Desert Jack LLC	Terry	Shindle
CA	Colton	3293	1191 S Mt Vernon Ave	92324	(909) 783 7748	SB Food Express Inc	Hai	Zaidul
CA	Colton	3585	1199 N Mt Vernon Ave	92324	(909) 783 8107	SB Food Express Inc	Hai	Zaidul
CA	Colton	5370	756 W Valley Blvd	92324	(909) 783 0640	OC Food Express Inc	Hai	Zaidul
CA	Commerce	3254	7503 E Slauson Ave	90040	(323) 890 2945	Jushen Restaurants Inc	Priya	Dhillon
CA	Compton	240	701 E Rosecrans Ave	90221	(310) 608 1083	TBS Foods Inc	Behzad	Nematzadeh
CA	Compton	253	115 N Central Ave	90220	(310) 603 8728	TBS Foods Inc	Behzad	Nematzadeh
CA	Concord	410	1710 Monument Blvd	94520	(925) 671 7911	Aries Hospitality Services Inc	Sushma	Gupta
CA	Concord	443	4740 Clayton Rd	94521	(925) 682 1275	Aries Hospitality Services Inc	Sushma	Gupta
CA	Corning	3489	3098 Highway 99 W	96021	(530) 824-4390	Chico Foods LLC	Behzad	Nematzadeh
CA	Corona	3200	4715 Green River Rd	92880	(951) 272 0841	Jumbo Fun Foods	Kevin	Townsend
CA	Corona	3276	2296 Griffin Way	92879	(951) 272 3761	DMSD Foods Inc	Dawood	Beshay
CA	Corona	3557	2711 Green River Rd	92882	(951) 272 2037	JDC Food Services Inc	Caryn	Ochoa
CA	Corona	5340	784 N Main St	92880	(951) 739 7780	JDC Food Services Inc	Caryn	Ochoa
CA	Corona	5349	1315 Magnolia Ave Ste 102	92879	(951) 278 9764	DMSD Foods Inc	Dawood	Beshay
CA	Coronado	3081	3238 Guadalcanal Rd Bldg #33	92155	(619) 437 7179	DMSD Foods Inc	Dawood	Beshay
CA	Costa Mesa	246	1205 Baker St	92626	(714) 557 7007	GCP Enterprises Inc	Gino	Perucci
CA	Costa Mesa	284	385 E 17th St	92627	(949) 548 7047	Graffius Food Services Inc	Karen	Graffius
CA	Costa Mesa	3240	2930 Harbor Blvd	92626	(714) 662 3469	GCP Enterprises Inc	Gino	Perucci
CA	Costa Mesa	3509	2602 Newport Blvd	92627	(949) 631 0282	KIPER ENTERPRISES INC	Gino	Perucci
CA	Covina	320	1052 N Grand Ave	91724	(626) 332 1995	Highland Food Express Inc	Hai	Zaidul
CA	Covina	5424	535 S Citrus Ave	91723	(626) 967 7622	M & B Restaurant Group	Gregory	Gribble
CA	Crescent City	4327	1233 6th St	95531	(707) 465 3763	Indmex Corporation	Shilpa	Gogri
CA	Cupertino	490	1451 S De Anza Blvd	95014	(408) 515-4760	Hsia Chou Inc	Shang Chun	Hsia
CA	Dana Point	161	34297 Pacific Coast Hwy	92629	(949) 443-4054	R W Forsum Enterprises	Reynold	Forsum
CA	Davis	467	337 G St	95616	(530) 297 0400	Nor Cal Venture Group Inc	Anil	Yadav
CA	Del Rey Oaks	3478	435 Canyon Del Rey Blvd	93940	(831) 899 8615	Central Coast Restaurants Inc	Michael	Flores
CA	Desert Hot Springs	5328	22600 Palm Dr	92240	(760) 329-4991	Desert Jack LLC	Terry	Shindle
CA	Diamond Bar	3216	1165 S Diamond Bar Blvd	91765	(909) 861 3562	Three Powers Foods Inc	Cedric	Fong

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Diamond Bar	3245	20965 Golden Springs Dr	91765	(909) 595 1414	JYM Enterprises Inc	John	Maki
CA	Dinuba	3446	2100 E El Monte Way	93618	(559) 591 3505	VTP Enterprises	Patrice	Roux
CA	Dixon	3454	150 Dorset Dr	95620	(707) 678 3045	Nor Cal Venture Group Inc	Anil	Yadav
CA	Downey	218	7905 E Imperial Hwy	90242	(562) 862 1958	Square King Foods Inc	Sam	Fong
CA	Downey	3154	10037 Lakewood Blvd	90240	(562) 923 1934	Three Powers Foods Inc	Cedric	Fong
CA	Downey	3511	8136 Telegraph Blvd	90240	(562) 776-6038	Jushen Restaurants Inc	Priya	Dhillon
CA	Dublin	462	7265 Village Pkwy	94568	(925) 828 2040	Gogris Corporation	Shilpa	Gogri
CA	Dunnigan	3465	3970 County Rd 89	95937	(530) 724-4022	Devika Restaurants Inc	Dev	Sagar
CA	Eagle Rock	326	4470 Eagle Rock Blvd	90041	(323) 259 3154	Sood Enterprises Inc	Sudesh	Sood
CA	Echo Park	3348	1710 Glendale Blvd	90026	(323) 661 7225	Sunrise Foods LLC	Riju	Sood
CA	El Cajon	7	393 W Main St	92020	(619) 447 2520	DMSD Foods Inc	Dawood	Beshay
CA	El Cajon	32	495 N 2nd St	92021	(619) 440 8286	DMSD Foods Inc	Dawood	Beshay
CA	El Cajon	54	2733 Navajo Rd	92020	(619) 697 3957	DMSD Foods Inc	Dawood	Beshay
CA	El Cajon	78	140 Broadway	92021	(619) 442-4747	DMSD Foods Inc	Dawood	Beshay
CA	El Cajon	3003	2461 Jamacha Rd	92019	(619) 444-1086	Charles J Stauffer	Charles	Stauffer
CA	El Cajon	3033	14039 Highway 8 Business	92021	(619) 938 1940	DMSD Foods Inc	Dawood	Beshay
CA	El Cajon	3050	350 E Chase Ave	92020	(619) 401 9631	DMSD Foods Inc	Dawood	Beshay
CA	El Cajon	3064	1700 E Main St	92021	(619) 441-2564	DMSD Foods Inc	Dawood	Beshay
CA	El Cerrito	428	10409 San Pablo Ave	94530	(510) 525 6271	Gul Food Management Inc	Saeed	Khan
CA	El Cerrito	572	5920 Cutting Blvd	94530	(510) 236 9195	Gul Food Management Inc	Saeed	Khan
CA	El Dorado Hills	3439	1023 Saratoga Way	95762	(916) 933 5764	Vanmel Inc	Anil	Yadav
CA	El Monte	3211	1933 Durfee Ave	91733	(626) 444-8029	JYM Enterprises Inc	John	Maki
CA	El Monte	3256	10699 Valley Blvd	91731	(626) 444-3629	JYM Enterprises Inc	Hisayo	Maki
CA	El Monte	5335	9220 Flair Dr	91731	(626) 571 5462	JYM Enterprises Inc	John	Maki
CA	El Monte	5346	11780 Ramona Blvd	91732	(626) 279 7549	JYM Enterprises Inc	John	Maki
CA	El Sobrante	418	4080 San Pablo Dam Rd	94803	(510) 223 3354	ARGO Hospitality Services Inc	Sushma	Gupta
CA	Elk Grove	3436	9179 Elk Grove Florin Rd	95624	(916) 685 2520	Nor Cal Venture Group Inc	Anil	Yadav
CA	Elk Grove	3438	4820 Laguna Blvd	95758	(916) 683 6545	Nor Cal Venture Group Inc	Anil	Yadav
CA	Encinitas	97	1439 Encinitas Blvd	92024	(760) 943 1134	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Escondido	75	550 W Mission Ave	92025	(760) 745-7785	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Etiwanda	5373	12340 Highland Ave Ste B	91739	(909) 646 9512	AW Malik Inc	Aslam	Malik
CA	Eureka	4317	1620 Broadway	95501	(707) 476 0477	Indmex Corporation	Shilpa	Gogri
CA	Fair Oaks	521	8100 Greenback Ln	95628	(916) 723 5947	Brian W Emry	Brian	Emry
CA	Fallbrook	66	1465 S Mission Rd	92028	(760) 723 8565	Beshay Foods Inc	Dawood	Beshay
CA	Farmersville	5401	1662 N Farmersville Blvd	93223	(559) 747 5000	VTP Enterprises	Patrice	Roux
CA	Folsom	3442	9550 Greenback Ln	95630	(916) 988 3927	Vanmel Inc	Anil	Yadav
CA	Folsom	3452	401 Blue Ravine Rd	95630	(916) 983 2139	Vanmel Inc	Anil	Yadav
CA	Fontana	3370	3910 Sierra Ave	92336	(909) 429 0170	North Star Food Services Inc	Gregory	Gribble
CA	Fontana	3554	13449 Baseline Ave	92336	(909) 463-6434	AW Malik Inc	Aslam	Malik

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Freedom	3487	1700 Freedom Blvd	95019	(831) 724 8081	Central Coast Restaurants Inc	Michael	Flores
CA	Fremont	402	36848 Fremont Blvd	94536	(510) 793 6011	Parivar Inc	Anil	Yadav
CA	Fremont	425	41115 Fremont Blvd	94538	(510) 656 9535	Parivar Inc	Anil	Yadav
CA	Fremont	529	46351 Mission Blvd	94539	(510) 657 9652	AKKAM INC	Anil	Yadav
CA	Fremont	598	34701 Ardenwood Blvd	94555	(510) 796 5972	Parivar Inc	Anil	Yadav
CA	Fremont	3461	43921 Osgood Rd	94539	(510) 353 9739	Parivar Inc	Anil	Yadav
CA	Fremont	4328	5533 Stevenson Blvd	94538	(510) 490 3299	Parivar Inc	Anil	Yadav
CA	Fremont	4366	40015 Mission Blvd	94539	(510) 770 9583	BCL Jones Jack #4366 Inc	Larry	Jones
CA	Fresno	441	2124 N Blackstone Hwy	93703	(559) 224-6431	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	507	3025 E Shaw Ave	93710	(559) 292 7754	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	509	3110 E Tulare St	93702	(559) 237 2833	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	526	2195 W Shaw Ave	93711	(559) 229-4247	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	538	6720 N Blackstone Ave	93710	(559) 432 2826	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	582	4968 E Kings Canyon Rd	93727	(559) 251 5070	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	3294	3085 E Central Ave	93725	(559) 237 6189	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	3295	8008 N Cedar Ave	93720	(559) 324 1822	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	3398	1167 N Clovis Ave	93727	(559) 453 2871	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	3530	3058 W Clinton Ave	93722	(559) 275-4237	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	5379	6759 N Milburn Ave	93722	(559) 449 0424	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fresno	5435	1405 W Olive Ave	93708	(559) 476 1902	Fresno Foods LLC	Behzad	Nematzadeh
CA	Fullerton	262	2315 W Orangethorpe Ave	92833	(714) 992 1793	KIPER ENTERPRISES INC	Gino	Perucci
CA	Fullerton	394	1010 N Harbor Blvd	92832	(714) 526 0235	SB Food Express Inc	Hai	Zaidul
CA	Fullerton	3244	235 E Orangethorpe Ave	92832	(714) 578 0451	JVS Foods Inc	Victoria	Su
CA	Fullerton	3277	439 E Imperial Hwy	92835	(714) 871 1926	SB Food Express Inc	Hai	Zaidul
CA	Fullerton	3337	2001 N Euclid St	92835	(714) 447 8176	Graffius & Graffius Inc	Mark	Graffius
CA	Fullerton	5395	751 N Placentia Ave	92831	(714) 993 3814	Square King Foods Inc	Sam	Fong
CA	Galt	4367	10390 Twin Cities Rd	95632	(209) 744 0700	Nor Cal Venture Group Inc	Anil	Yadav
CA	Garden Grove	173	13282 Harbor Blvd	92843	(714) 537 5133	Graffius Food Services Inc	Karen	Graffius
CA	Garden Grove	195	12107 Euclid St	92840	(714) 530 5285	Graffius Food Services Inc	Karen	Graffius
CA	Garden Grove	3242	8971 Garden Grove Blvd	92844	(714) 537 1783	KIPER ENTERPRISES INC	Gino	Perucci
CA	Gardena	3260	13510 Western Ave	90249	(310) 538 5561	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Gardena	3283	1000 W Rosecrans Ave	90247	(310) 538 3149	Dhillon Foods Inc	Priya	Dhillon
CA	Gardena	3542	1099 W Artesia Blvd	90248	(310) 532 3528	LIHWA Group Inc	Erh Mei	Su
CA	Gilroy	478	7895 Monterey Rd	95020	(408) 848 2395	Central Coast Restaurants Inc	Michael	Flores
CA	Gilroy	3458	5900 Travel Park Cir	95020	(408) 846-4898	Central Coast Restaurants Inc	Michael	Flores
CA	Gilroy	4369	7110 Camino Arroyo	95020	(408) 847 8131	Central Coast Restaurants Inc	Michael	Flores
CA	Glendale	325	1131 Colorado St	91205	(818) 240 0450	Sood Enterprises Inc	Sudesh	Sood
CA	Glendale	342	1200 W Glenoaks Blvd	91201	(818) 956 0470	Sood Enterprises Inc	Sudesh	Sood
CA	Goleta	159	6875 Hollister Ave	93117	(805) 685 8552	SBF Foods LLC	Pankaj	Bhatia

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Granada Hills	333	17744 Chatsworth St	91344	(818) 363 9013	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Granada Hills	349	16945 San Fernando Mission	91344	(818) 363 9982	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Grass Valley	583	11801 E Main St	95945	(530) 272 3041	Nor Cal Venture Group Inc	Anil	Yadav
CA	Hacienda Heights	324	1159 S Hacienda Blvd	91745	(626) 330 3608	PCH Venture Group East Inc	Lee	Su
CA	Hanford	563	1518 N 11th Ave	93230	(559) 582 6382	VTP Enterprises	Patrice	Roux
CA	Hanford	5343	1650 W Lacey Blvd	93230	(559) 584-7886	VTP Enterprises	Patrice	Roux
CA	Hawaiian Gardens	380	12150 Carson St	90716	(562) 496 0540	BB 2008 Inc	Lee	Su
CA	Hawthorne	383	5016 El Segundo Blvd	90250	(310) 644-0027	Tri P s Management Corporation	Cedric	Price
CA	Hayward	424	25198 Hesperian Blvd	94545	(510) 786 3449	BCL Jones Jack #424 Inc	Larry	Jones
CA	Hayward	447	24175 Mission Blvd	94544	(510) 537 2121	BCL Jones Inc	Larry	Jones
CA	Hayward	531	31005 Mission Blvd	94544	(510) 487-6838	Gogris Corporation	Shilpa	Gogri
CA	Hemet	168	1595 E Florida Ave	92544	(951) 929 2104	David L Flohr & Steven J Flohr PTRS	Steven	Flohr
CA	Hemet	3239	3111 W Florida Ave	92545	(951) 766 8890	David L Flohr & Steven J Flohr PTRS	Steven	Flohr
CA	Hemet	5393	43150 E Florida Ave	92544	(951) 927 2769	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Hermosa Beach	257	1160 Aviation Blvd	90254	(310) 379 9173	Dhillon Foods Inc	Priya	Dhillon
CA	Hesperia	182	17378 Main St	92345	(760) 948 1353	Envision Foods LLC	Terry	Shindle
CA	Hesperia	3282	13137 Main St	92345	(760) 244-6704	JIB Holdings I LLC	Terry	Shindle
CA	Highland	192	3653 E Highland Ave	92346	(909) 864-0466	OC Food Express Inc	Hai	Zaidul
CA	Hollister	3448	391 Mccray St	95023	(831) 630 0507	Central Coast Restaurants Inc	Michael	Flores
CA	Hollywood	385	1243 N Highland Ave	90038	(323) 461 7605	Sunrise Foods LLC	Riju	Sood
CA	Huntington Beach	191	15001 Edwards St	92647	(714) 894-0078	Kigar LLC	Jaime	Garcia
CA	Huntington Beach	263	16311 Beach Blvd	92647	(714) 841-4984	KIPER ENTERPRISES INC	Gino	Perucci
CA	Huntington Beach	285	17243 Pacific Coast Highway	92649	(562) 592 1465	OC Food Express Inc	Hai	Zaidul
CA	Huntington Beach	289	6042 Edinger Ave	92647	(714) 846 2235	Kigar LLC	Jaime	Garcia
CA	Huntington Beach	377	18462 Beach Blvd	92648	(714) 841 2325	KIPER ENTERPRISES INC	Gino	Perucci
CA	Huntington Beach	3385	19090 Brookhurst St	92646	(714) 963 7772	Kigar LLC	Jaime	Garcia
CA	Imperial Beach	12	890 Palm Ave	91932	(619) 424 6302	N Farooqi Restaurants LLC	Nasir	Farooqi
CA	Indio	82	82210 Us Highway 111	92201	(760) 347 2188	Envision Foods LLC	Terry	Shindle
CA	Indio	3561	42250 Washington St	92201	(760) 772 2658	Desert Jack LLC	Terry	Shindle
CA	Inglewood	232	4737 Imperial Hwy	90304	(310) 673 5025	Dhillon Foods Inc	Priya	Dhillon
CA	Inglewood	254	1127 W Manchester Blvd	90301	(310) 337 1945	Dhillon Foods Inc	Priya	Dhillon
CA	Inglewood	256	4069 W Century Blvd	90304	(310) 419 8153	TBS Foods Inc	Behzad	Nematzadeh
CA	Inglewood	3500	11306 Crenshaw Blvd	90303	(323) 242 9499	JVS Foods Inc	Victoria	Su
CA	Inglewood	5434	3107 W Manchester Blvd	90305	(323) 789 6791	JVS Foods Inc	Victoria	Su
CA	Irvine	3278	6565 Burt Rd	92618	(949) 733 8031	Graffius Food Services Inc	Mark	Graffius
CA	Irvine	3538	3911 Irvine Blvd	92602	(714) 832-4590	JDC Food Services Inc	Caryn	Ochoa
CA	Irvine	5336	4289 Campus Dr	92612	(949) 823 8983	Enchant Foods Inc	Priya	Dhillon
CA	Irwindale	3225	16000 Arrow Hwy	91706	(626) 337 1684	California Sunrise Incorporated	Garren	Grieve
CA	Jackson	4336	11222 Old Mill Ln	95642	(209) 223 7800	Nor Cal Venture Group Inc	Anil	Yadav

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Kettleman City	3263	33313 Bernard Dr	93239	(559) 386-4413	VTP Enterprises	Patrice	Roux
CA	La Canada	303	2225 Foothill Blvd	91011	(818) 957 1963	Sood Enterprises Inc	Sudesh	Sood
CA	La Habra	3298	1231 W Whittier Blvd	90631	(562) 691 1945	Three Powers Foods Inc	Cedric	Fong
CA	La Mesa	4	6987 University Ave	91941	(619) 469 1639	Charles J Stauffer	Charles	Stauffer
CA	La Mesa	25	6140 Lake Murray Blvd	91942	(619) 463 1410	N Farooqi Enterprises LLC	Nasir	Farooqi
CA	La Mesa	35	5141 Jackson Dr	91941	(619) 697 3233	DMSD Foods Inc	Dawood	Beshay
CA	La Mirada	3544	13495 Beach Blvd	90638	(562) 902 2214	Graffius & Graffius Inc	Mark	Graffius
CA	La Puente	319	14304 Amar Rd	91744	(626) 918 7569	JYM Enterprises Inc	John	Maki
CA	La Puente	5337	506 Workman Mill Rd	91746	(626) 336 5853	Double G Partners	Garren	Grieve
CA	La Quinta	3593	79724 Highway 111	92253	(760) 863 0350	Desert Jack LLC	Terry	Shindle
CA	Lafayette	429	3407 Mt Diablo Blvd	94549	(925) 284 1371	Gogris Corporation	Shilpa	Gogri
CA	Laguna Beach	296	1201 S Coast Hwy	92651	(949) 494 9557	R W Forsum Enterprises	Reynold	Forsum
CA	Laguna Hills	3350	23562 Moulton Pkwy	92653	(949) 586 9328	Graffius Food Services Inc	Mark	Graffius
CA	Lake Elsinore	5378	29993 Canyon Hills Rd	92532	(951) 244 2649	DMSD Foods Inc	Dawood	Beshay
CA	Lake Forest	3287	22661 Lake Forest Dr	92630	(949) 859 5785	GCP Enterprises Inc	Christina	Perucci
CA	Lake Forest	3546	20101 Lake Forest Dr	92630	(949) 455 1228	R W Forsum Enterprises	Reynold	Forsum
CA	Lakeport	3490	41 Soda Bay Rd	95453	(707) 263 8063	North Bay Jack Inc	Ali	Morovat
CA	Lakeside	58	12155 Woodside Ave	92040	(619) 443 0161	DMSD Foods Inc	Dawood	Beshay
CA	Lakewood	214	5858 Del Amo Blvd	90713	(562) 420 9971	Square King Foods Inc	Sam	Fong
CA	Lakewood	259	5747 Lakewood Blvd	90712	(562) 602 1100	Big Fun Foods	Kevin	Townsend
CA	Lakewood	3386	11501 Carson St	90715	(562) 860 2027	OC Food Express Inc	Hai	Zaidul
CA	Lancaster	367	43628 W 10th St	93534	(661) 942 0522	Envision Foods LLC	Terry	Shindle
CA	Lancaster	3300	2030 W Avenue K	93536	(661) 945-4244	Envision Foods LLC	Terry	Shindle
CA	Lancaster	3562	2443 W Avenue I	93536	(661) 726 3626	JIB Holdings I LLC	Terry	Shindle
CA	Lancaster	5309	1799 E Avenue J	93535	(661) 949 8975	JIB Holdings I LLC	Terry	Shindle
CA	Lathrop	588	100 E Louise Ave	95330	(209) 858 1801	Varris Management Inc	Anil	Yadav
CA	Lawndale	239	15025 Hawthorne Blvd	90260	(310) 644 3584	BB 2008 Inc	Lee	Su
CA	Lemoore	517	31 E Hanford Armona Rd	93245	(559) 924 0424	VTP Enterprises	Patrice	Roux
CA	Lincoln	4313	455 Highway 65	95648	(916) 409 0571	Nor Cal Venture Group Inc	Anil	Yadav
CA	Livermore	483	1817 1st St	94550	(925) 447-4325	JB Restaurant #483 Inc	Larry	Jones
CA	Livermore	3419	6020 Industrial Way	94551	(925) 606 0793	JB Restaurant #3419 Inc	Larry	Jones
CA	Livermore	3462	1650 N Livermore Ave	94551	(925) 371 2950	JB Restaurant #3462 Inc	Larry	Jones
CA	Livingston	4351	400 Joseph Gallo Ct	95334	(209) 394-8840	Fresno Foods LLC	Behzad	Nematzadeh
CA	Lodi	493	419 W Lodi Ave	95240	(209) 369-4590	Yadav Inc	Anil	Yadav
CA	Lodi	4301	2425 Kettleman Ln	95242	(209) 334-3875	Amanat Inc	Anil	Yadav
CA	Lomita	152	2101 Palos Verdes Dr N	90717	(310) 325 4552	Dhillon Foods Inc	Priya	Dhillon
CA	Lomita	283	1724 W Pacific Coast Hwy	90717	(310) 326 5225	PCH Venture Group Inc	Erh Mei	Su
CA	Lompoc	390	539 N H St	93436	(805) 735 1264	SBF Foods LLC	Pankaj	Bhatia
CA	Long Beach	156	5601 Pacific Coast Hwy	90804	(562) 494-4799	Three Powers Foods Inc	Cedric	Fong

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Long Beach	213	3399 E Pacific Coast Hwy	90755	(562) 494-6740	Big Fun Foods	Kevin	Townsend
CA	Long Beach	216	2101 E Anaheim St	90804	(562) 439 8958	LIHWA Group Inc	Erh Mei	Su
CA	Long Beach	244	5252 E 2nd St	90803	(562) 439 8323	OC Food Express Inc	Hai	Zaidul
CA	Long Beach	271	3032 Palo Verde Ave	90808	(562) 496 0741	Square King Foods Inc	Sam	Fong
CA	Long Beach	376	3980 E Ocean Blvd	90803	(562) 439-6798	PCH Venture Group Inc	Erh Mei	Su
CA	Long Beach	384	1190 E Pacific Coast Hwy	90806	(562) 591 3868	Dhillon Foods Inc	Priya	Dhillon
CA	Long Beach	3226	4170 Lakewood Blvd	90808	(562) 496-4565	Big Fun Foods	Kevin	Townsend
CA	Long Beach	3238	2001 E Artesia Blvd	90805	(562) 531 6894	Jushen Restaurants Inc	Priya	Dhillon
CA	Long Beach	3302	1720 W Pacific Coast Hwy	90810	(562) 436 6850	PCH Venture Group East Inc	Lee	Su
CA	Long Beach	3597	5150 Atlantic Ave	90805	(562) 423 2164	LMS Group Inc	Lee	Su
CA	Los Alamitos	5351	11250 Los Alamitos Blvd	90720	(562) 598-6302	WHG Restaurant Group Inc	Gregory	Gribble
CA	Los Altos	421	4896 El Camino Real	94022	(408) 515 5966	JB Restaurant #421 Inc	Shang Chun	Hsia
CA	Los Angeles	151	5075 W Whittier Blvd	90022	(323) 266 2449	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Angeles	229	2220 W Slauson Ave	90043	(323) 298 0653	Tri P s Management Corporation	Cedric	Price
CA	Los Angeles	270	4353 S Figueroa St	90037	(323) 235-4345	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Angeles	279	1441 W Martin Luther King Blvd	90062	(323) 290 2520	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Angeles	287	4407 S Central Ave	90011	(323) 233-4440	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Angeles	290	2511 S Vermont Ave	90007	(323) 735 7124	Sunrise Foods LLC	Riju	Sood
CA	Los Angeles	291	10701 Venice Blvd	90034	(310) 836 2385	Sunrise Foods LLC	Riju	Sood
CA	Los Angeles	292	4210 Crenshaw Blvd	90008	(323) 293 0034	Tri P s Management Corporation	Cedric	Price
CA	Los Angeles	293	465 S Fairfax Ave	90036	(323) 936 7709	Sunrise Foods LLC	Riju	Sood
CA	Los Angeles	294	10307 S Central Ave	90002	(323) 564 7156	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Angeles	298	7120 S Broadway	90003	(323) 751 5083	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Angeles	335	2521 Pasadena Ave	90031	(323) 223 6094	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Los Angeles	3161	11010 Pico Blvd	90064	(310) 470 8581	BB 2008 Inc	Lee	Su
CA	Los Angeles	3230	2120 W Pico Blvd	90006	(213) 252 8209	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Los Angeles	3339	1335 S Soto St	90023	(323) 263 1450	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Los Angeles	3345	5201 Wilshire Blvd	90036	(323) 965 8102	Sunrise Foods LLC	Riju	Sood
CA	Los Angeles	3507	1415 S Alameda St	90021	(213) 746 8827	Sunrise Foods LLC	Riju	Sood
CA	Los Angeles	5352	12735 S Main St	90061	(323) 820 1865	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Los Angeles	5425	1000 W Slauson Ave	90044	(323) 834-0199	TBS Foods Inc	Behzad	Nematzadeh
CA	Los Banos	3451	1370 E Pacheco Blvd	93635	(209) 829 0341	CALJAX INC	Metri	Lutfi
CA	Los Banos	4389	1117 W Pacheco Blvd	93635	(209) 829 0391	CALJAX INC	Metri	Lutfi
CA	Los Gatos	434	15771 Los Gatos Blvd	95032	(408) 356 1049	Central Coast Restaurants Inc	Michael	Flores
CA	Lynwood	249	11390 Atlantic Ave	90262	(310) 631 6933	TBS Foods Inc	Behzad	Nematzadeh
CA	Madera	524	950 N Gateway Dr	93637	(559) 661 1412	Fresno Foods LLC	Behzad	Nematzadeh
CA	Madera	5436	1545 E Yosemite Rd	93638	(559) 664 5138	Fresno Foods LLC	Behzad	Nematzadeh
CA	Madera	5441	1800 Howard Rd	93637	(559) 664 8920	Fresno Foods LLC	Behzad	Nematzadeh
CA	Manhattan Beach	395	815 N Sepulveda Blvd	90266	(310) 318 3014	Dhillon Foods Inc	Priya	Dhillon

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Manteca	498	1105 N Main St	95336	(209) 239 9525	Varris Management Inc	Anil	Yadav
CA	Manteca	3427	1081 S Main St	95337	(209) 239 8288	Amanat Inc	Anil	Yadav
CA	Manteca	4303	1310 E Yosemite Ave	95336	(209) 824-5359	Amanat Inc	Anil	Yadav
CA	Marina	3485	211 Reservation Rd	93933	(831) 883 1721	Central Coast Restaurants Inc	Michael	Flores
CA	Martinez	523	3955 Alhambra Ave	94553	(925) 229 2288	Excelsior Foods Inc	Terence	Chu
CA	Marysville	488	810 E St	95901	(530) 741 2889	CALJAX INC	Metri	Lutfi
CA	Maywood	225	3700 E Slauson Ave	90270	(323) 582 6622	TBS Foods Inc	Behzad	Nematzadeh
CA	Menifee	5380	27256 Hwy 74	92585	(951) 438 0800	R W Forsum Enterprises	Reynold	Forsum
CA	Merced	465	595 W Olive Ave	95348	(209) 723 2443	Fresno Foods LLC	Behzad	Nematzadeh
CA	Merced	580	1270 V St	95340	(209) 723 2465	Fresno Foods LLC	Behzad	Nematzadeh
CA	Midway City	277	15232 Beach Blvd	92655	(714) 892 1039	ITNA Group Inc	Abdul	Sadruddin
CA	Mission Viejo	3188	28651 Marguerite Pkwy	92692	(949) 364 9457	R W Forsum Enterprises	Reynold	Forsum
CA	Mission Viejo	3335	25852 El Paseo	92691	(949) 367 1909	DMSD Foods Inc	Dawood	Beshay
CA	Mission Viejo	3526	25800 Jeronimo Rd Ste 500	92691	(949) 768 7485	GCP Enterprises Inc	Christina	Perucci
CA	Modesto	442	2044 W Orangeburg Ave	95350	(209) 521 5578	CALJAX INC	Metri	Lutfi
CA	Modesto	487	2612 Coffee Rd	95355	(209) 578 3151	CALJAX INC	Metri	Lutfi
CA	Modesto	502	1239 Yosemite Blvd	95354	(209) 578 3039	Amanat Inc	Anil	Yadav
CA	Modesto	508	3430 Tully Rd Ste 65	95350	(209) 526-4355	Vansh Inc	Anil	Yadav
CA	Modesto	543	1624 J St	95354	(209) 526 9966	Amanat Inc	Anil	Yadav
CA	Modesto	575	1800 Mchenry Ave	95350	(209) 576 2486	CALJAX INC	Metri	Lutfi
CA	Modesto	3445	2937 E Hatch Rd	95351	(209) 538-4026	CALJAX INC	Metri	Lutfi
CA	Modesto	3449	900 Oakdale Rd	95355	(209) 578 1799	CALJAX INC	Metri	Lutfi
CA	Modesto	3468	801 Kansas Ave	95351	(209) 521 2660	Amanat Inc	Anil	Yadav
CA	Modesto	3488	339 Paradise Ave	95351	(209) 521 0194	CALJAX INC	Metri	Lutfi
CA	Modesto	3494	3621 Yosemite Blvd	95357	(209) 491 3687	Amanat Inc	Anil	Yadav
CA	Modesto	4394	2301 Crows Landing Rd A	95351	(209) 537 2955	CALJAX INC	Metri	Lutfi
CA	Mojave	3318	15536 Highway 14	93501	(661) 824-5303	JIB Holdings I LLC	Terry	Shindle
CA	Montclair	193	9515 Central Ave	91763	(909) 624-7625	Syed Enterprises Inc	Syed	Sultan
CA	Montclair	5315	4565 Holt Blvd	91763	(909) 447 1214	AMSU Financial Inc	Aslam	Malik
CA	Montebello	245	108 N Garfield Ave	90640	(323) 724 3764	JYM Enterprises Inc	Hisayo	Maki
CA	Montebello	255	706 W Beverly Blvd	90640	(323) 722 0211	JYM Enterprises Inc	Hisayo	Maki
CA	Montebello	3520	869 W Washington Blvd	90640	(323) 722 6943	Three Powers Foods Inc	Cedric	Fong
CA	Montebello	5353	892 N Garfield Ave	90640	(323) 724-3462	JYM Enterprises Inc	Hisayo	Maki
CA	Monterey	9014	889 Abrego St	93940	(831) 375 1333	Central Coast Restaurants Inc	Michael	Flores
CA	Moorpark	5391	538 W New Los Angeles Ave	93021	(805) 553 9283	Sood Enterprises Inc	Sudesh	Sood
CA	Moreno Valley	3349	23577 Sunnymead Ranch Pkwy	92557	(951) 247 7483	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Moreno Valley	5388	14485 Moreno Beach Dr	92555	(951) 601 1594	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Moreno Valley	5423	24985 Elder Ave	92557	(951) 485 8020	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Morgan Hill	560	17015 Condit Rd	95037	(408) 778 1078	Central Coast Restaurants Inc	Michael	Flores

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Morgan Hill	3479	15855 Monterey Rd	95037	(408) 778 9134	Central Coast Restaurants Inc	Michael	Flores
CA	Mountain View	453	200 W El Camino Real	94040	(650) 964-4266	Central Coast Restaurants Inc	Michael	Flores
CA	Mountain View	3425	510 N Shoreline Blvd	94043	(650) 964-0937	JB Restaurant #3425 Inc	Larry	Jones
CA	Murrieta	3369	24620 Madison Ave	92562	(951) 696 5958	DMSD Foods Inc	Dawood	Beshay
CA	Murrieta	5368	39380 Murrieta Hot Springs Rd	92563	(951) 698 6800	DMSD Foods Inc	Dawood	Beshay
CA	Murrieta	5407	33080 Antelope Rd	92563	(951) 301-4101	DMSD Foods Inc	Dawood	Beshay
CA	Murrieta	5439	27608 Clinton Keith Road	92562	(951) 244 0439	DMSD Foods Inc	Dawood	Beshay
CA	National City	80	3138 Plaza Blvd	91950	(619) 470 1008	N Farooqi Properties LLC	Nasir	Farooqi
CA	Needles	185	221 J St	92363	(760) 326-4746	River Fast Foods Inc	Adel	Farag
CA	Newark	3481	39017 Cedar Blvd	94560	(510) 574 0695	Amanat Inc	Anil	Yadav
CA	Newport Beach	3171	4625 W Coast Hwy	92663	(949) 650 1763	KIPER ENTERPRISES INC	Christina	Perucci
CA	Norco	198	2065 River Rd	92860	(951) 734 0362	Jumbo Fun Foods	Kevin	Townsend
CA	Norco	3212	1491 6th St	92860	(951) 737 1496	R W Forsum Enterprises	Reynold	Forsum
CA	North Highlands	561	4990 Watt Ave	95660	(916) 332-4282	Anand Inc	Dharmesh	Patel
CA	North Hollywood	314	6551 Lankershim Blvd	91606	(818) 763 3818	Sood Enterprises Inc	Sudesh	Sood
CA	North Hollywood	3183	12900 Sherman Way	91605	(818) 982 5225	Sood Enterprises Inc	Usha	Sood
CA	North Palm Springs	3388	6555 Indian Cyn	92258	(760) 251 0206	Desert Jack LLC	Terry	Shindle
CA	Northridge	190	11216 Tampa Ave	91326	(818) 368 9941	Ocean View Foods Inc	Terence	Jones
CA	Northridge	307	8322 Balboa Ave	91325	(818) 345 6492	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Northridge	317	19322 Roscoe Blvd	91324	(818) 885 8149	Newco Foods Inc	Sudesh	Sood
CA	Northridge	344	9433 Reseda Blvd	91324	(818) 885 8261	Ocean View Foods Inc	Terence	Jones
CA	Norwalk	217	12060 Rosecrans Ave	90650	(562) 929 6531	TBS Foods Inc	Behzad	Nematzadeh
CA	Norwalk	288	11353 Firestone Blvd	90650	(562) 929 0132	LMS Group Inc	Lee	Su
CA	Norwalk	3169	12603 Norwalk Blvd	90650	(562) 868 5677	Three Powers Foods Inc	Cedric	Fong
CA	Novato	473	301 Enfrente Rd	94949	(415) 883 8196	TJLM Food Services Inc	Lauren	Tom
CA	Novato	4382	7135 Redwood Blvd	94945	(415) 878 0465	Reshiv Inc	Ali	Morovat
CA	Oakdale	514	606 E F St	95361	(209) 847 2598	CALJAX INC	Metri	Lutfi
CA	Oakhurst	4372	40070 Highway 49	93644	(559) 658 6061	Fresno Foods LLC	Behzad	Nematzadeh
CA	Oceanside	89	3808 Plaza Dr	92056	(760) 941 0841	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Oceanside	98	2474 Vista Way	92054	(760) 966 0041	Beshay Foods Inc	Dawood	Beshay
CA	Oceanside	3026	4211 Oceanside Blvd	92056	(760) 758 2964	Beshay Foods Inc	Dawood	Beshay
CA	Oceanside	3061	3909 Mission Ave	92054	(760) 439 9852	Beshay Foods Inc	Dawood	Beshay
CA	Ontario	373	1551 E 4th St	91764	(909) 984 3114	WHG Restaurant Group Inc	Gregory	Gribble
CA	Ontario	3381	2458 S Vineyard Ave	91761	(909) 923 5743	North Star Food Services Inc	Gregory	Gribble
CA	Ontario	3384	4351 Ontario Mills Pkwy	91764	(909) 484-4842	AMSU Financial Inc	Aslam	Malik
CA	Ontario	3555	1840 Holt Blvd	91761	(909) 395 9987	AMSU Financial Inc	Aslam	Malik
CA	Ontario	3578	3500 E Philadelphia St	91761	(909) 923 5966	AW Malik Inc	Aslam	Malik
CA	Ontario	5330	800 S Mountain Ave Ste A	91762	(909) 988-7568	AMSU Financial Inc	Aslam	Malik
CA	Ontario	5345	2710 Riverside Dr	91761	(909) 773 1706	North Star Food Services Inc	Gregory	Gribble

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Ontario	5360	4880 Motor Ln Bldg A	91761	(909) 605 2705	AW Malik Inc	Aslam	Malik
CA	Ontario	5371	1780 S Grove Ave	91761	(909) 947-7049	AW Malik Inc	Aslam	Malik
CA	Orange	196	2500 N Tustin St	92865	(714) 998 1450	JDC Food Services Inc	Caryn	Ochoa
CA	Orange	282	3111 E Chapman Ave	92869	(714) 532 5029	JDC Food Services Inc	Caryn	Ochoa
CA	Orange	3305	431 W Katella Ave	92867	(714) 744-4129	Jokar Enterprises Inc	Mark	Graffius
CA	Orange	5390	3050 W Chapman Ave	92868	(714) 634-3686	Makar Foods Inc	George	Crankshaw
CA	Orcutt	189	5001 Orcutt Rd	93455	(805) 937 7771	SBF Foods LLC	Pankaj	Bhatia
CA	Oroville	515	1797 Oro Dam Blvd	95965	(530) 534-3032	CALJAX INC	Metri	Lutfi
CA	Oxnard	3237	2580 N Vineyard Ave	93030	(805) 485 0773	Caltex Foods Inc	Mike	Herrick
CA	Palm Desert	5363	36555 Cook St	92211	(760) 773 3025	Desert Jack LLC	Terry	Shindle
CA	Palm Springs	3185	2591 E Tahquitz Canyon Way	92262	(760) 416 6678	Desert Jack LLC	Terry	Shindle
CA	Palm Springs	3583	694 S Palm Canyon Dr	92264	(760) 416 2543	Desert Jack LLC	Terry	Shindle
CA	Palm Springs	5381	5200 E Ramon Rd	92264	(760) 325-4936	Desert Jack LLC	Terry	Shindle
CA	Palmdale	363	564 E Palmdale Blvd	93550	(661) 947 2729	Envision Foods LLC	Terry	Shindle
CA	Palmdale	3352	570 W Avenue P	93551	(661) 273 8261	JIB Holdings I LLC	Terry	Shindle
CA	Palmdale	3596	37070 47th St E	93552	(661) 285 7382	JIB Holdings I LLC	Terry	Shindle
CA	Panorama City	306	15342 Roscoe Blvd	91402	(818) 892 7059	Bromley Foods Inc	Terence	Jones
CA	Paradise	513	6729 Skyway	95969	(530) 872 3336	Chico Foods LLC	Behzad	Nematzadeh
CA	Paramount	3206	7930 Rosecrans Ave	90723	(562) 633 6232	TBS Foods Inc	Behzad	Nematzadeh
CA	Pasadena	183	1415 E Colorado St	91106	(626) 792 7076	Ocean View Foods Inc	Terence	Jones
CA	Pasadena	323	30 N Rosemead Blvd	91107	(626) 304 9356	JYM Enterprises Inc	Elaine	Maki
CA	Paso Robles	171	2304 Spring St	93446	(805) 238 9002	SBF Foods LLC	Pankaj	Bhatia
CA	Paso Robles	3505	1900 Ramada Dr	93446	(805) 226 8262	SBF Foods LLC	Pankaj	Bhatia
CA	Paso Robles	4356	1499 Creston Rd	93446	(805) 237 2514	SBF Foods LLC	Pankaj	Bhatia
CA	Paso Robles	5414	2500 Golden Hill Rd	93446	(805) 237 0779	SBF Foods LLC	Pankaj	Bhatia
CA	Patterson	3460	15050 Rogers Rd	95363	(209) 892 2206	CALJAX INC	Metri	Lutfi
CA	Petaluma	484	837 E Washington St	94952	(707) 763 3612	Shahmun Corporation	Austin	Torres
CA	Petaluma	596	1401 N Mcdowell Blvd	94954	(707) 664-1021	Shahmun Corporation	Austin	Torres
CA	Pico Rivera	3175	6750 Rosemead Blvd	90660	(562) 949 5097	Three Powers Foods Inc	Cedric	Fong
CA	Pismo Beach	4363	334 Five Cities Dr	93449	(805) 556 0580	SBF Foods LLC	Pankaj	Bhatia
CA	Placentia	3203	797 W Orangethorpe Ave	92870	(714) 572 3924	Jokar Enterprises Inc	Mark	Graffius
CA	Placentia	3253	1097 E Imperial Hwy	92870	(714) 528 2960	Square King Foods Inc	Sam	Fong
CA	Placentia	3548	2097 E Orangethorpe Ave	92870	(714) 993-4579	Graffy Foods Inc	Mark	Graffius
CA	Placerville	541	3945 Missouri Flat Rd	95667	(530) 626 1898	CALJAX INC	Metri	Lutfi
CA	Pleasanton	476	4295 Valley Ave	94566	(925) 462 3880	JB Restaurant #476 Inc	Larry	Jones
CA	Pleasanton	4365	1875 Valley Ave	94566	(925) 485 6021	JB Restaurant #4365 Inc	Larry	Jones
CA	Pomona	197	101 W Foothill Blvd	91767	(909) 596 0029	R W Forsum Enterprises	Reynold	Forsum
CA	Pomona	3227	1670 W Mission Rd	91766	(909) 629 6539	Highland Food Express Inc	Hai	Zaidul
CA	Pomona	3547	2775 S Reservoir St	91766	(909) 628 5010	AMSU Financial Inc	Aslam	Malik

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Pomona	3587	1335 N Dudley St	91768	(909) 622 1004	AMSU Financial Inc	Aslam	Malik
CA	Port Hueneme	5403	814 N Ventura Rd	93041	(805) 483 9010	Caltex Foods Inc	Mike	Herrick
CA	Porterville	501	390 W Olive Ave	93257	(559) 781 0155	VTP Enterprises	Patrice	Roux
CA	Porterville	4337	1075 W Henderson Ave	93257	(559) 788 2400	VTP Enterprises	Patrice	Roux
CA	Poway	51	12424 Poway Rd	92064	(858) 486 1170	QSC Ventures Inc	Charles	Stauffer
CA	Ramona	77	1056 Main St	92065	(760) 789 6428	N Farooqi Properties LLC	Nasir	Farooqi
CA	Rancho Cordova	499	10699 Folsom Blvd	95670	(916) 364 5340	Vanmel Inc	Anil	Yadav
CA	Rancho Cucamonga	3299	11767 Foothill Blvd	91730	(909) 980 3441	M & B Restaurant Group	Gregory	Gribble
CA	Rancho Cucamonga	3522	8840 Foothill Blvd	91730	(909) 944 3688	OC Food Express Inc	Hai	Zaidul
CA	Rancho Palos Verdes	382	29317 S Western Ave	90275	(310) 831 3509	Dhillon Foods Inc	Priya	Dhillon
CA	Rancho Santa Margari	3387	28592 Oso Pkwy	92688	(949) 766 5980	KIPER ENTERPRISES INC	Christina	Perucci
CA	Red Bluff	3403	1075 S Main St	96080	(530) 529 2805	Chico Foods LLC	Behzad	Nematzadeh
CA	Redding	3406	1045 Dana Dr	96003	(530) 222 5520	Chico Foods LLC	Behzad	Nematzadeh
CA	Redding	3486	4085 Railroad Ave	96001	(530) 244 3828	Chico Foods LLC	Behzad	Nematzadeh
CA	Redding	4361	800 E Cypress Ave	96002	(530) 226 9478	Chico Foods LLC	Behzad	Nematzadeh
CA	Redlands	3177	605 E Redlands Blvd	92373	(909) 798 1468	Halabian Inc	Hossein	Halabian
CA	Redlands	3297	2062 W Redlands Blvd	92373	(909) 793 2444	SB Food Express Inc	Hai	Zaidul
CA	Redwood City	438	3199 El Camino Real	94061	(650) 365-4655	JB Restaurant #438 Inc	Larry	Jones
CA	Redwood City	469	986 Woodside Rd	94061	(408) 515 1327	BH Restaurant #469 Inc	Shang Chun	Hsia
CA	Redwood City	525	1205 Broadway St	94063	(408) 515 1770	BH Restaurant #525 Inc	Shang Chun	Hsia
CA	Reedley	3512	605 I St	93654	(559) 637 7178	VTP Enterprises	Patrice	Roux
CA	Reseda	5357	6820 Reseda Blvd	91335	(818) 708 3501	Sood Enterprises Inc	Rashmi	Sood
CA	Rialto	162	316 W Foothill Blvd	92376	(909) 875 0890	Halabian Inc	Hossein	Halabian
CA	Ridgecrest	3314	919 S China Lake Blvd	93555	(760) 375 1953	JIB Holdings I LLC	Terry	Shindle
CA	Ripon	4348	1442 Colony Dr Ste B	95366	(209) 599 5871	Varris Management Inc	Anil	Yadav
CA	Riverbank	4344	2246 Patterson Rd	95367	(209) 863 8924	Varris Management Inc	Anil	Yadav
CA	Riverside	179	3981 Tyler St	92503	(951) 689 8470	R W Forsum Enterprises	Reynold	Forsum
CA	Riverside	345	5126 Arlington Ave	92504	(951) 354 8859	Envision Foods LLC	Terry	Shindle
CA	Riverside	392	9195 Jurupa Rd	92509	(951) 681 6161	Halabian Inc	Hossein	Halabian
CA	Riverside	3164	7810 Limonite Ave	92509	(951) 685 6720	DMSD Foods Inc	Dawood	Beshay
CA	Riverside	3213	3450 La Sierra Ave	92503	(951) 687 7580	JDC Food Services Inc	Caryn	Ochoa
CA	Riverside	3518	5700 Sycamore Canyon Blvd	92507	(951) 787 8079	Desert Jack LLC	Terry	Shindle
CA	Riverside	3581	3886 Chicago Ave	92507	(951) 786 3974	Desert Jack LLC	Terry	Shindle
CA	Rocklin	585	4410 Rocklin Rd	95677	(916) 625 9383	Nor Cal Venture Group Inc	Anil	Yadav
CA	Rocklin	3435	6691 Stanford Ranch Rd	95677	(916) 625 9232	Nor Cal Venture Group Inc	Anil	Yadav
CA	Rohnert Park	456	6299 Commerce Blvd	94928	(707) 585 3515	TJLM Food Services Inc	Lauren	Tom
CA	Rosamond	5339	3033 25th St W	93560	(661) 256 5920	JIB Holdings I LLC	Terry	Shindle
CA	Rosemead	308	4216 N Rosemead Blvd	91770	(626) 285 7984	JYM Enterprises Inc	John	Maki
CA	Rosemead	3504	820 San Gabriel Blvd	91770	(626) 569 0363	JYM Enterprises Inc	Hisayo	Maki

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Rosemead	3566	3038 San Gabriel Blvd	91770	(626) 569 0663	JYM Enterprises Inc	Hisayo	Maki
CA	Roseville	570	1923 Douglas Blvd	95661	(916) 782 8003	Nor Cal Venture Group Inc	Anil	Yadav
CA	Roseville	3426	8655 Auburn Blvd	95661	(916) 729 5552	Nor Cal Venture Group Inc	Anil	Yadav
CA	Roseville	4402	5150 Foothills Blvd	95747	(916) 771-4402	Anand Inc	Dharmesh	Patel
CA	Rowland Heights	346	18950 Colima Rd	91748	(626) 913 7717	Three Powers Foods Inc	Cedric	Fong
CA	Sacramento	481	3500 Marconi Ave	95821	(916) 481 2264	Anand Inc	Dharmesh	Patel
CA	Sacramento	492	5800 Freeport Blvd	95822	(916) 395 5790	Amanat Inc	Anil	Yadav
CA	Sacramento	532	4849 Madison Ave	95841	(916) 338 5159	Nor Cal Venture Group Inc	Anil	Yadav
CA	Sacramento	548	2293 Arden Way	95825	(916) 922 9569	Devika Restaurants Inc	Dev	Sagar
CA	Sacramento	566	5420 Stockton Blvd	95820	(916) 454 0244	Anand Inc	Dharmesh	Patel
CA	Sacramento	592	1661 Watt Ave	95864	(916) 483 1769	Anand Inc	Dharmesh	Patel
CA	Sacramento	593	2560 W El Camino Ave	95833	(916) 567 9692	Nor Cal Venture Group Inc	Anil	Yadav
CA	Sacramento	594	7795 Stockton Blvd	95823	(916) 689 3755	Nor Cal Venture Group Inc	Anil	Yadav
CA	Sacramento	3402	6300 Power Inn Rd	95824	(916) 387 6579	Anand Inc	Dharmesh	Patel
CA	Sacramento	3413	4128 Norwood Ave	95838	(916) 922 2125	CALJAX INC	Metri	Lutfi
CA	Sacramento	3421	8750 La Riviera Dr	95826	(916) 364 1455	Anand Inc	Dharmesh	Patel
CA	Sacramento	3472	9680 Business Park Dr	95827	(916) 366 1988	Vanmel Inc	Anil	Yadav
CA	Sacramento	3480	1001 Howe Ave	95825	(916) 646-4670	Anand Inc	Dharmesh	Patel
CA	Sacramento	4305	4601 Broadway	95820	(916) 455 8690	Anand Inc	Dharmesh	Patel
CA	Sacramento	4326	2750 Del Paso Rd	95834	(916) 285 6753	CALJAX INC	Metri	Lutfi
CA	Sacramento	4329	4435 Florin Rd	95823	(916) 391 0200	Nor Cal Venture Group Inc	Anil	Yadav
CA	Sacramento	4330	4300 Madison Ave	95842	(916) 331 2868	Nor-Cal Venture Group Inc	Anil	Yadav
CA	Sacramento	4404	8349 Folsom Blvd	95826	(916) 381 2261	Anand Inc	Dharmesh	Patel
CA	Salinas	450	645 S Main St	93901	(831) 758 6218	Central Coast Restaurants Inc	Michael	Flores
CA	Salinas	3422	1810 N Main St	93906	(831) 449 5158	Central Coast Restaurants Inc	Michael	Flores
CA	Salinas	3459	1225 De La Torre St	93905	(831) 769 9604	Central Coast Restaurants Inc	Michael	Flores
CA	Salinas	4339	1540 N Sanborn Rd	93905	(831) 783 1615	Central Coast Restaurants Inc	Michael	Flores
CA	Salinas	4393	975 N Main St	93906	(831) 758 2959	Central Coast Jack Inc	Michael	Flores
CA	San Bernardino	163	497 S E St	92401	(909) 889-4724	SB Food Express Inc	Hai	Zaidul
CA	San Bernardino	177	1605 E Highland Ave	92404	(909) 884 8915	OC Food Express Inc	Hai	Zaidul
CA	San Bernardino	194	495 N D St	92401	(909) 889-4984	OC Food Express Inc	Hai	Zaidul
CA	San Bernardino	371	303 E Base Line St	92410	(909) 885 7382	OC Food Express Inc	Hai	Zaidul
CA	San Bernardino	5308	193 E 40th St	92404	(909) 883 6737	Desert Jack LLC	Terry	Shindle
CA	San Bernardino	5322	1148 Coulston St	92408	(909) 796-4517	SB Food Express Inc	Hai	Zaidul
CA	San Bernardino	5415	25699 Baseline St	92410	(909) 383-4554	Highland Food Express Inc	Hai	Zaidul
CA	San Bruno	404	1700 El Camino Real	94066	(650) 873-4845	Parivar Inc	Anil	Yadav
CA	San Clemente	378	2398 S El Camino Real	92672	(949) 498 7530	KIPER ENTERPRISES INC	Christina	Perucci
CA	San Diego	14	6080 Mission Gorge Rd	92120	(619) 325-1799	N Farooqi Restaurants LLC	Nasir	Farooqi
CA	San Diego	21	4751 El Cajon Blvd	92115	(619) 583 6942	Farooqi Restaurant Management Inc	Nasir	Farooqi

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	San Diego	22	1340 Rosecrans St	92106	(619) 222 7608	MZM Foods Inc	Zakaria	Samaan
CA	San Diego	26	3838 Midway Dr	92110	(619) 224-2122	Farooqi Restaurant Management Inc	Nasir	Farooqi
CA	San Diego	33	220 W Washington St	92103	(619) 260 8306	MZM Foods Inc	Maher	Samaan
CA	San Diego	37	7170 Linda Vista Rd	92111	(858) 571 1671	Charles J Stauffer	Charles	Stauffer
CA	San Diego	44	1905 Garnet Ave	92109	(858) 272 5712	MZM Foods Inc	Maher	Samaan
CA	San Diego	60	9380 Mira Mesa Blvd	92126	(858) 566 0052	QSC Ventures Inc	Charles	Stauffer
CA	San Diego	72	10809 Tierrasanta Blvd	92124	(858) 268 8228	Farooqi Restaurant Management Inc	Nasir	Farooqi
CA	San Diego	85	7786 Balboa Ave	92111	(858) 560 2015	MZM Foods Inc	Zakaria	Samaan
CA	San Diego	87	7425 Mission Gorge Rd	92120	(619) 265 2188	N Farooqi Properties LLC	Nasir	Farooqi
CA	San Diego	3018	4375 Genesee Ave	92117	(858) 627 9738	MZM Foods Inc	Maher	Samaan
CA	San Diego	3034	14371 Penasquitos Dr	92129	(858) 672-4637	Restaurant Leadership Group LLC	Dawood	Beshay
CA	San Diego	3053	9215 Clairemont Mesa Blvd	92123	(858) 573 2972	MZM Foods Inc	Zakaria	Samaan
CA	San Diego	3058	2525 Otay Center Dr	92154	(619) 710 2427	Farooqi Restaurant Management Inc	Nasir	Farooqi
CA	San Diego	3075	Terminal 1 West Space 1024	92101	(619) 297 0095	SSP America Inc		SSP America Inc
CA	San Diego	3076	Terminal 2 Space 2035	92101	(619) 297 0095	SSP America Inc		SSP America Inc
CA	San Diego	3077	2890 National Ave	92113	(619) 446 0000	DMSD Foods Inc	Dawood	Beshay
CA	San Dimas	3389	1125 W Arrow Hwy	91773	(909) 394 1919	North Star Food Services Inc	Gregory	Gribble
CA	San Francisco	545	400 Geary St	94102	(415) 673 0868	Gul Food Management Inc	Saeed	Khan
CA	San Francisco	556	366 Bayshore Blvd	94124	(415) 641 8467	Gul Food Management Inc	Saeed	Khan
CA	San Francisco	558	4649 Geary Blvd	94118	(415) 752-4916	Gul Food Management Inc	Saeed	Khan
CA	San Francisco	4409	2739 Taylor Street	94133	(415) 674-4129	KAM Food Management Inc	Saeed	Khan
CA	San Gabriel	312	901 W Las Tunas Dr	91776	(626) 570 6131	JYM Enterprises Inc	Hisayo	Maki
CA	San Jacinto	3272	770 W Ramona Expy	92582	(951) 654 3374	Restaurant Leadership Group LLC	Dawood	Beshay
CA	San Jacinto	5392	2291 W Esplanade Ave	92582	(951) 654 1310	David L Flohr & Steven J Flohr PTRS	Steven	Flohr
CA	San Jose	409	148 E San Carlos St	95112	(408) 287 7520	Gogris Corporation	Shilpa	Gogri
CA	San Jose	439	1558 W San Carlos St	95126	(408) 293 9605	Mark III Inc	Michael	Masiello
CA	San Jose	459	5220 Prospect Rd	95129	(408) 253 7149	Central Coast Restaurants Inc	Michael	Flores
CA	San Jose	485	611 E Capitol Expy	95111	(408) 578 5057	LJ & MW Enterprises Inc	Larry	Jones
CA	San Jose	506	2195 Morrill Ave	95132	(408) 262 0633	AKKAM INC	Anil	Yadav
CA	San Jose	590	3395 Stevens Creek Blvd	95117	(408) 599-4371	JB Restaurant #590 Inc	Shang Chun	Hsia
CA	San Jose	595	6239 Santa Teresa Blvd	95119	(408) 225 5417	Central Coast Restaurants Inc	Michael	Flores
CA	San Jose	3443	3493 Mckee Rd	95127	(408) 599-4664	JB Restaurant #3443 Inc	Shang Chun	Hsia
CA	San Jose	3464	6101 San Ignacio Ave	95119	(408) 629-4465	JB Restaurant #3464 Inc	Larry	Jones
CA	San Leandro	4391	15025 Hesperian Blvd	94578	(510) 481 1880	Parivar Inc	Anil	Yadav
CA	San Luis Obispo	3290	390 Santa Rosa St	93405	(805) 547 0852	SBF Foods LLC	Pankaj	Bhatia
CA	San Marcos	71	1655 Capalina Rd	92069	(760) 744 9144	Beshay Foods Inc	Dawood	Beshay
CA	San Marcos	96	717 San Marcos Blvd	92078	(760) 744-2893	Beshay Foods Inc	Dawood	Beshay
CA	San Pablo	4353	50 San Pablo Towne Ctr	94806	(510) 412 9712	Gul Food Management Inc	Saeed	Khan
CA	San Rafael	461	1814 2nd St	94901	(415) 453 8510	North Bay Jack Inc	Ali	Morovat

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Sanger	519	1300 Jensen Ave	93657	(559) 875 7824	Fresno Foods LLC	Behzad	Nematzadeh
CA	Santa Ana	157	1502 S Main St	92707	(714) 543 9433	Kigar LLC	Jaime	Garcia
CA	Santa Ana	397	719 N Bristol St	92703	(714) 835-4610	R W Forsum Enterprises	Reynold	Forsum
CA	Santa Ana	3158	820 N Harbor Dr	92703	(714) 554-1692	SB Food Express Inc	Hai	Zaidul
CA	Santa Ana	3180	601 N Main St	92701	(714) 836-4368	R W Forsum Enterprises	Reynold	Forsum
CA	Santa Ana	3187	720 E Dyer Rd	92705	(714) 546-4296	Makar Foods Inc	George	Crankshaw
CA	Santa Ana	3198	1300 W Edinger Ave	92704	(714) 754 7290	PCH Venture Group East Inc	Lee	Su
CA	Santa Ana	3241	2502 S Harbor Blvd	92704	(714) 662 3563	GCP Enterprises Inc	Gino	Perucci
CA	Santa Ana	3527	3710 S Bristol St	92704	(714) 241 1185	LMS Group Inc	Lee	Su
CA	Santa Ana	3545	1730 E Edinger Ave	92705	(714) 259 7824	Jokar Enterprises Inc	Mark	Graffius
CA	Santa Barbara	359	3747 State St	93105	(805) 682 8674	SBF Foods LLC	Pankaj	Bhatia
CA	Santa Barbara	366	501 N Milpas St	93103	(805) 965 7714	SBF Foods LLC	Pankaj	Bhatia
CA	Santa Clara	401	3367 El Camino Real	95051	(408) 249 7940	JB Restaurant #401 Inc	Larry	Jones
CA	Santa Clara	3467	3465 Homestead Rd	95051	(408) 599 0306	JB Restaurant #3467 Inc	Shang Chun	Hsia
CA	Santa Clara	4388	2845 Augustine Dr	95054	(408) 969 0887	JB Restaurant #4388 Inc	Larry	Jones
CA	Santa Clarita	369	22908 Lyons Ave	91321	(661) 254 3330	Newco Foods Inc	Sudesh	Sood
CA	Santa Clarita	3344	26547 Bouquet Canyon Rd	91350	(661) 297-4881	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Santa Clarita	3595	18525 Via Princessa	91387	(661) 251-0017	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Santa Cruz	444	640 Ocean St	95060	(831) 425 8964	Central Coast Restaurants Inc	Michael	Flores
CA	Santa Fe Springs	5333	13402 Imperial Hwy	90670	(562) 407 2069	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Santa Maria	3209	1041 E Main St	93454	(805) 346 1190	SBF Foods LLC	Pankaj	Bhatia
CA	Santa Maria	3317	2306 S Broadway	93454	(805) 922 0627	SBF Foods LLC	Pankaj	Bhatia
CA	Santa Maria	9001	830 S Broadway	93454	(805) 922 5693	SBF Foods LLC	Pankaj	Bhatia
CA	Santa Monica	274	2025 Lincoln Blvd	90405	(310) 450 2927	Dhillon Foods Inc	Priya	Dhillon
CA	Santa Nella	5334	12754 S Highway 33	95322	(209) 826-4078	CALJAX INC	Metri	Lutfi
CA	Santa Paula	165	306 S Palm Ave	93060	(805) 525 7992	Herrick Foods LLC	Mike	Herrick
CA	Santa Rosa	554	425 Sebastopol Rd	95407	(707) 571 0153	North Bay Jack Inc	Ali	Morovat
CA	Santa Rosa	581	3086 Marlow Rd	95403	(707) 545 5834	Gul Food Management Inc	Saeed	Khan
CA	Santa Rosa	3497	2755 Santa Rosa Ave	95407	(707) 535 0154	North Bay Jack Inc	Ali	Morovat
CA	Santee	3007	10330 Mast Blvd	92071	(619) 562-4473	DMSD Foods Inc	Dawood	Beshay
CA	Santee	3056	8500 Magnolia Ave	92071	(619) 258 5492	Farooqi Restaurant Management Inc	Nasir	Farooqi
CA	Seaside	454	1533 Fremont Blvd	93955	(831) 394-2747	Central Coast Restaurants Inc	Michael	Flores
CA	Selma	3395	2867 Highland Ave	93662	(559) 898 0206	VTP Enterprises	Patrice	Roux
CA	Sepulveda	3565	15651 Nordhoff St	91343	(818) 893 9919	Sood Enterprises Inc	Rashmi	Sood
CA	Signal Hill	5409	801 E Spring St	90755	(562) 426 3069	Jushen Restaurants Inc	Priya	Dhillon
CA	Simi Valley	3281	1579 Los Angeles Ave	93065	(805) 520 1666	AmberJack Partners	Heather	Goss
CA	Simi Valley	3365	5798 E Los Angeles Ave	93063	(805) 526 2440	Ocean View Foods Inc	Terence	Jones
CA	Simi Valley	3540	130 Cochran St	93065	(805) 955 0799	AmberJack Partners	Heather	Goss
CA	Sonoma	3466	602 W Napa St	95476	(707) 935 0258	North Bay Jack Inc	Ali	Morovat

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Sonora	518	13751 Mono Way	95370	(209) 532 2900	Nor-Cal Venture Group Inc	Anil	Yadav
CA	South Gate	3228	8920 Atlantic Ave	90280	(323) 569 2335	Dhillon Foods Inc	Priya	Dhillon
CA	South Lake Tahoe	7321	2649 Lake Tahoe Blvd	96150	(775) 360 2621	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
CA	South San Francisco	448	201 S Spruce St	94080	(650) 588 7400	AV Inc	Anil	Yadav
CA	South San Francisco	516	1695 El Camino Real	94080	(650) 994 5805	Resham Inc	Anil	Yadav
CA	Spring Valley	73	1047 Sweetwater Rd	91977	(619) 464 0705	Charles J Stauffer	Charles	Stauffer
CA	Stanton	3204	7482 Katella Ave	90680	(714) 891 6024	Makar Foods Inc	George	Crankshaw
CA	Stockton	460	6200 Pacific Ave	95207	(209) 957 8173	Yadav Inc	Anil	Yadav
CA	Stockton	464	1504 Pacific Ave	95204	(209) 466 9256	Varris Management Inc	Anil	Yadav
CA	Stockton	486	920 E Hammer Ln	95210	(209) 473 7016	S T M Inc	Tony	Romley
CA	Stockton	534	2592 W March Ln	95207	(209) 951 6424	Varris Management Inc	Anil	Yadav
CA	Stockton	565	3506 W Hammer Ln	95219	(209) 951 6818	Yadav Inc	Anil	Yadav
CA	Stockton	3408	4989 S Highway 99	95215	(209) 943 2157	Varris Management Inc	Anil	Yadav
CA	Stockton	4370	733 W Charter Wy	95206	(209) 465 2682	Vansh Inc	Anil	Yadav
CA	Stockton	4374	10858 Trinity Park Way	95219	(209) 956 0596	Varris Management Inc	Anil	Yadav
CA	Stockton	4406	1916 E March Ln	95210	(209) 662 8317	AV Inc	Anil	Yadav
CA	Sun Valley	341	7955 Vineland Ave	91352	(818) 764 0359	Bromley Foods Inc	Terence	Jones
CA	Sunnyvale	504	813 W El Camino Real	94087	(408) 737 2751	JB Restaurant #504 Inc	Larry	Jones
CA	Susanville	3432	2910 Main St	96130	(775) 360 2600	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
CA	Tehachapi	3231	801 Tucker Rd	93561	(661) 822 1316	Envision Foods LLC	Terry	Shindle
CA	Temecula	48	27410 Jefferson Ave	92590	(951) 676 6037	DMSD Foods Inc	Dawood	Beshay
CA	Temecula	3364	40412 Winchester Rd	92591	(951) 699 5668	DMSD Foods Inc	Dawood	Beshay
CA	Temecula	5449	29105 Old Town Front Street	92590	(951) 506 3322	DMSD Foods Inc	Dawood	Beshay
CA	Temple City	3156	9965 Lower Azusa Rd	91780	(626) 401 9730	JYM Enterprises Inc	John	Maki
CA	Thermal	5442	2086 Service Rd	92274	(760) 394-1989	Desert Jack LLC	Terry	Shindle
CA	Thousand Oaks	351	484 Moorpark Rd	91360	(805) 495 7874	Ocean View Foods Inc	Terence	Jones
CA	Thousand Palms	3374	72955 Varner Rd	92276	(760) 343 3796	Desert Jack LLC	Terry	Shindle
CA	Torrance	230	17916 Hawthorne Blvd	90504	(310) 370 9262	BB 2008 Inc	Lee	Su
CA	Torrance	261	4911 Torrance Blvd	90503	(310) 371 8306	Dhillon Foods Inc	Priya	Dhillon
CA	Torrance	267	2760 Cabrillo Ave	90501	(310) 212 0967	LIHWA Group Inc	Erh Mei	Su
CA	Torrance	3288	2705 Pacific Coast Hwy	90505	(310) 534 0220	PCH Venture Group Inc	Erh Mei	Su
CA	Torrance	3332	2186 Redondo Beach Blvd	90504	(310) 538 1459	JVS Foods Inc	Victoria	Su
CA	Torrance	5350	3940 Redondo Beach Blvd	90504	(310) 715-6494	Jushen Restaurants Inc	Priya	Dhillon
CA	Trabuco Canyon	3270	21602 Plano Trabuco Rd	92679	(949) 589-3276	R W Forsum Enterprises	Reynold	Forsum
CA	Tracy	557	611 W Grant Line Rd	95376	(209) 836 2673	Varris Management Inc	Anil	Yadav
CA	Tracy	4300	1935 W 11th St	95376	(209) 836 2066	Varris Management Inc	Anil	Yadav
CA	Tracy	4376	3400 Macarthur Dr	95376	(209) 839 9732	Vansh Inc	Anil	Yadav
CA	Tulare	480	444 E Tulare Ave	93274	(559) 688 6464	VTP Enterprises	Patrice	Roux
CA	Turlock	466	100 N Golden State Blvd	95380	(209) 669-6585	CALJAX INC	Metri	Lutfi

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Turlock	3409	1951 Lander Rd	95380	(209) 634-5848	CALJAX INC	Metri	Lutfi
CA	Turlock	3484	2601 Geer Rd	95382	(209) 656 1845	CALJAX INC	Metri	Lutfi
CA	Tustin	396	17401 17th St	92780	(714) 731 9960	JDC Food Services Inc	Caryn	Ochoa
CA	Tustin	3275	3089 Edinger Ave	92780	(949) 857 0849	JDC Food Services Inc	Caryn	Ochoa
CA	Twentynine Palms	3563	73762 29 Palms Hwy	92277	(760) 361 5117	Desert Jack LLC	Terry	Shindle
CA	Ukiah	3469	1115 Airport Park Blvd	95482	(707) 462 5296	North Bay Jack Inc	Ali	Morovat
CA	Upland	186	611 W Foothill Blvd	91786	(909) 946 9588	WHG Restaurant Group Inc	Gregory	Gribble
CA	Vacaville	475	290 E Monte Vista Ave	95688	(707) 448 0192	Devika Restaurants Inc	Dev	Sagar
CA	Vacaville	551	1035 Alamo Dr	95687	(707) 446 2645	Gogris Corporation	Shilpa	Gogri
CA	Vacaville	587	1130 Leisure Town Rd	95687	(707) 448 1383	Nor Cal Venture Group Inc	Anil	Yadav
CA	Vacaville	3475	220 Nut Tree Pkwy	95687	(707) 446 2366	Nor Cal Venture Group Inc	Anil	Yadav
CA	Valencia	3390	28144 The Old Rd	91355	(661) 295 3258	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Valencia	5319	28083 Newhall Ranch Rd	91355	(661) 257 9267	MEL Z ENTERPRISE INC	Melvin	Thompson Sr
CA	Van Nuys	330	6416 Woodman Ave	91401	(818) 909 0066	Sood Enterprises Inc	Sudesh	Sood
CA	Van Nuys	337	6847 Van Nuys Blvd	91405	(818) 782 1823	Sood Enterprises Inc	Rashmi	Sood
CA	Van Nuys	3205	6351 Sepulveda Blvd	91411	(818) 988-4049	Sood Enterprises Inc	Rashmi	Sood
CA	Van Nuys	3553	16860 Vanowen St	91406	(818) 779 1350	Sood Enterprises Inc	Usha	Sood
CA	Victorville	361	14618 7th St	92392	(760) 243 7575	Envision Foods LLC	Terry	Shindle
CA	Victorville	3184	12134 Hesperia Rd	92392	(760) 241 7479	Envision Foods LLC	Terry	Shindle
CA	Victorville	3269	12440 Amargosa Rd	92392	(760) 241 0740	Envision Foods LLC	Terry	Shindle
CA	Victorville	5399	14515 Mojave Dr	92394	(760) 241 3022	Envision Foods LLC	Terry	Shindle
CA	Visalia	427	1120 S Mooney Blvd	93277	(559) 732 0522	VTP Enterprises	Patrice	Roux
CA	Visalia	3440	1400 N Ben Maddox Way	93292	(559) 741 1116	VTP Enterprises	Patrice	Roux
CA	Visalia	3592	5340 W Cypress Ave	93277	(559) 739 7369	VTP Enterprises	Patrice	Roux
CA	Visalia	4412	107 W Caldwell Ave	93277	(559) 749 0191	VTP Enterprises	Patrice	Roux
CA	Vista	55	815 E Vista Way	92084	(760) 758 2146	Beshay Foods Inc	Dawood	Beshay
CA	Vista	3029	260 S Melrose Dr	92081	(760) 940 8255	Restaurant Leadership Group LLC	Dawood	Beshay
CA	Vista	3032	3281 Business Park Dr	92081	(760) 734 1816	Beshay Foods Inc	Dawood	Beshay
CA	Walnut	3210	1245 N Grand Ave	91789	(909) 595 9856	JYM Enterprises Inc	John	Maki
CA	Watsonville	574	1085 S Green Valley Rd	95076	(831) 724 3993	Central Coast Restaurants Inc	Michael	Flores
CA	West Covina	358	2548 S Azusa Ave	91792	(626) 912 0784	Double G Partners	Garren	Grieve
CA	West Sacramento	3456	775 Harbor Pointe Pl	95605	(916) 374-8319	Vanmel Inc	Anil	Yadav
CA	Westminster	150	15521 Brookhurst St	92683	(714) 839 2339	Jokar Enterprises Inc	Mark	Graffius
CA	Westminster	3338	13721 Goldenwest St	92683	(714) 899 9112	ITNA Group Inc	Abdul	Sadruddin
CA	Whittier	221	13400 Telegraph Rd	90605	(562) 941-6480	TBS Foods Inc	Behzad	Nematzadeh
CA	Whittier	297	11303 Washington Blvd	90606	(562) 699 2684	Three Powers Foods Inc	Cedric	Fong
CA	Whittier	3221	13561 Whittier Blvd	90605	(562) 696 7188	Food Expo Inc	Alex	Carcavallo
CA	Whittier	3303	14437 Telegraph Rd	90604	(562) 204-0614	Nematzadeh Enterprises Inc	Bizhan	Nematzadeh
CA	Whittier	5321	15948 Whittier Blvd	90603	(562) 943 2834	Square King Foods Inc	Sam	Fong

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
CA	Wildomar	5364	36196 Hidden Springs Rd	92595	(951) 678 8833	DMSD Foods Inc	Dawood	Beshay
CA	Willits	4357	788 S Main St	95490	(707) 459-4129	North Bay Jack Inc	Ali	Morovat
CA	Wilmington	3151	1010 W Pacific Coast Hwy	90744	(310) 835 5308	PCH Venture Group Inc	Erh Mei	Su
CA	Woodcrest	3196	17022 Van Buren Blvd	92504	(951) 780-4951	JIB Holdings I LLC	Terry	Shindle
CA	Woodland	512	1200 E Main St	95776	(530) 666-4374	Nor Cal Venture Group Inc	Anil	Yadav
CA	Woodland	3457	2010 E Main St	95776	(530) 669 6606	Nor Cal Venture Group Inc	Anil	Yadav
CA	Woodland Hills	343	22664 Ventura Blvd	91364	(818) 224-3460	Sood Enterprises Inc	Sudesh	Sood
CA	Woodland Hills	353	22730 Victory Blvd	91367	(818) 715 0550	Sood Enterprises Inc	Usha	Sood
CA	Woodland Hills	3347	20037 Ventura Blvd	91364	(818) 887 9339	Sood Enterprises Inc	Sudesh	Sood
CA	Yermo	3588	35745 Ghost Town Rd	92398	(760) 254 3543	JIB Holdings I LLC	Terry	Shindle
CA	Yorba Linda	3234	21430 Yorba Linda Blvd	92887	(714) 970 2862	Graffius & Graffius Inc	Mark	Graffius
CA	Yuba City	546	1111 Colusa Ave	95991	(530) 673 0230	Nor Cal Venture Group Inc	Anil	Yadav
CA	Yuba City	4359	1030 Tharp Rd	95993	(530) 673 3283	Nor Cal Venture Group Inc	Anil	Yadav
CA	Yucaipa	169	34504 Yucaipa Blvd	92399	(909) 797 5344	OC Food Express Inc	Hai	Zaidul
CA	Yucca Valley	3306	57930 29 Palms Hwy	92284	(760) 369 0904	Desert Jack LLC	Terry	Shindle
CO	Colorado Springs	8142	3654 Austin Bluffs Pkwy	80918	(775) 360 2623	Sierra Monterey Restaurant Systems Inc	Adam	Gonzales
CO	Colorado Springs	8143	3690 New Center Point Blvd	80922	(775) 360 2624	Sierra Monterey Restaurant Systems Inc	Adam	Gonzales
CO	Fountain	8145	6314 S US Highway 85-87	80817	(775) 360 2625	Sierra Monterey Restaurant Systems Inc	Adam	Gonzales
CO	Pueblo	8159	910 W US Highway 50	81008	(775) 360 2626	Sierra Monterey Restaurant Systems Inc	Adam	Gonzales
GU	Tamuning Guam	8255	1355 Route 1 N Marine Corp Dr	96913	(671) 922 5225	Blue Pacific Guam LLC	Christopher	Scanlan
HI	Hilo	8223	50 E Puainako St	96720	(808) 959 3111	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8201	535 Dillingham Blvd	96817	(808) 847 3837	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8203	2183 N King St	96819	(808) 847 6058	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8204	1970 S King St	96826	(808) 949 1471	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8205	2317 N School St	96819	(808) 841 7211	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8208	875 Kapiolani Blvd	96813	(808) 593 8076	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8210	633 Kapahulu Ave	96815	(808) 735 2696	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8213	4510 Salt Lake Blvd	96818	(808) 487 2423	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8227	1001 Bishop St	96813	(808) 523 9884	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8230	4859 Warden Ave	96818	(808) 422 6887	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8237	1525 S King St	96826	(808) 941 1429	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8244	1180 S King St	96814	(808) 591 1096	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8254	1450 Ala Moana Blvd Ste 1298	96814	(808) 941 1150	Scanlan Management LLC	Christopher	Scanlan
HI	Honolulu	8256	5722 Kalanianaole Hwy	96821	(808) 373 7973	Scanlan Management LLC	Christopher	Scanlan
HI	Kahului	8212	150 E Kamehameha Ave	96732	(808) 871 5866	Scanlan Management LLC	Christopher	Scanlan
HI	Kailua	8219	112 Oneawa St	96734	(808) 263-6441	Scanlan Management LLC	Christopher	Scanlan
HI	Kailua Kona	8251	75 934 Henry St	96740	(808) 331 8808	Scanlan Management LLC	Christopher	Scanlan
HI	Kaneohe	8211	45 960 Kam Hwy	96744	(808) 247 1766	Scanlan Management LLC	Christopher	Scanlan
HI	Kapolei	8246	591 Farrington Hwy	96707	(808) 674-9607	Scanlan Management LLC	Christopher	Scanlan

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
HI	Kihei	8222	1301 S Kihei Rd	96753	(808) 874 0155	Scanlan Management LLC	Christopher	Scanlan
HI	Lihue	8253	4454 Nuhou St	96766	(808) 245-3443	Scanlan Management LLC	Christopher	Scanlan
HI	Mililani	8239	95 221 Kipapa Dr	96789	(808) 625 2811	Scanlan Management LLC	Christopher	Scanlan
HI	Pearl City	8233	384 Kamehameha Hwy	96782	(808) 487 8404	Scanlan Management LLC	Christopher	Scanlan
HI	Wahiawa	8209	11 S Kamehameha Hwy	96786	(808) 621 8113	Scanlan Management LLC	Christopher	Scanlan
HI	Waianae	8252	85 950 Farrington Hwy	96792	(808) 668 2164	Scanlan Management LLC	Christopher	Scanlan
HI	Wailuku	8245	700 Lower Main St	96793	(808) 249 2943	Scanlan Management LLC	Christopher	Scanlan
HI	Waimanalo	8207	41 1537 Kalanianaole Hwy	96795	(808) 259 8127	Scanlan Management LLC	Christopher	Scanlan
HI	Waipahu	8206	94 866 Moloalo Ave	96797	(808) 671 0033	Scanlan Management LLC	Christopher	Scanlan
HI	Waipahu	8217	94 839 Ukee St	96797	(808) 671 2448	Scanlan Management LLC	Christopher	Scanlan
HI	Waipahu	8249	94 327 Kunia Rd	96797	(808) 671 2300	Scanlan Management LLC	Christopher	Scanlan
ID	Boise	6000	1302 S Orchard St	83705	(208) 342 2666	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6004	2611 S Broadway Ave	83706	(208) 336 8088	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6005	3220 N Cole Rd	83704	(208) 322 5005	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6018	6875 S Federal Way	83716	(208) 388 8452	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6020	6300 N Eagle Rd	83713	(208) 938 5360	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6026	10496 Overland Rd	83709	(208) 658 0508	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6032	7040 W State St	83714	(208) 853 5250	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6040	1124 S Vista Ave	83705	(208) 429-4171	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6057	9052 W Fairview Ave	83704	(208) 377 9113	FEAST Foods LLC	Bashir	Eramya
ID	Boise	6059	3220 W State St	83703	(208) 345 3656	FEAST Foods LLC	Bashir	Eramya
ID	Burley	6024	491 N Overland Ave	83318	(208) 678 3399	FEAST Foods LLC	Bashir	Eramya
ID	Caldwell	6001	703 N 10th Ave	83605	(208) 454-6441	FEAST Foods LLC	Bashir	Eramya
ID	Caldwell	6058	4214 E Ustick Rd	83605	(208) 459 6058	FEAST Foods LLC	Bashir	Eramya
ID	Coeur D Alene	6012	196 Ironwood Dr	83814	(208) 664 8411	FEAST Foods LLC	Bashir	Eramya
ID	Coeur D alene	6068	2754 N Ramsey Rd	83815	(208) 666 6068	FEAST Foods LLC	Bashir	Eramya
ID	Idaho Falls	6016	424 S Woodruff Ave	83401	(208) 528 9489	SGK Idaho Inc	Simon	Karroum
ID	Idaho Falls	6021	1458 W Broadway St	83402	(208) 552 2613	SGK Idaho Inc	Simon	Karroum
ID	Lewiston	6014	1903 G St	83501	(208) 798 7410	FEAST Foods LLC	Bashir	Eramya
ID	Meridian	6010	207 E Fairview Ave	83642	(208) 884 8992	FEAST Foods LLC	Bashir	Eramya
ID	Meridian	6033	3010 E Goldstone Dr Unit E	83642	(208) 884 3755	FEAST Foods LLC	Bashir	Eramya
ID	Mountain Home	6017	3100 Foothills Ave	83647	(208) 587 2007	FEAST Foods LLC	Bashir	Eramya
ID	Nampa	6002	804 12th Ave Rd	83686	(208) 467 2023	FEAST Foods LLC	Bashir	Eramya
ID	Nampa	6009	1920 Caldwell Blvd	83651	(208) 463 0175	FEAST Foods LLC	Bashir	Eramya
ID	Nampa	6023	1700 N Franklin Blvd	83687	(208) 463 0301	FEAST Foods LLC	Bashir	Eramya
ID	Nampa	6038	16101 Idaho Center Blvd	83687	(208) 463 7613	FEAST Foods LLC	Bashir	Eramya
ID	Pocatello	6015	1611 Pocatello Creek Rd	83201	(208) 234 9305	SGK Idaho Inc	Simon	Karroum
ID	Pocatello	6025	123 S 4th St	83201	(208) 478 8035	SGK Idaho Inc	Simon	Karroum
ID	Post Falls	6069	850 North Highway 41	83854		FEAST Foods LLC	Bashir	Eramya

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STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
ID	Rexburg	6030	461 N 2nd E	83440	(208) 656 9284	SGK Idaho Inc	Simon	Karroum
ID	Sandpoint	6037	717 N 5th Ave	83864	(208) 265 0710	FEAST Foods LLC	Bashir	Eramya
ID	Twin Falls	6019	1501 Blue Lakes Blvd N	83301	(208) 733-4942	FEAST Foods LLC	Bashir	Eramya
IL	Alton	1405	1649 Washington Ave	62002	(618) 465 0093	Illinois Jack LLC	Kelly	Kuhlmann
IL	Alton	1408	101 Homer M Adams Pkwy	62002	(618) 462 9905	Illinois Jack LLC	Kelly	Kuhlmann
IL	Belleville	1415	500 S Illinois St	62220	(618) 235 9008	Illinois Jack LLC	Kelly	Kuhlmann
IL	Collinsville	1411	9502 Collinsville Rd	62234	(618) 344 7848	Illinois Jack LLC	Kelly	Kuhlmann
IL	Edwardsville	1414	300 S Buchanan St	62025	(618) 692 1414	Illinois Jack LLC	Kelly	Kuhlmann
IL	Glen Carbon	1418	31 Junction Dr	62034	(618) 655 0570	Illinois Jack LLC	Kelly	Kuhlmann
IL	Granite City	1402	3330 Nameoki Rd	62040	(618) 877 8884	Illinois Jack LLC	Kelly	Kuhlmann
IL	Granite City	1416	2163 Madison Ave	62040	(618) 452 5847	Illinois Jack LLC	Kelly	Kuhlmann
IL	Litchfield	1421	1 Corvette Dr	62056	(217) 324-3300	Illinois Jack LLC	Kelly	Kuhlmann
IL	O Fallon	1412	1360 W Us Highway 50	62269	(618) 632 1460	Illinois Jack LLC	Kelly	Kuhlmann
IL	Swansea	1410	1800 N Illinois St	62226	(618) 277 1822	Illinois Jack LLC	Kelly	Kuhlmann
IL	Troy	1413	830 Edwardsville Rd	62294	(618) 667 3000	Illinois Jack LLC	Kelly	Kuhlmann
IL	Wood River	1403	41 E Edwardsville Rd	62095	(618) 254 2098	Illinois Jack LLC	Kelly	Kuhlmann
LA	Baton Rouge	6308	8919 Siegen Ln	70810	(225) 819 9838	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6309	11310 Airline Hwy	70816	(225) 293 0602	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6310	9316 Burbank Dr	70820	(225) 766 1470	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6311	13520 Florida Blvd	70819	(225) 272-4590	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6312	508 S Foster Dr	70806	(225) 928-4700	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6315	2181 S Sherwood Forest Blvd	70816	(225) 273 1003	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6316	7725 Airline Hwy	70815	(225) 248 1644	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6319	3255 Highland Rd	70802	(225) 343 6091	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6323	11682 Plank Rd	70811	(225) 775 0324	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6326	10432 Sullivan Rd	70818	(225) 262-7665	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6327	8008 Scenic Hwy	70807	(225) 774-9775	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6329	8110 Florida Blvd	70806	(225) 925 0004	Jackiana LLC	Todd	Keller
LA	Baton Rouge	6335	2805 Scenic Hwy	70805	(225) 356 1215	Jackiana LLC	Todd	Keller
LA	Gonzales	6318	2123 W Highway 30	70737	(225) 647 6106	Jackiana LLC	Todd	Keller
LA	Gonzales	6321	1703 N Airline Hwy	70737	(225) 647 3603	Jackiana LLC	Todd	Keller
LA	Sulphur	6340	2484 S Cities Service Hwy	70665	(337) 625-6633	TLIG Restaurants LLC	Opiah	Izu
LA	Walker	6322	28175 Walker Rd S	70785	(225) 791-1594	Jackiana LLC	Todd	Keller
MO	Arnold	4059	1289 Jeffco Blvd	63010	(636) 296 2123	Missouri Jack LLC	Kelly	Kuhlmann
MO	Berkeley	4038	9707 Natural Bridge Rd	63134	(314) 423 0244	Missouri Jack LLC	Kelly	Kuhlmann
MO	Bridgeton	4037	12298 Saint Charles Rock Rd	63044	(314) 739 2373	Missouri Jack LLC	Kelly	Kuhlmann
MO	Columbia	6228	1401 Grindstone Pkwy	65201	(573) 256 2008	Missouri Jack LLC	Kelly	Kuhlmann
MO	Crestwood	4048	9805 Watson Rd	63126	(314) 965 0363	Missouri Jack LLC	Kelly	Kuhlmann
MO	Cuba	4092	1112 Oak Hill Ave	65453	(573) 885-3223	Missouri Jack LLC	Kelly	Kuhlmann

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
MO	Desloge	4061	1208 N Desloge St	63601	(573) 431 5111	Missouri Jack LLC	Kelly	Kuhlmann
MO	Earth City	4073	3404 Rider Trl S	63045	(314) 739 2046	Missouri Jack LLC	Kelly	Kuhlmann
MO	Ellisville	4007	15354 Manchester Rd	63011	(636) 391 7829	Missouri Jack LLC	Kelly	Kuhlmann
MO	Farmington	4060	795 Maple Valley Dr	63640	(573) 756 8010	Missouri Jack LLC	Kelly	Kuhlmann
MO	Fenton	4093	986 S Highway Dr	63026	(636) 326-4084	Missouri Jack LLC	Kelly	Kuhlmann
MO	Festus	4123	899 Veterans Blvd	63028	(636) 931 5561	Missouri Jack LLC	Kelly	Kuhlmann
MO	Florissant	4006	4595 Washington St	63033	(314) 831 0971	Missouri Jack LLC	Kelly	Kuhlmann
MO	Florissant	4016	2095 N US Highway 67	63033	(314) 831 1928	Missouri Jack LLC	Kelly	Kuhlmann
MO	Florissant	4045	11204 W Florissant Ave	63033	(314) 831 2530	Missouri Jack LLC	Kelly	Kuhlmann
MO	Florissant	4072	158 Howdershell Rd	63031	(314) 921 1800	Missouri Jack LLC	Kelly	Kuhlmann
MO	Hazelwood	4049	6100 Howdershell Rd	63042	(314) 895 1716	Missouri Jack LLC	Kelly	Kuhlmann
MO	Hazelwood	4052	322 Taylor Rd	63042	(314) 895 3322	Missouri Jack LLC	Kelly	Kuhlmann
MO	Herculaneum	4095	1197 Scenic Dr	63048	(636) 479 7241	Missouri Jack LLC	Kelly	Kuhlmann
MO	High Ridge	4094	5300 Caroline Dr	63049	(636) 376 5924	Missouri Jack LLC	Kelly	Kuhlmann
MO	Imperial	4099	1202 Main St	63052	(636) 467 2478	Missouri Jack LLC	Kelly	Kuhlmann
MO	Jefferson City	6229	2333 Missouri Blvd	65109	(573) 761 5416	Missouri Jack LLC	Kelly	Kuhlmann
MO	Lake Saint Louis	4124	459 Hawk Ridge Trail Dr	63367	(636) 625 1993	Missouri Jack LLC	Kelly	Kuhlmann
MO	Maplewood	4031	7520 Manchester Rd	63143	(314) 645-4722	Missouri Jack LLC	Kelly	Kuhlmann
MO	Marlborough	4034	7960 Watson Rd	63119	(314) 961 6985	Missouri Jack LLC	Kelly	Kuhlmann
MO	O Fallon	4047	415 S Main St	63366	(636) 240 7510	Missouri Jack LLC	Kelly	Kuhlmann
MO	O Fallon	4097	910 Bryan Rd	63366	(636) 272 7242	Missouri Jack LLC	Kelly	Kuhlmann
MO	Oakville	4058	5624 Telegraph Rd	63129	(314) 846 9770	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Ann	4076	11122 Saint Charles Rock Rd	63074	(314) 739 0039	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Charles	4044	1992 Zumbehl Rd	63303	(636) 949 2310	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Charles	4078	3710 Elm St	63301	(636) 947-4010	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Charles	4084	1016 S 5th St	63301	(636) 896 8092	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4017	1242 Hampton Ave	63139	(314) 644 2547	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4018	4292 Bayless Ave	63123	(314) 631-4749	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4020	5600 S Grand Blvd	63111	(314) 351 3686	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4024	4201 S Kingshighway Blvd	63109	(314) 351 0952	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4027	2163 S Grand Ave	63104	(314) 773 1553	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4028	10460 Page Blvd	63132	(314) 428 6207	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4036	1807 Gravois Ave	63104	(314) 773 2636	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4040	2666 Telegraph Rd	63125	(314) 894-8716	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4043	9970 Kennerly Rd	63128	(314) 842 2180	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4046	4500 Lemay Ferry Rd	63129	(314) 487 2285	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4071	11830 Lusher Rd	63138	(314) 741 8770	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4079	5905 S Lindbergh Blvd	63123	(314) 894-2573	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Louis	4090	10866 Lilac Ave	63137	(314) 867 5416	Missouri Jack LLC	Kelly	Kuhlmann

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
MO	Saint Louis	4122	4111 Lindell Blvd	63108	(314) 652 1649	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Peters	4030	4124 Mexico Rd	63376	(636) 928 8941	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Peters	4098	6096 Mid Rivers Mall Dr	63304	(636) 447 2084	Missouri Jack LLC	Kelly	Kuhlmann
MO	Saint Peters	5001	299 Salt Lick Rd Ste 100	63376	(636) 279 6053	Missouri Jack LLC	Kelly	Kuhlmann
MO	Sullivan	4053	633 E Springfield Rd	63080	(573) 468 2500	Missouri Jack LLC	Kelly	Kuhlmann
MO	Troy	4125	302 Highway 47 E	63379	(636) 528 2802	Missouri Jack LLC	Kelly	Kuhlmann
MO	Union	4120	101 Bourbeuse River Access	63084	(636) 584-8497	Missouri Jack LLC	Kelly	Kuhlmann
MO	University City	4074	6950 Olive Blvd	63130	(314) 862 6070	Missouri Jack LLC	Kelly	Kuhlmann
MO	Vinita Park	4089	8307 Page Ave	63130	(314) 429 0228	Missouri Jack LLC	Kelly	Kuhlmann
MO	Warrenton	4054	605 N Service Rd	63383	(636) 456 8500	Missouri Jack LLC	Kelly	Kuhlmann
MO	Washington	4081	1930 Washington Xing	63090	(636) 390-4671	Missouri Jack LLC	Kelly	Kuhlmann
MO	Weldon Spring	4086	6000 S Highway 94	63304	(636) 329 1460	Missouri Jack LLC	Kelly	Kuhlmann
MO	Wentzville	4085	1992 Wentzville Pkwy	63385	(636) 332 2277	Missouri Jack LLC	Kelly	Kuhlmann
MO	Wildwood	4080	16590 Manchester Rd	63040	(636) 458 2222	Missouri Jack LLC	Kelly	Kuhlmann
NC	Charlotte	6801	7806 Forest Point Blvd	28217	(704) 527 1681	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6804	7000 Wt Harris Blvd	28269	(704) 921-4450	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6807	335 Westinghouse Blvd	28273	(704) 583 9191	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6819	10121 N Tryon St	28262	(704) 503 6882	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6821	10525 Mallard Creek Rd	28262	(704) 549 0522	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6825	10730 S Tryon St	28273	(704) 588 1015	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6826	220 N Hoskins Rd	28216	(704) 392 6166	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6835	7725 Pineville Matthews Rd	28226	(704) 752 6885	Southeast Jack Inc	Waseem	Khan
NC	Charlotte	6850	4505 Randolph Rd	28211	(704) 362-1709	Southeast Jack Inc	Waseem	Khan
NC	Concord	6808	943 Concord Pkwy S	28027	(704) 789 9619	Southeast Jack Inc	Waseem	Khan
NC	Concord	6812	7770 Lyles Ln	28027	(704) 979 0300	Southeast Jack Inc	Waseem	Khan
NC	Conover	6834	510 10th St Nw	28613	(828) 695 1638	Southeast Jack Inc	Waseem	Khan
NC	Dallas	6836	102 College View Dr	28034	(704) 922 9178	Southeast Jack Inc	Waseem	Khan
NC	Gastonia	6803	3618 E Franklin Blvd	28056	(704) 823 1903	Southeast Jack Inc	Waseem	Khan
NC	Hendersonville	6839	76 Highlands Square Dr	28792	(828) 697 0390	Southeast Jack Inc	Waseem	Khan
NC	Hickory	6823	1776 Catawba Valley Blvd Se	28602	(828) 304-8295	Southeast Jack Inc	Waseem	Khan
NC	Hickory	6829	603 Us Highway 321 Nw	28601	(828) 328 3058	Southeast Jack Inc	Waseem	Khan
NC	Monroe	6847	1600 E Roosevelt Blvd	28112	(704) 225 7742	Southeast Jack Inc	Waseem	Khan
NC	Shelby	6815	455 Earl Rd	28150	(704) 480 6842	Southeast Jack Inc	Waseem	Khan
NM	Albuquerque	1261	3501 State Highway 528 NW	87114	(505) 898 5205	Dancel L L C	Laura	Olguin
NM	Albuquerque	1264	2721 Carlisle Blvd Ne	87110	(505) 888-8954	Dancel L L C	Laura	Olguin
NM	Albuquerque	1265	10100 Central Ave Se	87123	(505) 332 9282	Dancel L L C	Laura	Olguin
NM	Albuquerque	1266	5000 Montgomery Blvd Ne	87111	(505) 884 0816	Dancel L L C	Laura	Olguin
NM	Albuquerque	1267	7601 Menaul Blvd Ne	87110	(505) 293 1504	Dancel L L C	Laura	Olguin
NM	Albuquerque	1268	301 98th St Nw	87121	(505) 833 4000	Dancel L L C	Laura	Olguin

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
NM	Las Cruces	1258	501 S Telshor Blvd	88011	(575) 522 3740	Odessa Enterprises Inc	Fredrick	Norwich Jr
NM	Las Cruces	1269	4615 Sonoma Ranch Blvd	88011	(575) 373 0205	Odessa Enterprises Inc	Fredrick	Norwich Jr
NM	Rio Rancho	1263	3609 State Highway 528 Ne	87144	(505) 771 2100	Dancel L L C	Laura	Olguin
NV	Boulder City	7211	1101 Nevada Hwy	89005	(702) 294 1909	Silver State Restaurants Inc	Ali	Navaie
NV	Carson City	7304	3665 S Carson St	89701	(775) 360 2604	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Carson City	7308	309 E William St	89701	(775) 360 2608	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Carson City	7320	3225 Retail Dr	89706	(775) 360 2620	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Dayton	7317	3 Retail Rd	89403	(775) 360 2617	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Elko	7322	2423 Mountain City Hwy	89801	(775) 360 2622	Bladow Nevada LLC	Adam	Gonzales
NV	Fallon	7307	55 S Taylor St	89406	(775) 360 2607	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Fernley	7315	225 US Highway 95A N	89408	(775) 360 2615	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Gardnerville	7309	1345 US Highway 395 N	89410	(775) 360 2609	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Henderson	7217	290 S Boulder Hwy	89015	(702) 558 7477	Silver State Restaurants Inc	Ali	Navaie
NV	Henderson	7236	5 S Gibson Rd	89012	(702) 558-6506	Indo Cal Foods Inc	Jyoti	Madhura
NV	Henderson	7247	10505 S Eastern Ave	89052	(702) 616 6777	Indo Cal Foods Inc	Jyoti	Madhura
NV	Henderson	7255	1261 W Warm Springs Rd	89014	(702) 434-1472	Indo Cal Foods Inc	Jyoti	Madhura
NV	Henderson	7261	26 W Horizon Ridge Pkwy #110	89012	(702) 382 9300	Indo Cal Foods Inc	Jyoti	Madhura
NV	Henderson	7271	4161 Saint Rose Pkwy Ste B	89044	(702) 260 8596	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7201	3703 E Flamingo Rd	89121	(702) 451 0950	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7202	800 N Decatur	89107	(702) 870 1344	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7203	6400 W Charleston Blvd	89146	(702) 870 1550	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7204	4866 S Maryland Pkwy	89119	(702) 736-4846	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7206	4970 Spring Mountain Rd	89146	(702) 367-4191	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7207	804 N Nellis Blvd	89110	(702) 459 2404	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7208	3235 W Tropicana Ave	89103	(702) 736 7458	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7209	4385 Las Vegas Blvd N	89115	(702) 643 6569	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7212	580 N Eastern Ave	89101	(702) 385 7022	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7214	2301 S Decatur Blvd	89102	(702) 878 1288	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7215	2550 S Maryland Pkwy	89109	(702) 731 9846	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7219	2365 E Windmill Ln	89123	(702) 896 6633	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7220	5605 S Rainbow Blvd	89118	(702) 368 1830	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7221	1591 S Main St	89104	(702) 383 6908	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7223	7510 W Lake Mead Blvd	89128	(702) 838 3900	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7224	3680 Blue Diamond Rd	89139	(702) 260 7037	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7225	4145 S Durango Dr	89147	(702) 367 2236	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7227	3211 N Rancho Dr	89130	(702) 396 9946	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7229	3311 S Nellis Blvd	89121	(702) 435 8957	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7233	4640 E Russell Rd	89120	(702) 433 9100	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7235	1610 N Lamb Blvd	89115	(702) 437 1292	Silver State Restaurants Inc	Ali	Navaie

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
NV	Las Vegas	7237	2301 S Fort Apache Rd	89117	(702) 562 0562	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7239	8661 W Charleston Blvd	89117	(702) 804 5636	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7241	6515 E Lake Mead Blvd	89156	(702) 459 7190	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7243	455 Silverado Ranch Blvd	89123	(702) 407 5262	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7244	6451 Boulder Hwy	89122	(702) 435 6116	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7245	4040 S Rainbow Blvd	89103	(702) 227 1219	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7246	4345 E Charleston Blvd	89104	(702) 440 8181	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7249	7161 W Craig Rd	89129	(702) 395 0851	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7251	1480 W Lake Mead Blvd	89106	(702) 638-4188	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7252	9360 W Tropicana Ave	89147	(702) 251 1801	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7253	6150 Las Vegas Blvd S	89119	(702) 614-8472	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7256	780 E Flamingo Rd	89119	(702) 733 7713	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7257	2970 E Desert Inn Rd	89121	(702) 733 1421	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7258	3320 Las Vegas Blvd N	89115	(702) 651 0073	Silver State Restaurants Inc	Ali	Navaie
NV	Las Vegas	7260	3250 N Durango Dr Ste 100	89129	(702) 839 9221	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7262	3790 E Tropicana Ave	89121	(702) 434-0093	Indo Cal Foods Inc	Jyoti	Madhura
NV	Las Vegas	7266	7025 S Durango Dr	89113	(702) 269 6283	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7267	7980 S Rainbow Blvd	89139	(702) 270 2164	Desert Venture LLC	Shehzad	Gill
NV	Las Vegas	7268	7741 N El Capitan Way	89143	(702) 395 2832	Trinity Restaurant Group West LLC	Dino	Savant
NV	Las Vegas	7272	4860 S Decatur Blvd	89103	(702) 876 0346	Desert Venture LLC	Shehzad	Gill
NV	Mesquite	7226	320 Sandhill Rd	89027	(702) 346 1608	Trinity Restaurant Group West LLC	Dino	Savant
NV	North Las Vegas	7205	2104 Las Vegas Blvd N	89030	(702) 649 9201	Trinity Restaurant Group West LLC	Dino	Savant
NV	North Las Vegas	7228	3821 E Craig Rd	89030	(702) 643 2347	Trinity Restaurant Group West LLC	Dino	Savant
NV	North Las Vegas	7231	1845 W Craig Rd	89032	(702) 657 6154	Trinity Restaurant Group West LLC	Dino	Savant
NV	North Las Vegas	7242	5536 Camino Al Norte	89031	(702) 649 5222	Trinity Restaurant Group West LLC	Dino	Savant
NV	North Las Vegas	7264	6345 Losee Rd	89081	(702) 649 7199	Trinity Restaurant Group West LLC	Dino	Savant
NV	North Las Vegas	7265	4595 W Ann Rd	89031	(702) 631-4784	Trinity Restaurant Group West LLC	Dino	Savant
NV	Reno	7301	5095 S Mccarran Blvd	89502	(775) 825 1202	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Reno	7302	881 Apple St	89502	(775) 827 6363	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Reno	7305	410 Keystone Ave	89503	(775) 360 2605	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Reno	7310	10450 N Mccarran Blvd	89503	(775) 360 2610	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Reno	7314	179 Damonte Ranch Pkwy	89521	(775) 360 2614	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Reno	7316	185 Lemmon Dr	89506	(775) 360 2616	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Sparks	7303	2289 Oddie Blvd	89431	(775) 360 2603	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Sparks	7306	655 E Prater Way	89431	(775) 360 2606	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Sparks	7318	122 Los Altos Pkwy	89436	(775) 360 2618	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Verdi	7311	350 Interstate 80	89439	(775) 360 2611	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
NV	Winnemucca	7319	218 W Winnemucca Blvd	89445	(775) 360 2619	Emerald Cascade Restaurant Systems Inc	Adam	Gonzales
OK	Ada	6100	1501 N Country Club Dr	74820	(580) 421 9695	RDSL OK LLC	Rabindranath	Viswanath

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
OK	Ardmore	6138	1036 W Broadway St	73401	(580) 223 1886	RDSL OK LLC	Rabindranath	Viswanath
OK	Durant	6137	2117 W Main St	74701	(580) 931 3502	RDSL OK LLC	Rabindranath	Viswanath
OK	Edmond	6149	2108 W Danforth Rd Coe	73003	(405) 359-4929	JIB QSR Oklahoma LLC	Mohammed	Salous
OK	Lawton	4848	2601 Nw Cache Rd	73505	(580) 353 1801	RDSL OK LLC	Rabindranath	Viswanath
OK	Midwest City	6140	7085 Se 29th St	73110	(405) 741 0101	JIB QSR Oklahoma LLC	Mohammed	Salous
OK	Moore	6144	690 Sw 19th St	73160	(405) 793 0546	JIB QSR Oklahoma LLC	Mohammed	Salous
OK	Norman	6141	615 12th Ave Ne	73070	(405) 329 2981	JIB QSR Oklahoma LLC	Mohammed	Salous
OK	Oklahoma City	6143	540 S Macarthur Blvd	73128	(405) 948 3174	JIB QSR Oklahoma LLC	Mohammed	Salous
OK	Oklahoma City	6150	7100 S May Ave	73159	(405) 684-2376	JIB QSR Oklahoma LLC	Mohammed	Salous
OK	Oklahoma City	6152	5301 N May Ave	73112	(405) 917 7715	JIB QSR Oklahoma LLC	Mohammed	Salous
OR	Albany	7158	1825 Pacific Blvd Se	97321	(541) 967 6107	Northwest Group Inc	Rajeev	Gupta
OR	Beaverton	7114	9450 Sw Beaverton Hillsdale Hw	97005	(503) 297 7044	Northwest Group Inc	Rajeev	Gupta
OR	Beaverton	7118	2920 Sw Cedar Hills Blvd	97005	(503) 627 0205	Northwest Group Inc	Rajeev	Gupta
OR	Beaverton	7131	2145 Nw Town Center Dr	97006	(503) 439 6431	Northwest Group Inc	Rajeev	Gupta
OR	Bend	7172	805 Ne Third St	97701	(541) 330 1300	V R Inc	Vinod	Mehta
OR	Corvallis	7147	550 Ne Circle Blvd	97330	(541) 757 3399	V R Inc	Vinod	Mehta
OR	Cottage Grove	7174	1525 Gateway Blvd	97424	(541) 942 7010	VPS Inc	Vinod	Mehta
OR	Eugene	7153	1788 W 6th Ave	97402	(541) 343 1435	V R Inc	Vinod	Mehta
OR	Eugene	7159	4384 Commerce St	97402	(541) 343-4114	V R Inc	Vinod	Mehta
OR	Forest Grove	7170	3206 Pacific Ave	97116	(503) 359 5346	Northwest Group Inc	Rajeev	Gupta
OR	Grants Pass	7167	120 Hillcrest Dr	97526	(541) 474-7167	V R Inc	Vinod	Mehta
OR	Gresham	7116	25678 Se Stark St	97030	(503) 674 8107	Northwest Group Inc	Rajeev	Gupta
OR	Gresham	7168	2196 Ne Burnside Rd	97030	(503) 492-4791	Northwest Group Inc	Rajeev	Gupta
OR	Happy Valley	7181	14667 Se Sunnyside Rd	97086	(503) 855 3360	Northwest Group Inc	Rajeev	Gupta
OR	Hermiston	7140	1305 N 1st St	97838	(541) 567 3671	FEAST Foods LLC	Bashir	Eramya
OR	Hillsboro	7120	1525 Se 21st Ave	97123	(503) 615 0957	Northwest Group Inc	Rajeev	Gupta
OR	Hillsboro	7129	7563 Se Tualatin Valley Hwy	97123	(503) 356 1796	Northwest Group Inc	Rajeev	Gupta
OR	Hillsboro	7150	21965 Nw Imbrie Dr	97124	(503) 693 8769	Northwest Group Inc	Rajeev	Gupta
OR	Klamath Falls	7171	3040 Washburn Wy	97603	(541) 885 7171	V R Inc	Vinod	Mehta
OR	Lebanon	7178	2020 S Santiam Hwy	97355	(541) 258 7178	VPS Inc	Vinod	Mehta
OR	Mcminnville	7119	2565 Ne Highway 99w	97128	(503) 474 9717	Northwest Group Inc	Rajeev	Gupta
OR	Medford	7102	2002 N Pacific Hwy	97501	(541) 779 3208	V R Inc	Vinod	Mehta
OR	Medford	7103	309 E Barnett Rd	97501	(541) 779 0506	V R Inc	Vinod	Mehta
OR	Medford	7166	4150 S Pacific Hwy	97501	(541) 535 7822	V R Inc	Vinod	Mehta
OR	Milwaukie	7123	14811 Se Mcloughlin Blvd	97267	(503) 353 9435	Northwest Group Inc	Rajeev	Gupta
OR	Newberg	7179	3101 E Portland Rd	97132	(503) 487-6682	Northwest Group Inc	Rajeev	Gupta
OR	Ontario	7107	1407 Sw 4th Ave	97914	(541) 889 8646	FEAST Foods LLC	Bashir	Eramya
OR	Oregon City	7132	19009 S Beavercreek Rd	97045	(503) 657 9868	Northwest Group Inc	Rajeev	Gupta
OR	Pendleton	7149	1904 Sw Court Pl	97801	(541) 278 7877	FEAST Foods LLC	Bashir	Eramya

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
OR	Portland	7105	921 S E Powell Blvd	97202	(503) 230 8930	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7112	19110 Se Stark St	97233	(503) 667 5393	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7121	4242 Se 82nd Ave	97266	(503) 772 1341	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7122	500 Se 105th Ave	97216	(503) 408 1519	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7124	7921 Martin Luther King Blvd	97211	(503) 285 7430	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7126	2714 Ne 57th Ave	97213	(503) 282 8449	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7143	10500 Se 82nd Ave	97086	(503) 775-6062	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7157	12444 Ne Airport Way	97230	(503) 253 1437	Northwest Group Inc	Rajeev	Gupta
OR	Portland	7160	2260 Nw Wilson St	97210	(503) 224 2267	Northwest Group Inc	Rajeev	Gupta
OR	Redmond	7175	1830 N Highway 97	97756	(541) 504-4475	VPS Inc	Vinod	Mehta
OR	Roseburg	7135	1400 Ne Stephens St	97470	(541) 464 8025	V R Inc	Vinod	Mehta
OR	Salem	7115	1940 Lancaster Dr Ne	97305	(503) 362 8850	Northwest Group Inc	Rajeev	Gupta
OR	Salem	7117	2801 Broadway St Ne	97303	(503) 585-4830	Northwest Group Inc	Rajeev	Gupta
OR	Salem	7136	4195 Portland Rd Ne	97301	(503) 363 3749	Northwest Group Inc	Rajeev	Gupta
OR	Salem	7144	2480 Mission St Se	97302	(503) 763 0393	Northwest Group Inc	Rajeev	Gupta
OR	Salem	7152	4770 Commercial St Se	97302	(503) 566 7240	Northwest Group Inc	Rajeev	Gupta
OR	Springfield	7133	4175 Main St	97478	(541) 736 3861	V R Inc	Vinod	Mehta
OR	Springfield	7139	1805 Pioneer Pkwy E	97477	(541) 736-4934	V R Inc	Vinod	Mehta
OR	Springfield	7145	3491 Hutton St	97477	(541) 736 8168	V R Inc	Vinod	Mehta
OR	The Dalles	7177	1407 W 6th St	97058	(541) 296-4526	Northwest Group Inc	Rajeev	Gupta
OR	Tigard	7127	13090 Sw Pacific Hwy	97223	(503) 624-9594	Northwest Group Inc	Rajeev	Gupta
OR	Tualatin	7155	7700 Sw Nyberg St	97062	(503) 885 1389	Northwest Group Inc	Rajeev	Gupta
OR	White City	7182	2383 Ave A	97503	(541) 826 2010	VPS Inc	Vinod	Mehta
OR	Wood Village	7154	2602 Ne 238th Dr	97060	(503) 666 1282	Northwest Group Inc	Rajeev	Gupta
OR	Woodburn	7128	110 Arney Rd	97071	(503) 981 3338	Northwest Group Inc	Rajeev	Gupta
SC	Anderson	6419	4113 Clemson Blvd	29621	(864) 224 8983	Southeast Jack Inc	Waseem	Khan
SC	Easley	6421	6601 Calhoun Memorial Hwy	29640	(864) 306-8177	Southeast Jack Inc	Waseem	Khan
SC	Greenville	6404	1106 N Pleasantburg Dr	29607	(864) 609 0019	Southeast Jack Inc	Waseem	Khan
SC	Greenville	6413	1490 Poinsett Hwy	29609	(864) 467 0540	Southeast Jack Inc	Waseem	Khan
SC	Greenville	6417	1343 S Pleasantburg Dr	29605	(864) 422 1252	Southeast Jack Inc	Waseem	Khan
SC	Rock Hill	6401	895 Heckle Blvd	29730	(803) 366 3255	Southeast Jack Inc	Waseem	Khan
SC	Rock Hill	6403	1929 Springsteen Rd	29730	(803) 328 3600	Southeast Jack Inc	Waseem	Khan
SC	Simpsonville	6405	2609 Woodruff Rd	29681	(864) 297 0800	Southeast Jack Inc	Waseem	Khan
SC	Simpsonville	6418	695 Fairview Rd	29680	(864) 963 1841	Southeast Jack Inc	Waseem	Khan
SC	Spartanburg	6422	1500 Wo Ezell Blvd	29301	(864) 587 7100	Southeast Jack Inc	Waseem	Khan
TN	Clarksville	6923	40 Dover Crossing Rd	37042	(931) 648-4401	Equus Holdings Inc	John	Anderson
TN	Franklin	6904	3000 Mallory Ln	37067	(615) 778 9575	Equus Holdings Inc	John	Anderson
TN	Hermitage	6902	5656 Old Hickory Blvd	37076	(615) 883 5191	Equus Holdings Inc	John	Anderson
TN	Lebanon	6927	509 S Cumberland St	37087	(615) 453-4767	Equus Holdings Inc	John	Anderson

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TN	Murfreesboro	6905	2397 Memorial Blvd	37129	(615) 849 1234	Equus Holdings Inc	John	Anderson
TN	Murfreesboro	6913	2181 Old Fort Pkwy	37129	(615) 904-1803	Equus Holdings Inc	John	Anderson
TN	Nashville	6900	3900 Dickerson Pike	37207	(615) 865 8099	Equus Holdings Inc	John	Anderson
TN	Nashville	6903	2008 W End Ave	37203	(615) 329 8266	Equus Holdings Inc	John	Anderson
TN	Nashville	6909	3133 Lebanon Pike	37214	(615) 874-4190	Equus Holdings Inc	John	Anderson
TN	Nashville	6911	622 Mcgavock Pike	37214	(615) 232 9411	Equus Holdings Inc	John	Anderson
TN	Nashville	6912	204 Largo Dr	37211	(615) 315 9206	Equus Holdings Inc	John	Anderson
TN	Nashville	6919	5615 Charlotte Pike	37209	(615) 353 9032	Equus Holdings Inc	John	Anderson
TN	Nashville	6922	1504 Hampton St	37207	(615) 228 1336	Equus Holdings Inc	John	Anderson
TN	Nashville	6930	1000 Capital Funds Ct	37217	(615) 360 7766	Equus Holdings Inc	John	Anderson
TX	Allen	3799	804 W Mcdermott Dr	75013	(972) 727 8327	MANNAT FOOD INC	Mannu	Mehta
TX	Alvin	664	615 S Gordon St	77511	(281) 331-2311	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Alvin	3928	2805 N Highway 35	77511	(281) 331 2505	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Angleton	685	839 E Mulberry St	77515	(979) 849 0057	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Arlington	740	900 N Collins St	76011	(817) 274 0896	Odeh Premier B Operational Enterprises L P	Bassam	Odeh
TX	Arlington	777	521 N Watson Rd	76011	(817) 640 8552	Odeh Premier C Operational Enterprises L P	Bassam	Odeh
TX	Arlington	3715	3737 S Cooper St	76015	(817) 472 9462	Odeh Premier C Operational Enterprises L P	Bassam	Odeh
TX	Arlington	3718	5775 W Pleasant Ridge Rd	76016	(817) 483 5812	Odeh Premier B Operational Enterprises L P	Bassam	Odeh
TX	Arlington	3724	2880 E Pioneer Pkwy	76010	(817) 640 2145	Odeh Premier B Operational Enterprises L P	Bassam	Odeh
TX	Arlington	3734	753 W Lamar Blvd	76012	(817) 861 2888	Odeh Premier B Operational Enterprises L P	Bassam	Odeh
TX	Arlington	3738	1734 E Division St	76011	(817) 860 5842	Odeh Premier B Operational Enterprises L P	Bassam	Odeh
TX	Arlington	3750	5340 Matlock Rd	76018	(817) 467 6611	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Arlington	3759	2401 Se Green Oaks Blvd	76018	(817) 375 3756	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Arlington	3777	5920 S Cooper St	76017	(817) 557 8743	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Arlington	3782	901 Interstate 20 E	76018	(817) 419 9402	Odeh Premier C Operational Enterprises L P	Bassam	Odeh
TX	Arlington	4746	4950 W Sublett Rd	76001	(817) 563 0087	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Athens	3820	1398 E Tyler St	75751	(903) 670 3357	TriBox LLC	Yasin	Choudry
TX	Austin	810	7901 Burnet Rd	78757	(512) 454 1555	RRH Austin LLC	Clyde	Rucker
TX	Austin	823	1801 W Ben White Blvd	78704	(512) 442-1697	RRH Austin LLC	Clyde	Rucker
TX	Austin	825	814 E Rundberg Ln	78753	(512) 837 1232	RRH Austin LLC	Clyde	Rucker
TX	Austin	840	110 E William Cannon St	78745	(512) 442 0099	RRH Austin LLC	Clyde	Rucker
TX	Austin	842	904 E Braker Ln	78753	(512) 835 7054	RRH Austin LLC	Clyde	Rucker
TX	Austin	843	9825 Burnet Rd	78758	(512) 832 9323	RRH Austin LLC	Clyde	Rucker
TX	Austin	845	1936 E Oltorf St	78741	(512) 462 2676	RRH Austin LLC	Clyde	Rucker
TX	Austin	848	8630 N Lamar Blvd	78753	(512) 834-8924	RRH Austin LLC	Clyde	Rucker
TX	Austin	865	6419 Airport Blvd	78752	(512) 452 9291	RRH Austin LLC	Clyde	Rucker
TX	Austin	867	6210 W William Cannon Dr	78749	(512) 899 1312	RRH Austin LLC	Clyde	Rucker
TX	Austin	869	1000 E 41st St Unit K	78751	(512) 458 6252	RRH Austin LLC	Clyde	Rucker
TX	Austin	904	6133 E Ben White Blvd	78741	(512) 389 0490	RRH Austin LLC	Clyde	Rucker

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Austin	905	8706 E Us Highway 290	78724	(512) 928 8969	RRH - Austin LLC	Clyde	Rucker
TX	Austin	906	7404 Mcneil Dr	78729	(512) 219 1809	RRH Austin LLC	Clyde	Rucker
TX	Austin	907	1151 Airport Blvd	78702	(512) 928 8381	RRH Austin LLC	Clyde	Rucker
TX	Austin	912	6540 Ed Bluestein Blvd	78723	(512) 927 0330	RRH Austin LLC	Clyde	Rucker
TX	Austin	922	12309 Dessau Rd	78754	(512) 491 8200	RRH Austin LLC	Clyde	Rucker
TX	Austin	949	9300 S Ih 35 Ste A300 Bldg G	78748	(512) 291 1188	RRH Austin LLC	Clyde	Rucker
TX	Azle	3832	509 Central Dr	76020	(817) 270-4465	RDSL LLC	Rabindranath	Viswanath
TX	Bacliff	3656	4605 Highway 146	77518	(281) 339 6789	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Balch Springs	4756	12325 Lake June Rd	75180	(972) 329 5990	Aslam Group LLC	Christopher	Aslam
TX	Bastrop	4812	1641 Highway 71 E	78602	(512) 308 9561	RRH Austin LLC	Clyde	Rucker
TX	Bay City	680	2804 7th St	77414	(979) 245 1872	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Baytown	654	2210 N Alexander Dr	77520	(281) 422 3224	TLG Restaurants LLC	Opiah	Izu
TX	Baytown	3648	5107 East Fwy	77521	(281) 421 2259	TLG Restaurants LLC	Opiah	Izu
TX	Baytown	3668	8832 N Highway 146	77523	(281) 383 7363	TLG Restaurants LLC	Opiah	Izu
TX	Baytown	3936	3601 N Main St	77521	(281) 837 1046	TLG Restaurants LLC	Opiah	Izu
TX	Baytown	4749	4234 Decker Dr	77520	(281) 424 2450	TLG Restaurants LLC	Opiah	Izu
TX	Beaumont	3646	590 Washington Blvd	77705	(409) 832-4855	TLIG Restaurants LLC	Opiah	Izu
TX	Beaumont	3647	5601 College St	77707	(409) 842 9480	TLIG Restaurants LLC	Opiah	Izu
TX	Beaumont	3686	3885 Interstate 10 S	77705	(409) 842 3882	TLIG Restaurants LLC	Opiah	Izu
TX	Beaumont	3978	7380 Highway 105	77713	(409) 898 1948	TLIG Restaurants LLC	Opiah	Izu
TX	Beaumont	4776	1550 Interstate 10 E	77703	(409) 813 1641	TLIG Restaurants LLC	Opiah	Izu
TX	Beaumont	4808	680 N 11th St	77702	(409) 832-6900	TLIG Restaurants LLC	Opiah	Izu
TX	Bedford	3742	3355 Harwood Rd	76021	(817) 540-4933	RDSL LLC	Rabindranath	Viswanath
TX	Bellmead	3814	1525 Interstate 35 N	76705	(254) 412 2013	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Belton	4720	2808 Oakmark Dr	76513	(254) 939 2168	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Benbrook	3802	8528 Benbrook Blvd	76126	(817) 249 6580	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Brenham	687	400 Highway 290 W	77833	(979) 836 2657	A 3 H Foods LP	Mouhammad	Keshani
TX	Brownsville	3664	916 N Expressway	78521	(956) 541 8511	A3H Foods II LP	Mouhammad	Keshani
TX	Brownsville	3674	5120 S Padre Island Hwy	78521	(956) 831 7199	A3H Foods II LP	Mouhammad	Keshani
TX	Brownsville	3676	3355 International Blvd	78521	(956) 544-5999	A3H Foods II LP	Mouhammad	Keshani
TX	Brownsville	3951	2150 Paredes Line Rd	78521	(956) 550 8994	A3H Foods II LP	Mouhammad	Keshani
TX	Bryan	675	2906 S Texas Ave	77802	(979) 775 7103	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Bryan	3855	900 N Earl Rudder Fwy	77802	(979) 731 8893	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Buda	919	15320 S Intersate 35	78610	(512) 295 6786	RRH Austin LLC	Clyde	Rucker
TX	Carrollton	774	2666 Josey Ln	75007	(972) 245 2082	MANNAT FOOD INC	Mannu	Mehta
TX	Carrollton	4784	2452 Luna Rd	75006	(972) 247 5181	TriBox LLC	Yasin	Choudry
TX	Castle Hills	928	2299 Nw Military Hwy	78213	(210) 340 9084	San Tex Restaurants Inc	Atour	Eyvazian
TX	Cedar Creek	925	111 W State Highway 21	78612	(512) 308 0387	RRH Austin LLC	Clyde	Rucker
TX	Cedar Hill	3843	412 N Highway 67	75104	(972) 293 9727	R&R Business Ventures Inc	Umar	Ibrahim

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Centerville	3764	1129 W St Marys St	75833	(903) 536 1022	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Channelview	670	514 Sheldon Rd	77530	(281) 452 2918	TLG Restaurants LLC	Opiah	Izu
TX	Cleburne	766	603 W Henderson St	76033	(817) 202 0153	R&R Business Ventures Inc	Umar	Ibrahim
TX	Cleburne	3829	110 W Katherine P Rains Rd	76033	(817) 202 0145	R&R Business Ventures Inc	Umar	Ibrahim
TX	Cleveland	691	419 S Washington Ave	77327	(281) 592 9683	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Clute	677	1041 W Plantation Dr	77531	(979) 265 5190	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	College Station	683	1504 Texas Ave S	77840	(979) 693-4310	J & D Restaurant Group LLC	Bernard	Morrissey
TX	College Station	3825	3511 Longmire Dr	77845	(979) 695 2993	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Columbus	3945	2209 Highway 71 S	78934	(979) 732 5834	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Conroe	3905	3595 N Loop 336 E	77301	(936) 539 3814	A 3 H Foods LP	Mouhammad	Keshani
TX	Conroe	3957	1300 League Line Rd	77301	(936) 890 2059	A 3 H Foods LP	Mouhammad	Keshani
TX	Conroe	4713	9300 Highway 242	77385	(936) 271 3277	A 3 H Foods LP	Mouhammad	Keshani
TX	Conroe	4810	1405 N Loop W 336	77304	(936) 441 5369	A 3 H Foods LP	Mouhammad	Keshani
TX	Coppell	3831	121 E State Highway 121	75019	(214) 488 3969	RDSL LLC	Rabindranath	Viswanath
TX	Copperas Cove	828	901 E Highway 190	76522	(254) 547 9898	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Corinth	3768	7900 S Interstate 35 E	76210	(940) 321 0727	RDSL LLC	Rabindranath	Viswanath
TX	Corpus Christi	4727	3155 S Padre Island Dr	78415	(361) 225 3746	A3H Foods II LP	Mouhammad	Keshani
TX	Corpus Christi	4728	1502 Airline Rd Ste 302	78412	(361) 980 8067	A3H Foods II LP	Mouhammad	Keshani
TX	Corpus Christi	4729	10602 Ih 37	78410	(361) 242 9818	A3H Foods II LP	Mouhammad	Keshani
TX	Corpus Christi	4751	1238 Waldron Rd	78418	(361) 939 9643	A3H Foods II LP	Mouhammad	Keshani
TX	Corpus Christi	4777	6505 Everhart Rd	78413	(361) 225 2938	A3H Foods II LP	Mouhammad	Keshani
TX	Corsicana	738	1739 W 7th Ave	75110	(903) 872-4488	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Corsicana	3812	2001 E Highway 31	75109	(903) 872 5944	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Crosby	3995	13902 Fm 2100 Rd	77532	(281) 462 2527	TLG Restaurants LLC	Opiah	Izu
TX	Cross Roads	4835	11920 Us Hwy 380	76227	(940) 365 9848	RDSL LLC	Rabindranath	Viswanath
TX	Crowley	4826	800 S Crowley Rd	76036	(817) 297 2230	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Cypress	4813	17926 Spring Cypress Rd	77429	(281) 256 8992	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Dallas	701	11404 Garland Rd	75218	(214) 327 8363	J&F and Sons LLC	Christopher	Aslam
TX	Dallas	704	4402 Maple Ave	75219	(214) 521 2560	TriBox LLC	Yasin	Choudry
TX	Dallas	713	3117 Inwood Rd	75235	(214) 358 3966	J&F and Sons LLC	Christopher	Aslam
TX	Dallas	715	3195 Royal Ln	75229	(214) 351 5580	J&F and Sons LLC	Christopher	Aslam
TX	Dallas	727	6308 Gaston Ave	75214	(214) 823 3881	TriBox LLC	Yasin	Choudry
TX	Dallas	734	6355 E Mockingbird Ln	75214	(214) 826 7320	TriBox LLC	Yasin	Choudry
TX	Dallas	744	3232 N Buckner Blvd	75228	(214) 328 5844	J&F and Sons LLC	Christopher	Aslam
TX	Dallas	748	13555 Preston Rd	75240	(972) 239 2782	Tash Foods LLC	Tanzeem	Rizvi
TX	Dallas	749	9661 Skillman St	75243	(214) 340 3321	Tash Foods LLC	Tanzeem	Rizvi
TX	Dallas	783	4210 N Central Expy	75206	(214) 823 3650	TriBox LLC	Yasin	Choudry
TX	Dallas	799	8227 Park Ln	75231	(214) 368 1849	Tash Foods LLC	Tanzeem	Rizvi
TX	Dallas	3733	18220 Dallas Pkwy	75287	(972) 732 0033	MANNAT FOOD INC	Mannu	Mehta

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Dallas	3744	7940 Lbj Fwy	75251	(972) 404-8706	Aysha Foods Inc	Tariq	Ahmed
TX	Dallas	3757	2727 W Wheatland Rd	75237	(972) 780 9494	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Dallas	3758	2405 Royal Ln	75229	(972) 406 1023	TriBox LLC	Yasin	Choudry
TX	Dallas	3767	2204 W Northwest Hwy	75220	(214) 351 3104	TriBox LLC	Yasin	Choudry
TX	Dallas	3824	7410 Bonnie View Rd	75241	(972) 225 2656	TriBox LLC	Yasin	Choudry
TX	Dallas	3837	4703 Greenville Ave	75206	(214) 378 9640	TriBox LLC	Yasin	Choudry
TX	Dallas	3853	5025 S Lancaster Rd	75216	(214) 376 6722	TriBox LLC	Yasin	Choudry
TX	Dallas	4748	1228 Robert B Cullum Blvd	75210	(214) 928 9194	Aslam Group LLC	Christopher	Aslam
TX	Dallas	4759	12330 Greenville Ave	75243	(214) 570 8691	Prime Foods Inc	Tanzeem	Rizvi
TX	Dallas	4779	110 E Camp Wisdom Rd	75241	(972) 228 5679	R&R Business Ventures Inc	Umar	Ibrahim
TX	Dallas	4806	721 S R L Thornton Fwy	75203	(214) 948 5505	TriBox LLC	Yasin	Choudry
TX	Dallas	4820	190 Continental Ave	75207	(214) 760 9324	TriBox LLC	Yasin	Choudry
TX	Dallas	4824	5336 Philip Ave	75223	(214) 823 2144	Aslam Group LLC	Christopher	Aslam
TX	Dallas	4834	6010 W Davis St	75211	(214) 339-4834	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Dayton	3964	208 E Highway 90	77535	(936) 257 8008	TLG Restaurants LLC	Opiah	Izu
TX	De Soto	742	901 N Hampton Rd	75115	(972) 223-4444	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Decatur	3753	900 S Highway 287	76234	(940) 627 7325	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Del Rio	947	100 Braddie Dr	78840	(830) 768 3050	San Tex Restaurants Inc	Atour	Eyvazian
TX	Denison	768	1120 S Austin Ave	75020	(903) 465-4343	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Denton	719	1408 W Hickory St	76201	(940) 387 8342	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Denton	793	2200 S Interstate 35 E	76205	(940) 891 2620	RDSL LLC	Rabindranath	Viswanath
TX	Denton	3776	328 W University Dr	76201	(940) 484-8068	RDSL LLC	Rabindranath	Viswanath
TX	Denton	3835	104 S Loop 288	76209	(940) 566 6721	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Diboll	3786	400 N Temple Dr	75941	(936) 829 3344	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Dickinson	694	3815 Gulf Fwy	77539	(281) 337 2842	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Duncanville	796	907 E Highway 67	75137	(972) 709 2757	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Duncanville	4827	107 E Camp Wisdom Rd	75116	(972) 283 5664	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Edinburg	3947	1602 W University Dr	78539	(956) 386 1832	A3H Foods II LP	Mouhammad	Keshani
TX	Edinburg	4700	102 E Monte Cristo Rd	78541	(956) 316 1558	A3H Foods II LP	Mouhammad	Keshani
TX	El Campo	3950	1721 S Mechanic St	77437	(979) 578 8981	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	El Paso	875	4160 N Mesa Dr	79902	(915) 545 2494	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	876	5519 W Alameda Ave	79905	(915) 772 5533	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	877	6700 Montana Ave	79925	(915) 778-5822	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	878	9004 Dyer St	79904	(915) 751 0581	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	880	5350 Montana Ave	79903	(915) 772 9863	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	882	1448 N Lee Trevino Dr	79936	(915) 590 0990	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	883	1115 McRae Blvd	79925	(915) 594-6608	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	885	8040 N Mesa St	79932	(915) 760-4995	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	886	12207 Montwood Dr	79938	(915) 856 0736	Odessa Enterprises Inc	Fredrick	Norwich Jr

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	El Paso	4804	655 Redd Rd	79912	(915) 760-4616	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	El Paso	4833	1318a George Dieter Dr	79936	(915) 860 7922	Odessa Enterprises Inc	Fredrick	Norwich Jr
TX	Elsa	3991	409 E Edinburg Ave	78543	(956) 262 8508	A3H Foods II LP	Mouhammad	Keshani
TX	Ennis	775	1102 E Ennis Ave	75119	(972) 875 8021	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Euless	3841	206 N Main St	76039	(817) 685 6210	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Euless	4707	3001 W Euless Blvd	76040	(817) 571 7501	RDSL LLC	Rabindranath	Viswanath
TX	Fairfield	3763	691 W Us Highway 84	75840	(903) 389 2186	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Farmers Branch	743	3206 Belt Line Rd	75234	(972) 243 7588	MANNAT FOOD INC	Mannu	Mehta
TX	Ferris	4781	400 S Interstate Highway 45	75125	(972) 544-2375	R&R Business Ventures Inc	Umar	Ibrahim
TX	Forney	4783	769 E Us Highway 80	75126	(972) 552 5803	TriBox LLC	Yasin	Choudry
TX	Fort Worth	751	3209 E Belknap St	76111	(817) 831 2404	RDSL LLC	Rabindranath	Viswanath
TX	Fort Worth	760	5031 E Lancaster Ave	76103	(817) 531 3780	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Fort Worth	779	217 University Dr	76107	(817) 332 3992	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Fort Worth	3721	7065 Ridgmar Meadow Rd	76116	(817) 377 3721	RDSL LLC	Rabindranath	Viswanath
TX	Fort Worth	3766	5301 N Beach St	76137	(817) 306 9572	RDSL LLC	Rabindranath	Viswanath
TX	Fort Worth	3770	14100 Trinity Blvd	76155	(817) 358 9517	Odeh Premier C Operational Enterprises L P	Bassam	Odeh
TX	Fort Worth	4792	7351 Oakmont Blvd	76132	(817) 292 5476	RDSL LLC	Rabindranath	Viswanath
TX	Freeport	3961	2101 N Brazosport Blvd	77541	(979) 233 1011	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Friendswood	3670	101 E Parkwood Ave	77546	(281) 992 8035	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Frisco	4796	9133 Legacy Dr	75034	(214) 436 5415	MANNAT FOOD INC	Mannu	Mehta
TX	Ft Worth	4832	2916 E Berry St	76105	(817) 536 2616	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Gainesville	741	219 N Grand Ave	76240	(940) 665 2911	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Galveston	645	2300 61st St	77551	(409) 744 3521	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Galveston	653	920 Seawall Blvd	77550	(409) 763-4121	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Garland	711	335 S Garland Ave	75040	(972) 276 7643	Yadarr Inc	Manuel	Arruda
TX	Garland	716	3101 S 1st St	75041	(972) 278 0412	Prime Foods Inc	Tanzeem	Rizvi
TX	Garland	767	3480 Arapaho Rd	75044	(972) 530-6265	MANNAT FOOD INC	Mannu	Mehta
TX	Garland	785	1001 W Centerville Rd	75041	(972) 681 5141	Yadarr Inc	Manuel	Arruda
TX	Garland	791	1382 Belt Line Rd	75040	(972) 530 3831	Tash Foods LLC	Tanzeem	Rizvi
TX	Garland	3771	4015 Bobtown Rd	75043	(972) 303-4304	TriBox LLC	Yasin	Choudry
TX	Georgetown	874	1001 Leander Rd	78628	(512) 864 2951	RRH Austin LLC	Clyde	Rucker
TX	Georgetown	4786	710 W University Ave	78626	(512) 863 5725	RRH Austin LLC	Clyde	Rucker
TX	Glenn Heights	3775	1703 S Beckley Rd	75154	(972) 274-3417	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Granbury	3815	1010 Morgan St	76048	(817) 573 8093	R&R Business Ventures Inc	Umar	Ibrahim
TX	Grand Prairie	746	2514 S Belt Line Rd	75052	(972) 264-3177	Odeh Premier C Operational Enterprises L P	Bassam	Odeh
TX	Grand Prairie	763	101 E Main St	75050	(972) 262 2396	Bassam Odeh Inc	Bassam	Odeh
TX	Grand Prairie	3737	2085 N Highway 360	75050	(817) 640 1251	Odeh Premier C Operational Enterprises L P	Bassam	Odeh
TX	Grand Prairie	3746	4004 S Belt Line Rd	75052	(972) 642 3330	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Grapevine	3730	1290 William D Tate Ave	76051	(817) 481 6493	RDSL Enterprises LLC	Rabindranath	Viswanath

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Grapevine	3798	3500 Grapevine Mills Pkwy #200	76051	(972) 355 7508	RDSL LLC	Rabindranath	Viswanath
TX	Greenville	772	6403 Wesley St	75402	(903) 454-1616	TriBox LLC	Yasin	Choudry
TX	Gun Barrel City	3789	1380 W Main St	75156	(903) 887 3131	TriBox LLC	Yasin	Choudry
TX	Haltom City	3719	5200 E Belknap St	76117	(817) 831 8378	RDSL LLC	Rabindranath	Viswanath
TX	Harker Heights	3796	307 E Fm 2410 Rd	76548	(254) 680 7989	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Harlingen	3653	322 S 77 Sunshine Strip	78550	(956) 412 3964	A3H Foods II LP	Mouhammad	Keshani
TX	Harlingen	3659	1406 W Tyler Ave	78550	(956) 412 6322	A3H Foods II LP	Mouhammad	Keshani
TX	Harlingen	3948	4714 S Expressway 83	78552	(956) 365 3500	A3H Foods II LP	Mouhammad	Keshani
TX	Hempstead	3959	1925 Fm 1488 Rd	77445	(979) 921 0695	A 3 H Foods LP	Mouhammad	Keshani
TX	Hidalgo	3975	520 S International Blvd	78557	(956) 843 2203	A3H Foods II LP	Mouhammad	Keshani
TX	Highlands	3935	302 N Main St Ste 3	77562	(281) 843 6622	TLG Restaurants LLC	Opiah	Izu
TX	Hillsboro	3817	1405 Corsicana Hwy	76645	(254) 582 0443	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Hitchcock	3943	7728 Highway 6	77563	(409) 986-4443	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Houston	606	2001 N Shepherd Dr	77008	(713) 864 7455	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	609	9302 Jensen Dr	77093	(713) 692 3013	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Houston	618	8410 Hillcroft St	77096	(713) 271-4438	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	620	5410 N Shepherd Dr	77091	(713) 694-7394	Cal-Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	624	5801 Bellaire Blvd	77081	(713) 661 9296	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	625	9424 Homestead Rd	77016	(713) 631 7370	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Houston	627	3908 Bellaire Blvd	77025	(713) 664-6919	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	630	1419 Gessner Dr	77080	(713) 464-9773	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	631	909 Shepherd Dr	77007	(713) 861 0335	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	633	1395 Federal Rd	77015	(713) 455 1818	TLG Restaurants LLC	Opiah	Izu
TX	Houston	637	9645 Westheimer Rd	77063	(713) 784 8946	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	658	7502 N Shepherd Dr	77088	(713) 694 3248	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	663	3907 Aldine Mail Rd	77039	(281) 442 2477	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Houston	665	9602 Mesa Dr	77078	(713) 633 3584	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Houston	666	11234 Airline Dr	77037	(281) 448 6939	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Houston	667	10004 Telephone Rd	77075	(713) 991 2597	TLG Restaurants LLC	Opiah	Izu
TX	Houston	672	8767 S Main St	77025	(713) 661 5665	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	674	5316 Antoine Dr	77091	(713) 686 3801	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	686	3402 Mangum Rd	77092	(713) 681 9650	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	689	251 Greens Rd	77060	(281) 876-2714	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	695	14521 Bellaire Blvd	77083	(281) 530 8821	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	697	14555 Falling Creek Dr	77014	(281) 444-6774	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3600	11630 Hempstead Hwy	77092	(713) 686 6103	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3602	14754 Wallisville Rd	77049	(713) 453 0325	TLG Restaurants LLC	Opiah	Izu
TX	Houston	3613	4232 Highway 6 N	77084	(281) 550-8135	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3616	2420 Bay Area Blvd	77058	(281) 286 8107	MZK Enterprise LLC	Srinivas	Vajupeyayajula

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Houston	3617	9429 Jones Rd	77065	(281) 469 6856	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3619	3220 Montrose Blvd	77006	(713) 520 0634	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3625	2801 Hillcroft Ave	77057	(713) 783-4977	Cal-Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3626	14643 Woodforest Blvd	77015	(713) 451 8102	TLG Restaurants LLC	Opiah	Izu
TX	Houston	3629	3302 Richmond Ave	77098	(713) 522 7890	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3630	12235 Jones Rd	77070	(281) 894 7331	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3636	19602 Tomball Pkwy	77070	(281) 955 1642	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3643	8603 Fm 1960 Rd W	77070	(281) 955 0830	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3652	901 Dairy Ashford Rd	77079	(281) 752 8616	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3665	2901 Airline Dr	77009	(713) 862-6643	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3669	14540 Westheimer	77077	(281) 496-4783	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3675	7699 Katy Fwy	77024	(713) 956 5777	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3691	10742 Veterans Memorial Dr	77038	(281) 999 1555	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3695	12777 East Fwy	77015	(713) 450 2403	TLG Restaurants LLC	Opiah	Izu
TX	Houston	3698	8111 Airport Blvd	77061	(713) 242 0896	TLG Restaurants LLC	Opiah	Izu
TX	Houston	3699	1217 Wayside Dr	77011	(713) 928 6095	TLG Restaurants LLC	Opiah	Izu
TX	Houston	3909	10454 Richmond Ave	77042	(832) 251 9317	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3915	11912 Galveston Rd Ste A	77034	(281) 484 7985	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Houston	3927	12446 Fm 1960 Rd W	77065	(281) 897 9293	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3931	5656 N Eldridge Pkwy	77041	(713) 849 2076	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3939	1765 W Mt Houston Rd	77038	(281) 445 3911	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3940	6325 Barker Cypress Rd	77084	(832) 593 0882	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3967	8055 N Sam Houston Pkwy W	77064	(281) 894 2638	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3972	1812 Ella Blvd	77008	(713) 863 7495	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	3973	12102 Veterans Memorial Dr	77067	(281) 893 0102	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3979	739 N Sam Houston Pkwy E	77060	(281) 405 8140	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	3999	8923 E Sam Houston Pkwy N	77044	(281) 459 9949	TLG Restaurants LLC	Opiah	Izu
TX	Houston	4701	11833 Barker Cypress Rd	77433	(281) 256 6241	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	4737	13351 Briar Forest Dr	77077	(281) 920 0983	Caltex Foods Inc	Atour	Eyvazian
TX	Houston	4801	8497 S Sam Houston Pkwy E	77075	(713) 987 9111	TLG Restaurants LLC	Opiah	Izu
TX	Houston	4803	6810 Bingle Rd	77092	(713) 690 1210	A 3 H Foods LP	Mouhammad	Keshani
TX	Houston	4829	9370 W Sam Houston Pkwy S #g	77099	(281) 561 5052	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Houston	4831	647 Rankin Rd	77073	(281) 209 2268	A 3 H Foods LP	Mouhammad	Keshani
TX	Humble	3688	7019 N Sam Houston Pkwy E	77396	(281) 441 3704	A 3 H Foods LP	Mouhammad	Keshani
TX	Humble	3692	7417 Fm 1960 Rd E	77346	(281) 812-4830	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Humble	3920	21510 Aldine Westfield Rd	77338	(281) 443 3562	A 3 H Foods LP	Mouhammad	Keshani
TX	Humble	3981	7101 Will Clayton Pkwy	77338	(281) 540 1578	A 3 H Foods LP	Mouhammad	Keshani
TX	Humble	4775	18 Wilson Rd	77338	(281) 446 2398	A 3 H Foods LP	Mouhammad	Keshani
TX	Huntsville	678	2251 Sam Houston Ave	77340	(936) 295 5821	A 3 H Foods LP	Mouhammad	Keshani

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Huntsville	4702	3005 State Highway 30 W	77340	(936) 435 0588	A 3 H Foods LP	Mouhammad	Keshani
TX	Hurst	3700	8601 W Bedford Euless Rd	76053	(817) 284 8614	RDSL LLC	Rabindranath	Viswanath
TX	Hutchins	3784	121 S Interstate 45 Service Rd	75141	(972) 225 3480	TriBox LLC	Yasin	Choudry
TX	Irving	721	2952 N Belt Line Rd	75062	(972) 252 5011	Bassam Odeh Inc	Bassam	Odeh
TX	Irving	725	502 N O Connor Rd	75061	(972) 254-6504	Bassam Odeh Inc	Bassam	Odeh
TX	Irving	3716	4206 W Airport Fwy	75062	(972) 986-4250	Odeh Premier B Operational Enterprises L P	Bassam	Odeh
TX	Irving	3748	5340 Macarthur Blvd	75038	(972) 751 1646	TriBox LLC	Yasin	Choudry
TX	Irving	4711	8655 Cypress Waters Blvd	75063	(972) 556 2588	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Irving	4782	2500 W Irving Blvd	75061	(972) 986 7850	Odeh Premier A Operational Enterprises L P	Bassam	Odeh
TX	Jacksonville	3818	1329 S Jackson St	75766	(903) 541 0408	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Jasper	4807	1007 S Wheeler St	75951	(409) 384 5611	TLIG Restaurants LLC	Opiah	Izu
TX	Katy	3603	903 S Mason Rd	77450	(281) 579 6958	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Katy	3938	1480 S Grand Pkwy	77494	(281) 693-4404	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Katy	3941	25105 Market Place Dr	77494	(281) 644-4330	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Katy	3993	20350 Park Row Blvd	77449	(281) 492 8693	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Kaufman	4732	1904 S Washington St	75142	(972) 932 3495	TriBox LLC	Yasin	Choudry
TX	Keller	3793	103 N Main St	76248	(817) 431 5225	RDSL LLC	Rabindranath	Viswanath
TX	Kerrville	851	500 Sidney Baker St	78028	(830) 257 2888	San Tex Restaurants Inc	Atour	Eyvazian
TX	Kilgore	3839	745 Us Highway 259 N	75662	(903) 988 8186	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Killeen	818	210 W Rancier Ave	76541	(254) 526-4777	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Killeen	838	3201 E Veterans Memorial Blvd	76543	(254) 699 5944	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Killeen	3852	1100 E Central Texas Expy	76541	(254) 690 2055	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Killeen	3864	5301 W Stan Schlueter Loop	76549	(254) 634 0924	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Killeen	4710	3800 E Elms Rd	76542	(254) 680 0078	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Killeen	4847	325 37th St Bldg 325	76544	(254) 285 2017	Freedom Food Management Group LLC	Chad	Kenyon
TX	Kingwood	3631	2308 Northpark Dr	77339	(281) 359 5225	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Kyle	4761	5061 Kyle Center Dr	78640	(512) 268 7106	RRH Austin LLC	Clyde	Rucker
TX	La Marque	671	4308 Texas Ave	77568	(409) 935 2252	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Lake Jackson	3934	165 Oyster Creek Dr	77566	(979) 297 6468	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Lancaster	4750	1448 W Pleasant Run Rd	75146	(972) 227 2243	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Laredo	946	5002 Saunders St	78041	(956) 723 3675	A3H Foods II LP	Mouhammad	Keshani
TX	Laredo	3662	5106 Mcpherson Ave	78041	(956) 717 1881	A3H Foods II LP	Mouhammad	Keshani
TX	Laredo	3673	2612 Cortez St	78043	(956) 712 9116	A3H Foods II LP	Mouhammad	Keshani
TX	Laredo	3677	3501 San Dario Ave	78041	(956) 725 6616	A3H Foods II LP	Mouhammad	Keshani
TX	Laredo	3922	7101 San Dario Ave	78045	(956) 726 8187	A3H Foods II LP	Mouhammad	Keshani
TX	Laredo	3983	4502 S Zapata Hwy	78046	(956) 724 2793	A3H Foods II LP	Mouhammad	Keshani
TX	League City	3666	1908 E Main St	77573	(281) 338 9328	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	League City	4793	1665 W Fm 646 Rd	77573	(281) 534 1079	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Lewisville	795	1563 W Main St	75067	(214) 222 7850	RDSL LLC	Rabindranath	Viswanath

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Lewisville	3845	732 Hebron Pkwy	75057	(972) 459 9323	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Liberty	3910	2320 N Main St	77575	(936) 336 1009	TLG Restaurants LLC	Opiah	Izu
TX	Little Elm	4837	2063 FM 423	75068	(469) 731 5890	MANNAT FOOD INC	Mannu	Mehta
TX	Livingston	3977	313 E Church St	77351	(936) 327 8225	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Lufkin	3783	1903 W Frank St	75904	(936) 634 1985	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Lufkin	3801	1902 E Denman Ave	75901	(936) 634 2011	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Madisonville	3816	3000 E Main St	77864	(936) 349 0881	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Magnolia	3949	6734 Fm 1488 Rd	77354	(281) 252 3596	A 3 H Foods LP	Mouhammad	Keshani
TX	Magnolia	3987	17607 Fm 1488 Rd	77354	(281) 259 3965	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Mansfield	3760	1782 Highway 157 N	76063	(817) 453 0313	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Mcallen	3658	1601 S 23rd St	78503	(956) 618 2234	A3H Foods II LP	Mouhammad	Keshani
TX	Mcallen	3660	909 Pecan Blvd	78501	(956) 682 7229	A3H Foods II LP	Mouhammad	Keshani
TX	Mcallen	3661	151 W Nolana St	78504	(956) 687 6909	A3H Foods II LP	Mouhammad	Keshani
TX	Mcallen	3953	3701 Pecan Blvd	78501	(956) 687 3205	A3H Foods II LP	Mouhammad	Keshani
TX	Mcallen	3971	2900 W Nolana Loop	78504	(956) 688 6538	A3H Foods II LP	Mouhammad	Keshani
TX	Mcallen	3988	7500 N 10th St	78504	(956) 631-4851	A3H Foods II LP	Mouhammad	Keshani
TX	Mckinney	778	1825 W University Dr	75069	(972) 562 5625	MANNAT FOOD INC	Mannu	Mehta
TX	Mckinney	4794	1516 S Tennessee St	75069	(214) 973 5727	Aslam Group LLC	Christopher	Aslam
TX	Mesquite	728	311 S Galloway Ave	75149	(972) 285 5889	J&F and Sons LLC	Christopher	Aslam
TX	Mesquite	750	2001 N Town East Blvd	75150	(972) 681 1011	TriBox LLC	Yasin	Choudry
TX	Mesquite	3736	1150 Us Highway 67	75150	(972) 613 6875	Tash Foods LLC	Tanzeem	Rizvi
TX	Midland	4743	5205 W Wadley Ave	79707	(432) 694-0500	RRH Austin LLC	Clyde	Rucker
TX	Midland	4795	2208 Rankin Hwy	79701	(432) 684 8900	RRH Austin LLC	Clyde	Rucker
TX	Midlothian	3792	1110 E Main St	76065	(972) 723 1285	R&R Business Ventures Inc	Umar	Ibrahim
TX	Mineral Wells	764	2008 E Hubbard St	76067	(940) 325 5561	RDSL LLC	Rabindranath	Viswanath
TX	Mission	3655	1401 E Expressway 83	78572	(956) 584 1728	A3H Foods II LP	Mouhammad	Keshani
TX	Missouri City	3624	6151 Highway 6	77459	(281) 499 9443	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Montgomery	3937	14640 Highway 105 W	77356	(936) 447-6300	A 3 H Foods LP	Mouhammad	Keshani
TX	Murphy	4739	106 W Fm 544	75094	(972) 881 1319	ASIM DEVELOPMENT CORPORATION	Tariq	Ahmed
TX	Nacogdoches	3787	2015 North St	75965	(936) 568 9690	J & D Restaurant Group LLC	Bernard	Morrissey
TX	New Braunfels	827	1260 S Seguin Ave	78130	(830) 608 0240	San Tex Restaurants Inc	Atour	Eyvazian
TX	New Braunfels	4811	3211 Commercial Circle	78130	(830) 626 0076	San Tex Restaurants Inc	Atour	Eyvazian
TX	New Caney	3682	20130 Us Highway 59	77357	(281) 399 8988	CNR QSR Holdings LP	Mouhammad	Keshani
TX	North Richland Hills	755	6501 Grapevine Hwy	76180	(817) 284 1301	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	North Richland Hills	4788	8416 Davis Blvd	76180	(817) 656 6070	RDSL LLC	Rabindranath	Viswanath
TX	Odessa	4742	3911 E 42nd St	79762	(432) 368 5000	RRH Austin LLC	Clyde	Rucker
TX	Odessa	4799	2672 N County Rd W	79763	(432) 335 8700	RRH Austin LLC	Clyde	Rucker
TX	Orange	3919	2900 N 16th St	77630	(409) 883 2661	TLIG Restaurants LLC	Opiah	Izu
TX	Palestine	3819	2207 W Oak St	75801	(903) 723 6233	TriBox LLC	Yasin	Choudry

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Palmhurst	4716	223 E Mile 3 Rd	78573	(956) 580 8951	A3H Foods II LP	Mouhammad	Keshani
TX	Palmview	3679	3701 W Expressway 83	78572	(956) 519 7807	A3H Foods II LP	Mouhammad	Keshani
TX	Pasadena	4725	2103 E Sam Houston Pkwy S	77503	(713) 589 0337	TLG Restaurants LLC	Opiah	Izu
TX	Pearland	4825	15750 South Fwy	77584	(281) 824 2306	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Pflugerville	864	14910 Fm 1825	78660	(512) 251 2576	RRH Austin LLC	Clyde	Rucker
TX	Pflugerville	4760	1700 Fm 685	78660	(512) 252 7834	RRH Austin LLC	Clyde	Rucker
TX	Pharr	3954	703 S Jackson Rd	78577	(956) 782 4500	A3H Foods II LP	Mouhammad	Keshani
TX	Pharr	3984	6521 S Cage Blvd	78577	(956) 702 2896	A3H Foods II LP	Mouhammad	Keshani
TX	Plano	784	201 W Parker Rd	75023	(972) 423 0524	MANNAT FOOD INC	Mannu	Mehta
TX	Plano	3729	1405 N Central Expy	75075	(972) 881 2853	MANNAT FOOD INC	Mannu	Mehta
TX	Plano	3762	1205 Jupiter Rd	75074	(972) 423 0826	Tash Foods LLC	Tanzeem	Rizvi
TX	Plano	3778	905 Legacy Dr	75023	(972) 527 7367	MANNAT FOOD INC	Mannu	Mehta
TX	Plano	3836	5960 Dallas Pkwy	75093	(972) 473 7618	MANNAT FOOD INC	Mannu	Mehta
TX	Port Arthur	647	4001 Twin City Hwy	77642	(409) 962 0333	TLIG Restaurants LLC	Opiah	Izu
TX	Port Arthur	3671	2840 Highway 365	77640	(409) 722 3022	TLIG Restaurants LLC	Opiah	Izu
TX	Port Arthur	4797	4640 Highway 365	77642	(409) 724 1644	TLIG Restaurants LLC	Opiah	Izu
TX	Port Neches	3965	706 Magnolia Ave	77651	(409) 727 2887	TLIG Restaurants LLC	Opiah	Izu
TX	Porter	3946	23183 Fm 1314 Rd	77365	(281) 354-4087	A 3 H Foods LP	Mouhammad	Keshani
TX	Princeton	4744	200 E Princeton Dr	75407	(972) 736 3262	MANNAT FOOD INC	Mannu	Mehta
TX	Richardson	3838	2230 N Coit Rd	75080	(972) 907 2260	MANNAT FOOD INC	Mannu	Mehta
TX	Richardson	4818	510 W Arapaho Rd	75080	(972) 807 9264	MANNAT FOOD INC	Mannu	Mehta
TX	Richmond	4817	7975 W Grand Pkwy S Ste 100	77407	(281) 232 7225	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Rio Grande City	3968	4600 E Us Highway 83	78582	(956) 488 2126	A3H Foods II LP	Mouhammad	Keshani
TX	Rockwall	3725	2808 Ridge Rd	75032	(972) 771-4988	TriBox LLC	Yasin	Choudry
TX	Roma	3932	201 E Grant St	78584	(956) 847 1905	A3H Foods II LP	Mouhammad	Keshani
TX	Round Rock	839	2120 S Interstate 35	78681	(512) 388 2409	RRH Austin LLC	Clyde	Rucker
TX	Round Rock	910	1121 E Palm Valley Blvd	78664	(512) 341 8707	RRH Austin LLC	Clyde	Rucker
TX	Round Rock	911	16330 R R 620	78681	(512) 733 6330	RRH Austin LLC	Clyde	Rucker
TX	Round Rock	917	3760 Gattis School Rd	78664	(512) 828 0380	RRH Austin LLC	Clyde	Rucker
TX	Rowlett	3756	5410 Rowlett Rd	75089	(972) 475 6881	Man Arr Inc	Manuel	Arruda
TX	Royse City	3795	100 E Interstate 30	75189	(972) 635 2455	TriBox LLC	Yasin	Choudry
TX	San Antonio	805	303 San Pedro Ave	78212	(210) 223 5954	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	806	742 Sw Military Dr	78221	(210) 924-2151	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	807	3315 San Pedro Ave	78212	(210) 734 8446	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	808	5423 Evers Rd	78238	(210) 419 1970	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	809	4319 Vance Jackson Rd	78230	(210) 342 8555	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	814	502 N New Braunfels Ave	78202	(210) 226-6875	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	817	6811 W Military Dr	78227	(210) 674 4647	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	819	7206 Blanco Rd	78216	(210) 344-4453	San Tex Restaurants Inc	Atour	Eyvazian

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	San Antonio	822	1331 Sw Loop 410	78227	(210) 674-5750	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	829	118 N General Mcmullen Dr	78237	(210) 432-6624	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	833	6811 Bandera Rd	78238	(210) 680 0762	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	834	5398 Walzem Rd	78218	(210) 656-4783	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	847	5311 Rigsby Ave	78222	(210) 337 0847	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	853	2465 Babcock Rd	78229	(210) 615 7328	San-Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	854	4626 Fredericksburg Rd	78201	(210) 734-8945	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	855	9330 Wurzbach Rd	78240	(210) 593 0420	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	856	1619 Bandera Rd	78228	(210) 433 9714	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	857	2209 Sw Military Dr	78224	(210) 923 3115	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	858	1818 N Foster Rd	78244	(210) 666-4140	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	859	11615 N IH 35	78233	(210) 967 9255	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	868	7720 Fm 78	78244	(210) 666 6979	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	870	15037 Nacogdoches Rd	78247	(210) 655 7991	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	871	10683 Huebner Rd Ste 101	78240	(210) 877 1219	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	900	5850 Culebra Rd	78228	(210) 432 0474	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	901	9263 Culebra Rd	78251	(210) 256 0378	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	903	3706 S Zarzamora St	78225	(210) 922 3769	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	908	3523 Se Military Dr	78223	(210) 359 6060	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	909	2866 Thousand Oaks Dr	78232	(210) 545 1262	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	913	2100 Culebra Rd	78228	(210) 734 9510	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	914	523 Fair Ave	78223	(210) 533 3761	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	915	3702 Sw Military Dr	78211	(210) 921 1364	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	923	6405 Nw Loop 410	78238	(210) 509 8499	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	926	2235 Ne Loop 410	78217	(210) 653 0860	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	930	11729 Bandera Rd	78250	(210) 682 0091	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	933	4606 Rittiman Rd	78218	(210) 666 8731	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	934	2311 Fredericksburg Rd	78201	(210) 736 1976	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	935	7150 San Pedro Ave	78216	(210) 524 2314	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	936	903 Probandt St	78204	(210) 223 4415	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	940	718 S Zarzamora St	78207	(210) 432 2568	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	941	8558 Huebner Rd Ste 102 Bldg 1	78240	(210) 697 1574	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	942	10418 Perrin Beitel Rd Ste 102	78217	(210) 564 8318	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	944	1214 W Old Us Highway 90	78227	(210) 432 1093	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	950	12503 Sw Loop 410	78224	(210) 624 2238	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	4719	506 New Valley Hi Dr	78227	(210) 673 5582	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	4723	21034 Us Highway 281 N	78258	(210) 497 7659	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	4772	5509 Roosevelt Ave	78214	(210) 627 2727	San Tex Restaurants Inc	Atour	Eyvazian
TX	San Antonio	4773	11211 Potranco Rd	78253	(210) 679 5084	San Tex Restaurants Inc	Atour	Eyvazian

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	San Benito	3678	692 S Sam Houston Blvd	78586	(956) 361 1616	A3H Foods II LP	Mouhammad	Keshani
TX	San Juan	3667	902 Raul Longoria Rd	78589	(956) 781-4339	A3H Foods II LP	Mouhammad	Keshani
TX	San Marcos	820	345 N L B J Dr	78666	(512) 353 7308	RRH Austin LLC	Clyde	Rucker
TX	San Marcos	866	2207 S Interstate 35	78666	(512) 392 2338	RRH Austin LLC	Clyde	Rucker
TX	Sanger	3794	903 N Stemmons Fwy	76266	(940) 458 7182	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Santa Fe	3906	13620 Highway 6	77517	(409) 925 5023	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Schertz	844	17501 Interstate 35 N	78154	(210) 651-5911	San Tex Restaurants Inc	Atour	Eyvazian
TX	Seabrook	646	4457 Nasa Pkwy # 1	77586	(281) 326-4063	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Seagoville	3811	600 E Malloy Bridge Rd	75159	(972) 287 8499	TriBox LLC	Yasin	Choudry
TX	Sealy	4706	2367 Highway 36 S	77474	(979) 885 6202	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Seguin	830	1070 E Court St	78155	(830) 372 1558	San Tex Restaurants Inc	Atour	Eyvazian
TX	Seguin	861	1810 W Ih 10	78155	(830) 379 6394	San Tex Restaurants Inc	Atour	Eyvazian
TX	Sherman	737	2133 Texoma Pkwy	75090	(903) 893 2919	RDSL LLC	Rabindranath	Viswanath
TX	Sherman	3842	100 W Fm 1417	75092	(903) 868-4805	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Silsbee	4778	150 Highway 327 E	77656	(409) 386 6121	TLIG Restaurants LLC	Opiah	Izu
TX	Splendora	3992	14699 Highway 59	77372	(281) 689 2645	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Spring	659	16802 Stuebner Airline Rd	77379	(281) 376 5340	A 3 H Foods LP	Mouhammad	Keshani
TX	Spring	3923	4720 Spring Cypress Rd	77379	(281) 374-0361	A 3 H Foods LP	Mouhammad	Keshani
TX	Spring	3976	25520 Aldine Westfield Rd	77373	(281) 528 0791	A 3 H Foods LP	Mouhammad	Keshani
TX	Spring	4704	3842 Fm 2920 Rd	77388	(281) 651 9815	A 3 H Foods LP	Mouhammad	Keshani
TX	Spring	4738	2685 Rayford Rd	77386	(832) 813 0996	A 3 H Foods LP	Mouhammad	Keshani
TX	Stafford	681	3204 S Main St	77477	(281) 261 9503	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Stephenville	3828	2801 W Washington St	76401	(254) 918 5002	R&R Business Ventures Inc	Umar	Ibrahim
TX	Sugar Land	3622	13124 S Dairy Ashford Rd	77478	(281) 242 5705	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Sugar Land	3903	11706 S Highway 6	77478	(281) 568 8193	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Sugar Land	3904	1744 Dulles Ave	77478	(281) 491 6161	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Sugar Land	4731	13325 W Airport Blvd	77478	(281) 494 3312	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Taylor	924	3120 N Main St #b	76574	(512) 365 6116	RRH Austin LLC	Clyde	Rucker
TX	Temple	816	204 W Adams Ave	76501	(254) 778-4571	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Temple	3862	3608 Sw Hk Dodgen Loop	76504	(254) 742 0195	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Terrell	3774	1898 W Moore Ave	75160	(972) 551 0105	TriBox LLC	Yasin	Choudry
TX	Texas City	635	2101 9th Avenue North	77590	(409) 948 1481	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Texas City	3623	2101 Fm 2004 Rd	77591	(409) 986 7297	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	The Colony	3821	4683 Highway 121	75056	(972) 624 1169	MANNAT FOOD INC	Mannu	Mehta
TX	The Woodlands	3657	1250 Lake Woodlands Dr	77380	(281) 363-4143	A 3 H Foods LP	Mouhammad	Keshani
TX	The Woodlands	3908	7950 Research Forest Dr	77382	(281) 367-6931	A 3 H Foods LP	Mouhammad	Keshani
TX	Tomball	3608	28423 Tomball Pkwy	77375	(281) 351 5633	A 3 H Foods LP	Mouhammad	Keshani
TX	Tomball	3969	11214 Fm 2920 Rd	77375	(281) 516 1401	A 3 H Foods LP	Mouhammad	Keshani
TX	Tomball	3980	16003 Fm 2920 Rd	77375	(281) 255 2163	A 3 H Foods LP	Mouhammad	Keshani

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
TX	Tomball	4714	24040 Kuykendahl Rd	77375	(281) 516 1781	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Tyler	3803	1703 S Broadway Ave	75701	(903) 592 8841	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Tyler	3804	6915 S Broadway Ave	75703	(903) 939 9632	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Tyler	3805	121 N Northwest Loop 323	75702	(903) 596 7739	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Uvalde	932	801 E Main St	78801	(830) 486 0500	San Tex Restaurants Inc	Atour	Eyvazian
TX	Van Alstyne	4745	121 S Henry Hynds Expy	75495	(903) 482 9450	RDSL LLC	Rabindranath	Viswanath
TX	Victoria	4764	1510 E Rio Grande St	77901	(361) 574 8649	A3H Foods II LP	Mouhammad	Keshani
TX	Victoria	4780	5229 N Navarro Dr	77904	(361) 579 9711	A3H Foods II LP	Mouhammad	Keshani
TX	Vidor	4718	1315 N Main St	77662	(409) 769 0542	TLIG Restaurants LLC	Opiah	Izu
TX	Waco	832	5125 Bosque Blvd	76710	(254) 776 0097	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Waco	835	725 University Parks Dr	76706	(254) 755 7009	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Waco	852	201 Hewitt Dr	76712	(254) 772 3600	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Waco	3813	1724 S Valley Mills Dr	76711	(254) 754 7514	J & D Restaurant Group LLC	Bernard	Morrissey
TX	Waller	3925	31014 Fm 2920 Rd	77484	(936) 931 3519	A 3 H Foods LP	Mouhammad	Keshani
TX	Wallisville	3966	22902 Interstate 10	77597	(409) 389-2451	TLIG Restaurants LLC	Opiah	Izu
TX	Watauga	3720	6241 Rufe Snow Dr	76148	(817) 581 7391	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Waxahachie	3785	1204 N Highway 77	75165	(972) 923 9323	Ibrahim Investment Corporation	Umar	Ibrahim
TX	Weatherford	733	804 S Main St	76086	(817) 594-1246	RDSL Enterprises LLC	Rabindranath	Viswanath
TX	Weatherford	3800	2002 Clear Lake Rd	76086	(817) 594-3689	R&R Business Ventures Inc	Umar	Ibrahim
TX	Webster	3621	418 El Dorado Blvd	77598	(281) 286-4816	MZK Enterprise LLC	Srinivas	Vajupeyayajula
TX	Webster	3930	3134 Fm 528 Rd	77598	(281) 993 2044	TLG Restaurants LLC	Opiah	Izu
TX	Weslaco	3933	1538 N Texas Blvd	78596	(956) 973 0018	A3H Foods II LP	Mouhammad	Keshani
TX	Wharton	676	1100 N Richmond	77488	(979) 532 1953	Cal Tex Restaurants Inc	Atour	Eyvazian
TX	Wichita Falls	4771	3125 Lawrence Rd	76308	(940) 689 9100	RDSL LLC	Rabindranath	Viswanath
TX	Wichita Falls	4828	2610 Central Freeway	76306	(940) 851 0667	RDSL LLC	Rabindranath	Viswanath
TX	Willis	3640	910 W Montgomery St	77378	(936) 856 9779	CNR QSR Holdings LP	Mouhammad	Keshani
TX	Winnie	3921	350 Spur 5	77665	(409) 296 3118	TLIG Restaurants LLC	Opiah	Izu
TX	Woodville	3994	102 N Magnolia St	75979	(409) 331 1136	TLIG Restaurants LLC	Opiah	Izu
UT	Saint George	1305	1596 S Convention Center Dr	84790	(435) 986 0284	Trinity Restaurant Group West LLC	Dino	Savant
UT	Washington	1306	775 W Telegraph St	84780	(435) 656-4450	Trinity Restaurant Group West LLC	Dino	Savant
WA	Aberdeen	8421	400 E Heron St	98520	(360) 532 7243	AJP Enterprises LLC	Steven	Wazny
WA	Anacortes	8373	2820 Commercial Ave	98221	(360) 299 8602	PARS GROUP LLC	Abdulreza	Khajavi
WA	Arlington	8466	3818 172nd St Ne	98223	(360) 653 3734	PARS GROUP LLC	Abdulreza	Khajavi
WA	Auburn	8366	524 A St Se	98002	(253) 939 3270	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Auburn	8427	340 15th St Ne	98002	(253) 939-6860	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Battle Ground	8320	19 Nw 12th Ave	98604	(360) 666 2281	Northwest Group Inc	Rajeev	Gupta
WA	Bellevue	8367	3179 156th Ave Se	98007	(425) 746 0527	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Bellevue	8418	12 Bellevue Way Se	98004	(425) 454 9387	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Bellevue	8422	1900 148th Ave Ne	98007	(425) 643 3388	Northwest Food Management Group Inc	Abdulreza	Khajavi

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
WA	Bellingham	8372	1020 W Bakerview Rd	98226	(360) 647-6072	PARS GROUP LLC	Abdulreza	Khajavi
WA	Bellingham	8457	1075 E Sunset Dr	98226	(360) 671 7727	PARS GROUP LLC	Abdulreza	Khajavi
WA	Blaine	8380	8140 Birch Bay Square St	98230	(360) 366 3869	PARS GROUP LLC	Abdulreza	Khajavi
WA	Bonney Lake	8460	19510 State Route 410 E	98390	(253) 862 0999	AJP Enterprises LLC	Steven	Wazny
WA	Bothell	8302	22736 Bothell Everett Hwy	98021	(425) 485 7364	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Bremerton	8363	4305 Kitsap Way	98312	(360) 782 0387	AJP Enterprises LLC	Steven	Wazny
WA	Bremerton	8449	4219 Wheaton Way	98310	(360) 479 3443	AJP Enterprises LLC	Steven	Wazny
WA	Burien	8405	14206 1st Ave S	98168	(206) 242 3364	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Burien	8407	1127 Sw 128th St	98146	(206) 244-1950	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Burlington	8379	9408 Old Highway 99	98233	(360) 757 0938	PARS GROUP LLC	Abdulreza	Khajavi
WA	Burlington	8455	610 S Burlington Blvd	98233	(360) 757 7580	PARS GROUP LLC	Abdulreza	Khajavi
WA	Centralia	8493	1130 Harrison Ave	98531	(360) 807 0277	AJP Enterprises LLC	Steven	Wazny
WA	Chehalis	8465	113 Interstate Ave	98532	(360) 748 6505	AJP Enterprises LLC	Steven	Wazny
WA	Des Moines	8472	22633 Marine View Dr S	98198	(206) 870 0995	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Des Moines	8478	1810 S 272nd St	98198	(253) 941 5958	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Dupont	8370	1275 Center Dr	98327	(253) 964 0759	AJP Enterprises LLC	Steven	Wazny
WA	East Wenatchee	8389	501 Grant Rd	98802	(509) 884-1934	FEAST Foods LLC	Bashir	Eramya
WA	Edmonds	8434	21130 Highway 99	98026	(425) 771 5212	PARS GROUP LLC	Abdulreza	Khajavi
WA	Ellensburg	8484	115 W University Way	98926	(509) 933 2833	FEAST Foods LLC	Bashir	Eramya
WA	Enumclaw	8454	311 Griffin Ave E	98022	(360) 802 1087	AJP Enterprises LLC	Steven	Wazny
WA	Everett	8307	11820 Evergreen Way	98204	(425) 356 9920	PARS GROUP LLC	Abdulreza	Khajavi
WA	Everett	8310	8520 Evergreen Way	98208	(425) 267 9651	PARS GROUP LLC	Abdulreza	Khajavi
WA	Everett	8314	1515 132nd St Se	98208	(425) 337 6666	PARS GROUP LLC	Abdulreza	Khajavi
WA	Everett	8423	2106 Everett Ave	98201	(425) 259 5283	PARS GROUP LLC	Abdulreza	Khajavi
WA	Everett	8438	1505 Se Everett Mall Way	98208	(425) 347 7171	PARS GROUP LLC	Abdulreza	Khajavi
WA	Everett	8470	4717 Evergreen Way	98203	(425) 339 0866	PARS GROUP LLC	Abdulreza	Khajavi
WA	Federal Way	8305	1610 S 347th Pl	98003	(253) 815 0059	AJP Enterprises LLC	Steven	Wazny
WA	Federal Way	8360	2400 Sw 336th St	98023	(253) 874 5257	AJP Enterprises LLC	Steven	Wazny
WA	Federal Way	8420	31130 Pacific Hwy S	98003	(253) 839 3592	AJP Enterprises LLC	Steven	Wazny
WA	Ferndale	8397	1819 Main St	98248	(360) 380 5989	PARS GROUP LLC	Abdulreza	Khajavi
WA	Fife	8447	3402 Pacific Hwy E	98424	(253) 922 9439	AJP Enterprises LLC	Steven	Wazny
WA	Graham	8395	22209 Meridian Ave E	98338	(253) 875 7782	NHG Enterprises LLC	Steven	Wazny
WA	Issaquah	8303	740 Nw Gilman Blvd	98027	(425) 837 1618	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Kelso	7180	104 N Minor Rd	98626	(360) 425 0685	Northwest Group Inc	Rajeev	Gupta
WA	Kenmore	8426	6100 Ne Bothell Way	98028	(425) 486 6856	PARS GROUP LLC	Abdulreza	Khajavi
WA	Kennewick	8301	2722 W 10th Ave	99336	(509) 585 0406	FEAST Foods LLC	Bashir	Eramya
WA	Kennewick	8351	4800 W Clearwater Ave	99336	(509) 374 0437	FEAST Foods LLC	Bashir	Eramya
WA	Kent	8404	221 Central Ave N	98032	(253) 854-2689	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Kent	8429	23911 104th Ave Se	98031	(253) 854 3044	Northwest Food Management Group Inc	Abdulreza	Khajavi

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
WA	Kent	8474	20746 108th Ave Se	98031	(253) 852 1529	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Kent	8496	8829 S 180th St	98032	(425) 251 0286	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Kent	8499	16757 Se 272nd St	98042	(253) 631 5393	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Kirkland	8448	12409 Ne 116th St	98034	(425) 822 8442	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Lacey	8343	8215 Martin Way E	98516	(360) 438 8544	AJP Enterprises LLC	Steven	Wazny
WA	Lacey	8430	4040 Martin Way	98506	(360) 491-4632	AJP Enterprises LLC	Steven	Wazny
WA	Lake Stevens	8388	507 91st Ave Ne	98258	(425) 334 6130	PARS GROUP LLC	Abdulreza	Khajavi
WA	Lakewood	8415	9815 Gravelly Lake Dr Sw	98499	(253) 584-4155	AJP Enterprises LLC	Steven	Wazny
WA	Lakewood	8450	8814 S Tacoma Way	98499	(253) 581 7244	AJP Enterprises LLC	Steven	Wazny
WA	Lakewood	8468	8504 Hipkins Rd Sw	98498	(253) 984 0661	AJP Enterprises LLC	Steven	Wazny
WA	Longview	8431	1445 15th Ave	98632	(360) 636 3500	Northwest Group Inc	Rajeev	Gupta
WA	Lynden	8359	8083 Guide Meridian Rd	98264	(360) 354-6679	PARS GROUP LLC	Abdulreza	Khajavi
WA	Lynnwood	8381	17210 Highway 99	98037	(425) 745 6505	PARS GROUP LLC	Abdulreza	Khajavi
WA	Lynnwood	8464	1212 164th St Sw	98087	(425) 742 0652	PARS GROUP LLC	Abdulreza	Khajavi
WA	Lynnwood	8483	4323 196th St Sw	98036	(425) 673 7895	PARS GROUP LLC	Abdulreza	Khajavi
WA	Marysville	8308	9603 State Ave	98270	(360) 653 7447	PARS GROUP LLC	Abdulreza	Khajavi
WA	Marysville	8437	1125 4th St	98270	(360) 653 8344	PARS GROUP LLC	Abdulreza	Khajavi
WA	Monroe	8390	13714 Roosevelt Rd	98272	(360) 863 8377	PARS GROUP LLC	Abdulreza	Khajavi
WA	Monroe	8475	19905 State Route 2	98272	(360) 794 1896	PARS GROUP LLC	Abdulreza	Khajavi
WA	Moses Lake	8335	506 E Wheeler Rd	98837	(509) 764 1581	FEAST Foods LLC	Bashir	Eramya
WA	Mount Vernon	8417	304 E College Way	98273	(360) 428 6960	PARS GROUP LLC	Abdulreza	Khajavi
WA	Mukilteo	8344	11800 Mukilteo Speedway	98275	(425) 493 8470	PARS GROUP LLC	Abdulreza	Khajavi
WA	Oak Harbor	8452	32205 State Route 20	98277	(360) 675 1768	PARS GROUP LLC	Abdulreza	Khajavi
WA	Olympia	8424	520 Plum St Se	98501	(360) 754-7296	AJP Enterprises LLC	Steven	Wazny
WA	Pacific	8473	402 Seattle Blvd N	98047	(253) 351 9346	AJP Enterprises LLC	Steven	Wazny
WA	Pasco	8345	3109 W Court St	99301	(509) 544-0576	FEAST Foods LLC	Bashir	Eramya
WA	Pasco	8383	7214 Burden Blvd	99301	(509) 546 2174	FEAST Foods LLC	Bashir	Eramya
WA	Port Angeles	8358	902 E Front St	98362	(360) 417 5187	AJP Enterprises LLC	Steven	Wazny
WA	Port Orchard	8451	1467 Olney St Se	98366	(360) 876-4236	AJP Enterprises LLC	Steven	Wazny
WA	Poulsbo	8391	21599 Market Pl Nw	98370	(360) 394 5225	AJP Enterprises LLC	Steven	Wazny
WA	Pullman	8361	310 Ne Stadium Way	99163	(509) 332-5317	FEAST Foods LLC	Bashir	Eramya
WA	Puyallup	8462	705 S Meridian	98371	(253) 435 6071	AJP Enterprises LLC	Steven	Wazny
WA	Puyallup	8463	3750 S Meridian	98373	(253) 840 2411	AJP Enterprises LLC	Steven	Wazny
WA	Puyallup	8485	16022 Meridian E	98375	(253) 435 0648	AJP Enterprises LLC	Steven	Wazny
WA	Puyallup	8488	11024 Canyon Rd	98373	(253) 537 3467	AJP Enterprises LLC	Steven	Wazny
WA	Redmond	8346	16280 Ne 87th St	98052	(425) 861 0681	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Renton	8306	4810 Ne 4th St	98059	(425) 793 5874	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Renton	8409	479 Rainier Ave S	98055	(425) 226 1923	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Renton	8413	2813 Sunset Blvd Ne	98056	(425) 228 5207	Northwest Food Management Group Inc	Abdulreza	Khajavi

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
WA	Richland	8311	1491 Tapteal Dr	99352	(509) 374-0810	FEAST Foods LLC	Bashir	Eramya
WA	Richland	8327	49 Columbia Point Dr	99352	(509) 943 8544	FEAST Foods LLC	Bashir	Eramya
WA	Rochester	8399	19715 Old Highway 99 Sw	98579	(360) 273 9866	NHG Enterprises LLC	Steven	Wazny
WA	Sammamish	8333	620 228th Ave Ne	98074	(425) 868-4131	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Seatac	8428	2840 S 188th St	98188	(206) 244-6293	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Seattle	8324	999 Nw Leary Way	98107	(206) 706 0524	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8350	12515 Aurora Ave N	98133	(206) 365 2204	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8406	9102 Rainier Ave S	98118	(206) 725 7143	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Seattle	8412	4749 University Way Ne	98105	(206) 525 5599	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8425	8502 Aurora Ave N	98103	(206) 524-2296	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8467	1907 4th Ave S	98134	(206) 628 9028	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8476	4203 Sw Admiral Way	98116	(206) 932 7315	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8490	5903 1st Ave S	98108	(206) 764-9564	PARS GROUP LLC	Abdulreza	Khajavi
WA	Seattle	8497	13055 Lake City Way Ne	98125	(206) 364 3485	PARS GROUP LLC	Abdulreza	Khajavi
WA	Sequim	8368	1280 W Washington St	98382	(360) 681-4069	AJP Enterprises LLC	Steven	Wazny
WA	Shelton	8329	2947 Olympic Hwy N	98584	(360) 427 1468	AJP Enterprises LLC	Steven	Wazny
WA	Shoreline	8410	18213 Aurora Ave N	98133	(206) 546 1978	PARS GROUP LLC	Abdulreza	Khajavi
WA	Silverdale	8441	10735 Silverdale Way Nw	98383	(360) 698 0150	AJP Enterprises LLC	Steven	Wazny
WA	Snohomish	8321	827 Avenue D	98290	(360) 568 6644	PARS GROUP LLC	Abdulreza	Khajavi
WA	Spanaway	8386	20505 Mountain Hwy E	98387	(253) 847 2891	AJP Enterprises LLC	Steven	Wazny
WA	Spokane	8326	4001 N Market St	99207	(509) 487 2586	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8338	2732 N Division St	99207	(509) 328 1041	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8385	10306 W Highway 2	99224	(509) 455 5155	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8400	1527 W Northwest Blvd	99205	(509) 326 6000	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8432	5 W Hawthorne Rd	99218	(509) 465 5865	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8435	1505 N Pines Rd	99206	(509) 891-4145	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8439	6318 N Division St	99208	(509) 484-5962	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8461	505 W 3rd Ave	99201	(509) 456 0540	FEAST Foods LLC	Bashir	Eramya
WA	Spokane	8480	4220 E Sprague Ave	99202	(509) 533 1191	FEAST Foods LLC	Bashir	Eramya
WA	Spokane Valley	8442	2205 N Argonne Rd	99212	(509) 922 7320	FEAST Foods LLC	Bashir	Eramya
WA	Stanwood	8369	26906 92nd Ave Nw	98282	(360) 629 2384	PARS GROUP LLC	Abdulreza	Khajavi
WA	Sumner	8376	827 Valley Ave	98390	(253) 863 1698	AJP Enterprises LLC	Steven	Wazny
WA	Sunnyside	8362	100 W South Hill Rd	98944	(509) 837 3644	FEAST Foods LLC	Bashir	Eramya
WA	Tacoma	8304	2054 6th Ave	98403	(253) 597 8974	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8340	4702 S Center St	98409	(253) 460 3441	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8371	5207 Tacoma Mall Blvd	98409	(253) 472 0533	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8411	5517 Pacific Ave	98408	(253) 473 3407	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8416	6702 6th Ave	98406	(253) 565 2934	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8440	7605 S Hosmer St	98408	(253) 475 9465	AJP Enterprises LLC	Steven	Wazny

EXHIBIT D - LIST OF CURRENT FRANCHISEES

STATE	CITY	REST NO	STREET	ZIP	PHONE	ENTITY	OPERATOR	
WA	Tacoma	8445	10656 Pacific Ave S	98444	(253) 536 1995	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8469	2420 Pacific Ave	98402	(253) 627 2907	AJP Enterprises LLC	Steven	Wazny
WA	Tacoma	8477	15114 Pacific Ave S	98444	(253) 536 3280	AJP Enterprises LLC	Steven	Wazny
WA	Tillicum	8398	15310 Union Ave Sw	98498	(253) 584-0613	NHG Enterprises LLC	Steven	Wazny
WA	Tukwila	8365	3742 S 144th St	98168	(206) 242 8877	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Tukwila	8443	16400 W Valley Hwy	98188	(425) 235 5060	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Tukwila	8481	13050 Interurban Ave S	98168	(206) 242 3525	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Tumwater	8319	1635 Mottman Rd Sw	98512	(360) 357 1068	AJP Enterprises LLC	Steven	Wazny
WA	Tumwater	8471	110 Trosper Rd Sw	98501	(360) 705 1506	AJP Enterprises LLC	Steven	Wazny
WA	University Place	8482	3922 Bridgeport Way W	98466	(253) 565 3513	AJP Enterprises LLC	Steven	Wazny
WA	Vancouver	8313	16333 Se 12th St Bldg A	98683	(360) 260 2666	Northwest Group Inc	Rajeev	Gupta
WA	Vancouver	8318	7650 Ne Fourth Plain Rd	98662	(360) 891 8806	Northwest Group Inc	Rajeev	Gupta
WA	Vancouver	8330	13009 Ne Highway 99 Ste 300	98686	(360) 576 7023	Northwest Group Inc	Rajeev	Gupta
WA	Vancouver	8331	7205 Ne 117th Ave	98662	(360) 885 2450	Northwest Group Inc	Rajeev	Gupta
WA	Vancouver	8375	7815 Ne 6th Ave	98665	(360) 546 2050	Northwest Group Inc	Rajeev	Gupta
WA	Vancouver	8487	221 Ne 104th Ave	98664	(360) 885 3898	Northwest Group Inc	Rajeev	Gupta
WA	Veradale	8491	711 N Sullivan Rd	99037	(509) 892 0475	FEAST Foods LLC	Bashir	Eramya
WA	Walla Walla	8322	212 S 9th Ave	99362	(509) 529 1832	FEAST Foods LLC	Bashir	Eramya
WA	Washougal	8328	3307 Evergreen Way #201	98671	(360) 335 8406	Northwest Group Inc	Rajeev	Gupta
WA	Wenatchee	8378	408 N Chelan Ave	98801	(509) 667 1627	FEAST Foods LLC	Bashir	Eramya
WA	Woodinville	8489	17445 131st Ave Ne	98072	(425) 486-4580	Northwest Food Management Group Inc	Abdulreza	Khajavi
WA	Yakima	8300	2317 S First St	98903	(509) 248 3796	FEAST Foods LLC	Bashir	Eramya
WA	Yakima	8315	1002 N 1st St	98901	(509) 452 5260	FEAST Foods LLC	Bashir	Eramya
WA	Yakima	8494	3907 Tieton Dr	98902	(509) 972-4368	FEAST Foods LLC	Bashir	Eramya
WA	Yelm	8336	1001 E Yelm Ave	98597	(360) 400 5225	AJP Enterprises LLC	Steven	Wazny

JIB 2016 FDD EXHIBIT D Additional Data

The names and contact information of our current developers are below

- Atour Eyvazian- 21734 Provincial Blvd , Ste 250, Katy, TX 77450
- Rajeev Gupta- 15000 Blue Gum Court Saratoga, CA 95070
- Abdulreza Khajavi- 11411 N E 124th St , Ste 170, Kirkland, WA 98034
- Kelly Kuhlmann- 13768 Shoreline Dr , Earth City, MO 63045
- Metri Lutfi- 2368 Maritime Dr , Ste 100, Elk Grove, CA 95758
- Behzad Nematzadeh- 4917 Genesta Ave , Encino, CA 91316
- Bassam Odeh- PO Box 170609, Arlington, TX 76003
- Clyde W Rucker- 904 E Braker Lane, Austin, TX 78753
- Mohammed Salous- 4612 N MacArthur Blvd , Warr Acres, OK 73122
- Dino Savant- 3636 Birch St , Ste 260, Newport Beach CA 92660
- Christopher P Scanlan- 4510 Salt Lake Blvd D-14, Honolulu, HI 96818
- Terry L Shindle- 14173 Green Tree Blvd, Ste J, Victorville, CA 92395
- Stephen R Stine- 10621 N 43rd Ave , Phoenix, AZ 85029
- Rabindranath Viswanath- 2437 Kittyhawk Dr , Plano, TX 75025
- Steven D Wazny- 5005 Pacific Highway East #12, Fife, WA 98424
- Srinivas Vajupeyayajula- 1120 Nasa Pkwy , Ste 206, Houston, TX 77058

FRANCHISEES WHO CEASED TO DO BUSINESS
UNDER THE FRANCHISE AGREEMENT DURING THE FISCAL YEAR 2015

The following franchisees left the system in Fiscal Year 2015

- Gary S Behmer – Flagstaff, AZ (928) 213-8996
- Edwin P Carter – Indian Wells, CA (510) 325-6842
- Hokon Choe – Hollywood, CA (323) 410-7848
- Robert A Craig – Houston, TX (281) 639-4568
- Philip Elghanian – Beverly Hills, CA (760) 245-3461
- Frederick L Gibby – Farmersville, CA (559) 308-9073
- Keeho Kim – La Palma, CA (562) 924-1100
- Miguel Palos – Wilsonville, OR (503) 308-3335
- James Richard Williams – Moreno Valley, CA (951) 276-1523

The following franchisees have closed one or more restaurants but remain active *Jack in the Box* franchisees

ARGO Hospitality Services, Inc , operated by

- Sushma Gupta – Saratoga, CA (408) 621-6784

Fresno Foods, LLC, operated by

- Behzad Nematzadeh – Encino, CA (818) 285-2180

I Chief, LLC, operated by

- Mustahil Shah - Tucson, AZ (520) 398-7610

JIB Holdings I, LLC, operated by

- Terry L Shindle – Victorville, CA (760) 245-5073

JIB QSR Oklahoma, LLC, operated by
- Mohammed Salous – Warr Acres, OK (405) 413-4467

Northwest Group, Inc , operated by
- Rajeev Gupta – Saratoga, CA (408) 425-0246

RRH- Austin, LLC, operated by
- Clyde Wendell Rucker - Austin, TX (512) 339-6101

Square King Foods, Inc , operated by
- Sam K Fong – La Habra, CA 714) 800-9689

Stine Enterprises, Inc , operated by
- Adam R Stine – Phoenix, AZ (602) 689-1414

No Development Agreements were terminated in Fiscal Year 2016

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

EXHIBIT E

APPLICATION PACKAGE

FRANCHISE APPLICATION

Jack in the box

Personal Information

Name _____ **Social Security #** _____
Last First Middle Maiden Name

Residence

_____
Street

_____
City State/Zip

Previous Address if at this residence for fewer than 10 years

_____
Street

_____
City State/Zip

Home Phone ( ) _____ **Cell Phone** ( ) _____ **Business Phone** ( ) _____

Fax No ( ) _____ **Email Address** _____

Date of Birth _____ **Place of Birth** _____

Driver's License # _____ **State** _____

YES	NO		
☐	☐	Are you a U S citizen? *If no please provide copies of Alien Registration Card (front & back)*	
☐	☐	Have you ever been charged or convicted for any criminal offense (misdemeanor or felony) other than a minor motor vehicle violation? *If yes please provide details*	
☐	☐	Are you or any business entity you have an ownership interest in involved in any lawsuits or potential litigation or have you ever filed for personal or business bankruptcy protection insolvency proceedings or compromise with creditors? *If yes please provide details*	
☐	☐	Have you ever been known under any other name(s)? *If yes please provide details*	
☐	☐	Are you or your employer providing goods or services to Jack in the Box Inc? *If yes, please provide details*	
☐	☐	Are you doing business under any assumed or fictitious names? *If yes please provide details*	

Marital Status ☐ Married ☐ Unmarried ☐ Separated ☐ Divorced

Spouse's Name _____ **Social Security #** _____
Last First Middle Maiden Name

Date of Birth _____ **Place of Birth** _____

Spouse's Driver's License # _____ **State** _____

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Affiliates

Yes ☐ No ☐ Do your or your spouse have ownership interest in or control of any other company? If yes, please identify below

Affiliate Company Name & Nature of Business	Your Title	% of Ownership	Tax ID #

Franchising History

Yes ☐ No ☐ Are you currently a franchisee of another concept? If yes please list concept(s) below Provide information on separate page if additional space is needed

Yes ☐ No ☐ Have you ever been a franchisee of another concept? If yes please list concept(s) and periods of involvement below Provide information on separate pages if additional space is needed

Business Experience

Please provide the last 5 7 years of work history/business(es) started Complete below or attach resumé

Present Employment _____ **From** _____ **To** _____
Address _____
Type of Business _____ **Position** _____ **Salary** _____

Employment _____ **From** _____ **To** _____
Address _____
Type of Business _____ **Position** _____ **Salary** _____

Employment _____ **From** _____ **To** _____
Address _____
Type of Business _____ **Position** _____ **Salary** _____

Employment _____ **From** _____ **To** _____
Address _____
Type of Business _____ **Position** _____ **Salary** _____

Education

	Name & Location	Year Graduated	Degree/Major
High School			
College			
Graduate School			
Professional School			

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Personal Finance Statement

Please complete below or attach prepared personal financial statement

Assets	Cash on hand and unrestricted	$ _____
	Cash Stock in your business	$ _____
	U S Government Securities, Stocks and Bonds	$ _____
	Life Insurance Cash Surrender Value	$ _____
	Real estate, your residence(s)	$ _____
	Other real estate at market value	$ _____
	Accounts, notes and loan receivables	$ _____
	Other assets (autos jewelry, furniture, etc)	$ _____
	Retirement/Pension accounts	$ _____
	Total Assets	$
Liabilities	Current liabilities (payable within 12 months)	$ _____
	Notes payable to banks	$ _____
	Mortgages payable (total mortgages due)	$ _____
	Accounts, notes and loans payable to others	$ _____
	Other liabilities	$ _____
	Total Liabilities	$
	TOTAL NET WORTH	$

Source of Income (Annual)

Gross Salary	$ _____
	$ _____
Bonus & Commission	$ _____
Dividends	$ _____
Real Estate Income	$ _____
Other Income (Itemize)	$ _____
_____	
_____	
_____	
	$ _____
Total Income	$

Contingent Liabilities

As Endorser or Co maker _____

On Leases or Contracts _____

Domestic Relations Orders _____

Legal Claims _____

Partner or Officer in any other venture _____

Explain _____

_____

_____

_____

Other Claims _____

_____

_____

_____

Market of Interest

Where are you interested in developing stores? **City** _____ **State** _____

Yes **No** Is this application being submitted for existing stores? If **yes**, please identify below

_____

_____

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Partner's Information

Yes ☐ No ☐ Is this application being submitted with a partner? If **yes**, please identify below

Please Note All partners must submit a separate application

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Partner's Name _____ _____
Last First

Proposed Ownership of the Franchise

List operator name and partner(s) name(s) who will acquire an interest in the proposed franchise

100% ownership must be identified

Name	Operator or Partner	% of Ownership (Voting, Capital & Profits Interest)	Social Security # or Tax ID #

Authorization of Funds

Please have your spouse read the following statement If he/she agrees with the statement, please have **your spouse** sign and date as indicated below

I hereby authorize my spouse to use all jointly held funds for a Jack in the Box franchise.

_____ _____
Spouse's Signature **Date**

Please Sign & Date This Form

Please sign and date this form By signing this form you warrant, represent and certify that the foregoing statements are true, complete and accurate as of the date and declare that you will immediately notify Jack in the Box Inc of any change in the foregoing information You understand that the foregoing representations will be relied upon by Jack in the Box Inc in determining whether or not it will grant a franchise

_____ _____
Applicant's Signature **Date**

Please read the following statement and, if in agreement sign and date below

I certify that I am not a suspected terrorist as defined in Executive Order 13224

_____ _____
Applicant's Signature **Date**

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NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (Agreement) is made and entered into on the____day of_____ 20____, between JACK IN THE BOX INC , a Delaware Corporation having its principal place of business at 9330 Balboa Avenue San Diego California 92123 ("JIB") and_____ a_____corporation having its principal place of business at _____ (Prospective Franchisee) (collectively, "Parties")

WHEREAS JIB is the owner of certain proprietary and confidential information, which may include but is not limited to financial data, operating procedures marketing information business strategies (hereinafter referred to as "Proprietary Information")

WHEREAS, Prospective Franchisee is interested in having access to such Proprietary Information for the purpose of determining whether it is interested in entering into a franchising relationship,

NOW THEREFORE, considering the following premises, and intending to be legally bound thereby, it is agreed as follows

1 Prospective Franchisee will keep confidential the Proprietary Information that may be disclosed to it orally or in writing

2 Proprietary Information may be disclosed by the Prospective Franchisee only to those of its employees, agents and consultants who need to know such Proprietary Information for the purpose described above, who have been informed of the confidential nature of such information, and who are obligated to maintain such information in confidence

3 Prospective Franchisee will not disclose such Proprietary Information to any third party without the prior written consent of JIB

4 Prospective Franchisee will not use such Proprietary Information for any purpose other than the purpose for which disclosed

5 All tangible Proprietary Information furnished by JIB shall be subject to repossession by JIB at any reasonable time upon request, and at all times while in the possession of the receiving party shall be segregated and physically identified as JIB's property All documents and other tangible expressions of the Proprietary Information shall be returned to JIB or be destroyed, if so instructed in writing by JIB

6 Proprietary Information shall not include and the obligations set forth above shall not apply to, information which

   a Was known to Prospective Franchisee prior to any disclosure by JIB

   b Is or shall become public information through no breach of this Agreement

   c Is received by Prospective Franchisee from a third party having no secrecy obligation to JIB with respect to such disclosed information or

   d Subsequently is developed as evidenced by written documentation, by an employee, agent, or representative of Prospective Franchisee to whom Proprietary Information has not been divulged

7 If Prospective Franchisee is requested or required to disclose Proprietary Information pursuant to a subpoena or an order of a court or governmental agency, it shall

   a Promptly notify JIB of the existence, terms and circumstances surrounding the governmental request or requirement

   b Consult with JIB on the advisability of taking steps to resist or narrow the request

   c Cooperate with JIB in its efforts to obtain an order or other reliable assurance that confidential treatment be accorded to that portion of the Proprietary Information that is required to be disclosed and

   d If disclosure of Proprietary Information is required, furnish only such portion of the Proprietary Information as Prospective Franchisee is advised by its counsel is legally required to be disclosed

NON-DISCLOSURE AGREEMENT

8 Should any provision of the present Agreement be declared unenforceable for any reason or found contrary to any federal or state statute said provision will automatically cease to be a part of this Agreement without affecting any other provision or obligation thereof

9 The waiver of any breach of non enforcement of any provision of this Agreement shall not be construed to constitute a waiver of any other breach or provisions of this or any other Agreement

10 This Agreement shall not be construed as a partnership joint venture or other such arrangement (other than the parties hereto agree that this Agreement is for the purpose of protecting Proprietary Information only)

11 JIB has no obligation to supply Proprietary Information hereunder

12 Nothing in this Agreement shall be deemed to grant a license directly, by implication, by estoppel, or otherwise to any Proprietary Information disclosed pursuant to this Agreement

13 This Agreement shall be governed by the laws of the State of California without giving effect to the principles of conflicts of law thereof Each of the parties hereto submits itself hereby to the exclusive jurisdiction of the state or federal courts in the State of California and waives any objection (on the grounds of lack of jurisdiction or forum non conveniens or otherwise) to the exercise of such jurisdiction over it by any state or federal court in the State of California San Diego California, shall be the sole venue for any legal action arising hereunder

14 In the event any action at law or in equity is brought by either party to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' fees and costs of suit

15 This Agreement constitutes the entire understanding of the parties with respect to the subject matter of this Agreement This Agreement supersedes all prior and subsequent Agreements or understanding oral or in writing, between the parties hereto in connection with the subject matter hereof In the event of any conflict between this Agreement and any other agreement between the parties hereto this Agreement shall control

Each of the parties signing below on behalf of a legal entity represents that he/she is duly authorized to bind and obligate that entity to the terms of this Agreement

PROSPECTIVE FRANCHISEE	**JACK IN THE BOX INC**
Print name _____	**Print name** _____
By _____	**By** _____
Title _____	**Title** _____
Date _____	**Date** _____

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in the box®

NEW FRANCHISE CANDIDATE AUTHORIZATION AND RELEASE

For the purposes of the current franchise application and approval process ("Application") and at any time during any term of any Franchise Agreement with Jack in the Box Inc. ("Company") I hereby authorize LexisNexis, 2885 Breckinridge Blvd, Suite 200, Duluth GA 30096 (800) 400-1593, or any other agency selected by the Company, to obtain on the Company's behalf, a consumer report which may include information regarding my creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics and/or mode of living Such report may be compiled using information from credit bureaus court records repositories departments of motor vehicles, past or present employers and/or educational institutions, governmental occupational licensing or registration entities, business and/or personal references, and/or any other source required to verify information that I have voluntarily supplied I understand that I may request a complete and accurate disclosure of the nature and scope of the background verification to the extent such investigation includes information bearing on my character, general reputation, personal characteristics and/or mode of living

I further authorize the Company to verify whether I maintain any conflicting business relationships, which are prohibited by the terms of any existing or anticipated new Franchise Agreement I/we may enter into with the Company Such verification process may include periodic checks in the future, if my Application is successful In addition I authorize the Company to undertake any and all other reasonable efforts or actions to determine whether I and/or my spouse am/are in compliance with any Franchise and Lease Agreements with the Company

APPLICANT

To the fullest extend allowed by law, I hereby release and hold the Company harmless from any direct or indirect impact resulting to me from the obtaining or use by the Company of any information pursuant to this Authorization and Release

Signature of Applicant _____ Date Signed _____

Print Name _____ Date of Birth ___/___/___ Social Security Number ___-___-___

APPLICANT'S SPOUSE (IF IN COMMUNITY PROPERTY STATE)

To the fullest extend allowed by law, I hereby release and hold the Company harmless from any direct or indirect impact resulting to me from the obtaining or use by the Company of any information pursuant to this Authorization and Release

Signature of Applicant's Spouse (if applicable) _____ Date Signed _____

Print Name _____ Date of Birth ___/___/___ Social Security Number ___-___-___

A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT

The federal Fair Credit Reporting Act (FCRA) is designed to promote accuracy, fairness, and privacy of information in the files of every "consumer reporting agency" (CRA) Most CRAs are credit bureaus that gather and sell information about you -- such as if you pay your bills on time or have filed bankruptcy -- to creditors employers, landlords, and other businesses You can find the complete text of the FCRA, 15 U S C 1681 1681u, at the Federal Trade Commission's web site (http //www ftc gov) The FCRA gives you specific rights, as outlined below You may have additional rights under state law You may contact a state or local consumer protection agency or a state attorney general to learn those rights

- **You must be told if information in your file has been used against you** Anyone who uses information from a CRA to take action against you -- such as denying an application for credit insurance, or employment -- must tell you and give you the name, address and phone number of the CRA that provided the consumer report
- **You can find out what is in your file** At your request a CRA must give you the information in your file, and a list of everyone who has requested it recently There is no charge for the report if a person has taken action against you because of information supplied by the CRA, if you request the report within 60 days of receiving notice of the action You also are entitled to one free report every twelve months upon request if you certify that (1) you are unemployed and plan to seek employment within 60 days, (2) you are on welfare or (3) your report is inaccurate due to fraud Otherwise, a CRA may charge you up to eight dollars
- **You can dispute inaccurate information with the CRA.** If you tell a CRA that your file contains inaccurate information, the CRA must investigate the items (usually within 30 days) by presenting to its information source all relevant evidence you submit, unless your dispute is frivolous The source must review your evidence and report its findings to the CRA (The source also must advise national CRAs -- to which it has provided the data -- of any error) The CRA must give you a written report of the investigation and a copy of your report if the investigation results in any change If the CRA's investigation does not resolve the dispute, you may add a brief statement to your file The CRA must normally include a summary of your statement in future reports If an item is deleted or a dispute statement is filed, you may ask that anyone who has recently received your report be notified of the change
- **Inaccurate information must be corrected or deleted** A CRA must remove or correct inaccurate or unverified information from its files usually within 30 days after you dispute it **However, the CRA is not required to remove accurate data from your file unless it is outdated (as described below) or cannot be verified** If your dispute results in any change to your report, the CRA cannot reinsert into your file a disputed item unless the information source verifies its accuracy and completeness In addition the CRA must give you a written notice telling you it has reinserted the item The notice must include the name address and phone number of the information source
- **You can dispute inaccurate items with the source of the information** If you tell anyone -- such as a creditor who reports to a CRA -- that you dispute an item they may not then report the information to a CRA without including a notice of your dispute In addition once you've notified the source of the error in writing, it may not continue to report the information if it is, in fact, an error
- **Outdated information may not be reported** In most cases a CRA may not report negative information that is more than seven years old, ten years for bankruptcies
- **Access to your file is limited** A CRA may provide information about you only to people with a need recognized by the FCRA -- usually to consider an application with a creditor insurer employer landlord or other business
- **Your consent is required for reports that are provided to employers, or reports that contain medical information** A CRA may not give out information about you to your employer, or prospective employer, without your written consent A CRA may not report medical information about you to creditors, insurers or employers without your permission
- **You may choose to exclude your name from CRA lists for unsolicited credit and insurance offers** Creditors and insurers may use file information as the basis for sending you unsolicited offers of credit or insurance Such offers must include a toll-free phone number for you to call if you want your name and address removed from future lists If you call, you must be kept off the lists for two years If you request complete and return the CRA form provided for this purpose, you must be taken off the lists indefinitely
- **You may seek damages from violators** If a CRA, a user or (in some cases) a provider of CRA data, violates the FCRA, you may sue them in state or federal court.

THE FCRA GIVES SEVERAL DIFFERENT FEDERAL AGENCIES AUTHORITY TO ENFORCE THE FCRA:

FOR QUESTIONS OR CONCERNS REGARDING,	PLEASE CONTACT,
CRAs creditors and others not listed below	Federal Trade Commission Consumer Response Center - FCRA Washington, DC 20580 202-326 3761
National banks, federal branches/agencies of foreign banks (word "National" or initials ' N A " appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452 3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S B " appear in federal institution's name)	Office of Thrift Supervision Consumer Programs Washington, DC 20552 800-842 6929
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-518 6360
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Division of Compliance & Consumer Affairs Washington, DC 20429 800-934-FDIC
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590 202-366 1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator – GIPSA Washington, DC 20250 202 720-7051

Additional information http://www.ftc.gov/os/statutes/fcra.htm#611

SUPPLEMENTAL INFORMATION

REAL ESTATE INFORMATION

Property Address _____ Date of Purchase _____

Legal Owner(s) _____

Purchase Price $ _____ Present Market Value $ _____

Total Mortgage Due _____

Rental Property? Yes ☐ No ☐ If yes, monthly income $ _____

Property Address _____ Date of Purchase _____

Legal Owner(s) _____

Purchase Price $ _____ Present Market Value $ _____

Total Mortgage Due _____

Rental Property? Yes ☐ No ☐ If yes, monthly income $ _____

Property Address _____ Date of Purchase _____

Legal Owner(s) _____

Purchase Price $ _____ Present Market Value $ _____

Total Mortgage Due _____

Rental Property? Yes ☐ No ☐ If yes, monthly income $ _____

Property Address _____ Date of Purchase _____

Legal Owner(s) _____

Purchase Price $ _____ Present Market Value $ _____

Total Mortgage Due _____

Rental Property? Yes ☐ No ☐ If yes, monthly income $ _____

Property Address _____ Date of Purchase _____

Legal Owner(s) _____

Purchase Price $ _____ Present Market Value $ _____

Total Mortgage Due _____

Rental Property? Yes ☐ No ☐ If yes, monthly income $ _____

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SUPPLEMENTAL INFORMATION

CHECKLIST

☐ **Business Financial Statements and Tax Returns**

- Last three years' business state and federal income tax returns including all supporting schedules tax returns must be signed and dated

Income statements and balance sheets

	Included	N/A	Comments
2010	☐	☐	
2011	☐	☐	
2012	☐	☐	
2013	☐	☐	

☐ **Business Debt Schedule**

Current debt schedule showing all outstanding debt, type of debt repayment terms maturity date collateral pledged and any loan covenants

☐ **Personal Tax Returns**

Last three years personal state and federal income tax returns, including all supporting schedules and any K 1s tax returns must be signed and dated

	Included	N/A	Comments
2010	☐	☐	
2011	☐	☐	
2012	☐	☐	
2013	☐	☐	

☐ **Current Bank or Brokerage Statement**

- Last six months showing account holder s name(s) and ending balance to verify proof of assets as listed on your personal financial statement

☐ **Supplementary Real Estate Information**

- Please complete attached form

☐ **Proof of U S Citizenship**

☐ **Driver's License**

Please provide an enlarged copy of your current driver's license

☐ **Business Plan**

- JIB requires the proposed Operator to submit a business plan The business plan must be approved by JIB management as part of the qualification process.
- Below is an example of areas that should be addressed in the business plan

The Competition	Training	Marketing Strategy	Food Safety	Officer's Comp/G&A
Staffing	Guest Service	Cost Controls	Maintenance Capital	Succession Plan

I understand that providing the above listed items will expedite the processing of my Franchise Restaurant Application and refusal to provide documentation as requested may delay or deny the completion of processing my application

Applicant's Signature _____ **Date** _____

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EXHIBIT F

NON-DISCLOSURE AGREEMENT

NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (Agreement") is made and entered into on the _____ day of _____ 20___ between JACK IN THE BOX INC , a Delaware Corporation, having its principal place of business at 9330 Balboa Avenue San Diego California 92123 (JIB) and _____ a _____corporation having its principal place of business at _____ (Prospective Franchisee') (collectively Parties)

WHEREAS, JIB is the owner of certain proprietary and confidential information, which may include but is not limited to financial data operating procedures marketing information business strategies (hereinafter referred to as Proprietary Information)

WHEREAS Prospective Franchisee is interested in having access to such Proprietary Information for the purpose of determining whether it is interested in entering into a franchising relationship,

NOW THEREFORE, considering the following premises and intending to be legally bound thereby it is agreed as follows

1 Prospective Franchisee will keep confidential the Proprietary Information that may be disclosed to it orally or in writing

2 Proprietary Information may be disclosed by the Prospective Franchisee only to those of its employees agents and consultants who need to know such Proprietary Information for the purpose described above who have been informed of the confidential nature of such information, and who are obligated to maintain such information in confidence

3 Prospective Franchisee will not disclose such Proprietary Information to any third party without the prior written consent of JIB

4 Prospective Franchisee will not use such Proprietary Information for any purpose other than the purpose for which disclosed

5 All tangible Proprietary Information furnished by JIB shall be subject to repossession by JIB at any reasonable time upon request and at all times while in the possession of the receiving party shall be segregated and physically identified as JIB s property All documents and other tangible expressions of the Proprietary Information shall be returned to JIB or be destroyed if so instructed in writing by JIB

6 Proprietary Information shall not include and the obligations set forth above shall not apply to, information which

a Was known to Prospective Franchisee prior to any disclosure by JIB

b Is or shall become public information through no breach of this Agreement,

c Is received by Prospective Franchisee from a third party having no secrecy obligation to JIB with respect to such disclosed information or

d Subsequently is developed, as evidenced by written documentation, by an employee agent, or representative of Prospective Franchisee to whom Proprietary Information has not been divulged

7 If Prospective Franchisee is requested or required to disclose Proprietary Information pursuant to a subpoena or an order of a court or governmental agency it shall

a Promptly notify JIB of the existence, terms and circumstances surrounding the governmental request or requirement

b Consult with JIB on the advisability of taking steps to resist or narrow the request,

c Cooperate with JIB in its efforts to obtain an order or other reliable assurance that confidential treatment be accorded to that portion of the Proprietary Information that is required to be disclosed and

d If disclosure of Proprietary Information is required furnish only such portion of the Proprietary Information as Prospective Franchisee is advised by its counsel is legally required to be disclosed

8 Should any provision of the present Agreement be declared unenforceable for any reason or found contrary to any federal or state statue said provision will automatically cease to be a part of this Agreement without affecting any other provision or obligation thereof

9 The waiver of any breach of non-enforcement of any provision of this Agreement shall not be construed to constitute a waiver of any other breach or provisions of this or any other Agreement

10 This Agreement shall not be construed as a partnership joint venture or other such arrangement (other than the parties hereto agree that this Agreement is for the purpose of protecting Proprietary Information only)

11 JIB has no obligation to supply Proprietary Information hereunder

12 Nothing in this Agreement shall be deemed to grant a license directly, by implication by estoppel or otherwise to any Proprietary Information disclosed pursuant to this Agreement

13 This Agreement shall be governed by the laws of the State of California without giving effect to the principles of conflicts of law thereof Each of the parties hereto submits itself hereby to the exclusive jurisdiction of the state or federal courts in the State of California, and waives any objection (on the grounds of lack of jurisdiction or forum non conveniens or otherwise) to the exercise of such jurisdiction over it by any state or federal court in the State of California San Diego, California shall be the sole venue for any legal action arising hereunder

14 In the event any action at law or in equity is brought by either party to enforce or interpret the provisions of this Agreement the prevailing party shall be entitled to recover all reasonable attorneys fees and costs of suit

15 This Agreement constitutes the entire understanding of the parties with respect to the subject matter of this Agreement This Agreement supersedes all prior and subsequent Agreements or understanding, oral or in writing, between the parties hereto in connection with the subject matter hereof In the event of any conflict between this Agreement and any other agreement between the parties hereto this Agreement shall control

Each of the parties signing below on behalf of a legal entity represents that he/she is duly authorized to bind and obligate that entity to the terms of this Agreement

PROSPECTIVE FRANCHISEE	**JACK IN THE BOX INC**
Print name _____	Print name _____
By _____	By _____
Title _____	Title _____
Date _____	Date _____

EXHIBIT G

LETTER OF INTENT

EXHIBIT G

LETTER OF INTENT

LETTER OF INTENT

Writer's Direct Phone
858 571 2649 or 858 571-4091
Fax 858-694 1501
E Mail Address
vanessa fox@jackinthebox com or grant kreutzer@jackinthebox com

SENT VIA EMAIL & FED-EX

DATE

NAME
ADDRESS
CITY, STATE ZIP

Re Purchase of Franchise for JACK IN THE BOX No(s) _____

Dear

This letter expresses the general intention of Jack in the Box Inc (and its subsidiaries, as applicable) ("JIB") to sell, and your general intention to buy, the certain business assets of the above-referenced JACK IN THE BOX® restaurant(s) ('Franchised Restaurant(s)"), as well as to enter into related franchise agreements and leases Although this letter of intent fairly represents our understanding of the future transaction, it is not a formal offer or a contract to purchase or to sell the business assets or to enter into any franchise agreement or lease A binding contract will only be created when we sign a formal purchase agreement (Purchase Agreement")

The basic terms and conditions upon which the business assets are expected to be transferred are as follows

Buyer - Name and Ownership Interest

_____, Operator _____ ownership
_____, Non-operating partner _____ ownership

Assignment
Buyer proposes to

____ [check] Hold the franchises in the name(s) of the individual owners listed above

_____[check] Assign the franchises to a legal entity (i e , a general partnership, corporation or limited liability company) that is wholly owned by the individuals listed above If the name of the entity is known at this time, it is listed here _____

Key Provisions of Purchase/Franchise/Lease
The key terms of this transaction are outlined in Exhibits A and B, which are attached hereto and incorporated herein by this reference

Business Assets
You will buy all equipment currently at the Franchised Restaurants (other than leased equipment), goodwill not attributable to JIB's trademarks, and the right to enter into new Franchise Agreements and Leases (as applicable) for the sites, in exchange for the payments outlined in the table below and in Exhibits A and B

Purchase Price @ Closing	$
Initial Franchise Fees	$
Estimated Sales Tax	$
Sub-Total	$
Less non-refundable Deposit- payable when Purchase Agreement is signed (Deposit")	($ or 1% of the total)
Less non-refundable Application Fee- payable when this LOI is signed	($5,000)
Development Fees, if applicable ($25,000 per site)	$
Total Due at Closing	$
Escrow close date	Quarter , FY 20

Extensions for Agreements with less than 10 yrs of term
You acknowledge that the Franchised Restaurant(s) listed in the table below have less than ten (10) years remaining on the underlying leases, and therefore JIB is not able to offer a full twenty (20) year term on the Franchise Agreement(s) and Franchise Lease(s) for such site(s)

Accordingly, the Purchase Price payable at closing (as described above) reflects a proration of the portion of the Purchase Price attributable to the sites(s) listed below, based upon a ten (10) year term If JIB is able to obtain additional term on the underlying lease(s) for the subject Franchised Restaurant, then you will have the option to elect to extend the Franchise Agreements and Franchise Leases for such additional term (up to a maximum of 20 years from the close of escrow), upon payment of the amounts set forth below Note that as long as JIB is able to secure additional term sufficient to provide a total of ten (10) years from the commencement of the applicable Franchise Agreement(s) and Franchise Lease(s), and if you elect to extend the Franchise Agreement(s) and Franchise Lease(s) for such additional term, then the entire balance of the Purchase Price for such Location(s) shall be due and payable on the date set forth below If the Buyer exercises its right to extend the term of the Franchise Agreement and Franchise Lease Agreement, Buyer shall pay additional Franchise Fees (IFF) of $2,500 per year multiplied for every year, or portion thereof, added to the term of the Franchise Agreement and Franchise Lease Agreement, up to a maximum Franchise Fee of $50,000 00 If JIB is not successful in obtaining additional time on its underlying lease for the Franchised Restaurant(s),

Buyer shall close and de-identify the restaurant(s) upon expiration of the Franchise Agreement(s) and Lease(s)

JIB	FA & FLS Term	FA & FLS Exp Date	Purchase Price	Amt due at close	IFF ($2,500/yr)	FA & FLS max extension	Purchase Price Balance Due	Remaining Purchase Price Payment per Additional Year(s) Obtained (up to __ additional years)	Balance due date
			$	$	$		$	$	

Due Diligence Period

You will have until 5 00 p m (PST/PDT) on _____ (typically 45 days) to satisfy yourself as to your ability and desire to proceed with the transaction, including, without limitation (i) your ability to obtain any necessary financing, (ii) your satisfaction with the condition of the assets NOTE You are accepting the business assets "AS IS" and 'WHERE IS," without any representations or warranties from JIB

ALL WALK-THRU'S AND INSPECTIONS MUST BE COMPLETED, AND A FORMAL REQUEST FOR REPAIRS MUST BE RECEIVED BY JIB, PRIOR TO THE DATE SET FORTH ABOVE ANY AND ALL THIRD PARTY INSPECTIONS MUST BE SCHEDULED AND CONDUCTED AT THE SAME TIME AS THE WALK-THRU'S AND CANNOT OCCUR AT A LATER DATE NO WALK-THRU'S ARE ALLOWED WITHOUT THE BUYER AND A JIB FACILITY MANAGER BEING IN ATTENDANCE AS STATED ABOVE, JIB IS SELLING THESE RESTAURANTS IN AN 'AS-IS' AND WHERE IS' CONDITION, MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE CONDITION OF THE RESTAURANTS OR THE OTHER ASSETS BEING ACQUIRED, AND IS NOT OBLIGATED TO REPAIR OR FIX ANY CONDITIONS DETECTED DURING THE WALK –THRU'S OR INSPECTIONS

Escrow

To consummate the transaction, an escrow will be established with Heritage Escrow Company The parties will sign all escrow instructions and other documents necessary or appropriate in order to effectuate the closing Escrow fees will be divided equally between you and JIB Prorations of rent, taxes, and similar items will be made as of date of the close of escrow You will be responsible for all sales and use taxes associated with this transaction

Deadline for Submission of Financial Information, Application and Letter of Commitment

Concurrently with execution and return of this Letter of Intent, please provide (i) bank statements for the three (3) months preceding the date hereof, and (ii) a copy

of your lender's proposal letter, if available If a proposal letter is not available, then please provide a completed lending term sheet in the form attached hereto as Exhibit C In addition, no later than _____, you must submit to JIB a copy of your letter of commitment from your lender Finally, if you have not already done so, please return your completed franchise applications to Franchise Business Development, including a business plan and a capitalization plan

Royalty and Marketing Fees
Royalty and Marketing fees for all Locations are set at 5% See Exhibit A for details

Special Circumstances of Certain Restaurants, if applicable
[Optional provision for former Quick Stuff Locations Buyer acknowledges that Site No(s) _____ are currently operated by JIB as part of a multi-use facility, which includes a gas station and convenience store A third party operates the gas station and convenience store businesses Before the close of escrow, you and JIB will sign an operating agreement that will set forth certain rights and responsibilities with respect to the use and operation of the Jack in the Box restaurant, and the management of the common areas at such sites]

[Optional provision for co-brand Locations Buyer acknowledges that JIB Nos _____ are co-tenant locations]

[Optional provision for potential SLBs JIB No ____ is listed as a potential sale/leaseback Based on current pricing for such Franchised restaurant, the annual underlying rent is projected to be $_____ which is equivalent to __% of current/projected sales Until such time as the Franchised Restaurant is sold, Buyer will pay rent according to the standard calculation of 90 x 9 5% of trailing 12 month sales, based upon current/projected sales JIB shall have the right to pursue a sale/leaseback transaction with respect to such Franchised Restaurant, and upon completion of any such sale/leaseback transaction, then effective as of the close of escrow for such sale/leaseback transaction, minimum rent under the Franchise Lease shall be adjusted to the greater of (a) the underlying rent payable by Seller pursuant to the master lease, or (b) an amount equal to 90% of trailing twelve (12) month sales, multiplied by 9 5%, prorated as necessary]

[Optional provisions for other situations (e g , potential takings, property management issues, rent or royalty issues, sale of owned properties, etc)]

Permits and Licenses
Buyer shall be responsible for obtaining/transferring all required licenses and permits into Buyer's name, as well as for the payment of any and all application, licensing, transfer or connection fees and costs associated with Buyer's acquisition of the Assets and subsequent operation of the Locations, including, without limitation, the application fees and charges associates with obtaining the required FCC license for the operation of the drive through radio system

Distribution Services
Buyer acknowledges that distribution services for JIB restaurants are provided by Meadowbrook Meat Company Inc , dba MBM Food Services ("MBM") For California

locations, the Buyer may choose to use either MBM or the franchise cooperative for distribution services In order for JIB to notify the vendor of the Buyer's selection of MBM, in a timely manner, please note your choice of distribution services by checking the appropriate box and initialing below If you choose MBM, JIB will notify the vendor and either JIB or the vendor will arrange to have the required agreements sent directly to you If you choose to use the franchise cooperative for distribution services, it will be your responsibility to contact the cooperative and coordinate such services directly The contact for the franchise cooperative is Dave Woodruff (925-688-0522)

MBM ☐ Franchise Cooperative (only in California) ☐

_____
Buyer's Initials

Equipment Leases
You will lease certain technology equipment from JIB, as stated on Exhibit B You may elect to continue or cancel the POS Service Contract for the system shown on Exhibit B

Kiosks
For Locations that include a Kiosk, as indicated on Exhibit B, Franchisee shall be obligated to retain the Kiosk The Franchisee shall enter into a new contract with the vendor as of the Closing Date

Bulk Oil
For Locations that include a Bulk Oil system, as indicated on Exhibit B, Franchisee shall have the choice to either keep such system or elect to have it removed prior to the close of escrow If Franchisee elects to retain the Bulk Oil system, Franchisee will be required to enter into a new contract with the vendor (RTI), effective as of the Closing Date If Franchisee elects to have the Bulk Oil system removed, Franchisee shall notify JIB in writing at least 30 days prior to the Closing Date, and JIB shall cause the removal of the Bulk Oil system prior to the Closing Date If Franchisee elects to have the Bulk Oil system removed, then Franchisee shall pay any and all costs for removal and return of the equipment to RTI, together with any and all termination fees or other fees

Compusafe
For those Locations that have the Compusafe system installed, as indicated on Exhibit B, Franchisee will have the choice to either keep such system or elect to have it removed prior to the close of escrow If Franchisee elects to retain the Compusafe system, Franchisee will be required to enter into a new contract with the vendor, effective as of the Closing Date If Franchisee elects to have the Compusafe system removed, Franchisee shall notify JIB in writing at least 30 days prior to the Closing Date, and JIB shall cause the removal of the Compusafe system prior to the Closing Date If Franchisee elects to have the Compusafe system removed, JIB shall use reasonable efforts to use the equipment at another company operated Location and, if JIB is successful in relocating the Compusafe equipment to another Location, JIB shall pay for any relocation costs However, if JIB is not able

to use the Compusafe equipment at another company operated Location, despite its reasonable efforts to do so, then Franchisee shall pay any and all costs for removal and return of the equipment to the vendor, together with any and all termination or other fees

Firewall
For any Locations that have a special information systems firewall installed, or require a firewall, either due to the systems required pursuant to the RTI contract, the Compusafe contract, or otherwise, Buyer shall be responsible to install and(or) retain such firewall at the subject Locations, at Buyer's sole cost and expense If the firewall is no longer necessary due to Franchisee's election to remove the Bulk Oil and(or) Compusafe systems, then JIB shall cause the removal and return of any all equipment or software associated therewith, and Franchisee shall pay any and all costs for such removal and return, together with any and all termination or other fees See Exhibit B for firewall information

Reimage
You must complete the re-image of and upgrade to the new logo signage for each of the Franchised Restaurant(s) listed in Exhibit A on or before the dates referenced on that Exhibit Such re-image will be at your cost

Notwithstanding the provisions of Exhibit A regarding any requirements to complete restaurant reimages or to install new signage at the Locations, Buyer agrees and acknowledges that Buyer shall be obligated to comply at all times with the provisions of Section 5 A of the Franchise Agreement for each of the Locations Such section requires, among other things, (i) that the Locations be kept in good condition and in conformity with the "System" (as defined therein), and (ii) that Buyer make any improvements and alterations as may be determined by JIB to be necessary [Optional provision for sites that have been reimaged With respect to the subject Locations, since it has been a number of years since JIB completed the reimage work, following the closing JIB may require Buyer to complete such building upgrades, maintenance and repair work, and(or) refurbishment of the Locations, as JIB deems necessary]

Development Agreement
As a condition to the closing, Buyer will sign a development agreement using JIB's standard form agreement, pursuant to which Buyer will commit to opening _____ new Jack in the Box restaurants within _____ years from the date this letter is executed within the _____ market area, to be further defined by JIB in the Development Agreement The Development Fee of $25,000 per restaurant will be due at the close of escrow

Binding Terms of this Letter of Intent

The only terms of this letter of intent that are binding upon the parties are as follows

1 The parties acknowledge and agree that this letter does not create a binding obligation, express or implied, on the part of either you or JIB to purchase or sell the Franchised Restaurants Such a binding obligation will be created only upon

the signing by you and JIB of a mutually satisfactory Purchase Agreement, which will be prepared by JIB

2 The parties expressly acknowledge and agree that the final terms of this transaction will be subject to the approval of the senior management group of JIB, as well as JIB's approval of your Franchise Restaurant Application, your financial conditions, and satisfactory completion of interviews and training

3 The parties acknowledge and agree that any business decisions either party makes in anticipation of a definitive agreement are undertaken at the sole risk of the party making those business decisions, even if the other party is aware of, or has indicated approval of such business decisions

4 The parties acknowledge and agree that, because the terms set forth in this letter of intent are non-binding, neither party has any obligation to proceed with the intended transaction

5 At closing, you will accept all of the assets and the Franchise Restaurants in their existing as-is" and "where is" condition, based solely on your own investigations, inspections, reviews and studies, without representation or warranty of any kind by JIB, except as specifically set forth in the Purchase Agreement

In addition to any other provisions in the Purchase Agreement, Buyer shall waive any rights against Seller and expressly releases Seller from any liability with respect to any ADA compliance issues at the Franchised Restaurants, and Buyer acknowledges and agrees that Buyer shall be responsible, at its sole cost and expense, for any work necessary to bring the Franchised Restaurants into compliance with any and all ADA requirements In the event Buyer elects to engage a third party expert to survey the Franchised Restaurants for compliance with ADA issues, JIB will provide to such expert any current ADA information Seller may have in its possession, provided, however, that such information shall be made available to Buyer's expert without any guaranties, warranties, or representations of any kind whatsoever, and Seller shall have no duties or obligations of any kind to conduct any investigations or inspections of the Franchised Restaurants to determine the accuracy or completeness of any such information

Buyer acknowledges and agrees that Seller may have directed Buyer to one or more websites or otherwise provided Buyer with information regarding the typical due diligence process for transactions of the type contemplated herein However, by signed below, the Buyer acknowledges that (i) it is Buyer's responsibility to complete all due diligence investigations, inspections, reviews and studies that Buyer may deem necessary or appropriate in connection with this transaction, and (ii) Seller urges Buyer to seek the advice of its legal counsel and (or) other advisors regarding the proposed transaction, but that Seller shall have no duty to ensure that Buyer has do so

6 The application fee referenced below is fully earned by JIB upon receipt and is non-refundable, but will be applied against the purchase price for the business assets upon the close of escrow

Please carefully review the terms and conditions set forth in this letter If they are acceptable, you should provide all information requested, sign a copy of this letter, and return it to JIB along with an application fee of $5,000 If we do not receive a signed copy of this letter and all other information required in connection herewith by _____, JIB will assume you have decided not to pursue this transaction

Sincerely,

Jack in the Box Inc

By _____
Name _____
Title _____

The foregoing is acknowledged and agreed to this___ day of _____, 20__

By _____
_____,Operator

By _____
_____,Partner

cc Shannon Rutkowski
RFD
Shane Paul
Vanessa Fox
Marnee Woods
Cindy Person
Lisa Bell

EXHIBIT A
RESTAURANT INFORMATION

JIB #	Site Address	City	State	Zip	FA & FLS Exp Date	Term of FA & FLS	IFF	Initial Min Rent (2)	% Rent	Rent Increase Dates (1)	Rent Increases (1)	Royalty Fee	Marketing Fee	Reimage

NOTES

(1) In the event of a conflict between this schedule and the provisions of the Master Lease, the Master Lease shall govern

JIB Rent Increases JIB's Minimum Rent will be increased according to the terms of the Master Lease, and such increases will be added to the franchisee's minimum rent according to the terms of the Franchise Lease and Landlord's Interest Addendum These increases shall be added to franchisee's minimum rent according to the schedule above

(2) Restaurant No(s) _____ has/have underlying rent in excess of 90 x 9 5% of trailing 12 month sales The standard rent calculation is the greater of underlying rent or 90 x 9 5% of trailing 12 month sales Accordingly, the initial rent set forth above for Restaurant No(s) ____ is/are equal to such underlying rent

EXHIBIT B
EQUIPMENT

	JIB #	CBT Mo Cost	Lease Exp Date	NCR/POS Mo Cost	Lease Exp Date	Kiosk Mo Cost	Lease Exp Date	Bulk Oil Installed	Bulk Oil Monthly Cost	Lease Exp Date	CompuSafe Installed	Safe Monthly Cost (~$490)	Firewall Installed	Firewall Monthly Cost (~$55)	Notes
1															
2															
3															
4															
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18															
19															
20															

NOTES

(1) When the POS and CBT leases expire, the franchisee will have the option to buy out the lease or purchase new equipment The POS Service Contracts run on a calendar year If the franchisee elects to cancel the service contracts, cancellation fees will apply

(2) For Locations that include a Kiosk, Franchisee shall be obligated to retain the Kiosk The Franchisee shall enter into a new contract with the vendor as of the Closing Date

(3) For Locations that include a Bulk Oil system, Franchisee shall have the choice to either keep such system or elect to have it removed prior to the close of escrow If Franchisee elects to retain the Bulk Oil system, Franchisee will be required to enter into a new contract with the vendor (RTI), effective as of the Closing Date If Franchisee elects to have the Bulk Oil system removed, Franchisee shall notify JIB in writing at least 30 days prior to the Closing Date, and JIB shall cause the removal of the Bulk Oil system prior to the Closing Date If Franchisee elects to have the Bulk Oil system removed, then Franchisee shall pay any and all costs for removal and return of the equipment to RTI, together with any and all termination fees or other fees

(4) For Locations that have the Compusafe system installed, Franchisee will have the choice to either keep such system or elect to have it removed prior to the close of escrow If Franchisee elects to retain the Compusafe system, Franchisee will be required to enter into a new contract with the vendor, effective as of the Closing Date If franchisee elects to have the Compusafe system removed, Franchisee shall notify JIB in writing at least 30 days prior to the Closing Date, and JIB shall cause the removal of the Compusafe system prior to the Closing Date If franchisee elects to have the Compusafe system removed, JIB shall use reasonable efforts to use the equipment at another company operated Location and, if JIB is successful in relocating the Compusafe equipment to another Location, JIB shall pay for any relocation costs However, if JIB is not able to use the Compusafe equipment at another company operated Location, despite its reasonable efforts to do so, then Franchisee shall pay any and all costs for removal and return of the equipment to the vendor, together with any and all termination fees Compusafes have a 5-yr lease term with the armored car company The service includes two day a week pick-up of funds and reporting from the company with regard to safe activity

(5) For any Locations that have a special information systems firewall installed, or require a firewall, either due to the systems required pursuant to the RTI contract, the Compusafe contract, or otherwise, Buyer shall be responsible to install and(or) retain such firewall at the subject Locations, at Buyer's sole cost and expense If the firewall is no longer necessary due to Franchisee's election to remove the Bulk Oil and(or) Compusafe systems, then JIB shall cause the removal and return of any all equipment or software associated therewith, and Franchisee shall pay any and all costs for such removal and return, together with any and all termination or other fees Cost of the firewall is approx $55 per month for 2 years from date of installation, then approx $40 per year for maintenance for the next 3 years

(6) For any Locations that have an HME System, Buyer shall be responsible for the payment of any and all application, licensing, transfer or connection fees and costs associated with Buyer's acquisition of the Assets and subsequent operation of the Locations, including, without limitation, the application fees and charges associated with obtaining the required FCC license for the operation of the drive through radio system

LENDING TERM SHEET
(or attach bank proposal letter, if available)

Proposed Lender _____

Operator	_____	_____%
Partner	_____	_____%
Partner	_____	_____%
Partner	_____	_____%
Partner	_____	_____%
Partner	_____	_____%
Partner	_____	_____%
Partner	_____	_____%

Guarantor(s) _____
_____
_____
_____

Name of Borrowing Entity _____
_____

Equity Injection (minimum of 20% unless recapitalizing existing loans) _____

Loan Amount _____

Payment Terms _____
_____

Interest Rate _____

3rd Party Mezzanine Financing _____Yes _____No Amount _____

Proposed Lender for Mezzanine Financing _____

This is an accurate description of the terms of the loan I expect to be offered by the above lender

I understand that JIB will be relying upon the terms stated above until a letter of commitment is provided by the lender and JIB reserves the right to cancel the proposed transaction if the lending terms significantly change

By _____

Print Name _____

Date _____

EXHIBIT H

STATEMENT OF PROSPECTIVE FRANCHISEE

STATEMENT OF PROSPECTIVE FRANCHISEE

Jack in the Box Inc (JIB) and I have an interest in making sure that no misunderstandings exist between us, and in verifying that no violations of law have occurred in connection with my purchase of a franchise This document is intended to do that I understand that JIB is relying on the statements I make in this document With this understanding, I represent to JIB that the following is true and correct

1 No representatives of JIB have made any oral or written promises, agreements, commitments, or representations (collectively, "representations"), to me that were inconsistent with the FDD, the Franchise Agreement or any other written documents I have been provided This includes, but is not limited to, representations regarding marketing, locating a site, or territorial rights I have not relied in any way on any representation made by JIB except those expressly set forth by JIB in writing The only exception to this statement is as follows

_____

_____

(If none the prospective franchisee should write NONE)

Prospective Franchisee's Initials X_____

2 No representatives of JIB have made any oral or written claim, guarantee or representation (including, but not limited to charts, tables, spreadsheets or mathematical calculations) that stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, or profits (or information from which such items might be ascertained) regarding Jack in the Box restaurants, other than the disclosures in Item 19 of the FDD, and financial statements from company-operated restaurants I had a genuine interest in franchising The only exceptions to this statement are as follows

_____

_____

(If none the prospective franchisee should write NONE)

Prospective Franchisee's Initials X_____

3 I understand that the agreements I am signing contain no contingencies for me to obtain financing, or to select or acquire a site

Prospective Franchisee's Initials X_____

4 I understand that the purchase of a Jack in the Box ® franchise is a speculative investment, and that there is no guaranty against possible loss or business failure

Prospective Franchisee's Initials X_____

I understand all of the foregoing, and represent and warrant that all of the above statements are true, correct and complete

Date _____

PROSPECTIVE FRANCHISEE

X_____
Signature

_____
Printed Name

EXHIBIT I

PURCHASE AGREEMENT

PURCHASE AGREEMENT

JIB No(s) _____

This Purchase Agreement (which together with the Exhibits attached hereto and other documents incorporated herein by reference, is referred to as the "Agreement") is entered into as of _____, between JACK IN THE BOX INC , a Delaware corporation [OR JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership] (sometimes hereinafter referred to as JIB" or "Seller"), whose address is 9330 Balboa Avenue, San Diego, CA 92123, and _____ (collectively, "Buyer"), whose address _____

RECITALS

Seller is the owner of the JACK IN THE BOX restaurant businesses identified in Schedule 1 attached hereto and incorporated herein by this reference (sometimes referred to herein as the "Location(s)") Buyer desires to become a franchisee for each of the Locations under Franchise Agreements with Seller, or its parent company, and the tenant under a Franchise Lease with Seller for each of the Locations

This Agreement sets forth the terms upon which (i) Seller will sell and Buyer will purchase all of the assets of the businesses operated at the Locations, except as specifically excluded herein, and (ii) Seller, or its parent company, and Buyer will enter into a Franchise Agreement and Seller and Buyer will enter into a Franchise Lease for each of the Locations [Optional], and (iii) Seller, or its parent company, and Buyer will enter into a Development Agreement relating to future development by Buyer of _____ ( ) new Jack in the Box restaurants within _____ ( ) years from the date hereof in the _____ market, which agreement shall be on JIB's standard form, modified to reflect the parties' agreement (Development Agreement")]

NOW THEREFORE, in consideration of the promises and the mutual covenants and conditions contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Buyer and Seller agree as follows

1 INCORPORATION OF RECITALS

The above recitals are incorporated as terms of this Agreement as though fully set forth hereafter

2 PURCHASE OF ASSETS

Upon the terms and subject to the conditions set forth in this Agreement, Seller and Buyer agree that at the "Closing" (as defined below)

A Seller shall sell and convey and Buyer shall purchase

(i) All furniture, fixtures, equipment, small wares, replacements and other personal property (the "Business Assets") which

are owned by Seller and present at the Locations on the "Closing Date" (as defined below)

(ii) Wholesome food, paper goods, supplies and serviceable uniforms (the "Additional Assets") which are present at the Locations on the Closing Date, all as determined by the inventory described in Section 6 of this Agreement

(iii) The cash in the restaurant change drawers and other petty cash at the Locations on the Closing Date (the "Stand Bank")

(iv) The items described in subparagraphs (i), (ii) and (iii) above shall be collectively referred to hereafter as the "Assets "

B Seller, or its parent company, and Buyer shall execute a Franchise Agreement and a Franchise Lease for each of the Locations, the provisions of which shall be consistent with Seller's current Franchise Disclosure Document (FDD") The marketing and royalty fees under the Franchise Agreements, the term of each of the Franchise Agreements and Franchise Leases, and the rents payable under the Franchise Leases for each of the Locations shall be as set forth in Schedule 2, attached hereto and incorporated herein by this reference Buyer agrees and acknowledges that (i) the estimated minimum rents set forth on Schedule 2 were calculated based upon restaurant sales during the immediately preceding twelve (12) month period using Seller's standard rent calculation formula, (ii) such rents may be adjusted prior to the applicable Closing Date based upon more recent sales information, and (iii) final minimum rents under the Franchise Leases shall be determined as of the applicable Closing Date based upon restaurant sales during the twelve (12) month period immediately preceding such Closing Date, provided, however, in no event will the final minimum rents under the Franchise Leases be less than the rent payable by Seller pursuant to the Master Lease(s) for any Location Buyer further agrees and acknowledges that the minimum rents payable under the Franchise Leases will be increased from time to time in accordance with the provisions thereof to reflect increases payable by Seller pursuant to the Master Lease for each of the Locations [Optional Provision for potential SLB sites With respect to Location No(s) ____, Buyer acknowledges that JIB currently owns such Location(s) JIB shall have the right to pursue a sale/leaseback transaction with respect to such Locations, and upon completion of any such sale/leaseback transaction(s), then effective as of the close of escrow for such sale/leaseback transaction(s), minimum rent under the Franchise Lease for the subject Location(s) shall be adjusted to the greater of (a) the underlying rent payable by JIB pursuant to the master lease, or (b) an amount equal to 90% of trailing twelve (12) month sales, multiplied by 9 5%, prorated as necessary]

C Buyer shall execute and deliver to Seller one or more Releases in a form acceptable to Seller, in its sole discretion (' Release(s)")

D Buyer and Seller agree and acknowledge that Seller shall sell, transfer and convey to Buyer the entire restaurant businesses operated at the Locations, including all employees As such, Seller will not be terminating the employment of any of the existing employees at the Locations prior to the Closing Buyer shall assume responsibility for all such employees as part of the

transaction which is the subject of this Agreement, and Buyer shall be responsible for and assume any and all liability relating to any notice of termination of employees following the Closing

E Buyer agrees and acknowledges that those Locations listed on the attached Schedule 3 have been designated for inclusion in the JIB interior and exterior reimage project, and that Buyer shall be responsible for completing the contemplated reimage of each such Location on or before the date listed on Schedule 3 Such reimage shall be completed according to the guidelines and processes outlined in the Jack in the Box Franchisee Reimage Manual, which was previously provided to Buyer, including JIB's approval of all plans and specifications for such work All such reimage work shall be at the sole cost and expense of Buyer Notwithstanding the provisions of Schedule 3 regarding any requirements to complete restaurant reimages or to install new signage at the Locations, Buyer agrees and acknowledges that Buyer shall be obligated to comply at all times with the provisions of Section 5 A of the Franchise Agreement for each of the Locations Such section requires, among other things, (i) that the Locations be kept in good condition and in conformity with the 'System" (as defined therein), and (ii) that Buyer make any improvements and alterations as may be determined by JIB to be necessary [Optional provision for sites that have been reimaged With respect to the subject Locations, since it has been a number of years since JIB completed the reimage work, following the closing JIB may require Buyer to complete such building upgrades, maintenance and repair work, and(or) refurbishment of the Locations, as JIB deems necessary]

F [OPTIONAL PROVISION] With respect to Location No(s) _____, the parties agree as follows

(i) As indicated on Schedule 2, the term of the Franchise Agreement and Franchise Lease for Location No _____ will be approximately _____ ( ) years, expiring _____ The parties agree and acknowledge that the portion of the "Purchase Price" (as defined below) attributable to Location No _____ and payable at the Closing has been adjusted to account for the short term being offered Buyer on the Franchise Agreement and Franchise Lease for Location No _____, and that the portion of the Purchase Price attributable to Location No _____ and payable by Buyer at Closing is $ _____ Buyer shall pay the remainder of the Purchase Price for Location No _____, if at all, in accordance with the provisions below

(ii) Seller may, but shall have no obligation to, attempt to obtain one or more extensions of the term of its Master Lease(s) for Location No _____ If Seller is successful in obtaining additional time on its Master Lease(s), Buyer will have the right to extend the term of the Franchise Agreement and Franchise Lease for Location No _____ for up to a total of an additional _____ ( ) years (expiring no later than 20 years following the Closing Date), but in no event longer than the extension of JIB's Master Lease(s), provided, however, that in order to exercise such right to

extend the term of its Franchise Agreement and Franchise Lease, at the time of such exercise and at all times until (a) Buyer and Seller have executed formal documents extending the term of the Franchise Agreement and Franchise Lease for Location No _____, and (b) Buyer has paid all amounts due under subparagraph (iii) below, Buyer shall comply in all respects with the provisions of the Franchise Agreement and Franchise Lease for Location No _____ and shall not be in default under any provisions thereof

(iii) In each instance that Seller is able to renew the term of its Master Lease(s) for Location No _____ and each time Buyer exercises its right to extend the term of the Franchise Agreement and Franchise Lease, Buyer will make additional payments to Seller toward the balance of the Purchase Price attributable to Location No _____ equal to $ _____ for each additional year that Seller is able to provide to Buyer, up to a total payment for Location No _____, including the portion of the Purchase Price payable for Location No _____ paid at Closing, equal to $ _____ Buyer shall also pay an additional $2,500 00 Franchise Fee for Location No _____ for every additional year Seller is able to provide to Buyer, up to a maximum Franchise Fee of $50,000 00 Any additional Franchise Fee payable hereunder and any payment toward the balance of the Purchase Price attributable Location No _____ shall all be due and payable no later than ninety (90) days after JIB has received a written extension signed by the landlord(s) for the Master Lease(s), provided, however, that JIB may, but shall not be obligated to, execute a written extension of the Franchise Agreement and Franchise Lease prior to the date that Buyer has paid all outstanding amounts hereunder, and if Buyer fails to pay such amounts by the date which is sixty (60) days prior to the expiration date of the Franchise Agreement and Franchise Lease, then Buyer's election to extend the Franchise Agreement and Franchise Lease for Location No _____ may, at JIB's option, exercised in its sole and absolute discretion, be deemed null and void Any payments not made in a timely manner shall be subject to a late fee equal to 18% per annum until paid in full

(iv) If JIB is not successful in obtaining additional time on its Master Lease(s) for Location No _____, or if in any instance (a) Buyer elects not to extend the term of its Franchise Agreement and Franchise Lease for Location No _____, or (b) Buyer's election to extend the Franchise Agreement and Franchise Lease for Location No _____ is deemed null and void, then the Franchise Agreement and Franchise Lease for such Location shall expire according to their terms and Buyer shall vacate and surrender possession of Location No _____ prior to such expiration date In such event, JIB shall have the right to take possession of the subject Location and operate a Jack in the Box restaurant thereon or refranchise the Location to a different operator, in JIB's sole discretion

G With respect to Location No(s) _____, the parties agree as follows

(i) Buyer acknowledges that JIB is in the process of completing construction of a new Jack in the Box restaurant at Location No _____ JIB shall be responsible for construction of such new Jack in the Box restaurant, using such contractors and material suppliers as JIB shall select, in its sole discretion JIB shall construct such improvements in a good and workmanlike manner, in accordance with all applicable laws, rules, regulations, ordinances and codes and, upon completion of construction thereof, Buyer shall accept the restaurant on an AS IS" basis, without warranty or representation by JIB

(ii) Upon completion of construction, including installation of the restaurant equipment, JIB shall turn the newly constructed restaurant over to Buyer and Buyer will commence business operations at Location No _____ as soon as possible following such turnover, including, without limitation, hiring employees and opening the restaurant for business Buyer shall be responsible for contracting directly with Coca-Cola for the purchase and installation of beverage station equipment, all at Buyer's sole cost and expense The parties agree that Buyer shall have the right to enter Site No _____ prior to the turnover for the purpose of (1) cleaning, (2) stocking shelving in anticipation of restaurant opening, and (3) conducting employee training (collectively, "Pre-Opening Activities"), all in accordance with the following

(a) Buyer shall be granted access for the purpose of performing the Pre-Opening Activities, which shall consist only of Pre-Opening Activities described herein and(or) such other activities as may be approved in advance by JIB Specifically, and without limitation, Buyer shall not prepare or serve food prior to turnover Buyer shall coordinate the Pre-Opening Activities with JIB and its contractors, and Buyer shall not interfere in any manner with the activities of JIB and(or) its contractors JIB shall notify Buyer, in writing, with the date that Buyer will be granted access to Site No _____ for the purpose of conducting the Pre-Opening Activities

(b) The Pre-Opening Activities shall be performed by Buyer at its sole cost and expense Buyer assumes all risk associated with the performance of the Pre-Opening Activities, and shall indemnify, defend and hold JIB and its agents, representatives, assigns, employees, officers and directors, harmless from and against any and all claims, demands, actions, judgments, losses, liabilities, costs or expenses of any kind, including without limitation, attorneys' fees and costs incurred or arising directly or indirectly out of or in connection with the performance of the Pre-Opening Activities or the entry onto Site No _____ In no event shall JIB or JIB's insurance carrier be liable for any loss, cost, damage or expense arising out of death of or injury to persons, or loss of or

damage to property caused by or resulting from any acts or omissions of Buyer or its servants, employees and/or agents

(c) Prior to entering onto Site No _____, Buyer shall obtain all insurance coverage required under JIB's standard Franchise Lease and shall provide JIB with certificates of insurance indicating such coverages

(ii) Immediately upon completion of construction of the new restaurant, or earlier as may be required by either party, JIB and Buyer shall execute a then-current form of Franchise Agreement and Franchise Lease for Location No _____, which will be effective upon Buyer's commencement of business at Location No _____, and shall have a term of _____ years Upon execution of such franchise documents, Buyer will pay to Seller that portion of the Purchase Price attributable to Location No _____, in the amount of $ _____, plus applicable sales and use taxes, and a franchise fee of $ _____, and shall otherwise comply in all respects with the obligations set forth therein

(iii) The initial rent for Location No _____ under the Franchise Lease will be as set forth on Schedule 2, subject to adjustment in accordance with paragraph 2 B above

H [OPTIONAL PROVISION] Buyer acknowledges that Location No _____ is part of a multi-use facility, which includes a gas station and convenience store Following the Closing, the gas station and convenience store facilities at the Location shall continue to be operated by a third party, and Buyer and Seller shall execute an operating agreement for such Location that will set forth the parties' rights and responsibilities with respect to the use and operation of the Jack in the Box restaurant, the gas station and convenience store businesses, and the common areas at such Location ('Operating Agreement")

I [OPTIONAL PROVISION] The parties agree and acknowledge that Buyer has requested that certain repairs be made to certain of the Locations, as described on Schedule 4, attached hereto and incorporated herein by this reference Buyer and Seller have agreed that in lieu of Seller making any such repairs, at Closing Buyer shall receive a credit toward the Purchase Price in the amount of $ _____ for the cost thereof, and Buyer shall be responsible, at Buyer's sole cost and expense, with completing all required repairs to the subject Locations Buyer shall complete all of the repairs described in Schedule 4 on or before the date which is 90 days following the Closing Date and, if Buyer has not completed such work with respect to all or any individual Locations within such 90 day time frame, then Seller shall be authorized and shall have the right to immediately debit Buyer's account for the amount allocated on Schedule 4 to the uncompleted repair work Seller shall have the express right to conduct any inspections of the Locations as Seller deems necessary or appropriate to determine whether such repairs have been completed Notwithstanding the foregoing, Buyer agrees and acknowledges that nothing set forth in this Amendment shall constitute a warranty or representation by Seller of any kind

and that Buyer is acquiring the Locations in an AS IS, WHERE AS condition in accordance with paragraph 7 below "

3 PURCHASE PRICE, OTHER PAYMENTS

A The purchase price for the Assets ("Purchase Price") shall be the sum of the amounts described in sections (i) and (iii) below

(i) Buyer shall pay to Seller $_____ for the Business Assets [Optional] of which $_____ shall be payable at the Closing

(ii) In consideration of the purchase by Buyer of the Additional Assets and the Stand Bank for each of the Locations, within 30 days after receipt of a billing from Seller, for each of the Locations, Buyer shall pay to Seller the sum of (a) an amount equal to JIB's current price to Franchisees who buy from JIB for food and packaging, and (b) an amount equal to the Stand Bank

B In addition to the Purchase Price, Buyer shall pay to Seller through Escrow at the Closing the franchise fees described on Schedule 2, for a total of $_____, as described in the Franchise Agreements ("Franchise Fee(s)") [Optional , except that the Franchise Fee for Location No , as described on Schedule 2, shall be paid in accordance with paragraph 2 G above] [Optional In addition, at the Closing, Buyer shall pay to Seller through Escrow that portion of the development fee which is required to be paid upon execution of the Development Agreement, as described therein ("Development Fee(s)")]

C Concurrently with execution of the Agreement by Buyer and delivery thereof to Seller, Buyer shall deposit into Escrow $_____ (the "Deposit"), in cash or by wire transfer of funds The Deposit shall be placed into an interest-bearing account, and the Deposit, plus interest thereon, shall be applied and credited towards the Purchase Price at the Closing If Escrow fails to close due to the failure of the conditions set forth in Sections 5 B or 5 C below, or in the event of a default by Seller under this Agreement, then the entire Deposit shall be refunded to Buyer

D [OPTIONAL PROVISION] Provided that the contingency set forth in Section 5 B (iii) has been satisfied or waived by Seller prior to the Closing Date, Seller shall provide interim short term financing to Buyer in the amount of the Purchase Price, less any downpayment required by Seller, plus the Franchise Fees and any prorations or closing costs which are the responsibility of Buyer Such financing shall be upon Seller's standard terms and conditions, which shall include a due date of _____, interest at % per annum and a default rate of 12%, and shall be secured, among other things, by a lien on the Assets in favor of Seller At Seller's option, such interim financing shall be documented by one or more promissory notes, security agreements and other documents to be executed and delivered to Seller on the applicable Closing Date (collectively,

'Financing Documents") Buyer and Seller shall deliver originally executed financing documents, in a form acceptable to Seller, to escrow at least one business day prior to the applicable Closing Date

E Buyer shall be responsible for the payment of any and all application, licensing, transfer or connection fees and costs associated with Buyer's acquisition of the Assets and subsequent operation of the Locations, including, without limitation, the application fees and charges associated with obtaining the required FCC license for the operation of the drive-through radio system

F Buyer has previously delivered to Seller an application fee of $5,000 00, which is hereby deemed fully earned by Seller and shall be non-refundable, but shall be applied toward the Purchase Price at the First Closing

F Rents, taxes and other charges due under the Franchise Agreements and Franchise Leases shall be prorated through Escrow as of the Closing Date

G Prior to Closing, Buyer shall execute and deliver to Seller an Authorization for Direct Deposit Withdrawal, as required by the Franchise Agreements

4 ESCROW

This transaction shall be conducted insofar as is necessary to effectuate its purpose through one or more escrows to be opened with The Heritage Escrow Company, 2550 Fifth Avenue, San Diego, CA 92103 (the "Escrow(s)") The parties agree to execute such escrow instructions (the "Escrow Instructions") as may be necessary or appropriate to effect the purpose and intent hereof and that this Agreement shall be attached to the Escrow Instructions as an exhibit and shall remain in full force and effect, provided, however, that in the event of any inconsistency between the provisions of the Agreement and the Escrow Instructions, the provisions of this Agreement shall govern All costs of the escrow shall be borne equally by Buyer and Seller Buyer shall pay any sales, use and other taxes which may arise as a result of this transaction

5 CLOSING, CONDITIONS TO SELLER'S OBLIGATIONS

A Provided all the terms and contingencies and conditions of this Agreement have been fulfilled or waived in writing this transaction shall be completed through a closing ('Closing") on or before _____ ("Closing Date")

B The following shall constitute conditions precedent to Seller's obligations under this Agreement Seller shall determine, in its sole discretion, whether such conditions have been satisfied as of the Closing Date If prior to the Closing Date any of the conditions are not met, and Seller has not waived the unmet condition, this Agreement shall terminate, Buyer shall be entitled to the return of its Deposit, and the parties shall have no further obligations hereunder

(i) Buyer shall have received expansion approval from Seller

(ii) The terms and provisions of this transaction shall have been approved by Seller's executive management

(iii) Seller shall have reviewed and approved Buyer's financial status and liquidity, including, without limitation, Buyer's bank statements, financial statements, loan term sheets and(or) commitment letters, and such other information as may be requested by Seller, in its sole discretion, to determine Buyer's financial capability to complete the transaction contemplated in this Agreement Buyer shall cooperate with Seller in connection with the foregoing condition by promptly providing to Seller any and all such documents and information requested by Seller

(iv) [OPTIONAL] Seller shall have reviewed and approved Buyer's financial statements and other information requested by Seller to determine Seller's creditworthiness with respect to the financing contemplated in Section 3 D above

C As an additional condition precedent for the Closing, prior to the Closing Date the parties shall have received the written consent to sublease each of the Locations from any third party where consent is required under any lease for a Location Buyer shall be responsible for any reimbursements or payments due to any third parties in connection with obtaining any required consents

D Buyer agrees and acknowledges that Seller, or its parent company, is currently a party to agreements for (i) POS systems and equipment, (ii) certain restaurant management systems and equipment, including, without limitation, back office and computer-based training systems and equipment, and (iii) satellite network equipment and services (collectively, 'Technology Contracts") As an additional condition precedent to the Closing, prior to the Closing Date, Buyer and Seller, or its parent company, shall enter into one or more agreements pursuant to which Buyer shall sublease, sublicense, acquire the applicable equipment, systems, maintenance contracts and(or) software, or otherwise assume Seller's obligations with respect to the Technology Contracts Such agreements between Buyer and Seller shall be on Seller's standard forms and shall be executed and delivered by Buyer to Seller at least one (1) business day prior to the Closing Date Failure by Buyer to execute and deliver any required agreements with respect to the Technology Contracts shall be deemed a default by Buyer under this Agreement Upon the expiration of the current lease terms for the POS and CBT equipment, Buyer may elect to either purchase such equipment or return the equipment and obtain new equipment approved by JIB Buyer shall notify JIB as to whether Buyer intends to purchase or return the POS and CBT equipment at least sixty (60) days prior to the expiration of the leases for such equipment If Buyer elects to acquire any of the equipment, systems or software which are the subject of a Technology Contract, the cost thereof shall be in addition to the Purchase Price Among the Technology Contracts is a prepaid service contract for the POS equipment and systems, which runs on a calendar year and will expire at the end of ____ without any cancellation fee unless Buyer cancels early If Buyer cancels the POS service contract early, Buyer shall be responsible for any cancellation fees which may apply Upon expiration of such service contract, Buyer shall be responsible for securing a replacement service contract which complies with JIB standards, if Buyer so

chooses, at Buyer's sole cost and expense Buyer agrees and acknowledges that Seller may be a party to one or more agreements relating to the provision of ScanSafe services at the Locations Buyer will be charged for ScanSafe services until the agreement between Seller and ScanSafe expires If Buyer desires a continuation of ScanSafe services, Buyer shall be responsible to execute any and all agreements, and pay any fees and costs that may be required by the vendor(s), or otherwise, to assume the obligations under JIB's existing agreements or to extend such services by direct contract with the applicable vendor If Buyer does not desire to continue the ScanSafe services at any of the Locations, Buyer shall be responsible for any fees and costs associated with such discontinuation of services

E The parties agree and acknowledge that some or all of the Locations may (i) include self-service ordering kiosks ("Kiosk"), (ii) be subject to an agreement with RTI regarding the bulk purchase of cooking oil and the lease of a system for supplying such oil ("RTI Contract"), (iii) have the Compusafe system installed, and(or) (iv) have a special information systems fire-wall installed, or require a firewall, either due to the systems required pursuant to the RTI Contract, the Compusafe system, or otherwise, which shall be governed as follows

(1) For Locations that include a Kiosk, Buyer shall have thirty (30) days following the Closing Date to elect to retain or remove the Kiosk at each of the Locations If Buyer fails to make such election within such thirty (30) day period, Buyer shall be deemed to have elected to retain the Kiosk If Buyer elects, or is deemed to have elected, to retain the Kiosk at any Location, Buyer shall agree in writing to assume the obligations for the Kiosk at such Location(s) pursuant to a written agreement with EMN8, Inc and Seller shall be released from any further obligations with respect to such Kiosk(s) If Buyer elects to remove the Kiosk from any of the Locations, Buyer shall be responsible for any and all termination fees or other charges resulting from such termination, as well as the cost to remove the Kiosk(s) from the subject Location(s)

(2) For Locations that are subject to an RTI Contract, Buyer shall have the choice to either keep such bulk oil system or elect to have it removed prior to the Closing If Buyer elects to retain the bulk oil system pursuant to the RTI Contract, Buyer will be required to enter into a new contract with the vendor, effective as of the Closing Date If Buyer elects to have the bulk oil system removed, Buyer shall notify JIB in writing at least 30 days prior to the Closing Date, and JIB shall cause the removal of the bulk oil system prior to the Closing Date If Buyer elects to have the bulk oil system removed, then Buyer shall pay any and all costs for removal and return of the equipment to RTI, together with any and all termination fees or other fees

(3) For those Locations that have the Compusafe system installed, Buyer will have the choice to either keep such system or elect to have it removed prior to the Closing If Buyer elects to retain the Compusafe system, Buyer will be required to enter into a new contract with the vendor, effective as of the Closing Date If Buyer elects to have the Compusafe system removed, Buyer shall notify JIB in writing at least 30 days prior to the Closing Date, and JIB shall

cause the removal of the Compusafe system prior to the Closing Date If Buyer elects to have the Compusafe system removed, JIB shall use reasonable efforts to use the equipment at another company-operated restaurant and, if JIB is successful in relocating the Compusafe equipment, JIB shall pay for any relocation costs However, if JIB is not able to use the Compusafe equipment at another company-operated restaurant, despite its reasonable efforts to do so, then Buyer shall pay any and all costs for removal and return of the equipment to the vendor, together with any and all termination or other fees

(4) For any Locations that have a special information systems firewall installed, or require a firewall, either due to the systems required pursuant to the RTI contract, the Compusafe contract, or otherwise, Buyer shall be responsible to install and(or) retain such firewall at the subject Locations, at Buyer's sole cost and expense If the firewall is no longer necessary due to Buyer's election to remove the bulk oil and(or) Compusafe systems, then JIB shall cause the removal and return of any and all equipment or software associated therewith, and Buyer shall pay any and all costs for such removal and return, together with any and all termination or other fees

F Seller agrees that Buyer shall have until _____ to satisfy itself as to Buyer's ability and desire to proceed with the transaction which is the subject of this Agreement, including, without limitation (i) Buyer's ability to obtain any financing necessary to close Escrow on the Closing Date, (ii) Buyer's inspection of the physical condition of each of the Location(s), and (iii) any other matters that Buyer deems necessary or appropriate If Buyer elects not to proceed with the transaction in accordance with this Section, Buyer shall notify Seller in writing on or before the close of business on _____, in which event this Agreement shall be deemed terminated, the Deposit shall be refunded to Buyer, and the parties shall have no further obligations hereunder If Buyer fails to notify Seller in writing of its election not to proceed pursuant to this Section by the close of business on _____, then Buyer shall be deemed to have waived this contingency and elected to proceed with this transaction, in which event the Deposit shall be non-refundable, except in accordance with Section 3 C above

6 INVENTORIES OF PERSONAL PROPERTY

Prior to the Closing Date, persons designated by Buyer and Seller shall jointly conduct an inventory of the Business Assets and Additional Assets at the Locations, which inventory shall be conducted in a manner to be agreed upon by the parties The final inventory for each Location shall be initialed by those representatives designated by Buyer and Seller and shall be attached to the Bills of Sale described below

7 AS-IS PURCHASE

At Closing, Buyer shall accept the Assets and the Locations in their existing "as-is" condition based solely on Buyer's own investigations, inspections, reviews and studies, without representation or warranty of any kind by Seller, except as specifically set forth in this Agreement Buyer acknowledges and agrees that, except as specifically set forth in this Agreement, Seller has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to (i) value of the Assets, (ii) the income to be derived from the Locations, (iii) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Assets or the Locations, (iv) the manner, quality, state of repair or lack of repair of the Assets or the Locations, (v) the nature, quality or condition of the Assets or the Locations, (vi) the compliance of or by the Locations with any laws, rules, ordinances or regulations of any applicable governmental authority or body, (vii) the manner or quality of the construction or materials, if any, incorporated into the Locations, (viii) compliance with any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, (ix) the presence or absence of hazardous materials at, on, under, or adjacent to the Locations, (x) the content, completeness or accuracy of any due diligence materials provided to Buyer, (xi) the conformity of the improvements to any plans or specifications for the Locations, including any plans and specifications that may have been or may be provided to Buyer, (xii) the conformity of the Locations to past, current or future applicable zoning or building requirements, (xiii) the existence of vested land use, zoning or building entitlements affecting the Locations, (xiv) the conditions of the Locations from any cause whatsoever as it relates to sick-building syndrome, humidity, atmospheric conditions, moisture, dryness, allergens, mold, mildew, or any particle, organisms or other conditions or substances that may cause reactions, sickness, personal injury or any other damage or loss, or (xv) with respect to any other matter Buyer further acknowledges and agrees that to the maximum extent permitted by law, the sale of the Locations as provided for herein is made on an "as is" condition and basis with all faults, and that seller has no obligations to make repairs, replacements or improvements except as may otherwise be expressly stated herein In addition to the foregoing, Buyer waives any rights against Seller and expressly releases Seller from any liability with respect to any ADA compliance issues at the Locations, and Buyer acknowledges and agrees that Buyer shall be responsible, at its sole cost and expense, for any work necessary to bring the Locations into compliance with any and all ADA requirements

By initialing below, Buyer acknowledges and agrees that Buyer is purchasing the Assets and accepting the Locations "as is" and "where is" and that Buyer shall be responsible for performing any and all due diligence investigations, studies, reports, and inspections as Buyer deems necessary, and that Seller has encouraged Buyer to perform such investigations

_____
BUYER'S INITIALS

8 DAMAGE TO IMPROVEMENTS

If the improvements or Business Assets at any of the Locations are destroyed or materially damaged prior to the Closing Date, then, at the option of Buyer, Buyer may (i) terminate this Agreement as to the affected Location(s), or (ii) elect to complete the transaction, in which event Buyer shall be entitled to

receive all proceeds of insurance payable on account of such destroyed or damaged property

9 INDEMNIFICATION

A Seller hereby indemnifies and agrees to hold harmless Buyer from and against any and all indebtedness, liabilities, losses, costs, expenses, damages, deficiencies and claims, including without limitation attorneys' fees, court costs and all costs of investigation, defense and payment of any claim, arising out of or resulting from the conduct of Sellers or any of them or contracts by Sellers or any of them in connection with the Assets, Locations or the operation of the restaurant business thereat prior to the Closing Date

B Buyer hereby indemnifies and agrees to hold harmless Sellers and each of them from and against any and all indebtedness, liabilities, losses, costs, expenses, damages, deficiencies and claims including without limitation attorneys' fees, court costs and all costs of investigation, defense and payment of any claim, arising out of or resulting from the conduct of or contracts by Buyer in connection with the Locations or the operation of the restaurant business thereat after the Closing Date, provided, however, that Buyer's indemnification hereunder shall not cover any liabilities arising from Seller's sole negligence

10 DELIVERY UPON EXECUTION

At least five (5) days prior to the Closing Date, Seller will deliver to Buyer the following with respect to the subject Locations

A Franchise Agreements,

B Franchise Leases, with Landlord Interest Addendums attached, if appropriate,

C [OPTIONAL] Development Agreement,

D [OPTIONAL] Operating Agreement,

E [OPTIONAL] Financing Documents,

F Copy of the Master Lease affecting the Locations, if any, and

G Most recent title information in Seller's possession

11 DELIVERIES AT CLOSING

A On or prior to the Closing Date, Buyer and Seller will deliver to Escrow the following for each Location

(i) Fully executed Franchise Agreements in the form approved by Seller
(ii) Fully executed Franchise Leases, with Landlord Interest Addendums attached, if appropriate, in the form approved by Seller

(iii) [Optional] Fully executed Development Agreement in a form approved by Seller

(iv) [Optional] Fully executed Operating Agreement in a form approved by Seller

(v) [Optional] Fully executed Financing Documents in a form approved by Seller

(vi) Executed Bill of Sale

(vii) Fully executed Release(s)

(viii) Such other documents as are contemplated by this Agreement or as may be necessary or appropriate to carry out the purpose and intent hereof

B At least one business day prior to the Closing Date, Buyer will deliver to Escrow immediately available funds in the amount of the Purchase Price, the applicable Franchise Fees Development Fees, plus Buyer's portion of any closing costs hereunder

12 REPRESENTATIONS AND WARRANTIES, SELLER'S PRE-CLOSING OBLIGATIONS

A Seller hereby represents, warrants and agrees

(i) Seller, as of the Closing Date, shall be the owner of the Business Assets and the Additional Assets at each of the Locations

(ii) To the best of Seller's knowledge, no condemnation or eminent domain proceedings affecting the Locations have been commenced or are contemplated, except as may be disclosed in writing to Buyer

(iii) There are no oral or written leases affecting the Locations except as disclosed in writing to Buyer, and Seller hereby agrees to and shall deliver to buyer on the Closing Date, exclusive possession of the Locations

B Seller covenants and agrees that prior to the Closing Date Seller shall continue to operate the Locations in good faith and in accordance with Seller's standard operating procedures for Seller's company restaurants

13 DEFAULT BY BUYER

IF BUYER DEFAULTS IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, IN ADDITION TO ANY OTHER RIGHTS AND REMEDIES SELLER MAY HAVE HEREUNDER, AT LAW OR IN EQUITY, OR OTHERWISE, SELLER SHALL HAVE THE RIGHT TO RECEIVE THE DEPOSIT AS LIQUIDATED DAMAGES THE PARTIES ACKNOWLEDGE THAT THE AMOUNT OF THE DEPOSIT REPRESENTS THE REASONABLE ESTIMATE BY THE PARTIES OF THE AMOUNT OF DAMAGES THAT SELLER WOULD SUFFER AS A RESULT OF BUYER'S DEFAULT THE PARTIES HEREBY AGREE THAT THE DAMAGES SUFFERED BY SELLER IN THE EVENT ANY

OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT FAILS TO CLOSE DUE TO BUYER'S DEFAULT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO ACCURATELY DETERMINE BY INITIALLING THIS PROVISION IN THE SPACES BELOW, SELLER AND BUYER EACH SPECIFICALLY AFFIRM THEIR RESPECTIVE AGREEMENTS CONTAINED IN THIS SECTION

_____	_____
BUYER'S INITIALS	SELLER'S INITIALS

14 MISCELLANEOUS

A All understandings and agreements heretofore had or made between the parties hereto concerning the matters herein specified are merged in this Agreement, which, alone, fully and completely expresses their agreement relating to the subject matter hereof

B This Agreement shall not be modified or amended except by a writing signed by each party

C This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs and respective successors and assigns

D This Agreement shall be governed by the laws of the State of California

E This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

F Buyer may not assign this contract or any of its rights and obligation hereunder

G To the extent this Agreement contains provisions which set forth covenants and(or) obligations to be performed following the Closing Date, such provisions, and the covenants and obligations described therein, shall survive and be enforceable following the Closing

15 NOTICES

All notices, consents, approvals or other instruments required or permitted to be given by either party shall be in writing and shall be deemed to have been properly given if sent by registered, or certified mail, return receipt requested, Federal Express (including Federal Express Zap Mail Service), Airborne, Emery, DHL, Express Mail, or by other recognized overnight courier service, postage and other charges prepaid to the parties at the addresses set forth in the first paragraph hereof or to such other address as either party may specify by written notice given in accordance with this paragraph

16 ACKNOWLEDGMENT OF RECEIPT OF FDD

By execution hereof, each of the parties constituting Buyer hereunder represents and warrants that (a) they have received Seller's current FDD and all Exhibits thereto at the earlier of the first personal meeting with JIB personnel

regarding the transition which is the subject of this Agreement or fourteen (14) days or more prior to the execution hereof or payment of any fee in connection herewith, (b) they have had full opportunity to be advised of the terms and conditions of this Agreement and the Exhibits hereto by counsel of their own choosing prior to the execution hereof, (c) they are executing this Agreement after having made such investigations of Seller and its operations as they desire, and (d) they have not reviewed nor relied upon any representations by Seller or its officers, directors, employees, or agents that are contrary to the terms hereof or the FDD

17 [OPTIONAL] SALES TAX ON PERSONAL PROPERTY

Seller shall collect from Buyer through escrow all sales tax in connection with this transaction on the personal property located at the Locations, which the parties estimate to be as follows

Site No	Rate	Sales Tax Payable
	%	$

Following each of the Closing Dates, in the normal course of Sellers' business, Seller shall be responsible for the payment of the sales tax on personal property to the appropriate taxing authority

18 COSTS AND EXPENSES

Except as herein provided, each party hereto shall be responsible for their own costs and expenses for any due diligence costs and expenses, sales taxes or attorneys' fees, if any, attendant to this transaction

Dated this __ day of _____, 20___ SELLER

JACK IN THE BOX INC , a Delaware corporation

By _____
Its _____

By _____
Its _____

[OR]

JACK IN THE BOX EASTERN DIVISION
L P , a Texas limited partnership

By JBX General Partner LLC, a Delaware limited liability company, general partner

By _____
Name _____

Title Authorized Person

Dated this __ day of _____, 20___

BUYER

_____

SCHEDULE 1

JIB #	Site Address	City	State	Zip

SCHEDULE 2

JIB #	Minimum Monthly Rent	% Rent	Expiration Date	Royalty	Marketing Fee	Franchise Fee

SCHEDULE 3

JIB No	ReImage Deadline	Reimage Status	Street	City	State

EXHIBIT J-1

FRANCHISE AGREEMENT

JACK IN THE BOX INC

FRANCHISE AGREEMENT

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EXHIBIT A - FRANCHISE RESTAURANT DESCRIPTION

Site No ____

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is made and entered into in the City of San Diego, State of California, as of the ____day of _____, by and between JACK IN THE BOX INC , a Delaware corporation, having its principal place of business at 9330 Balboa Avenue, San Diego, California ("JIB"), and , , and ("Franchisee")

RECITALS

JIB is the owner of the name JACK IN THE BOX® and certain other service marks, trademarks, names, logos and commercial symbols that are authorized for use from time to time in connection with JACK IN THE BOX restaurants, including but not limited to "*Jack in the Box®*" (the "Marks")

JIB has expended time, effort and money to develop a distinctive restaurant format and operating system utilizing specialized and unique techniques, knowledge, expertise, skill and proprietary information The restaurant format and operating system includes but is not limited to operating and management systems and standards, specifications and procedures for the purchase, preparation and sale of food, beverages and other products, and a distinctive building design, decor and color scheme (the "System")

The System includes, among other things, the following elements, all of which may be deleted, changed, improved or further developed by JIB from time to time (a) know-how, specifications, methods and procedures for the content, preparation, marketing and sale of food and beverages, which are described in operating manuals for JACK IN THE BOX restaurants and in other written materials, (b) plans and specifications for distinctive, standardized premises and interior and exterior formats, styles, designs, decors, fixtures, equipment, layouts and signs which are described in operating manuals for JACK IN THE BOX restaurants and in other written materials, and (c) a public image that each JACK IN THE BOX restaurant is a unit in an established quick-service restaurant system, and that all JACK IN THE BOX restaurants are operated with uniform high standards for product quality and service and aesthetic effect of the restaurant premises

JIB operates, and grants franchises to operate, restaurants known as JACK IN THE BOX restaurants using the System and the Marks

Franchisee recognizes the uniqueness, confidentiality and value of the System, and the advantages and benefits which may be obtained by using the System and the Marks, and desires to use the System and the Marks which JIB uses and makes available to its Franchisees, in the operation of a JACK IN THE BOX restaurant

Franchisee acknowledges that JIB has entered into, and will continue to enter into, agreements with other franchisees that may contain provisions, conditions and obligations that differ from those in this Agreement, and that the existence of those agreements does not affect the parties' duties to comply with this Agreement

In consideration of the foregoing, the fees and other sums payable by Franchisee and of the mutual covenants contained in this Agreement, the parties agree as follows

1 LICENSE SCOPE, TERM, NON-RENEWAL

JIB grants to Franchisee a limited license, subject to the terms and conditions hereof, for the term of this Agreement, to use the System and the Marks, and such other Marks as JIB may authorize from time to time in the operation of a JACK IN THE BOX restaurant (the "Franchised Restaurant") at , more fully described in Exhibit A hereto (the Premises"), and at that location only During the term of this Agreement, the Premises shall be used exclusively for the operation and promotion of the Franchised Restaurant This license is non-exclusive, is for the described location only, and does not in any way grant to or confer upon Franchisee any proprietary rights or goodwill rights to the Marks or to any country, province, state, area, market or territory JIB retains the right and is expressly permitted to engage in the wholesale and retail production, distribution and sale of products, including food products of any kind (i) under the JACK IN THE BOX trademark or any other trademarks, (ii) through JIB-operated restaurants, franchised restaurants or any alternative marketing channels or methods of distribution, and (iii) both outside and within the trading area of Franchisee's restaurant JIB may develop, establish or acquire other franchise systems for the same, similar or different products, and may grant licenses thereto, without providing Franchisee any rights therein

The term of this Agreement shall commence on _____, and shall expire _____, unless sooner terminated in accordance with the provisions of this Agreement Franchisee accepts this license with the understanding that this Agreement is not renewable, and that JIB makes no assurance of the granting of a new license at expiration

2 FRANCHISE FEE

In consideration of the granting of this license, Franchisee shall pay to JIB, on or before the execution of this Agreement, the sum of fifty thousand dollars ($50,000) This entire sum is fully earned by JIB upon the execution and delivery of this Agreement The fee described above ('Franchise Fee") is net of any tax, excluding income tax but including excise tax or other fee imposed upon JIB due to the collection of the Franchise Fee

3 APPROVAL OF LEASES

If Franchisee leases the Premises from a third party, Franchisee must use its best efforts to use JIB's standard form lease or lease addendum Regardless of whether JIB's standard form is used, all third-party leases must include the following terms and conditions

1 Franchisee may not use the Premises for the operation of any business other than a Jack in the Box restaurant,

2 The landlord consents to the Franchisee's use of such Marks and signage as JIB may reasonably require,

3 JIB has the right to enter the Premises to make any modification necessary to protect its Marks or to cure any default under the lease or this Agreement, including the right to enter upon expiration to de-identify the Premises if franchisee fails or refuses to do so,

4 If Franchisee is in default under the lease, JIB will have the right to cure the default or assume the lease, and to sublease the Premises for all, or any part of, the term of the lease,

5 A Memorandum of Lease will be recorded in the appropriate recorder's office in the county in which the Franchised Restaurant is located,

6 The lease shall require that the landlord deliver to Franchisee a non-disturbance agreement (i) from the current holder of any mortgage or deed of trust which is a lien on the Premises, or (ii) if the landlord is the tenant under the terms of any master lease, from the lessor under such master lease Such non-disturbance agreement shall provide that so long as Franchisee is not in default beyond any applicable cure periods under its lease, the lender or master lessor, as the case may be, shall not disturb Franchisee's use and possession of the Premises upon the default by landlord under the mortgage/deed of trust or master lease, or upon termination of the master lease for any other reason, and

You will not be permitted to open the Franchised Restaurant for business unless JIB approves the lease in writing You may not amend or modify the lease without JIB's prior written approval JIB's approval of a lease does not constitute a representation, guaranty or warranty, express or implied, of the successful operation or profitability of any restaurant operated at that location, nor does such approval constitute a legal review of the terms and conditions of the lease

4 REPRESENTATIONS, WARRANTIES AND COVENANTS OF FRANCHISEE

Franchisee represents, warrants and covenants as follows

A Franchisee has received, read and understood JIB's Franchise Disclosure Document, and Franchisee acknowledges that no person has made to Franchisee, and no other material delivered to Franchisee has contained, any statements or representations or warranties inconsistent or contradictory with JIB's Franchise Disclosure Document

B Franchisee has delivered to JIB a Certification of Entity Structure, which constitutes a true, complete and accurate description of all of the individuals who have an ownership interest in the franchise or Franchisee, if Franchisee is a legally formed entity There has been no change in said ownership structure since the certification was delivered to JIB The ownership structure described in the certification shall remain unchanged during the term of this Agreement, unless modified in accordance with the provisions of this Agreement The provisions of this Agreement relating to changes in ownership or ownership structure shall apply to all such changes, including changes in relative shares of ownership of a Franchisee

C JIB shall have no liability for any excise, property or other taxes levied by any governmental tax authority upon Franchisee Franchisee shall make timely filings of all tax returns, and shall pay when due all taxes levied or assessed in connection with the possession, ownership or operation of the Franchised Restaurant and the Premises Franchisee may contest the validity or the amount of the tax in accordance with applicable procedures of the jurisdiction, but Franchisee shall in no event permit a tax sale or seizure of the Franchised Restaurant, the Premises, or any equipment

D Franchisee has had full opportunity to be thoroughly advised of the terms and conditions of this Agreement by counsel of its own choosing at least seven (7) days prior to its execution, and is entering into this Agreement after having made such independent investigation of JIB's operations as it desired, and not in reliance upon any promise, representation, warranty, condition, agreement or understanding, written or oral, which is not contained in this Agreement, whether relating to the financial return which Franchisee might be expected to realize, or otherwise

E Neither JIB nor its representatives have made any promises, representations, warranties, agreements or understandings except as expressly contained in this Agreement or the Franchise Disclosure Document

F The written information that Franchisee has submitted to JIB in connection with the grant of this franchise, including, but not limited to, a Franchise Application Package, is true, correct and accurate

5 STANDARDS OF OPERATION

Franchisee shall adhere to the System Franchisee shall meet all the standards and specifications, and follow the procedures communicated in writing by JIB to Franchisee

A The Manuals

The parties agree that Franchisee's adherence to JIB's System standards and specifications is necessary to the image, operation and success of each JACK IN THE BOX restaurant and the System The JACK IN THE BOX manuals, as they may be renamed, amended, expanded and consolidated by JIB from time to time (collectively, "Manuals"), shall contain mandatory restaurant operating standards, specifications and procedures as prescribed from time to time by JIB for the operation of a JACK IN THE BOX restaurant by a Franchisee, among other things Some or all of the Manuals may be provided in an electronic format on an online system Franchisee acknowledges receipt of the Manuals on loan for the term of this Agreement, and agrees to monitor the online system for updates to the Manuals Franchisee shall strictly adhere to the standards, specifications and procedures set forth in the Manuals, which JIB may, in its sole discretion, change from time to time Franchisee agrees to accept and comply with any changes, modifications, revisions and additions made by JIB to the menu, service expectations, restaurant environment, customer offerings, product pricing, and other elements of the System standards and the Manuals, which JIB, in the good faith exercise of its judgment, believes to be necessary or desirable

The material contained in the Manuals consists of confidential trade secrets of JIB, and JIB is the owner of the Manuals and of all proprietary rights in and to the material and information contained therein Such material is to be used by Franchisee only in connection with the operation of the Franchised Restaurant and other licensed JACK IN THE BOX restaurants

Franchisee must ensure that the restaurant is being operated in accordance with the terms of the Franchise Agreement, and in accordance with the standards as specified in the Manuals

B Restaurant Buildings and Premises

The Franchised Restaurant building and Premises shall be constructed and improved only as authorized and approved in writing by JIB, and in conformity with all applicable laws and ordinances The appearance of such building and the condition of the Premises shall not be altered thereafter except as may be approved in writing by JIB The building shall be decorated, furnished and equipped with furnishings and restaurant equipment that meet JIB's specifications Franchisee shall maintain such building and Premises (including, without limitation, its landscaping, lighting, fixtures, furnishings, decor, signs and parking area) in good condition and in conformity with the System, and shall make any improvements and alterations as may be determined by JIB to be necessary Franchisee shall undertake and complete such repairs, improvements and alterations as may be required by JIB within a reasonable time as specified by JIB Franchisee shall maintain such building and Premises in conformity with all applicable laws and ordinances, including, without limitation, the federal Americans with Disabilities Act and any similar state law Any modification to the

building or Premises, whether required by land zoning or building laws or otherwise, shall be approved in advance by JIB, and shall also be made at Franchisee's expense

Except as may be provided in any lease between JIB and Franchisee, in the event such building or Premises shall be damaged or destroyed by fire or other casualty, or be required to be repaired or reconstructed by any governmental authority, Franchisee shall repair or reconstruct such building or Premises in accordance with Franchisor's design standards in effect at the time of the repair or reconstruction, within a reasonable time in light of the circumstances Franchisee shall, however, make every reasonable effort to restore the building or Premises to reflect the then-current image, design, specifications and the standards of JACK IN THE BOX restaurants

If Franchisee leases the Premises from someone other than JIB, Franchisee agrees that whenever it sends its landlord any notice or other material document relating to Franchisee's lease for the Premises, or receives such a document from the landlord, Franchisee will promptly forward a copy of that document to JIB in accordance with the notice provisions of this Agreement

C Signs

Franchisee shall display the Marks only in the manner authorized by JIB Franchisee shall maintain and display such signs (including menu panels, posters or similar items) as are required by JIB from time to time Franchisee shall not place additional signs, menu panels, posters or similar items on the Premises without JIB's prior written consent Franchisee shall promptly discontinue the use of and destroy such items as are declared non-conforming or obsolete by JIB

D Equipment

Franchisee shall use only equipment approved by JIB in the Franchised Restaurant Franchisee shall maintain such equipment in a condition that meets standards set forth in the Manuals or otherwise prescribed by JIB, and shall replace equipment as necessary Replacement equipment shall conform to the standards for equipment which is being installed in new JACK IN THE BOX restaurants at the time of replacement except as may be approved in writing in advance by JIB If JIB should determine that additional or replacement equipment is needed in order to test new menu items or due to a change in approved menu items or in approved methods of preparation and service, Franchisee shall promptly obtain and install such new equipment within the reasonable time specified by JIB Upon notification that any equipment, furnishings or supplies do not meet JIB specifications or standards, Franchisee shall immediately cease and desist from using same

E Computer System

At Franchisor's request, Franchisee shall purchase or lease, and thereafter maintain, such computer hardware and software, dedicated high speed communications

equipment and services, dedicated telephone and power lines, modem(s), printer(s), firewalls, and other computer-related accessories or peripheral equipment as Franchisor specifies for the purpose of, among other functions, recording sales and other record keeping and central functions Franchisee shall provide such assistance as may be required to connect its computer system with a computer system used by Franchisor Franchisor shall have the right, on an occasional or regular basis, to retrieve such data and information from Franchisee's computer system as Franchisor, in its sole and exclusive discretion, deems necessary or desirable In view of the interconnection of computer systems and the necessity that such systems be compatible with each other, Franchisee expressly agrees that it will strictly comply with Franchisor's standards and specifications for all items associated with Franchisee's computer system, and will otherwise operate its computer system in accordance with Franchisor's standards and specifications

To ensure full operational efficiency and optimum communication capability between and among computer systems installed by Franchisee, Franchisor, and other Franchisees, Franchisee agrees, at its expense, to keep its computer system in good maintenance and repair, and, at its expense (and following Franchisor's determination that it will be economical or otherwise beneficial to the System) to promptly install such additions, changes, modifications, substitutions and/or replacement to Franchisee's computer hardware, software, communications equipment and services, telephone and power lines, and other computer-related facilities, as Franchisor directs

F Ingredients, Materials and Supplies

Franchisee shall purchase from such sources as shall be approved by JIB (of which JIB or a subsidiary, parent, or other related entity (Affiliate") may be one such source) all food, ingredients, materials and supplies necessary for the operation of the Franchised Restaurant, as shall be specified in the Manuals or otherwise prescribed by JIB in writing Such items shall include, but are not limited to, all food, supplies, beverage ingredients, paper goods, utensils, packaging, cleaning supplies and uniforms Should Franchisee desire JIB to approve any alternative or additional sources of such ingredients, materials or supplies, Franchisee shall submit to JIB a written request for the approval and such information and samples as JIB requests JIB shall evaluate such alternative or additional source in accordance with its standards, and shall notify Franchisee within a reasonable time of its receipt of such information and samples, of its approval or disapproval of such source, and if JIB does not approve, of the reasons therefor All costs and expenses associated with JIB approving, reevaluating and working with such additional suppliers will be charged to the supplier or to Franchisee JIB may impose limits on the number of suppliers that it will approve for any given item

G Menu, Service, Health and Cleanliness

Franchisee shall offer for sale all food and beverage products and the carry-out and on-premises dining services that JIB from time to time authorizes, and Franchisee

shall not offer or sell any other products or services Menu items shall be set forth in the Manuals, or otherwise authorized and approved by JIB in writing Franchisee shall adhere to all specifications relating to the ingredients, method of preparation and service, weight, dimensions and other characteristics of product served, and standards of health, cleanliness and sanitation that are contained in the Manuals, or are otherwise prescribed by JIB All food, drink and other menu items shall be sold in packaging approved by JIB Upon notification that any food, beverages, supplies or packaging does not meet JIB specifications or standards, Franchisee shall immediately cease and desist from using same

Franchisee may determine what prices to charge customers for products and services sold at the Franchised Restaurant, except that JIB may require that Franchisee use an "all inclusive" pricing structure or tiered pricing structure, and/or other pricing system, and JIB may set maximum prices on products and services to the extent permitted by law If JIB imposes a maximum price on a particular item, Franchisee may charge any price on the item, consistent with the JIB pricing structure, up to and including the maximum price JIB may also require that certain products or services that are supplementary to the main products and services provided at Franchised Restaurants (such as condiments) be provided to customers free of charge

If an audit conducted by JIB or its authorized representative shows that the Franchised Restaurant is not in substantial compliance with any System standard relating to food safety, Franchisee shall reimburse JIB for the reasonable cost of a re-audit Additionally, if JIB reasonably determines that a threat or danger to public health or safety is likely to result from the construction, maintenance or operation of the Franchised Restaurant, JIB may, in its sole discretion, exercise its rights under Section 18 ("Termination") or any lesser right, such as directing a temporary closure of the Franchised Restaurant until the situation can be corrected

H Hours of Operation

The Franchised Restaurant shall be open for business for a minimum of sixteen (16) hours per day, seven (7) days a week, fifty-two (52) weeks a year, unless otherwise authorized or directed by JIB in writing The precise hours of operation may be determined by Franchisee, subject to applicable government regulation and JIB's approval

I Machines and Similar Devices

No coin-operated, card-operated or similar machines, cash, credit or debit machines, pay telephones, or games or devices of any nature, shall be installed at the Franchised Restaurant or on the Premises without the prior written consent of JIB

J Personnel of the Franchised Restaurant

At all times, the Franchised Restaurant must be under the control of an individual who has been designated by Franchisee as, and approved by JIB in writing to be, the operator of the Franchised Restaurant ("Operator") The Operator shall use best and continuing efforts to promote and develop the business at the Franchised Restaurant The Operator shall have and shall maintain a percentage ownership interest in any partnership, corporation, or other legally formed entity to which the franchise is assigned in accordance with the terms of this Agreement, the amount of the required ownership interest is subject to the prior written approval of JIB Alternatively, and only with the prior written approval of JIB, the Operator may be employed by Franchisee under a contract through which Operator will acquire that ownership interest within five years of the date of employment, and shall maintain that ownership interest while acting as Operator

Franchisee understands and agrees that by designating an individual as Operator, Franchisee is agreeing that the Operator has the authority to represent Franchisee in all dealings with JIB, enter into agreements and modifications of agreements with JIB and its affiliates on behalf of Franchisee, and receive notices on behalf of Franchisee

Franchisee must have at least one (1) Certified Franchise Restaurant Manager at each restaurant, and must ensure that the restaurant is always under the supervision of either the Certified Franchised Restaurant Manager or a trained team leader Additionally, Franchisee shall staff the Franchised Restaurant at all times during the term of this Agreement with a sufficient number of employees to maximize the sales at the Franchised Restaurant All employees must meet the basic food safety and other training requirements that may be specified by JIB from time to time

If Franchisee owns more than fifteen (15) JACK IN THE BOX franchises, JIB may require Franchisee to employ one or more individuals to supervise Franchisee's Certified Franchised Restaurant Managers, train other employees, or otherwise assist with managerial duties All managerial employees above the restaurant manager level must also have successfully completed the training courses required by JIB

Franchisee shall hire all employees of the Franchised Restaurant, and be fully responsible for the terms of their employment

While on the Premises, Franchisee, Operator and all employees must meet JIB's Standards relating to grooming, and wear the uniforms approved or mandated by JIB JIB is not responsible for providing uniforms for Franchisee's employees

K Compliance with Laws

Franchisee agrees at all times during the term of this Agreement, at its own expense, to conform to and comply with all federal, state and local laws, ordinances and

regulations, and security standards imposed by the credit card or similar industries now in force or that are hereafter enacted affecting the operation of the Franchised Restaurant business, including, without limitation, the federal Americans with Disabilities Act and any similar state law Franchisee hereby indemnifies JIB, its Affiliates, employees, officers, directors and agents against, and agrees to save them harmless from, all claims, demands, losses, liabilities, obligations, costs or expenses (including attorneys' fees and court costs) which result from or arise in connection with any alleged violation of any law, ordinance or regulation, whether occasioned by the neglect, omission or willful act of Franchisee or any other person on the Premises

Franchisee shall notify JIB in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ or injunction, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of Franchisee or any Franchised Restaurant, including, but not limited to, a notice of a possible violation of state or federal Labor Laws, or of any law, ordinance or regulation relating to health or safety

L Advertising and Promotional Materials

Franchisee agrees to comply with the advertising Standards established from time to time by JIB All advertising by Franchisee shall be completely factual, in good taste in the judgment of JIB, and shall conform to the highest standards of ethical advertising Franchisee shall use, sell or distribute (by means including but not limited to television, radio, the internet, newspapers, magazines, flyers, posters, billboards, mailing circulars, coupons or gift certificates) only those advertising or promotional materials or items which are authorized by JIB in writing prior to use

M Display and Use of the Marks

No display or use of the Marks shall be made in any medium (including but not limited to television, radio, the internet, social media, newspapers, magazines, flyers, posters, billboards, mailing circulars, business cards, stationery, coupons or gift certificates) without the prior written permission of JIB All materials on which the Marks appear shall include such notice of registration or license legend or such other notice as JIB shall specify Franchisee agrees to immediately remove or discontinue the use of any objectionable material upon receiving notice from JIB to do so

In the adoption of a corporate or partnership name, Franchisee shall not use any of the Marks, any variations or abbreviations thereof, or any words deemed by JIB to be confusingly similar to the Marks

Franchisee is not permitted to establish websites, social media venues, or domain names that incorporate the JACK IN THE BOX marks, name, initials or indicia Franchisee is not permitted to establish websites, social media venues, or domain names linking to the JACK IN THE BOX site without the prior written permission of JIB

N Access to Premises

JIB or its authorized representative shall have the unrestricted right at any time, without prior notification, to enter the Franchised Restaurant and Premises to (a) observe, inspect, photograph, and videotape the Franchised Restaurant and its operation and the Premises during such periods as JIB may deem necessary, (b) test any and all food products, food ingredients, equipment, beverages and supplies, (c) interview personnel at the Franchised Restaurant, (d) interview customers and prospective customers of the Franchised Restaurant, (e) conduct various surveys, or (f) inspect, photocopy, review or audit any books, records and documents relating to the operation of the Franchised Restaurant or other JACK IN THE BOX Restaurants Such entries and activities may be conducted without prior notice Franchisee agrees to cooperate fully with JIB in connection with any such entries and activities

O Participation in Tests

Franchisee is required to participate in tests of new products, equipment, services and procedures at the Franchised Restaurant, including but not limited to testing of significant cooking and operating systems and platforms JIB may require Franchisee to use specific product pricing during the test period JIB will reimburse Franchisee for certain documented out-of-pocket costs necessarily incurred by Franchisee as part of the test, however, if the new product, equipment, service or promotion becomes a required component of the System, the Franchisee will be responsible for paying a reasonable cost for the required component Franchisee is responsible for any soft costs associated with testing, such as wages payable during training

P Interference with Employment Relations of Others

Neither JIB nor Franchisee will attempt, directly or indirectly, to entice or induce any employee of the other, or of another franchisee, to leave such employment To the extent permitted by applicable law, neither party shall employ such employee within six (6) months after his or her termination of employment with such employer, except with the prior written consent of such employer This provision creates no rights in any third party

Q Proposed System Modifications

Franchisee may submit proposals for new or improved elements of the System, including products, equipment, uniforms, the design of buildings and other restaurant facilities, service format and advertising Such proposals shall be considered by JIB when adopting, modifying or allowing deviations from standards, specifications and procedures for the System, provided however, that JIB shall retain the sole and absolute discretion to accept or reject any such proposals

If any System modification proposal by Franchisee is adopted by JIB and becomes part of the System, Franchisee acknowledges that JIB is the sole owner of such proposed new product or modification to the System, that any such product or System modification shall be deemed a work made for hire (or to the extent the work may not be deemed a "work made for hire" under applicable law, Franchisee hereby irrevocably assigns to JIB, for no additional consideration, all right, title and interest in and to any patents, trademarks, copyrights, trade secrets and any other proprietary rights), and that there are no restrictions on use, and no compensation shall be due to Franchisee Franchisee agrees to cooperate fully in obtaining any patents, trademarks or copyrights

6 SERVICES AVAILABLE TO FRANCHISEE

A JIB shall provide reasonable advice and consultation to Franchisee from time to time in connection with the operation of the Franchised Restaurant

B If not previously loaned, JIB shall loan Franchisee, concurrently with the execution of this Agreement and for the term of this Agreement, the most current editions of the Manuals, as well as other written standards and approved sources for the System, all such Manuals and other information shall be returned to JIB promptly upon the expiration or earlier termination of this Agreement

C JIB shall regularly develop and execute marketing programs and activities relating to JACK IN THE BOX restaurants The marketing programs and activities may include, but are not limited to advertising production, media (including television, radio, print, merchandizing, billboards, packaging and web-based and other social media, among others), development and execution of promotions, public relations, marketing-related research, and product/concept development and testing JIB shall create in connection therewith a fund to be used for the expenses of such programs and activities (the "Marketing Fund") The Marketing Fund shall consist of the sum of (i) the Marketing Fees paid by Franchisee and other franchisees of traditional JACK IN THE BOX restaurants operated in the United States under Section 7 B hereof, (ii) the amount contributed by JIB, and (iii) certain other amounts that may be obtained from third parties and contributed or allocated by JIB to the Marketing Fund JIB will contribute to the Marketing Fund at least the same percentage of its Gross Sales as the percentage being contributed by the majority of traditional JACK IN THE BOX franchises operating in the United States

The Marketing Fund shall be accounted for separately from the other funds of JIB, and expended on marketing programs and activities related to JACK IN THE BOX restaurants The manner by and the purposes for which the Marketing Fund shall be expended, including (without limitation) such matters as the selection and timing of marketing expenditures, campaign strategies, and allocation of funds among seasons and geographic areas, shall be at the sole and absolute discretion of JIB, as JIB shall from time to time determine

D JIB shall provide advice on merchandising and local store marketing (including local coupon programs) that it deems helpful to Franchisee

E JIB shall, during the term of this Agreement, inform Franchisee of any new products, developments, techniques and improvements to the System JIB shall provide necessary training materials for the training of Franchisee's employees, at Franchisee's expense

F JIB may delegate the performance of any or all of its obligations under this Agreement to our designees, which may include our affiliates, agents or independent contractors

7 TRAINING

Prior to the opening of the Franchised Restaurant, both the Operator and an individual restaurant manager designated for the Franchised Restaurant shall have completed JIB's Certified Franchise Restaurant Manager Training Program in San Diego, California, or such other location as may be designated by JIB After successful completion of such training program, the Manager shall be deemed a "Certified Franchise Restaurant Manager " During the term of the franchise, the Operator and each Certified Franchise Restaurant Manager shall undertake and complete such further training programs from time to time as may be directed by JIB The designation "Certified" Franchise Restaurant Manager shall not be applied to any individual who has not successfully completed such continuing education programs as JIB may require from time to time If such further training is required, the Franchisee shall pay all traveling, living, compensation and other expenses as may be incurred for himself (or the Operator) and the individual restaurant manager

Franchisee shall conduct additional training for Franchisee's employees as necessary to ensure that all JIB Standards are consistently satisfied

8 ROYALTY AND MARKETING FEE

A Royalties

1 Royalty

For the right to use the Marks and the System in accordance with this Agreement, Franchisee agrees to pay to JIB a monthly royalty fee, calculated as ____ percent (____%) of Franchisee's monthly Gross Sales In the event of a closure of the Franchised Restaurant exceeding fourteen (14) days in any month due to damage or destruction of the Premises or other casualty loss, the royalty shall be ____ percent (____%) of the monthly Gross Sales that the Franchised Restaurant averaged over the prior twelve (12) complete months of continuous operation, if the Franchise Restaurant was not in operation at least twelve (12) complete months, the royalty will be ____ percent (____%) of the average Gross Sales over the total complete months that the

Franchise Restaurant was in continuous operation The royalty described above ("Royalty") is net of any tax, excluding income tax but including excise tax, or other fee imposed upon JIB due to the collection of the Royalty, and shall be paid monthly by the fifteenth (15th) day of each month for the preceding month Each payment shall be made payable to JIB or JIB's designee

2 Royalty for Games and Devices

For Gross Sales resulting from the operation or conduct of games or coin or token-operated devices such as pay telephones, cash, credit or debit machines (including automated teller machines), newspaper stands, and any type of vending machines, including, without limitation, electronic devices of all types (collectively, "Games and Devices"), Franchisee agrees to pay to JIB, during the term of this Agreement, a royalty of forty percent (40%) of Gross Sales from Games and Devices (the "Royalty for Games and Devices") The Royalty for Games and Devices is net of any tax, including excise tax, or other fee imposed upon JIB due to the collection of the Royalty for Games and Devices, and shall be paid monthly on the tenth (10th) day following receipt by Franchisee of the said Gross Sales Each payment shall be made payable to JIB or JIB's designee

B Marketing Fee

Franchisee must pay to JIB a monthly marketing fee (net of any tax or other fee imposed thereon) based on a percentage of Franchisee's Gross Sales (the "Marketing Fee") As of the date of this Agreement, the Marketing Fee is five percent (5%) of Gross Sales JIB has the right to increase or decrease the Marketing Fee percentage It may only increase the Marketing Fee percentage upon majority vote, described as follows Franchise Operators and JIB will have one vote for each JACK IN THE BOX restaurant that they operate and that pays the then-standard Marketing Fee, however, JIB's voting rights will never fall below twenty percent (20%) of the total number of possible votes, regardless of the number of restaurants it operates In no event will the Marketing Fee percentage be increased in any twenty-four (24) month period by more than 5% of Gross Sales The Marketing Fee shall be due and payable by the fifteenth (15th) day of each month for the preceding month Each payment shall be made payable to JIB or JIB's designee

C Gross Sales Defined

The term 'Gross Sales" means all Gross Sales from the sale of all products and services, and all income of every kind and nature (including stored value gift cards and gift certificates when redeemed but not when purchased, on-premises sales, and any other type of sale related to the Franchised Restaurant), whether for cash, credit or exchange, and in the case of credit, regardless of collection The term Gross Sales does not include the following (1) any bona fide, documented federal, state or municipal sales taxes collected by you from customers and paid by you to the appropriate taxing authority, (2) the sale of food or merchandise for which refunds have

been made in good faith to customers, (3) the sale of furnishing, fixtures, equipment and supplies used in the Franchised Restaurant, (4) the discounted value of payments made by coupon, or other promotional discounts, approved by us, (5) Gross Sales from Games and Devices, (6) the amounts of employee meal discounts, (7) any other items that JIB may expressly permit in writing to be excluded from Gross Sales, such as certain sales benefiting charity

D Interest

Any Royalty payment or Marketing Fee not paid when due shall accrue interest from the date such amount was due, until paid, at the then-current rate established by JIB for Franchisees, or the maximum rate permitted by law, whichever is less

E Method of Payment and Application of Payments

All payments shall be made to JIB through a pre-authorized payment system (which authorizes JIB to debit and credit Franchisee's bank accounts in accordance with the terms of this Agreement and other agreements between the parties) or other payment method specified in writing by JIB Upon request, Franchisee shall provide such authorizations and information necessary to institute the pre-authorized payment system or other payment system Franchisee must ensure that funds are available in Franchisee's bank accounts to cover the debits Notwithstanding any designation by Franchisee, JIB shall have sole discretion to apply any payments by Franchisee to any current or past due indebtedness of Franchisee for royalty, marketing fees, purchases from, or any other indebtedness to, JIB or its Affiliates

F Security Interest

To secure prompt and complete payment of the "Obligations," as hereinafter defined, Franchisee hereby grants to JIB a security interest in and to all of Franchisee's assets of any kind or nature used or useful in connection with the ownership and operation of the Franchised Restaurant, including, without limitation, the following (the "Collateral")

1 all equipment, furnishings, fixtures, merchandise, inventory, goods and other tangible personal property,

2 all accounts, accounts receivable, other receivables, contract rights, leases, software, chattel paper and general intangibles,

3 all instruments, documents of title, policies and certificates of insurance, securities, bank deposits, bank accounts and cash,

4 all books, records and documents relating to any Collateral,

5 all permits, licenses and franchises for the operation and ownership of the Franchised Restaurant, and all rights incident or appurtenant to such licenses, authorizations and permits, and

6 all accessions, additions and improvements to, and all replacements, substitutions and parts for, and all proceeds and products of, the Collateral, including proceeds of insurance

The Obligations secured by the security interest in and to the Collateral include all amounts owed by Franchisee to JIB from time to time under this Agreement (including Royalties, Marketing Fees and interest), all amounts owed by Franchisee to JIB from time to time under any other agreement between JIB and Franchisee, all costs and expenses incurred by JIB in order to enforce this Agreement and to collect the amounts due hereunder, and any advances made by JIB to Franchisee

Franchisee shall, at its sole cost and expense, execute and deliver to JIB such other and further documents, instruments and agreements as reasonably requested by JIB to create, maintain, perfect, or assure the priority of, the security interest granted hereby JIB is hereby appointed as agent and attorney-in-fact of Franchisee, which appointment is coupled with an interest, and shall be irrevocable so long as any of the Obligations remain outstanding, to execute and deliver such documents, endorsements and instruments, and to take all such other actions (to the maximum extent permitted by law) in the name and on behalf of Franchisee as JIB may deem necessary or advisable to create, maintain, perfect, assure the priority of, or foreclose, its security interest in and lien on the Collateral

9 ACCOUNTING PROCEDURES, TAXES AND RIGHT OF AUDIT

A Records That Must Be Maintained

Franchisee agrees to keep complete records of the franchised business and for any Affiliate of Franchisee that has transactions with the franchised business (collectively, "businesses") for so long as required by state or federal law, but in no event less than three years Although JIB reserves the right to change its record-keeping requirements with reasonable notice to Franchisee, the records it currently requires Franchisee to keep are

1 Weekly cash and sales reports,

2 General ledger (defined as a ledger that contains a collection of all the assets, liabilities, owner's equity, Gross Sales and expense accounts),

3 Cash disbursements journal (check register),

4 Monthly bank statements and related canceled checks,

5 All tax returns (monthly and quarterly sales tax returns as well as corresponding Federal and State income tax returns, be it personal, partnership or other, on which the Franchised Restaurant's results have been declared),

6 Suppliers' invoices (both paid and unpaid),

7 Dated cash register sales information consisting of the following daily sales reports/tapes, weekly sales reports/tapes, and weekly cumulative sales reports/tapes, as appropriate given the cash register system in use,

8 Quarterly Balance Sheets,

9 Quarterly Profit and Loss Statements,

10 Petty cash receipts,

11 Personnel and payroll records and documents required by federal, state or local laws for all of Franchisee's employees,

12 Copies of all state sales tax returns relating to sales at the Franchised Restaurant,

13 Records showing that Franchisee and Franchisee's employees are trained in accordance with JIB's training requirements, as specified in the Manuals, and

14 Documents evidencing the formation and ownership structure of any legal entity to which this Agreement has been assigned, including articles of incorporation, bylaws, stock certificates, operating agreements, partnership agreements, and any similar documents relating to the entity

B Accounting Documents to be Periodically Submitted to JIB

In addition to maintaining the above-referenced documents, Franchisee agrees to provide JIB with the following documents in the time frames specified

1 Quarterly and fiscal year to date profit and loss statements for the business, in the format prescribed by JIB These must be provided to JIB within twenty-seven (27) days after the end of each quarter

2 Quarterly balance sheets for the business in accordance with the fiscal year of the Franchisee These must be submitted within twenty-seven (27) days of the end of each quarter, including the fourth quarter, of Franchisee's fiscal year

3 Complete annual financial statements, which (if required by JIB) shall be audited by a Certified Public Accountant acceptable to JIB, together with a full identification of all persons with any ownership interest in the Franchisee and

Franchised Restaurant, and the nature and extent of such interest These must be submitted to JIB within ninety (90) days after the close of each fiscal year of Franchisee If Franchisee adjusts the annual financial statements after submitting them to JIB, then Franchisee agrees to supply JIB with such adjustments within thirty (30) days after making the adjustment

4 If JIB is unable to access, or for any reason does not obtain, Franchisee's weekly sales by restaurant through electronic polling of Franchisee's computer system, then Franchisee must submit its weekly sales figures to JIB each Monday morning by telephone or facsimile, or at such time, or by such other means, as JIB reasonably requests

5 Such other accounting and financial records as JIB may reasonably request from time to time

The items listed in paragraphs 1, 2 and 3 above must be prepared in accordance with accounting principles generally accepted in the United States of America, which are consistently applied

C Taxes

Franchisee will pay to JIB all sales or use taxes, goods and services taxes, personal property taxes, gross receipt taxes, excise taxes, value added taxes and similar taxes imposed upon or required to be collected by JIB, on account of goods or services furnished to Franchisee through sale, lease or otherwise, or on account of collection by JIB of, including but not limited to, the Franchise Fee, Royalty, or Royalty for Games and Devices Franchisee will pay such taxes upon demand and in the manner designated by JIB

D Audits

JIB has the right at any time during business hours, without prior notification, to inspect and audit, or cause to be inspected and audited, at its own expense, the business records, including, but not limited to, the records listed in subsections A and B above The inspection or audit will be conducted at the location where the business records are customarily maintained

If the inspection or audit discloses an understatement of Gross Sales or Gross Sales from Games and Devices, Franchisee shall pay to JIB within fifteen (15) days after receipt of the inspection or audit report, the Royalties and Marketing Fees (and rent, if the Premises are leased from JIB) due on the amount of such understatement

If the inspection or audit is made necessary by the failure of Franchisee to furnish reports, supporting records, financial statements, or other information as required by this Agreement, or to furnish such reports, information and statements on a timely basis, or if an understatement of Gross Sales or Gross Sales from Games and Devices for the

period of any audit is determined by any such inspection or audit to be greater than one percent (1%), Franchisee must promptly reimburse JIB for all reasonable costs of such inspection or audit, including without limitation, the charges of attorneys and any independent accountants, and the travel expenses, room and board and per diem charges for employees of JIB The foregoing remedies are not exclusive, but in addition to all other remedies and rights of JIB under this Agreement or applicable law

E Release of Financial and Other Information

Franchisee hereby gives permission to JIB to release to Franchisee's Owners, landlords and lenders, or prospective landlords or lenders, any financial and operational information relating to Franchisee and/or the Franchised Restaurant

10 CONFIDENTIAL INFORMATION

A Franchisee understands and acknowledges that JIB has invested, and continues to invest, considerable sums of money in developing the System Because of the competitive nature of the restaurant business, and to protect the legitimate interest of JIB and other JACK IN THE BOX franchisees, it is necessary to protect certain information about the System as confidential

B For purposes of this provision, 'Confidential Information" includes product recipes and tests, ingredients used in JIB's products, product preparation procedures, customer service measures and techniques, franchise support procedures, supplier relationship and distribution system information, new product development information, product testing procedures and information, the Manuals, growth plans or strategies, real estate development plans or strategies, restaurant design plans, proposed restaurant sites, equipment designs, computer systems, business and development plans and strategies, training programs, access to and information contained on the JACK IN THE BOX restaurant intranet and other non-public JACK IN THE BOX websites (including but not limited to training materials and reference manuals), consumer research results, marketing and advertising strategies and materials, financial performance (including but not limited to sales and earnings), and all other information designated by JIB as confidential

C Confidential Information does not include (a) information, concepts methods, procedures or techniques that are, or become generally known in the quick-service and quick-casual restaurant industries in the United States, other than through disclosure by Franchisee, whether deliberate or inadvertent, (b) the disclosure of Confidential Information in judicial or administrative proceedings to the extent that Franchisee is legally compelled to disclose such information, provided that Franchisee has afforded JIB with the opportunity to obtain an appropriate protective order or other assurance that the information will treated as confidential, or (c) information that Franchisee can demonstrate came to its attention prior to disclosure thereof by JIB

D Franchisee will be provided with Confidential Information in connection with its operation of the Franchised Restaurant Franchisee agrees that both during the term of this Agreement and thereafter, Franchisee (a) will use the Confidential Information only in the operation of the Franchised Restaurant, and not in any connection with any other business, (b) will not make copies of any Confidential Information without the express written consent of JIB, (c) will not communicate, divulge or disclose the Confidential Information to any person or entity who does not need access to it to operate the Franchised Restaurant, and (e) will not use the Confidential Information, or allow it to be used, for the benefit of any third party

E Franchisee acknowledges and agrees that all Confidential Information is and will remain the sole and exclusive proprietary property of JIB

F JIB may require Franchisee to obtain from all partners, Owners, directors, officers and management personnel, as a condition of their employment or otherwise, covenants that they will maintain the confidentiality of all Confidential Information that they receive in connection with their employment at the Franchised Restaurant Such covenants will be in a form satisfactory to JIB, including, without limitation, specific identification of JIB as a third-party beneficiary of such covenants, with the independent right to enforce them Franchisee may be required to provide JIB with copies of all such covenants

G Franchisee understands and acknowledges that any failure to comply with the requirements of this Section will result in substantial injury and damage to JIB for which there is no adequate remedy at law For these reasons, if Franchisee violates or threatens to violate any term of this provision, JIB will be entitled, in addition to any other remedies and damages available, to seek injunctive or other equitable relief to restrain the violation of this provision by Franchisee and its agents or employees Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by JIB in obtaining specific performance of, or an injunction against violation of, the requirements of this Section in addition to any other claims to which JIB may be entitled

11 OWNERSHIP OF INTELLECTUAL PROPERTY

Franchisee agrees hereby that all right, title and interest to the System and the Marks are and shall remain vested solely in JIB, and that any use thereof by Franchisee shall inure to the benefit of JIB Franchisee hereby disclaims any right or interest in the System, the Marks or in the goodwill derived therefrom, and Franchisee agrees not to contest, directly or indirectly, the validity of JIB's Marks or JIB's ownership, title, right or interest in the Marks and/or the System and/or JIB's sole right to register, use or license others to use the same Franchisee agrees that all information loaned, or otherwise made available to him, and all disclosures made to him and not to the general public, by or at the direction of JIB at any time before or during the term of this Agreement, including, but not limited to, the Manuals, specifications, and any modifications or amendments thereto, in their entirety are trade secrets of JIB for purposes of this Agreement, and shall be kept confidential and used by him only in the operation of the

Franchised Restaurant and any other franchised JACK IN THE BOX restaurants franchised to Franchisee

If it becomes advisable at any time, in JIB's sole discretion, to modify or discontinue use of any Marks or part of the System and/or to use one or more additional or substitute Marks or aspects of the System, Franchisee shall immediately modify or discontinue the use of such Mark or aspect of the System, or use the additional or substitute Mark or aspect of the System

Franchisee shall not, directly or indirectly, at any time during the term of this Agreement or thereafter, do, or cause or permit to be done, any act in any way impairing or tending to impair JIB's right, title or interest in the Marks or System Except as provided herein, JIB shall not be required to participate in the defense of and/or to indemnify Franchisee for damages or expenses incurred by Franchisee if he becomes a party to any administrative or judicial proceeding involving the Marks or the System Franchisee shall not institute any legal action or any other kind of proceeding based upon the Marks, without JIB's prior written approval

Franchisee shall immediately notify JIB of any infringements or imitations of the Marks or the System, or of any challenges to Franchisee's use of any of the Marks or the System, and JIB shall have the sole discretion to take such action, if any, it deems appropriate JIB may control any administrative proceedings or litigation affecting the Marks or the System Franchisee shall cooperate in the prosecution or defense of any such action, and shall be named as a party in any such action if so desired by JIB JIB shall bear the legal expenses incident to Franchisee's participation in such action, except for the cost of Franchisee's personal legal counsel if Franchisee elects to be represented by counsel of his own choosing

JIB makes no express or implied warranty with respect to the validity of any JIB Marks Franchisee acknowledges Franchisee's understanding and agreement that Franchisee will be conducting business utilizing some JIB Marks that have not been registered and that registration may not be granted for the unregistered Marks, and that some JIB Marks may be subject to use by third parties unauthorized by JIB

12 INSURANCE

During the term of this Agreement, Franchisee shall obtain and maintain in full force and effect, at his own expense, such insurance coverages as may be required of Franchisees by JIB Such requirements shall be specified in the Manuals, or may be specified in any Lease Agreement between JIB and Franchisee, or otherwise provided to Franchisee in writing by JIB Prior to the opening of the Franchised Restaurant and thereafter, throughout the term of this Agreement, Franchisee shall furnish JIB with evidence satisfactory to JIB of such insurance coverages in effect in the form of Certificates of Insurance and any insurance policy endorsements required by JIB, and a copy of the Franchisee's insurance policy(ies), if requested by JIB Renewal Certificates of Insurance shall be delivered to JIB no later than thirty (30) days prior to

the expiration date of all policies All deductible amounts on all insurance policies required hereunder shall be disclosed in writing to and shall be subject to approval by JIB, and noted on the applicable Certificate of Insurance The insurance requirements including but not limited to coverages and policy limits, may be increased or modified from time to time by JIB at its sole discretion Requirements as of the date hereof are

A Commercial General Liability insurance, including Products Liability coverage, and Broad Form Contractual Liability coverage, written on a "per occurrence" policy form in an amount of not less than $5,000,000 combined single limit per occurrence and aggregate Such insurance must not contain an exclusion for occurrences arising from food-borne illness, and must insure the contractual liability of Franchisee under Section 13 of this Agreement

B Business Automobile Liability insurance including owned, leased, non-owned and hired automobile coverage, with a limit of not less than $1,000,000 per accident

C Workers' Compensation insurance as required by law, and Employer's Liability insurance with a limit not less than $1,000,000 per occurrence, and such other insurance as may be required by the state or locality in which the Franchised Restaurant is operated

D "All Risk" property insurance covering (a) the building (including tenant improvements, furniture, fixtures, equipment, inventory and other tangible property of the Franchised Restaurant), including plate glass coverage, on a full one hundred percent (100%) repair or replacement value basis, (b) Business Interruption/ Business Income insurance (at least one (1) year of actual loss sustained), including Extra Expense insurance, so as to re-establish normal business operations, and (c) loss of rents insurance covering a minimum of twelve (12) months' fixed minimum rent

E Builders' All Risk insurance for the full replacement cost of all real and personal property involved in the construction when Franchisee is building, renovating, refurbishing or remodeling the Franchised Restaurant

All insurance policies required hereunder of the Franchisee (a) shall be primary and non-contributory, (b) shall be issued by an insurance company(ies) with a rating of not less than "A-VIII" in the current A M Best Insurance Rating Guide or approved by JIB, (c) shall name JIB and its Affiliates, and any other parties as JIB may request, as "additional insureds," and shall contain an "Additional Insured-Designated Person or Organization" endorsement (or its equivalent), except workers' compensation insurance only, without any qualifying language, (d) shall provide that the insurance cannot be canceled, materially changed, or non-renewed, except upon thirty (30) days' advance written notice to JIB, and (e) shall contain a waiver of subrogation rights of the insurer(s) against JIB, which waiver shall be effective regardless of whether any loss is caused by the act, omission or negligence of JIB, and shall contain a "Waiver of Transfer of Rights of Recovery Against Others" endorsement (or its equivalent)

13 INDEMNIFICATION

Franchisee is responsible for all losses, damages, and liabilities (whether contractual, statutory or otherwise) to third persons arising out of or in connection with the possession, ownership or operation of the Franchised Restaurant, and for all claims or demands for damages to property, or for injury, illness or death of persons directly or indirectly resulting therefrom, and Franchisee shall defend, indemnify and hold harmless JIB, its Affiliates, employees, officers, directors and agents from all such claims, demands, losses, obligations, costs, attorneys' fees, expenses, liabilities, debts or damages directly or indirectly resulting therefrom, unless resulting from the gross negligence or willful misconduct of the indemnified parties

If such claims are asserted against an indemnified party, JIB shall notify Franchisee, and Franchisee will assume the defense of such claims If Franchisee fails to assume the defense, then JIB may defend in such manner as it deems appropriate Franchisee shall reimburse the indemnified party for all costs, including attorneys' fees, and the reasonable value of time spent by corporate counsel, incurred by the indemnified party in effecting such defense, in addition to any sum that the indemnified party may incur by reason of any settlement or judgment The indemnified party's right to defense and indemnification hereunder shall exist, notwithstanding that its joint or concurrent liability may be imposed on it by law

14 ASSIGNMENT OF THE FRANCHISE

A This Agreement is personal to Franchisee (or if Franchisee is a legally formed entity, the Owners of Franchisee) Neither Franchisee nor any Owner shall sell, assign, pledge, mortgage, hypothecate, give as security or in any manner encumber or otherwise transfer (hereinafter, 'Transfer") this Agreement or any direct or indirect right or interest in the franchise granted, or any direct or indirect interest in Franchisee, nor permit any such Transfer to occur directly or indirectly, whether by agreement or operation of law, without the prior written consent of JIB Without limiting the generality of the foregoing, this provision applies to any Transfer between Owners

Absent JIB's express written release of liability, Franchisee (and, if Franchisee is a legally formed entity, its Owners) shall remain liable for all obligations under this Agreement

B Any purported Transfer contrary to the provisions of this Agreement shall be void and of no force or effect

C Subject to the prior written consent of JIB, Franchisee may assign this Agreement to a partnership, corporation or other legally formed entity other than a trust that is not then or thereafter to be engaged in any business other than operation of the Franchised Restaurant, and in which Owners of Franchisee shall own one hundred percent (100%) of the outstanding ownership interest in the same proportions as their

respective interests in Franchisee prior to such assignment Any such assignment shall not relieve any Owner of personal liability for performance of all obligations under this Agreement No subsequent transfer in such assignee shall be made without JIB's prior written approval

Franchisee, or the Operator, if Franchisee is not an individual, shall, throughout the term of this Agreement, own the percentage ownership interest in Franchisee specified by JIB in writing

The Articles of Incorporation, By-Laws, and other similar documents of Franchisee, copies of which shall be provided to JIB upon JIB's request, shall at all times reflect the restrictions contained in this Agreement, unless otherwise directed by JIB All stock certificates or other evidence of ownership shall bear on their face the following legend restricting transfer

"Ownership of this certificate and the shares evidenced thereby may be sold, assigned, transferred, pledged, hypothecated or otherwise alienated only under and subject to one or more JACK IN THE BOX restaurant Franchise Agreements, copies of which may be obtained from Jack in the Box Inc , 9330 Balboa Avenue, San Diego, California 92123 "

D At no time shall Franchisee be owned by more than eight (8) persons For the purpose of determining the number of persons owning a direct or indirect interest in Franchisee, each individual Owner of a partnership or corporation with a direct or indirect interest in Franchisee, and each trustee of any trust owning a direct or indirect interest, shall be considered an Owner of Franchisee

E Any Transfer, including (but not limited to) assignments among Owners of Franchisee, shall require, among other items (i) delivery of an updated Certification of Entity Structure Form, (ii) delivery of complete financial statements of the proposed transferee and other information satisfactory to JIB, (iii) the payment by Franchisee of up to, but not exceeding, two thousand five hundred dollars ($2,500) per site to JIB (other than in an assignment by the Owners to a corporation, which is one hundred percent (100%) owned by the Owners), (iv) the execution by each Owner of a general release (in form satisfactory to JIB) in favor of JIB, covering (without limitation) all transactions or occurrences of any kind prior to the proposed assignment, whether arising out of the franchise relationship or otherwise, between Franchisee and JIB, (v) the payment of all amounts owed to JIB by Franchisee, (vi) the execution of a personal guarantee by each transferee, if the transferring Owner had executed the same, and (vii) such other conditions as JIB may require, including, but not limited to, JIB's approval of the transferee's fiscal year

F There are no restrictions on JIB's ability to assign this Agreement, and any such transfer or assignment shall inure to benefit any transferee or assignee or other legal successor to the interest of JIB

15 DEATH OR PERMANENT INCAPACITY OF FRANCHISEE

In the event of the death or incapacity of Franchisee or an Owner, the interest of such Owner or Franchisee may be transferred to the Owner or Franchisee's heirs or personal representative if

A Such person is deemed in JIB's sole discretion to fulfill its requirements relating to financial condition, character, and managerial qualifications and commitment for Franchisees, as in effect at the time of transfer, and to meet any other requirements that JIB shall then be generally applying, and

B Such person agrees in writing to assume full and unconditional liability for and to perform all the terms and conditions of this Agreement to the same extent as the original Franchisee

If such person is not so approved, the Franchisee's personal representative shall use its best efforts to sell the Franchised Restaurant (or the interest therein) to a person acceptable to JIB within twelve (12) months, subject to the Right of First Refusal set forth in the following Section During such period, JIB shall have the option but not the obligation to operate and/or manage the Franchised Restaurant on Franchisee's (or his estate's) behalf until the interest is transferred to a person acceptable to JIB JIB shall make a complete accounting, and shall forward the net income from the operation to Franchisee or his estate, less JIB's expenses and a reasonable management fee, if it elects to operate and/or manage the restaurant If the interest of the Franchisee or such Owner is not conveyed to a party acceptable to JIB within a twelve- (12) month period from the date of death or incapacity of such person, JIB shall have the option but not the obligation to purchase such person's interest at fair market value, by giving notice of JIB's intent to purchase within thirty (30) days of the end of such twelve- (12) month period

If, at the end of that time period, the interest of a deceased or incapacitated Franchisee or Owner has not been conveyed to a party acceptable to JIB, and JIB has not exercised its option to purchase such person's interest at fair market value, JIB may immediately terminate this Agreement, which termination shall be effective upon receipt of notice thereof by Franchisee's or Owner's personal representative

As used herein, "incapacity" means suffering from a physical or mental impairment, or a combination of both, rendering such Franchisee, partner or stockholder unable to substantially perform all of his duties in connection with the Franchised Restaurant, which is verifiable by medical findings, and appears reasonably certain to continue for at least one (1) year without substantial improvement

16 RIGHT OF FIRST REFUSAL

Franchisee or any Owner shall give JIB forty-five (45) days' written notice of any proposed sale of any interest in this Agreement, Franchisee, or the franchise (including,

without limitation, any securities of Franchisee or the assets of the Franchisee), setting forth the name and address of the prospective purchaser, the price and terms of the offer, an application for JIB's approval of the purchase in form acceptable to JIB (completed by the prospective purchaser), a copy of the fully executed sales contract (expressly stating that the transfer is contingent upon JIB approval and waiver of its right of first refusal), and such other information as JIB may request JIB shall, upon receipt of all required information, then have the option to purchase the interest at the price and upon the terms of such offer JIB shall notify Franchisee within thirty (30) days after receipt of all such information (and from the furnishing of any additional information it may request) of its intent to exercise the option If the proposed transaction includes assets of Franchisee not related to the operation of the Franchised Restaurant, JIB may at its discretion exercise its option only with respect to the interest of the Franchised Restaurant In such event, an equitable purchase price shall be allocated to each asset included in the proposed transaction In exercising its rights under this section, JIB shall be entitled to all customary representations and warranties from the Seller that 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 inuring to the buyer or affecting the assets, whether contingent or otherwise If a transfer is proposed to be made by gift, JIB will designate, at its expense, an independent appraiser to determine the fair market value of the interest proposed to be transferred JIB may purchase the interest at the price determined by the appraiser

This right of first refusal shall apply to any transaction in which any part of the legal or beneficial ownership of the license granted by this Agreement will be vested in other than Franchisee The election by JIB not to exercise its option to meet any offer shall not affect its right as to any subsequent offer Any sale effected without first giving JIB the right of first refusal shall be void and of no force and effect

Notwithstanding the above, JIB's right of first refusal is not applicable to a sale of furnishings or equipment of the Franchised Restaurant in connection with the replacement of such furnishings or equipment, or the disposal of excess furnishings or equipment, in the ordinary course of business

If JIB does not exercise its option, the proposed sale may nonetheless be concluded only with JIB's written consent to the transfer Such consent shall not be unreasonably withheld upon compliance with the conditions imposed by JIB on such transfer, including, but not limited to, the following

A All obligations of Franchisee to JIB, whether arising under this Agreement or otherwise, shall be fully satisfied at or prior to such transfer

B The prospective purchaser shall be approved as a Franchisee under JIB's standards then in effect, including requirements relating to financial condition, character, managerial qualifications and commitment, and other conditions as JIB may then be applying It is understood that the prospective purchaser must meet with

representatives of JIB in San Diego, California, or such other location as JIB may designate

C The prospective purchaser shall have completed JIB's required training program for new franchisees to JIB's satisfaction

D JIB must be satisfied that the terms and conditions of the transaction will not negatively affect the possibility of success of the business in light of the conditions under which it is purchased, however, JIB's review of the terms and conditions of the proposed transaction do not constitute a guaranty or warranty of the success or profitability of the Franchised Restaurant

E Execution by Franchisee seller of a general release in favor of JIB in a form satisfactory to JIB

F JIB shall be paid a fee of up to, but not exceeding, two thousand five hundred dollars ($2,500) per site for its costs in connection with the transfer

17 COMPLIANCE WITH OTHER AGREEMENTS

Franchisee shall comply with and perform all covenants contained in any other agreement, instrument, or other document between JIB or its Affiliates, or any of them, and Franchisee or its Affiliates or Owners, or any of them This includes, without limitation, any franchise agreement, lease agreement, note, any written or oral agreement, any account for the purchase of product or services between JIB and Franchisee, whether or not pertaining to the Franchised Restaurant, and any Development Agreement signed between Franchisor and Franchisee A default, in whole or in part, under any of the aforementioned agreements or notes, shall constitute a default under this Agreement

18 TERMINATION

JIB may terminate this Agreement and the license granted herein, or may exercise any lesser-included right, such as requiring a temporary closure of the Franchised Restaurant, upon any of the following grounds if Franchisee fails to correct the condition within the period specified, without prejudice to any other rights or remedies provided by law or under this Agreement

A Franchisee will be deemed to be in default under this Agreement, and all rights granted herein will immediately terminate automatically and without notice to Franchisee if any of the following events occur

1 Franchisee makes a general assignment for the benefit of creditors

2 Franchisee commences a voluntary petition under bankruptcy, insolvency or any similar law, or an involuntary case under bankruptcy or insolvency or

similar law is filed against Franchisee and is either unopposed by Franchisee or is not dismissed within thirty (30) days of filing, or an order or decree for relief under bankruptcy, insolvency or similar laws is entered regarding Franchisee Franchisee expressly waives all rights under the provisions of the bankruptcy or other applicable laws and rules, and consents to the immediate termination of this Agreement as provided herein Franchisee agrees not to seek an order from any court, tribunal or agency in any jurisdiction relating to bankruptcy, insolvency, reorganization or any similar proceedings that would have the effect of staying or enjoining this provision

3 A bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets or real or personal property is filed by, consented to or not opposed by Franchisee

4 Franchisee becomes insolvent in that (a) Franchisee generally fails, or is generally unable, to pay its obligations as they become due in the regular course of business, or (b) the value of Franchisee's assets are less than the value of its liabilities

5 If Franchisee is a corporation, partnership or other legal entity and Franchisee is dissolved

6 Execution is levied against the franchise, the Franchised Restaurant or property or the Premises

7 A suit to foreclose any lien or mortgage against the Premises or equipment is instituted and not dismissed within thirty (30) days

8 Franchisee at any time ceases to operate the Franchised Restaurant for a period of five (5) days other than due to a force majeure or as otherwise authorized by the JIB in writing, or otherwise abandons the Franchised Restaurant

9 Franchisee fails for any reason to commence operation of the Franchised Restaurant within one-hundred and twenty (120) days of the date of this Agreement

B Franchisee will be deemed to be in default, and JIB may, at its option, terminate this Agreement and all rights granted under this Agreement upon any of the following grounds Termination will become effective immediately upon notice to Franchisee

1 JIB reasonably determines that a threat or danger to public health or safety is likely to result from the construction, maintenance or operation of the Franchised Restaurant

2 Franchisee is convicted of, or pleads no contest to, a felony, a crime involving moral turpitude, or any other crime or offense that JIB reasonably

believes likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or JIB's interest therein

3 Franchisee fails for a period of ten (10) days to make any of the payments required under this Agreement

4 A final judgment remains unsatisfied or of record for thirty (30) days or longer (unless an appeal bond has been filed)

5 Franchisee discloses, makes any unauthorized duplicates of, or otherwise improperly divulges or uses the contents of the Manual or other confidential information provided to Franchisee by JIB contrary to the terms of Sections 5A or 10 of this Agreement

6 Franchisee creates, maintains, or submits to JIB, any governmental agency or any financial institution, any books, records, reports or other information relating to the Franchised Restaurant that contains any materially false, inaccurate, incomplete or misleading statements, or omits any fact necessary in order to make the statements made not materially misleading

7 Franchisee fails on three (3) or more separate occasions within any twenty-four (24) month period to comply with this Agreement, or to execute JIB's standards as outlined in the Manuals as measured by JIB's restaurant inspections, whether or not such failures are corrected after notice of default is given, or Franchisee fails on two (2) or more separate occasions within any twelve- (12) month period to comply with the same requirement under this Agreement, whether or not such failure to comply is corrected after notice of default is given

8 Franchisee has made material misrepresentations or omissions in Franchisee's franchise application or this Agreement

9 Franchisee makes any unauthorized use of the Marks, or fails to strictly comply with the terms set forth in Sections 1 or 11 of this Agreement

C Franchisee will be deemed to be in default and JIB may, at its option, terminate this Agreement and all rights granted under this Agreement upon any of the following grounds If the condition is susceptible of being cured, Franchisee must correct the condition within the period specified below, or termination will be effective at the conclusion of the cure period

1 Franchisee fails to maintain and operate the Franchised Restaurant in accordance with the standards and specifications, including, but not limited to, selling any product that Franchisee knows or should know does not conform to JIB's specifications, failing to sell any product required by JIB, or selling any product that is not approved by JIB Franchisee will have five (5) days to correct such condition

2 Franchisee loses the right to possess the Premises, or otherwise forfeits the right to do or transact business in the jurisdiction where the Franchised Restaurant is located Franchisee will have five (5) days to correct such condition

3 Franchisee or any Owner of Franchisee purports to transfer any rights or obligations under this Agreement or any interest in Franchisee in violation of the terms of Section 14 of this Agreement Franchisee will have five (5) days to correct such condition

4 Franchisee fails to comply with the in-term covenants in Section 19 of this Agreement or fails to obtain execution of the covenants required under that Section Franchisee will have five (5) days to correct such condition

5 Franchisee denies JIB's right to inspect, examine or audit the Franchised Restaurant or the Franchisee's books Franchisee will have five (5) days to cure such condition

6 Franchisee fails to submit any financial statement or report when required, or his submission is incorrect or incomplete Franchisee will have thirty (30) days to correct such condition

7 Franchisee fails to pay any federal or state income, sales or other taxes due on the Restaurant's operations, unless Franchisee is in good faith contesting liability for such taxes Franchisee will have five (5) days to correct such condition

8 Franchisee violates any federal labor laws Franchisee shall have fourteen (14) days to cure such condition

9 Franchisee fails to keep the business open and in normal operation for such hours and days as JIB may from time to time specify in the Manual or as JIB may otherwise specify or approve in writing Franchisee will have five (5) days to correct such condition

10 Franchisee fails to make regular payments to JIB or any vendor for any monies due and owing Franchisee will have thirty (30) days to correct such condition

11 Franchisee fails to begin the repair or restoration of the Franchised Restaurant within ninety (90) days after damage or destruction, and to diligently pursue such repair or restoration to completion within a reasonable time thereafter, or fails to insure the Franchised Restaurant as provided in Section 12 Franchisee will have thirty (30) days to correct such condition

12 Franchisee fails to maintain the Franchise Restaurant and Premises in good condition and repair or fails to make all improvements determined by

JIB to be reasonable necessary to reflect the current System standards Franchisee will have thirty (30) days to correct such condition

13 Franchisee fails to comply with any other provision of this Agreement or defaults under any other franchise agreement, development agreement, lease agreement, note, or any agreement or account for the purchase of product or services between JIB and Franchisee, whether or not pertaining to the premises Franchisee will have thirty (30) days to correct such condition

D If any applicable law or rule requires greater prior notice of termination, the prior notice required by such law or rule will be substituted for the notice requirements specified above

E JIB's failure to terminate this Agreement upon the occurrence of one or more of the above events shall not constitute a waiver, or otherwise affect the right of JIB to terminate this license because of any other occurrence of one or more of the aforesaid events

F Upon termination or expiration of this Agreement, Franchisee's right to use the Marks and the System shall terminate Franchisee shall not thereafter identify himself as a JACK IN THE BOX Franchisee, nor use any of the Marks or any mark confusingly similar thereto, nor use or disclose to others any of JIB's trade secrets, operating procedures, or promotional materials Upon termination or expiration of this franchise, Franchisee will immediately return to JIB all Manuals, together with all other material containing trade secrets, restaurant operating instructions or business practices of JIB

G Franchisee grants to JIB, upon termination or expiration of this Agreement, the option to purchase all usable inventory of food supplies, paper goods, containers, printed menus and other materials bearing JIB's trade names or Marks at Franchisee's cost, and to purchase the restaurant equipment, furniture, fixtures and signs at fair market value

H Franchisee shall, immediately upon termination or expiration of this Agreement, make such removals or changes in signs and the building as JIB shall request, to distinguish the Premises from its former appearance and from any other JACK IN THE BOX restaurant In the event Franchisee fails to make such changes, Franchisee hereby consents to JIB entering the Premises to make non-structural changes at Franchisee's expense

I In the event of termination for any default of Franchisee, any damage suffered by JIB shall be a lien in favor of JIB against the personal property, machinery, fixtures and equipment owned by Franchisee on the Premises at the time of such default Said lien shall be in addition to any other rights or remedies of JIB that exist under statute, regulation or common law

19 RESTRICTIONS ON OTHER BUSINESS INTERESTS

A Franchisee shall be responsible for notifying JIB in writing of any intention of Franchisee, an Owner or an Operator to participate or engage, directly or indirectly, in any business activity other than JACK IN THE BOX restaurant business activities, at least ninety (90) days before (a) that person becomes a party to any agreement or understanding relating to such activity, or (b) such activity commences, whichever is earlier Franchisee shall be responsible for providing JIB with such information about the activity as JIB may reasonably request from time to time, including but not limited to information about products that may be sold as part of that business activity In the event of a dispute regarding whether Franchisee's, an Owner's or an Operator's participation in a business activity would violate the terms of this Agreement, Franchisee and JIB agree to mediate said dispute in accordance with the terms of Section 20C of this Agreement, however, in no event will JIB be required to mediate such a dispute if Franchisee has not timely notified JIB of the planned participation in the business activity

B Franchisee acknowledges that, pursuant to this Agreement, Franchisee, Owners and Operator will receive confidential and trade secret information, including but not limited to promotional, operational, training, sales and marketing methods, techniques, plans and concepts of JIB and the System Franchisee further acknowledges its obligation to develop the franchised business and to promote the interests of the System Accordingly, Franchisee agrees as follows

1 Except as otherwise approved by JIB in writing, during the term of this Agreement, Franchisee, Owners, and Operator shall not, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with, any person, firm, partnership, corporation or other entity, own, maintain, operate, be employed by, engage in, advise, help, make loans to, or have any direct or indirect interest in, any restaurant business

(i) whose format is similar to the format employed by the JIB System at that time (currently, the JIB System operates in a quick-service format, but JIB may change that format at any time), and

(ii) 20% or more of the sales of which are (or are likely to be) comprised of the kinds of products that are designated by JIB as Core Menu Items of JACK IN THE BOX® restaurants at that time (Currently, hamburgers, specialty sandwiches and tacos are designated as Core Menu Items of JACK IN THE BOX restaurants, but JIB may designate different or additional products as Core Menu Items at any time)

2 Except as otherwise approved by JIB in writing, the restrictions set forth in Subsection B (1) of this Section shall also apply to Franchisee upon the earlier of (a) the expiration or termination of this Agreement, or (b) the assignment of this Agreement by Franchisee, and apply to each Owner and Operator upon the earlier of

(a) the expiration or termination of this Agreement, (b) the assignment of this Agreement by Franchisee or (c) when such person ceases to be associated with Franchisee and the Franchised Restaurant, provided, however, that upon those events

(i) the restrictions shall apply for a continuous uninterrupted period of one year thereafter, and

(ii) the restrictions shall only apply to the following restaurant businesses

- any restaurant business that is located within two (2) miles of any then-existing JACK IN THE BOX restaurant,
- any restaurant business that is located at the Franchise Restaurant Premises,
- any restaurant business that is located within two (2) miles of the Premises, whether or not a JACK IN THE BOX restaurant is then being operated on those Premises

Franchisee acknowledges that, while JIB has no obligation to expand the JACK IN THE BOX restaurant system, the number of JACK IN THE BOX restaurants and the locations of those restaurants may change over time

3 The obligations of Franchisee, each Owner and Operator under Subsection B (2) of this Section commence immediately upon expiration or termination of this Agreement, assignment of this Agreement by Franchisee, or upon the cessation of association of any Owner or Operator, whichever applies If, at any time during the one-year period referred to in Subsection B (2), Franchisee, the Owner or the Operator (as the case may be) fails to comply with its obligations under Subsection B (2) of this Section, that period of noncompliance shall not be included in the one-year period described in Subsection B (2)(i)

4 If any part of the restrictions in this Section is found to be unreasonable in time or distance by a court or other tribunal having valid jurisdiction, each month of time or mile of distance shall be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court or other tribunal to that deemed reasonable

5 Franchisee, Owners and Operator may, during the term of this Agreement, own all or a portion of a business other than a JACK IN THE BOX restaurant on the condition that all provisions of this Agreement are met, and

(i) Franchisee, Owners or Operator do not use or allow others to use any part of the JACK IN THE BOX System in such business,

(ii) such business is not advertised on or from the Franchised Restaurant Premises, and the business does not share and is not combined in any advertisement with the Franchised Restaurant, and

(iii) no business is directed or diverted at any time for any reason by Franchisee or Operator from the Franchised Restaurant to any such business

6 JIB shall have the right, in its sole discretion and without Franchisee's consent, to reduce the scope of any covenant in this Section Any covenant as so reduced shall be fully enforceable The reduction shall be effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee shall comply immediately with the covenant as so reduced

C Subsections B (1) through B (3) of this Section shall not apply to ownership by Franchisee, Owners, Operator or their spouses of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation that is registered under the Securities Exchange Act of 1934, unless that individual also serves as a director or officer of, or in a management capacity in, such corporation

D Franchisee expressly agrees that any claim it may have against JIB, whether or not arising from this Agreement, shall not constitute a defense to JIB's enforcement of the covenants in this Section

E Franchisee acknowledges that its failure to comply with the requirements of this Section will cause JIB irreparable injury, and Franchisee hereby accordingly agrees that, in addition to all other legal or equitable rights and remedies that JIB may have under this Agreement or otherwise, JIB shall be entitled to seek the entry of an order by any court of competent jurisdiction for specific performance of, or for an injunction against violation of, the requirements of this Section

F Franchisee expressly acknowledges that it possesses business skills and abilities of a general nature, and can exploit such skills and abilities in settings other than the restaurant or food service industries, and that enforcement of the covenants in this Section will not prevent Franchisee from engaging in an entire line of business, using his business skills and abilities, or earning a living

G Notwithstanding any other provision of this Agreement, this Section shall be governed by, construed in accordance with, and enforced under the laws of the State of California, provided, however, that if this Section is deemed unenforceable under California law, then it shall be governed by, construed in accordance with, and enforced under the laws of the State in which the Franchised Restaurant is located

H Franchisee shall obtain and furnish to JIB an undertaking, to the same effect as the undertaking in this Section, from Franchisee's Operator (if Franchisee is not the Operator) and from such of the Owners, spouses of Owners and restaurant managers as JIB may designate The undertakings shall be in writing in a form approved by JIB JIB may require Franchisee to furnish the undertakings at any time during the term of this Agreement

20 MISCELLANEOUS GENERAL CONDITIONS

A Interpretation/Entire Agreement

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties relating to the subject matter hereof, and supersede any and all prior negotiations, understandings, representations, and agreements regarding that subject matter Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law

Paragraph captions are used only for convenience, and are in no way to be construed as part of this Agreement, or as a definition limitation or construction of the contents or scope of the paragraph Words of any gender used in this Agreement shall include every other gender, and words in the singular or plural shall include the other, where the context requires

B Non-Waiver

JIB and Franchisee shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including, without limitation, the right to demand compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate this Agreement prior to the expiration of its term) by virtue of any custom or practice of the parties at variance with the terms hereof, any failure, refusal or neglect of JIB or Franchisee to exercise any right under this Agreement or to insist upon compliance by the other with its obligations hereunder, including, without limitation, compliance by Franchisee with any specification, standard or operating procedure, any waiver, forbearance, delay, failure or omission by JIB to exercise any right or option, whether of the same, similar or different natures, with respect to one or more other Franchisees or licensees of JACK IN THE BOX restaurants, or the acceptance by JIB of any payments from Franchisee after any breach of this Agreement The rights or remedies set forth in this Agreement are in addition to any other rights or remedies, which may be granted by law

C Non-Binding Mediation

1 Except as provided in Section C (5), controversies, disputes and claims between JIB, its Affiliates, and their shareholders, officers, directors, employees

and agents, or any of them, on the one hand, and Franchisee, its Owners, partners, trustees, shareholders, officers, directors and agents, or any of them, on the other hand, arising out of or related to this Agreement, the Franchised Restaurant or the franchised business shall be subject to non-binding mediation pursuant to the terms of this Section C Except as specified in Section C (5), no litigation may be commenced between such parties prior to the mediation termination date, as defined in Section C (4), on any claim which is subject to non-binding mediation hereunder, whether or not the mediation has been commenced The commencement or pendency of litigation will not stay non-binding mediation required hereunder, and non-binding mediation required hereunder will not stay any litigation commenced in conformity with Section C (5) Mediation under this Section C is not intended to alter or suspend the rights or obligations of the parties under this Agreement or to determine the validity or effect of any provision of this Agreement, but is intended to provide the parties with an opportunity to amicably and expeditiously resolve disputes in a cost-effective manner on mutually acceptable terms and conditions

2 The non-binding mediation provided for hereunder shall be commenced by the party demanding mediation (the "complainant") by giving written notice of the demand for mediation (the "demand") to the party with whom mediation is sought (the "respondent") The demand shall specify with reasonable particularity the matter or matters on which non-binding mediation is being sought A copy of the demand shall be given by the complainant simultaneously to JIB, if JIB is not a complainant or a respondent

3 Non-binding mediation hereunder shall be conducted in San Diego, California, by a mediator or mediation program designated by JIB in writing (the "designation"), or by such mediator as complainant and respondent may otherwise agree to JIB shall send the designation to complainant and respondent within a reasonable time after its receipt of the demand

4 Non-binding mediation hereunder shall be concluded within sixty (60) days of the giving of the demand, or such longer period as may be mutually agreed to in writing by the parties to the mediation (the "mediation termination date") All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatsoever Complainant and respondent shall each bear its own costs of mediation, and each shall bear one-half the cost of the mediator and mediation service

5 If Franchisee is more than forty-five (45) days past due in any of its payments to JIB, or is past due in an amount greater than the prior month's Royalty, whether under this Agreement or any other Agreement or account with JIB, then JIB shall not be required to seek or to participate in mediation of any matter or dispute under this Section C (although JIB reserves the right to require mediation), and JIB shall be free to commence or to pursue litigation at any time JIB shall not be required to seek or to participate in mediation of any matter or dispute relating to the indemnification or insurance provisions of this Agreement (although JIB reserves the

right to require mediation) Nothing in this Section C shall prevent any party from instituting or pursuing litigation at any time to preserve the status quo, protect the Proprietary Marks, protect the health or safety of the public, or avoid irreparable harm

D Governing Law, Jurisdiction and Venue

1 This Agreement shall become valid when executed and accepted by JIB at San Diego, California The laws of California shall apply to any claim or controversy regarding the making, entering into, performance, or interpretation of this Agreement, without giving effect to any conflict-of-law rules of such jurisdiction If, however, any provision of this Agreement would not be enforceable under the laws of California, Franchisee is located outside of California, and such provision would be enforceable under the laws of the state in which Franchisee is located, then such provision shall be interpreted and construed under the laws of that state

2 Franchisee shall file any suit against JIB or its officers, directors, agents, employees or shareholders, arising out of this Agreement or otherwise, only in the federal or state court in the judicial district where JIB's principal offices are located at the time suit is filed JIB may file any suit against Franchisee, arising out of this Agreement or otherwise, in any federal or state court in the judicial district where JIB's principal offices are located at the time suit is filed, or where Franchisee resides, or where the Franchised Restaurant is or was located, or where the claim arose, and Franchisee hereby consents to and waives all questions of personal jurisdiction and venue for the purpose of carrying out this provision

3 JIB and Franchisee irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by JIB against Franchisee, or by Franchisee against JIB and/or its Affiliates or subsidiaries, and their shareholders, officers, directors, employees and agents, whether or not there are other parties in such action, to the extent permitted by law

4 Any and all claims and actions arising out of, or relating to, this Agreement, the relationship of JIB and Franchisee, or Franchisee's operation of the Franchised Restaurant, shall be commenced within two (2) years from the occurrence of the facts giving rise to such claim or action, or such shorter term as is established by law, or such claim or action shall be barred

5 If Franchisee breaches this Agreement, JIB shall be entitled to seek injunctive relief, in addition to such other relief to which it may be entitled in law or equity

6 JIB and Franchisee hereby waive to the fullest extent permitted by law any right to, or claim of, any punitive or exemplary damages against the other, and agree that in the event of a dispute between them, each shall be limited to the recovery of actual damages sustained by it

E Severability

If any material provision of this Agreement, or the application thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid or unenforceable, JIB and Franchisee shall negotiate to amend this Agreement to provide substantially the same obligations and benefits for each as originally provided If the parties are unable to agree on such an amendment, either may terminate this Agreement upon written notice to the other

F Notices

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties relating to the subject matter hereof, and supersede any and all prior negotiations, understandings, representations, and agreements regarding that subject matter Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law

1 All notices to JIB shall be in writing, and shall be effective if hand delivered or sent by certified air mail, postage fully prepaid, national overnight carrier that provides a receipt, or by facsimile addressed to Jack in the Box Inc at its offices at 9330 Balboa Avenue, San Diego, California 92123, Attention Corporate Secretary, or at such other address as JIB shall from time to time designate in writing

2 All notices to Franchisee, including a Notice of Termination, shall be in writing, and shall be effective if hand delivered or sent by certified mail, return receipt requested, postage fully prepaid, by overnight mail, or by facsimile or comparable electronic system, addressed to Franchisee or Operator at the Franchised Restaurant, the Premises or Franchisee's or Operator's last designated-in-writing mailing address

3 Notices shall be deemed delivered and received on the earlier of (i) actual receipt, (ii) the fifth (5th) business day after being deposited in the U S Mail, (iii) the second (2nd) business day after being deposited with an overnight mail service, or (iv) the first (1st) business day after being sent by facsimile or comparable electronic system

G Franchisee Structure and Liability of Owners

Each Owner of Franchisee is individually bound by this Agreement At no time shall Franchisee be owned by more than eight (8) persons, as defined in Section 14 D Each Owner shall be jointly and severally liable to JIB for any failure of Franchisee to perform any obligation under this Agreement

H Signatures and Modification

This Agreement is not effective unless signed by JIB If JIB elects not to sign the Agreement, JIB will refund you the initial franchise fee This Agreement may be signed in counterparts, which, taken together, shall constitute one original document This Agreement may be modified or amended only in writing, signed by both parties

I Continuing Obligations

All obligations of JIB and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire

J Cumulative Remedies

The rights of JIB and Franchisee hereunder are cumulative, and no exercise or enforcement by JIB or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by JIB or Franchisee of any other right or remedy hereunder to which JIB or Franchisee is entitled by law

K Attorneys' Fees

In any litigation arising out of or relating to this Agreement, the prevailing party shall be paid by the other party all costs, including reasonable accounting and attorneys' fees, incurred as a result of the legal action

L Relationship of the Parties

Franchisee is an independent contractor, and shall not be deemed an agent, partner, joint venturer or employee of JIB Franchisee shall have no right to bind or obligate JIB in any way, and shall in no way represent any right to do so JIB shall have no control over the terms and conditions of employment of Franchisee's employees Franchisee shall indicate his independent ownership of the Franchised Restaurant in all public records and on stationery, business forms and checks Franchisee shall exhibit at the Franchised Restaurant, in such places and in such form as may be designated by JIB, a notification that the Franchised Restaurant is independently operated No fiduciary relationship between the parties exists

[SIGNATURES ON NEXT PAGE]

JACK IN THE BOX INC

By _____

Title _____

Date _____

FRANCHISEE

_____

Date _____

_____

Date _____

_____

Date _____

EXHIBIT A

FRANCHISE RESTAURANT DESCRIPTION

Site No

AMENDMENT
TO
FRANCHISE AGREEMENT
AND GENERAL RELEASE

This Amendment to Franchise Agreement ("Amendment") is made and entered into as of _____, 2015, by and between JACK IN THE BOX INC , a Delaware corporation ("JIB"), and [FRANCHISEE(S) and ENTITY NAME], a [STATE] [corporation OR limited liability company] (collectively, 'Franchisee"), in order to amend the Franchise Agreement, dated _____ ('Agreement"), relating to JIB No _____, located at _____ Except as expressly provided in this Amendment, all terms used in this Amendment have the meanings established for those terms in the Agreement

JIB has created a Development Incentive program to encourage expansion of the Jack in the Box® franchised system JIB is willing to offer the Development Incentive under the terms and conditions set forth in this Amendment to franchisees who have opened and begun operating a restaurant after September 28, 2014

Therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows

CHOOSE ONE OF THE FOLLOWING INCENTIVE PLAN OPTIONS

1 [OPTION A

Section 8 A 1 of the Agreement is hereby amended to provide that

a For Gross Sales at the Franchised Restaurant for the period beginning [DATE OF FRANCHISE AGREEMENT], and continuing until [YEAR 3], the Royalty payable under the Agreement shall be equal to 0% of Gross Sales,

b For Gross Sales at the Franchised Restaurant for the period beginning [YEAR 4], and continuing until [YEAR 5], the Royalty payable under the Agreement shall be equal to 2% of Gross Sales,

c For Gross Sales at the Franchised Restaurant for the period beginning [YEAR 5], and continuing until [YEAR 6], the Royalty payable under the Agreement shall be equal to 3% of Gross Sales,

d For Gross Sales at the Franchised Restaurant for the period beginning [YEAR 6], and continuing until [YEAR 7], the Royalty payable under the Agreement shall be equal to 4% of Gross Sales, and

e For Gross Sales at the Franchised Restaurant for the period beginning [YEAR 7], and continuing until [YEAR 20], the Royalty payable under the Agreement shall be equal to 5% of Gross Sales

f Franchisee shall receive a credit for any Royalty paid in excess of 0% of Gross Sales for the period between April 1, 2015, and the date of this Agreement [In addition, because Franchisee was subject to a reduced Royalty under a previous Development Incentive program, Franchisee will receive a credit for any Royalty paid in excess of 2 5% of Gross Sales for the period between September 28, 2014, and April 1, 2015]

[OPTION B

a The Franchise Agreement is amended to add the following new section after section 8 A 1

8 A 1 a Notwithstanding anything in Section 8 A 1 to the contrary, Franchisee has received an interest-free loan from JIB in the amount of $250,000 00, pursuant to the terms of the Promissory Note as shown in Exhibit C of Franchisee's Development Agreement dated _____ 20__ ("Note"), and Franchisee has agreed, among other things, that (i) the principal amount due under the Note will be repaid through a credit equal to 100% of the Royalties that would otherwise have been due and payable based upon Gross Sales at the Developed Restaurant until such time as the Note is paid in full, and (ii) the entire remaining principal balance of the Note shall be due and payable upon the sale or closure of the Developed Restaurant]

2 Section 2 of the Agreement is hereby amended to provide that Franchisee shall pay a Franchise Fee in the amount of $50,000 to JIB in connection with the Franchise Restaurant, provided, however, that any Franchise Fee or Development Fee previously paid by Franchise pursuant to a Development Agreement shall be retained by JIB and credited against the Franchise Fee owed

3 For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Franchisee hereby releases and forever discharges JIB, its officers, directors, agents, employees, subsidiaries and affiliates from and against any and all liabilities, actions, causes of action, judgments, suits, controversies, claims, demands, damages, costs and expenses whatsoever, in law or in equity ("Claims") arising out of any matters prior to the date of execution hereof, which have ever existed, may now exist or may hereafter arise, known or unknown, foreseen or unforeseen, to the full extent permitted by applicable law Without limiting the generality of the foregoing, it is expressly understood and agreed that this Release includes Claims Franchisee may have individually or as the member of any class (i) under any federal or state franchise, antitrust, trade regulation or similar law, or (ii) under any state or federal

security, blue sky or similar law, or (iii) in connection with allowances, discounts or compensation of any type received by JIB from vendors

Further, the undersigned do hereby expressly waive all right, protection, privilege and benefit under Section 1542 of the Civil Code of the State of California, which provides

"1542 Certain claims not affected by general release A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor "

4 The undersigned hereby certify that they have read all provisions of the foregoing release and the quoted California Civil Code Section, that they are represented by Counsel and have been advised or been afforded the opportunity to be advised of the effect of the provisions of such release and their waiver of all rights under the quoted California Civil Code Section, that they have made such investigation and inquiry as they and Counsel have deemed appropriate, and that they understand said provisions and effect, and have executed this Amendment freely and without duress

5 Except as expressly modified or amended pursuant to the provisions of this Amendment, the Agreement shall remain unmodified and in full force and effect In the event of any conflict between the provisions of this Amendment and the Agreement, the provisions of this Amendment prevail

6 This Amendment may be signed in one or more counterparts, all of which when taken together constitute one original document

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed as of the day and year shown opposite their signatures below

JACK IN THE BOX INC

By _____
Title _____
Date _____

FRANCHISEE

_____
Franchisee

ENTITY NAME

By _____
Title _____
Date _____

EXHIBIT J-2

NONTRADITIONAL LICENSE AGREEMENT

JACK IN THE BOX INC

NONTRADITIONAL LICENSE AGREEMENT

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EXHIBIT A - FRANCHISE RESTAURANT INFORMATION

Site No __

LICENSE AGREEMENT

THIS AGREEMENT is made and entered into in the City of San Diego, State of California, as of the ____day of _____, by and between JACK IN THE BOX INC , a Delaware corporation, having its principal place of business at 9330 Balboa Avenue, San Diego, California ('JIB"), and _____, Licensee")

RECITALS

JIB is the owner of the name JACK IN THE BOX® and certain other service marks, trademarks, names, logos and commercial symbols which are authorized for use from time to time in connection with JACK IN THE BOX restaurants (the "Marks")

JIB has expended time, effort and money to develop a distinctive restaurant format and operating system utilizing specialized and unique techniques, knowledge, expertise, skill and proprietary information The restaurant format and operating system includes but is not limited to operating and management systems and standards, specifications and procedures for the purchase, preparation and sale of food, beverages and other products, and a distinctive building design, decor and color scheme (the "System")

The System includes, among other things, the following elements, all of which may be deleted, changed, improved or further developed by JIB from time to time (a) know-how, specifications, methods and procedures for the content, preparation, marketing and sale of food and beverages, which are described in operating manuals for JACK IN THE BOX restaurants and in other written materials, (b) plans and specifications for JACK IN THE BOX restaurants including distinctive designs, interior and exterior formats, styles, designs, decors, fixtures, equipment, layouts and signs which are described in operating manuals for and in other written materials, and (c) a public image that each JACK IN THE BOX restaurant is a unit in an established quick-service restaurant system, and that all JACK IN THE BOX restaurants are operated with uniform high standards for product quality and service and aesthetic effect of the restaurant premises

JIB operates, and grants franchises to operate, restaurants known as JACK IN THE BOX restaurants using the System and the Marks

Licensee recognizes the uniqueness, confidentiality and value of the System, and the advantages and benefits which may be obtained by using the System and the Marks, and desires to use the System and the Marks which JIB uses and makes available to its Licensees, in the operation of a JACK IN THE BOX restaurant in a nontraditional location (The term nontraditional locations includes but is not limited to, airports, train stations, bus stations, service plazas, stadia, arenas, convention centers,

military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos or similar locations)

Licensee has had full opportunity to be thoroughly advised of the terms and conditions of this Agreement by counsel of its own choosing at least five (5) business days prior to its execution, and is entering into this Agreement after having made such independent investigation of JIB's operations as it desired, and not in reliance upon any promise, representation, warranty, condition, agreement or understanding, written or oral, which is not contained in this Agreement, whether relating to the financial return which Licensee might be expected to realize, or otherwise Licensee further represents and warrants that JIB and its representatives have not made any promises, representations, warranties, agreements or understandings except as expressly contained in this Agreement

Licensee has submitted written information to JIB in connection with the grant of this franchise, including, but not limited to, a Franchise Application Package, together with any material changes therein, and it is understood that JIB is relying on all such information in granting this franchise

In consideration of the foregoing, the fees and other sums payable by Licensee and of the mutual covenants contained in this Agreement, the parties agree as follows

1 LICENSE SCOPE AND TERM

JIB grants to Licensee a limited nonexclusive license, subject to the terms and conditions hereof, for the term of this Agreement to use the System and the Marks, and such other Marks as JIB may authorize from time to time in the operation of a JACK IN THE BOX restaurant (the "Licensed Restaurant") at _____, more fully described in Exhibit A hereto ("the Premises"), and at that location only Licensee may not relocate the Licensed Restaurant During the term of this Agreement, the Premises shall be used exclusively for the operation and promotion of the Licensed Restaurant

If the Licensed Restaurant is located within a larger building at the Premises ("Facility"), the Licensed Restaurant occupies the physical area of the Facility (comprising the Licensed Restaurant, whether a food-court, in-line application, stand-alone restaurant or other location, and any dedicated back of the house area), as indicated on the floor plan attached to Exhibit A) If the Licensed Restaurant serves a limited menu (as indicated in attached Exhibit A and as determined by JIB in its discretion), Licensee may offer for sale and sell at the Premises only those menu items specified in Exhibit A

The term of this Agreement shall commence on _____, and shall expire _____, unless sooner terminated in accordance with the provisions of this

Agreement If Licensee fails for any reason to commence operation of the Licensed Restaurant within six (6) months of the date of this Agreement, or if Licensee ceases to have the right to operate the Licensed Restaurant at the location set forth in Exhibit A for any reason (including, without limitation, the expiration or termination of the Lease for the Premises or foodservice contract for the Premises) the license granted hereunder shall immediately cease Licensee accepts this license with the understanding that this Agreement is not renewable, and that JIB makes no assurance of the granting of a new license at expiration This license is non-exclusive, is for the described location only, and does not in any way grant to or confer upon Licensee any proprietary rights or goodwill rights to the Marks or to any country, province, state, area, market or territory JIB retains the right and is expressly permitted to engage in the wholesale and retail production, distribution and sale of products, including food products of any kind, (i) under the JACK IN THE BOX trademark or other trademarks, (ii) through JIB-operated restaurants, Licensed Restaurants or any alternative marketing channels or methods of distribution, and (iii) both outside and within the trading area of Licensee's restaurant JIB may develop, establish or acquire other franchise systems for the same, similar or different products, and may grant licenses thereto, without providing Licensee any rights therein

2 FRANCHISE FEE

In consideration of the granting of this license, Licensee shall pay to JIB, on or before the execution of this Agreement, the sum of twenty-five thousand dollars ($25,000) This entire sum is fully earned by JIB upon the execution and delivery of this Agreement The fee described above ("Franchise Fee") is net of any tax, excluding income tax but including excise tax or other fee imposed upon JIB due to the collection of the Franchise Fee

3 APPROVAL OF LEASES

If Licensee leases the Premises from a third party, Licensee must use its best efforts to use JIB's standard form lease or lease addendum Regardless of whether JIB's standard form is used, all third-party leases must include the following terms and conditions

1 The Premises must be used only for the operation of the Licensed Restaurant,

2 The landlord consents to the Licensee's use of such Marks and signage as JIB may reasonably require,

3 The Licensee may not sublease or assign all or any part of its occupancy rights, or extend the term of, or renew, the lease without JIB's prior written consent,

4 JIB has the right to enter the Premises (a) during the term of this Agreement to make any modification necessary to protect its Marks or to cure any default under the lease or this Agreement and (b) after the expiration or termination of this Agreement to de-identify the Premises if Licensee fails or refuses to do so,

5 If Licensee is in default under the lease, JIB will have the right to cure the default or assume the lease, and to sublease the Premises for all, or any part of, the term of the lease,

6 A Memorandum of Lease will be recorded in the appropriate recorder's office in the county in which the Licensed Restaurant is located,

7 The lease shall require that the landlord deliver to Licensee a non-disturbance agreement (i) from the current holder of any mortgage or deed of trust which is a lien on the Premises, or (ii) if the landlord is the tenant under the terms of any master lease, from the lessor under such master lease Such non-disturbance agreement shall provide that so long as Licensee is not in default beyond any applicable cure periods under its lease, the lender or master lessor, as the case may be, shall not disturb Licensee's use and possession of the Premises upon the default by landlord under the mortgage/deed of trust or master lease, or upon termination of the master lease for any other reason, and

You will not be permitted to open the Licensed Restaurant for business unless JIB approves the lease in writing JIB's approval of a lease does not constitute a representation, guaranty or warranty, express or implied, of the successful operation or profitability of any restaurant operated at that location, nor does such approval constitute a legal review of the terms and conditions of the lease

4 REPRESENTATIONS, WARRANTIES AND COVENANTS OF LICENSEE

Licensee represents, warrants and covenants as follows

A Licensee has delivered to JIB a Certification of Entity Structure and Operation, which constitutes a true, complete and accurate description of all of the individuals who have an ownership interest in the franchise or Licensee, if Licensee is a legally formed entity There has been no change in said ownership structure since the certification was delivered to JIB The ownership structure described in the certification shall remain unchanged during the term of this Agreement, unless modified in accordance with the provisions of this Agreement The provisions of this Agreement relating to changes in ownership or ownership structure shall apply to all such changes, including changes in relative shares of ownership of a Licensee

B Licensee must designate an individual as the operator ("Operator") of the Licensed Restaurant The Operator must be approved by JIB, in writing JIB may communicate with and give notice to Licensee through the Operator

C During the term of this Agreement, Licensee and Operator shall have full responsibility to ensure that the Licensed Restaurant is being operated in accordance with the terms of this Agreement and the standards as specified in the Manuals Licensee or Operator shall utilize best and continuing efforts to promote and develop the business at the Licensed Restaurant

D Licensee has received, read and understood JIB's Franchise Disclosure Document, and Licensee acknowledges that no person has made to Licensee, and no other material delivered to Licensee has contained, any statements or representations or warranties inconsistent or contradictory with JIB's Franchise Disclosure Document

E Licensee is an independent contractor, and shall not be deemed an agent, partner, joint venturer or employee of JIB, and no fiduciary relationship between the parties exists Licensee shall have no right to bind or obligate JIB in any way, and shall in no way represent any right to do so JIB shall have no control over the terms and conditions of employment of Licensee's employees

F JIB shall have no liability for any excise, property or other taxes levied by any governmental tax authority upon Licensee Licensee shall make timely filings of all tax returns, and shall pay when due all taxes levied or assessed in connection with the possession, ownership or operation of the Licensed Restaurant and the Premises Licensee may contest the validity or the amount of the tax in accordance with applicable procedures of the jurisdiction, but Licensee shall in no event permit a tax sale or seizure of the Licensed Restaurant, the Premises, or any equipment

5 STANDARDS OF OPERATION

Licensee shall adhere to the System Licensee shall meet all the standards and specifications, and follow the procedures communicated in writing by JIB to Licensee

A The Manuals

The JACK IN THE BOX Manuals, as they may be renamed, amended, expanded and consolidated by JIB from time to time (collectively, "Manuals"), shall contain mandatory restaurant operating standards, specifications and procedures as prescribed from time to time by JIB for the operation of a JACK IN THE BOX restaurant by Licensee Licensee acknowledges receipt of the Manuals (in hardcopy, electronic copy or online) on loan for the term of this Agreement Licensee shall strictly adhere to the standards, specifications and procedures set forth in the Manuals The Manuals shall be kept at the Licensed Restaurant at all times Licensee agrees to accept and comply with any changes, modifications, revisions and additions made by JIB to the menu and other elements of the System and the Manuals which JIB, in the good faith exercise of its judgment, believes to be necessary or desirable

The material contained in the Manuals consists of confidential trade secrets of JIB, and JIB is the owner of the Manuals and of all proprietary rights in and to the material and information contained therein Such material is to be used by Licensee only in connection with the operation of the Licensed Restaurant and other licensed JACK IN THE BOX restaurants

B Construction and Maintenance of the Premises

The Premises shall be constructed and improved only as authorized and approved in writing by JIB, and in conformity with all applicable laws and ordinances The appearance and the condition of the Premises shall not be altered thereafter, except as may be approved in writing by JIB The Premises shall be decorated, furnished and equipped with furnishings and restaurant equipment that meet JIB's specifications Licensee shall maintain the Premises in good condition and in conformity with the System, and shall make any improvements and alterations to the Premises as may be determined by JIB to be necessary Licensee shall undertake and complete such repairs, improvements and alterations as may be required by JIB within a reasonable time as specified by JIB Licensee shall maintain the Premises in conformity with all applicable laws and ordinances, including, without limitation, the federal Americans with Disabilities Act and any similar state law and any modification to the Premises required by such laws, shall be approved in advance by JIB and shall be made at Licensee's expense

If Licensee leases the Premises, Licensee agrees that whenever it sends its landlord any notice or other material document relating to Licensee's lease for the Premises, or receives such a document from the landlord, Licensee will promptly forward a copy of that document to JIB in accordance with the notice provisions of this Agreement

C Signs

Licensee shall display the Marks only in the manner authorized by JIB Licensee shall maintain and display such signs (including menu panels, posters or similar items) as are required by JIB from time to time Licensee shall not place additional signs, menu panels, posters or similar items on the Premises without JIB's prior written consent Licensee shall promptly discontinue the use of and destroy such items as are declared non-conforming or obsolete by JIB

D Equipment

Licensee shall use only equipment approved by JIB in the Licensed Restaurant Licensee shall maintain such equipment in a condition that meets standards set forth in the Manuals or otherwise prescribed by JIB, and shall replace equipment as necessary Replacement equipment shall conform to the standards for equipment which is being installed in new JACK IN THE BOX restaurants at the time of replacement except as may be approved in writing in advance by JIB If JIB should determine that additional or

replacement equipment is needed in order to test new menu items or due to a change in approved menu items or in approved methods of preparation and service, Licensee shall promptly obtain and install such new equipment within the reasonable time specified by JIB Upon notification that any equipment, furnishings or supplies do not meet JIB specifications or standards, Licensee shall immediately cease and desist from using same

E Computer System

Licensee agrees to purchase or lease, install and maintain, at Licensee's sole expense, such data processing equipment, computer hardware and software, required dedicated telephone and power lines, high speed and wireless Internet connections (when and where available), modems, printers and other computer-related accessory or peripheral equipment as required by JIB and as necessary to permit JIB to receive from Licensee, within the time periods required by this Agreement or as otherwise required by JIB, that information and in that format/media as reasonably specified by JIB

F Ingredients, Materials and Supplies

Licensee shall purchase from such sources as shall be approved by JIB (of which JIB or a subsidiary, parent, or other related entity ('Affiliate") may be one such source) all food, ingredients, materials and supplies necessary for the operation of the Licensed Restaurant, as shall be specified in the Manuals or otherwise prescribed by JIB in writing Such items shall include, but are not limited to, all food, supplies, beverage ingredients, paper goods, utensils, packaging, cleaning supplies and uniforms If Licensee desires JIB to consider any alternative or additional sources of such ingredients, materials or supplies, Licensee shall submit to JIB such information and samples as JIB requests At Licensee's expense, JIB shall evaluate such alternative or additional source in accordance with its standards, and shall notify Licensee within a reasonable time of its receipt of such information and samples, of its approval or disapproval of such source, and if JIB does not approve, of the reasons therefor All costs and expenses associated with JIB approving, reevaluating and working with such additional suppliers will be charged to the supplier or to Licensee

G Menu, Service, Health and Cleanliness

Licensee shall offer for sale all of and only food and beverage products identified in Exhibit A, which JIB may modify from time to time by providing written notice to Licensee Licensee shall adhere to all specifications relating to the ingredients, method of preparation and service, weight, dimensions and other characteristics for the menu items served, and standards of health, cleanliness and sanitation which are contained in the Manuals, or are otherwise prescribed by JIB All food, drink and other menu items shall be sold in packaging approved by JIB Upon notification that any food, beverages, supplies or packaging does not meet JIB specifications or standards, Licensee shall immediately cease and desist from using same

Licensee may determine what prices to charge customers for products and services sold at the Franchised Restaurant, except that JIB may require that Licensee use an "all inclusive" pricing structure or tiered pricing structure, and/or other pricing system, and JIB may set maximum prices on products and services to the extent permitted by law If JIB imposes a maximum price on a particular item, Licensee may charge any price on the item, consistent with the JIB pricing structure, up to and including the maximum price JIB may also require that certain products or services that are supplementary to the main products and services provided at Licensed Restaurants (such as condiments) be provided to customers free of charge

If an audit conducted by JIB or its authorized representative shows that the Licensed Restaurant is not in substantial compliance with any System standard relating to food safety, Licensee shall reimburse JIB for the reasonable cost of a re-audit Additionally, if JIB reasonably determines that a threat or danger to public health or safety is likely to result from the construction, maintenance or operation of the Licensed Restaurant, JIB may, in its sole discretion, exercise its rights under Section 15 ('Termination") or any lesser right, such as directing a temporary closure of the Licensed Restaurant until the situation can be corrected

H Hours of Operation

JIB and Licensee will agree to the hours of operation for the Licensed Restaurant and those hours will be set forth in Exhibit A (Opening Policy") Notwithstanding the foregoing, Licensee will not be required to operate the Licensed Restaurant when the adjacent businesses at the Facility are not operating, provided that Licensee must provide JIB written notice of the modified hours of operation If the Facility imposes any restrictions on the hours of operation for the Licensed Restaurant, Licensee shall provide JIB written notice of such restrictions for approval by JIB

I Personnel of the Licensed Restaurant

Licensee shall hire all employees of the Licensed Restaurant, and be fully responsible for the terms of their employment Licensee shall employ only suitable persons of good character and reputation who will at all times conduct themselves in a competent and courteous manner in accordance with the image and reputation of JIB and the System and, while on duty, comply with the personal appearance and hygiene standards set forth in the Manual

J Compliance with Laws

Licensee agrees at all times during the term of this Agreement, at its own expense, to conform to and comply with all federal, state and local laws, ordinances and regulations

K Advertising and Promotion

Licensee shall, at all times throughout the term of this Agreement, use reasonable efforts to advance the reputation of Jack in the Box Restaurants and the products sold under the Marks and to develop awareness of Jack in the Box Restaurants among consumers in order to increase the goodwill of the Marks and the System Prior to use, Licensee must submit all advertising materials or any other materials that use or display the Marks to JIB for approval, which approval shall not be unreasonably withheld

L Access to Premises

JIB or its authorized representative shall have the right at any reasonable time, without prior notification to Licensee, to enter the Licensed Restaurant and Premises to (a) observe, inspect, photograph, and videotape the Licensed Restaurant and its operation and the Premises during such periods as JIB may deem necessary, (b) test any and all food products, food ingredients, equipment, beverages and supplies, (c) interview personnel at the Licensed Restaurant, and (d) interview customers and prospective customers of the Licensed Restaurant, (e) conduct various surveys Licensee agrees to cooperate fully with JIB in connection with any such entries and activities If Licensee's contract with the Facility restricts JIB's access to the Facility, any inspection by JIB will be in accordance with the Facility's policies and Licensee must undertake all reasonable efforts to facilitate JIB's ability to conduct inspections at the Licensed Restaurant

M Participation in Tests

From time to time, JIB may require Licensee to participate in tests of new products, equipment, services and procedures at the Licensed Restaurant JIB may require Licensee to use specific product pricing during the test period JIB will reimburse Licensee for certain documented out-of-pocket costs necessarily incurred by Licensee as part of the test, however, if the new product, equipment, service or promotions becomes a required component of the System, the Licensee will be responsible for paying a reasonable cost for the required component Licensee is responsible for any soft costs associated with the testing, such as wages payable during training

N Interference with Employment Relations of Others

Neither JIB nor Licensee will attempt, directly or indirectly, to entice or induce, any employee of the other or of another Licensee or franchisee of JIB to leave such employment To the extent permitted by applicable law, neither party shall employ such employee within six (6) months after his or her termination of employment with such employer, except with the prior written consent of such employer This provision creates no rights in any third party

O Proposed System Modification

Licensee may submit proposals for new or improved products, equipment, uniforms, the design of buildings and other restaurant facilities, service format and advertising Such proposals shall be considered by JIB when adopting, modifying or allowing deviations from standards, specifications and procedures for the System, provided however, that JIB shall retain the sole and absolute discretion to accept or reject any such proposals If any proposal by Licensee is adopted by JIB and becomes part of the System, Licensee acknowledges that JIB is the sole owner of such proposed new product or modification to the System, that any such product or System modification shall be deemed a work made for hire, (or to the extent the work may not be deemed a word make for hire" under applicable law, Licensee hereby irrevocably assigns to JIB, for no additional consideration, all right, title and interest in and to any patents, trademarks, copyrights, trade secrets and any other proprietary rights), and there are no restrictions on use, and no compensation shall be due to Licensee Licensee agrees to cooperate fully in obtaining any patents, trademarks or copyrights

6 TRAINING

Prior to the opening of the Licensed Restaurant, the Operator and one restaurant manager for the Licensed Restaurant shall have completed JIB's Certified Franchise Restaurant Manager Training Program in San Diego, California or such other location as may be designated by JIB After successful completion of such training program, the Manager shall be deemed a "Certified Franchise Restaurant Manager " During the term of the franchise, the Operator and each Certified Franchise Restaurant Manager shall undertake and complete such further training programs from time to time as may be directed by JIB If further training is required, the Licensee shall pay all traveling, living, compensation and other expenses as may be incurred for himself (or the Operator) and the individual restaurant manager

Licensee shall conduct additional training for Licensee's employees as necessary to ensure that all Standards are consistently satisfied

7 ROYALTY FEE AND MARKETING FEE

A Royalty

For the right to use the Marks and the System in accordance with this Agreement, Licensee agrees to pay to JIB during the term of this Agreement, a royalty of five percent (5%) of Licensee's Gross Sales The royalty described above ('Royalty") is net of any tax, excluding income tax but including excise tax, or other fee imposed upon JIB due to the collection of the Royalty, and shall be paid weekly on each Friday for the preceding week (weekly period to be ____ through following _____)

B Marketing Fee

Licensee must pay to JIB a monthly marketing fee (net of any tax or other fee imposed thereon) based on a percentage of Gross Sales (the "Marketing Fee") As of the date of this Agreement, the Marketing Fee is one percent (1%) of Gross Sales JIB, in its sole discretion, has the right to increase or decrease the Marketing Fee percentage not to exceed five percent (5%) of Gross Sales JIB will spend the Marketing Fee for any purpose that JIB in its sole discretion determines will support, promote, market or advertise the System or JACK IN THE BOX Restaurants Licensee acknowledges that the Licensed Restaurant may not benefit directly from the expenditures made by JIB

C Gross Sales Defined

The term "Gross Sales" shall mean all Gross Sales from the sale of all products and services, and all income of every kind and nature, derived, directly or indirectly, from all business conducted upon, from or in connection with the Licensed Restaurant, whether such Gross Sales be evidenced by check, cash, cash equivalent (gift certificates/stored value cards when purchased but not when redeemed), credit, charge account, exchange or otherwise Gross Sales shall not include the amount of any sales tax imposed by any federal, state or other governmental authority directly on sales and collected from customers, provided that the amount thereof is added to the selling price or specifically absorbed therein, and actually paid by Licensee to such governmental authority

D Interest

Any payment due from Licensee to JIB that is not paid when due shall accrue interest from the date such amount was due, until paid, at the then-current rate established by JIB for Licensees, or the maximum rate permitted by law, whichever is less

E Method of Payment and Application of Payments

All payments shall be made to JIB through a pre-authorized payment system (which authorizes JIB to debit and credit Licensee's bank accounts in accordance with the terms of this Agreement and other agreements between the parties) or other payment method specified in writing by JIB Upon request, Licensee shall provide such authorizations and information necessary to institute the pre-authorized payment system or other payment system Licensee must ensure that funds are available in Licensee's bank accounts to cover the debits Notwithstanding any designation by Licensee, JIB shall have sole discretion to apply any payments by Licensee to any past due indebtedness of Licensee due to JIB or its Affiliates

By no later than 10 00 a m Central Time each Friday, Franchisee must submit, by electronic data transfer, computerized polling, or such other method as Licensor

specifies, a report of the Gross Sales of the preceding week, and any other information Licensor may require Licensee must allow Licensor to remotely access Licensee's computerized accounting systems, in Licensor's reasonable discretion, for such reporting purposes

By no later than 10 a m Central Time on each Sunday, JIB will transfer from the Licensed Restaurant's commercial bank operating account ("Account") the Royalty Fee and Marketing Fee for the week ending twelve (12) days earlier, in an amount determined based upon the Gross Sales report or determined by JIB based on the records contained in the cash registers/computer terminals of the Licensed Restaurant Each payment shall be made payable to JIB or JIB's designee

F No Offset

Licensee shall not be entitled to set off, deduct or otherwise withhold any royalty fees, interest charges or any other monies payable by Licensee under this Agreement on grounds of any alleged non-performance by JIB of any of its obligations or for any other reason Licensee shall pay to JIB on demand any and all costs and expenses incurred by JIB in collecting any monies owed to Licensee to JIB

8 ACCOUNTING PROCEDURES, TAXES AND RIGHT OF AUDIT

A Computer Systems

Except as specifically permitted by the Licensor, Licensee must use certain brands, types, makes and models of communications and computer systems (including hardware and software) that Licensor may specify or require from time to time This includes but is not limited to, a computerized point-of-sale system and a computer system for record keeping and other business functions Licensor's development and modification of specifications for such systems may require Licensee to purchase, lease and/or license new or modified point-of-sale systems, computer hardware and software and to obtain service and support for such systems, hardware and software during the term of this Agreement

B Recordkeeping

Licensee shall keep and maintain complete and accurate books and records, using generally accepted accounting principles and in accordance with any procedures specified by JIB in writing Licensee shall keep complete records of the franchised business and for any Affiliate of Licensee that has transactions with the franchised business (collectively, "businesses") for so long as required by state or federal law, but in no event less than three years

C Reports

At JIB's request, Licensee shall, at its expense, provide to JIB a profit and loss statement and balance sheet for the Licensed Restaurant within 90 days after the end of each of Licensee's fiscal year to be signed by Licensee or by Licensee's treasurer or chief financial officer attesting that the financial statements present fairly the results of operations of the Licensed Restaurant during the period covered JIB shall have the right, in its reasonable discretion, to require that Licensee submit audited statements for any fiscal year Licensee shall submit to JIB, for review or auditing, such other forms, reports, records, information and data regarding the Licensed Restaurant as JIB may reasonably designate, in the form and at the times and places reasonably required by JIB and as specified from time to time in the Manual or otherwise in writing

D Taxes

Licensee will pay to JIB all sales or use taxes, goods and services taxes, personal property taxes, gross receipt taxes, excise taxes, value added taxes and similar taxes imposed upon or required to be collected by JIB, on account of goods or services furnished to Licensee through sale, lease or otherwise, or on account of collection by JIB of, including but not limited to, the Franchise Fee, Royalty, or Royalty for Games and Devices Licensee will pay such taxes upon demand and in the manner designated by JIB

E Audits

JIB has the right at any time during business hours without prior notification to Licensee, to inspect and audit, or cause to be inspected and audited, at JIB's expense, the business records, including, but not limited to, the records listed in subsections A and B above The inspections or audits will be conducted at the location where the business records are customarily maintained If an inspection or audit discloses an understatement of Gross Sales or Gross Sales from Games and Devices, Licensee shall pay to JIB within fifteen (15) days after receipt of the inspection or audit report, the Royalties, Marketing Fees and any other amounts due on such understatement plus interest If any inspection or audit discloses an understatement of Gross Sales for the period of the audit greater than 1%, Licensee also shall promptly reimburse JIB for the reasonable cost of the audit or inspection

9 CONFIDENTIAL INFORMATION

Licensee understands and acknowledges that (1) JIB has invested, and continues to invest, considerable sums of money in developing the System, (2) Because of the competitive nature of the restaurant business, and to protect the legitimate interest of JIB and other JACK IN THE BOX Licensees, it is necessary to protect certain information about the System as confidential, (3) Licensee will be provided with confidential Information in connection with its operation of the Licensed Restaurant, (4) all confidential information is and will remain the sole and exclusive proprietary property

of JIB, **(5)** Licensee has no right to disclose any part of the System to anyone who is not an employee of Licensee, **(6)** Licensee will disclose to its employees only those parts of the System that an employee needs to know, and **(7)** Licensee's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition for which JIB would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond

Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that JIB or its affiliates designate as confidential shall be deemed confidential for purposes of this Agreement Licensee agrees that both during the term of this Agreement and thereafter, Licensee (a) will use the confidential Information only in the operation of the Licensed Restaurant, and not in any connection with any other business, (b) will not make copies of any confidential Information without the express written consent of JIB, (c) will not communicate, divulge or disclose the confidential Information to any person or entity who does not need access to it to operate the Licensed Restaurant, and (e) will not use the confidential Information, or allow it to be used, for the benefit of any third party

10 OWNERSHIP OF INTELLECTUAL PROPERTY

Licensee agrees hereby that all right, title and interest to the System and the Marks are and shall remain vested solely in JIB, and that any use thereof by Licensee shall inure to the benefit of JIB Licensee hereby disclaims any right or interest in the System, the Marks or in the goodwill derived therefrom, and Licensee agrees not to contest, directly or indirectly, the validity of JIB's Marks or JIB's ownership, title, right or interest in the Marks and/or the System and/or JIB's sole right to register, use or license others to use the same Licensee agrees that all information loaned, or otherwise made available to Licensee, and all disclosures made to Licensee and not to the general public, by or at the direction of JIB at any time before or during the term of this Agreement, including, but not limited to, the Manuals, specifications, and any modifications or amendments thereto, in their entirety are trade secrets of JIB for purposes of this Agreement, and shall be kept confidential and used by Licensee only in the operation of the Licensed Restaurant

If it becomes advisable at any time in JIB's sole discretion to modify or discontinue use of any Marks or part of the System and/or to use one or more additional or substitute Marks or aspects of the System, Licensee shall immediately modify or discontinue the use of such Mark or aspect of the System, or use the additional or substitute Mark or aspect of the System

Licensee shall not, directly or indirectly, at any time during the term of this Agreement or thereafter, do, or cause or permit to be done, any act in any way impairing or tending to impair JIB's right, title or interest in the Marks or System Except as provided herein, JIB shall not be required to participate in the defense of and/or to indemnify Licensee for damages or expenses incurred by Licensee if he becomes a

party to any administrative or judicial proceeding involving the Marks or the System Licensee shall not institute any legal action or any other kind of proceeding based upon the Marks without JIB's prior written approval

Licensee shall immediately notify JIB of any infringements or imitations of the Marks or the System, or of any challenges to Licensee's use of any of the Marks or the System, and JIB shall have the sole discretion to take such action, if any, it deems appropriate JIB may control any administrative proceedings or litigation affecting the Marks or the System Licensee shall cooperate in the prosecution or defense of any such action, and shall be named as a party in any such action if so desired by JIB JIB shall bear the legal expenses incident to Licensee's participation in such action, except for the cost of Licensee's personal legal counsel if Licensee elects to be represented by counsel of his own choosing

In the adoption of a corporate or partnership name, Licensee shall not use any of the Marks, any variations or abbreviations thereof, or any words deemed by JIB to be confusingly similar to the Marks

Licensee is not permitted to establish websites, social media venues, or domain names which in any way shape or form incorporate the JACK IN THE BOX marks, name, initials or indicia into his web address Licensee is not permitted to establish websites or domain names linking to the JACK IN THE BOX site without the prior written permission of JIB

11 INSURANCE

During the term of this Agreement, Licensee shall obtain and maintain in full force and effect, at his own expense, such insurance coverages as may be required of Licensees by JIB in writing The insurance requirements including but not limited to coverages and policy limits, may be increased or modified from time to time by JIB at its sole discretion The current requirements are

Commercial General Liability insurance, including Products Liability coverage, and Broad Form Contractual Liability coverage, written on a "per occurrence" policy form in an amount of not less than $5,000,000 combined single limit per occurrence and aggregate Such insurance must not contain an exclusion for occurrences arising from food-borne illness, and must insure the contractual liability of Licensee under Section 12 of this Agreement

Business Automobile Liability insurance including owned, leased, non-owned and hired automobile coverage, with a limit of not less than $1,000,000 per accident

Workers' Compensation insurance as required by law, and Employer's Liability insurance with a limit not less than $1,000,000 per occurrence, and such other insurance as may be required by the state or locality in which the Licensed Restaurant is operated

"All Risk" property insurance covering (a) the Premises (including tenant improvements, furniture, fixtures, equipment, inventory and other tangible property of the Licensed Restaurant), including plate glass coverage, on a full one hundred percent (100%) repair or replacement value basis, (b) Business Interruption/ Business Income insurance (at least one (1) year of actual loss sustained), including Extra Expense insurance, so as to re-establish normal business operations, and (c) loss of rents insurance covering a minimum of twelve (12) months' fixed minimum rent

Builders' All Risk insurance for the full replacement cost of all real and personal property involved in the construction, when Licensee is building, renovating, refurbishing or remodeling the Licensed Restaurant

JIB and its Affiliates, and any other parties as JIB may request, shall be named as "additional insureds," and the policies shall contain an "Additional Insured-Designated Person or Organization" endorsement (or its equivalent), except workers' compensation insurance only Licensee annually shall provide JIB with certificates of insurance reflecting Licensee's insurance coverage

12 INDEMNIFICATION

Licensee is responsible for all losses, damages, and liabilities (whether contractual, statutory or otherwise) to third persons arising out of or in connection with the possession, ownership or operation of the Licensed Restaurant, and for all claims or demands for damages to property, or for injury, illness or death of persons directly or indirectly resulting therefrom, and Licensee shall defend, indemnify and hold harmless JIB, its Affiliates, employees, officers, directors and agents from all such claims, demands, losses, obligations, costs, attorneys' fees, expenses, liabilities, debts or damages directly or indirectly resulting therefrom, unless resulting from the gross negligence or willful misconduct of the indemnified parties

If such claims are asserted against an indemnified party, JIB shall notify Licensee and, at JIB's election, Licensee must assume the defense of such claims or JIB will defend such claims in the manner JIB deems appropriate If JIB requires Licensee to defend such claims and Licensee fails to assume the defense as required by JIB, then JIB may defend in such manner as it deems appropriate Licensee shall reimburse the indemnified party (or JIB if JIB steps in to defend the matter) for all costs, including attorneys' fees, and the reasonable value of time spent by corporate counsel, incurred by the indemnified party in effecting such defense, in addition to any sum that the indemnified party may incur by reason of any settlement or judgment The indemnified party's right to defense and indemnification hereunder shall exist, notwithstanding that its joint or concurrent liability may be imposed on it by law

13 ASSIGNMENT BY JIB

There are no restrictions on JIB's ability to assign this Agreement, and any such transfer or assignment shall inure to benefit any transferee or assignee or other legal successor to the interest of JIB

14 ASSIGNMENT BY LICENSEE

This Agreement is personal to Licensee (or if Licensee is a legally formed entity, the Owners of Licensee) Neither Licensee nor any Owner shall sell, assign, pledge, mortgage, hypothecate, give as security or in any manner encumber or otherwise transfer (hereinafter, "Transfer") this Agreement or any direct or indirect right or interest in the franchise granted, or any direct or indirect interest in Licensee, the Licensed Restaurant, or the Licensed Location nor permit any such Transfer to occur directly or indirectly, whether by agreement or operation of law, without the prior written consent of JIB Without limiting the generality of the foregoing, this provision applies to any Transfer between Owners

Any Transfer shall require, among other items (i) delivery of an updated Ownership Information Form, (ii) delivery of complete financial statements of the proposed transferee and other information satisfactory to JIB, (iii) the payment by Licensee of up to, but not exceeding, two thousand five hundred dollars ($2,500) per Licensed Restaurant to JIB, (iv) the execution by each Owner of a general release (in form satisfactory to JIB) in favor of JIB, covering (without limitation) all transactions or occurrences of any kind prior to the proposed assignment, whether arising out of the franchise relationship or otherwise, between Licensee and JIB, (v) the payment of all amounts owed to JIB by Licensee, (vi) the transferor corrects any material defaults, (vii) the execution of a personal guarantee by each transferee, if the transferring Owner had executed the same, (viii) the transferee and its employees complete all training required by JIB, (ix) at JIB's election, execution of an assignment agreement or the then-current standard franchise agreement for the remainder of the term of this Franchise Agreement, and (x) such other conditions as JIB may require, including, but not limited to, JIB's approval of the transferee's fiscal year

15 TERMINATION

A This Agreement shall automatically terminate if Licensee's contract to provide foodservice at the Facility terminates or expires without renewal In addition, Licensee may terminate this Agreement following 60 days' written notice to JIB if Licensee's client at the Facility instructs Licensee in writing to cease operating the Licensed Restaurant (provided Licensee has exercised reasonable efforts to arrange a meeting between Licensee's client and JIB, if JIB so elects, to discuss the continued operation of the Licensed Restaurant) If Licensee's contract to provide foodservice at the Facility permits Licensee's client to take this action on shorter notice, the notice period provided in that contract shall govern, provided Licensee has provided JIB a copy of the relevant contract provision

B Except as otherwise provided in this Agreement, Licensee shall have 30 days after written notice of default from JIB within which to remedy any default under this Agreement and provide evidence of that remedy to JIB If any such default is not cured within that time, this Agreement shall terminate without further notice to Licensee effective immediately upon expiration of that time, unless JIB notifies Licensee otherwise in writing Notwithstanding the foregoing, if the default cannot be corrected within 30 days, Licensee shall have such additional time to correct the default as reasonably required (not to exceed 90 days) provided that Licensee begins taking the actions necessary to correct the default during the 30 day cure period and diligently and in good faith pursues those actions to completion Licensee will be in default under this Agreement for any failure to comply with any of the material requirements imposed by this Agreement, the Manual or otherwise in writing, or to carry out the terms of this Agreement in good faith

C Notwithstanding the provisions of preceding Section 18 B , if Licensee defaults in the payment of any monies owed to JIB when such monies become due and payable and Licensee fails to pay such monies within 10 days after receiving written notice of default, then this Agreement will terminate effective immediately upon expiration of that time, unless JIB notifies Licensee otherwise in writing

D If JIB reasonably determines that a threat or danger to public health or safety is likely to result from the construction, maintenance or operation of the Licensed Restaurant, JIB may immediately terminate this Agreement by providing written notice to Licensee without opportunity to cure In the alternative, JIB may, in its sole discretion, direct a temporary closure of the Licensed Restaurant until the situation can be corrected

E If Licensee has received two or more notices of default within the previous 12 months, JIB shall be entitled to send Licensee a notice of termination upon Licensee's next default within that 12-month period, without providing Licensee an opportunity to remedy the default

F If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Section, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation

G JIB's failure to terminate this Agreement upon the occurrence of one or more of the above events shall not constitute a waiver, or otherwise affect the right of JIB to terminate this license because of any other occurrence of one or more of the aforesaid events

16 OBLIGATIONS UPON TERMINATION

Upon termination or expiration of this Agreement, the following obligations apply

A Licensee's right to use the Marks and the System shall terminate Licensee shall not thereafter identify itself as a JACK IN THE BOX Licensee, nor use any of the Marks or any mark confusingly similar thereto, nor use or disclose to others any of JIB's trade secrets, operating procedures, or promotional materials Upon termination or expiration of this franchise, Licensee will immediately return to JIB all Manuals, together with all other material containing trade secrets, restaurant operating instructions or business practices of JIB

B Licensee grants to JIB, upon termination or expiration of this Agreement, the option to purchase all usable inventory of food supplies, paper goods, containers, printed menus and other materials bearing JIB's trade names or Marks at Licensee's cost, and to purchase the restaurant equipment, furniture, fixtures and signs at fair market value

C Licensee shall, immediately upon termination or expiration of this Agreement, make such removals or changes in signs and the Premises as JIB shall request, to distinguish the Premises from its former appearance and from any other JACK IN THE BOX restaurant In the event Licensee fails to make such changes, Licensee hereby consents to JIB entering the premises to make non-structural changes at Licensee's expense

D In the event of termination for any default of Licensee, any damage suffered by JIB shall be a lien in favor of JIB against the personal property, machinery, fixtures and equipment owned by Licensee on the Premises at the time of such default Said lien shall be in addition to any other rights or remedies of JIB that exist under statute, regulation or common law

E All obligations of JIB and Licensee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire

17 RESTRICTIONS ON OTHER BUSINESS INTERESTS

Licensee covenants and agrees that, during the term of this Agreement and, if this Agreement is terminated prior to the end of the Initial Term, for a period of 1 year following such termination, Licensee and Operator shall not, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with, any person, firm, partnership, corporation or other entity, own, maintain, operate, be employed by, engage in, advise, help, make loans to, or have any direct or indirect interest in, any foodservice operation at the Facility whose format is similar to the format employed by the System at that time (currently, the JIB System operates in a quick-service format,

but JIB may change that format at any time), and 20% or more of the sales of which are (or are likely to be) comprised of the kinds of products that are designated by JIB as Core Menu Items of JACK IN THE BOX® restaurants at that time (Currently, hamburgers, specialty sandwiches and tacos are designated as Core Menu Items of JACK IN THE BOX restaurants, but JIB may designate different or additional products as Core Menu Items at any time This restriction shall not apply to Licensee's existing restaurant or foodservice operations, if any, which are identified in Exhibit A

JIB shall have the right, in its sole discretion and without Licensee's consent, to reduce the scope of any covenant in this Section Any covenant as so reduced shall be fully enforceable The reduction shall be effective immediately upon receipt by Licensee of written notice thereof, and Licensee shall comply immediately with the covenant as so reduced

Licensee shall obtain and furnish to JIB an undertaking, to the same effect as the undertaking in this Section, from Licensee's Operator (if Licensee is not the Operator) and from such of the Owners

18 MISCELLANEOUS GENERAL CONDITIONS

A Interpretation/Entire Agreement

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties relating to the subject matter hereof, and supersede any and all prior negotiations, understandings, representations, and agreements regarding that subject matter Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or Licensees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law This Agreement may be modified or amended only in writing, signed by both parties

B Governing Law, Jurisdiction and Venue

1 This Agreement shall become valid when executed and accepted by JIB at San Diego, California The laws of California shall apply to any claim or controversy regarding the making, entering into, performance, or interpretation of this Agreement, without giving effect to any conflict-of-law rules of such jurisdiction If, however, any provision of this Agreement would not be enforceable under the laws of California, Licensee is located outside of California, and such provision would be enforceable under the laws of the state in which Licensee is located, then such provision shall be interpreted and construed under the laws of that state

2 Licensee shall file any suit against JIB or its officers, directors, agents, employees or shareholders, arising out of this Agreement or otherwise, only in the federal or state court in the judicial district where JIB's principal offices are located at the time suit is filed JIB may file any suit against Licensee, arising out of this Agreement or otherwise, in any federal or state court in the judicial district where JIB's principal offices are located at the time suit is filed, or where Licensee resides, or where the Licensed Restaurant is or was located, or where the claim arose, and Licensee hereby consents to and waives all questions of personal jurisdiction and venue for the purpose of carrying out this provision

3 **JIB and Licensee irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by JIB against Licensee, or by Licensee against JIB and/or its Affiliates or subsidiaries, and their shareholders, officers, directors, employees and agents, whether or not there are other parties in such action, to the extent permitted by law** Licensee and JIB waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suits

4 Except for payment owed by one party to the other party, and unless prohibited by applicable law, any and all claims and actions arising out of, or relating to, this Agreement, the relationship of JIB and Licensee, or Licensee's operation of the Licensed Restaurant, shall be commenced within two (2) years from the occurrence of the facts giving rise to such claim or action, or such shorter term as is established by law, or such claim or action shall be barred

5 JIB and Licensee hereby waive to the fullest extent permitted by law any right to, or claim of, any punitive or exemplary damages against the other, and agree that in the event of a dispute between them, each shall be limited to the recovery of actual damages sustained by it

C Notices

All notices to JIB shall be in writing, and shall be effective if hand delivered or sent by certified air mail, postage fully prepaid, or cable or by facsimile addressed to Jack in the Box Inc at its offices at 9330 Balboa Avenue, San Diego, California 92123, Attention Corporate Secretary, or at such other address as JIB shall from time to time designate in writing All notices to Licensee, including a Notice of Termination, shall be in writing, and shall be effective if hand delivered or sent by certified mail, return receipt requested, postage fully prepaid, by overnight mail, or by facsimile or comparable electronic system, addressed to Licensee or Operator at the Licensed Restaurant, the Premises or Licensee's or Operator's last designated-in-writing mailing address Notices shall be deemed delivered and received on the earlier of (i) actual receipt, (ii) the fifth (5th) business day after being deposited in the U S Mail, (iii) the second (2nd) business day after being deposited with an overnight mail service, or (iv) the first (1st) business day after being sent by facsimile or comparable electronic system

D Attorneys' Fees and Costs

In any litigation arising out of or relating to this Agreement, the prevailing party shall be paid by the other party all costs, including reasonable accounting and attorneys' fees, incurred as a result of the legal action

E Guarantees

All owners, directors and officers of Licensee shall sign the attached guarantee of Licensee's obligations under this Agreement

JACK IN THE BOX INC	**LICENSEE**
By _____	_____
Title _____	Date _____
Date _____	
By _____	_____
Title _____	Date _____
Date _____	

EXHIBIT A

FRANCHISE RESTAURANT INFORMATION

1 Licensed Location/Premises (attach floor plan of Facility)
2 Limited Menu (if applicable)
3 Opening Policy/Operating Hours
4 Existing Foodservice Operations (if applicable)

GUARANTEE AND ASSUMPTION OF LICENSEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the License Agreement dated as of _____ ("Agreement") by Jack in the Box Inc (JIB"), entered into with _____ ("Licensee"), the undersigned ("Guarantors"), each of whom is an officer, director, or owner of Licensee, hereby personally and unconditionally agree as follows

Guarantors hereby **(A)** guarantee to JIB and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that Licensee and any assignee of Licensee's interest under the Agreement shall **(1)** punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and **(2)** punctually pay all other monies owed to JIB and/or its affiliates, **(B)** agree to be personally bound by each and every provision in the Agreement, and **(C)** agree to be personally liable for the breach of each and every provision in the Agreement

Each Guarantor waives **(1)** acceptance and notice of acceptance by JIB of the foregoing undertakings, **(2)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed, **(3)** protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, **(4)** any right Guarantor may have to require that an action be brought against Licensee or any other person or entity as a condition of Guarantor's liability, **(5)** all rights to payments and claims for reimbursement or subrogation which Guarantor may have against Licensee arising as a result of the execution of and performance under this Guarantee, **(6)** any law or statute which requires that JIB make demand upon, assert claims against or collect from Licensee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Licensee or any others prior to making any demand upon, collecting from or taking any action against Guarantor with respect to this Guarantee, **(7)** any and all other notices and legal or equitable defenses to which Guarantor may be entitled, and **(8) any and all right to have any legal action under this Guarantee decided by a jury**

Each Guarantor consents and agrees that **(1)** his/her/its direct and immediate liability under this Guarantee shall be joint and several, **(2)** he/she/it shall render any payment or performance required under the Agreement upon demand if Licensee fails or refuses punctually to do so, **(3)** such liability shall not be contingent or conditioned upon pursuit by JIB of any remedies against Licensee or any other person, **(4)** such liability shall not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which JIB may from time to time grant to Licensee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this Guarantee, which shall be continuing and irrevocable during the term of the Agreement and for so long thereafter as there are monies or obligations owing from Licensee to JIB under the Agreement,

and (**5**) monies received from any source by JIB for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by JIB In addition, if any Guarantor ceases to be an owner, an officer or director of Licensee, that person agrees that the obligations under this Guarantee shall continue to remain in force and effect unless JIB in its sole discretion, in writing, releases those person(s) from this Guarantee

If JIB brings an action to enforce this Guarantee in a judicial proceeding or arbitration, the prevailing party in such proceeding shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding In any judicial proceeding, these costs and expenses shall be determined by the court and not by a jury

If any of the following events occur, a default ('Default") under this Guarantee shall exist **(1)** failure of timely payment or performance of the obligations under this Guarantee, **(2)** breach of any agreement or representation contained or referred to in this Guarantee, **(3)** the dissolution of, termination of existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or the commencement of any insolvency or bankruptcy proceeding by or against, any Guarantor, and/or **(4)** the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any property of or debts due any Guarantor If a Default occurs, the obligations of Guarantor shall be due immediately and payable without notice Upon the death of one of any Guarantor, the estate shall be bound by this Guarantee for all obligations existing at the time of death The obligations of the surviving Guarantors shall continue in full force and effect

This Guarantee shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns JIB's interests in and rights under this Guarantee are freely assignable, in whole or in part, by JIB Any assignment shall not release the undersigned from this Guarantee

The enforcement sections of the Agreement shall apply to this Guarantee

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature, under seal

GUARANTORS

Date _____ _____

Print name _____

Address _____

_____

Date _____ _____

Print name _____

Address _____

EXHIBIT K

DEVELOPMENT AGREEMENT

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ('Agreement") is dated , , and entered into in the City of San Diego, State of California, by and between JACK IN THE BOX INC , a Delaware corporation, having its principal place of business at 9330 Balboa Avenue, San Diego, California 92123, ("JIB") and , whose address is ("Developer"), who agree as follows

1 **RECITALS** This Agreement is made and entered into with reference to the following facts and circumstances

A JIB is the owner of the name Jack in the Box® and certain other service marks, trademarks, names, logos and commercial symbols which are authorized for use from time to time in connection with the *Jack in the Box* restaurants (the "Marks")

B JIB has expended time, effort and money to develop a distinctive restaurant format and operating system utilizing specialized and unique techniques, knowledge, expertise, skill and proprietary information The restaurant format and operating system includes but is not limited to, management and operating systems and controls and uniform standards, specifications and procedures for the purchase, preparation and sale of food and beverage products and the operation of quick service restaurants, and a distinctive building design, decor and color scheme (the "System")

C The System includes, among other things, the following elements, all of which may be deleted, changed, improved or further developed by JIB from time to time (a) know-how, specifications, methods and procedures for the content, preparation, marketing and sale of food and beverages which are described in operating manuals for *Jack in the Box* restaurants and in other written materials, (b) plans and specifications for distinctive, standardized premises and interior and exterior formats, styles, designs, decors, fixtures, equipment, layouts and signs which are described in operating manuals for *Jack in the Box* restaurants and other written materials, and (c) a public image that each *Jack in the Box* restaurant is a unit in an established quick service restaurant system and that all *Jack in the Box* restaurants are operated with uniform high standards for product quality and service and aesthetic effect of the restaurant premises

D JIB operates and grants franchises to operate restaurants known as *Jack in the Box* restaurants using the System and the Marks

E Developer recognizes the uniqueness, confidentiality and value of the System and the advantages and benefits which may be obtained by using the System and the Marks in the operation of *Jack in the Box* restaurants and desires to acquire rights to develop, and acquire franchises to operate, *Jack in the Box* restaurants

F Developer acknowledges that it has received JIB's Franchise Disclosure Document and all Exhibits thereto ("FDD") and that Developer has had full opportunity to be thoroughly advised of the terms and conditions of this Agreement by counsel of its own choosing before this Agreement was signed, that Developer is entering into this

Agreement after having made such independent investigation of JIB's operations as it desired, and not in reliance upon any promise, representation, warranty, condition, agreement or understanding whether written or oral, which is not contained in this Agreement or the FDD, whether such representation, warranty, condition, agreement or understanding relates to the financial return which Developer may be expected to realize or otherwise

G Developer has submitted written information to JIB to induce JIB to enter into this Agreement, including, but not limited to, an Application Package, together with any material changes therein, and it is understood that JIB is relying on all such information in entering into this Agreement

H In consideration of the foregoing, and the mutual covenants contained in this Agreement, the parties now desire to enter into this Agreement upon the terms and provisions set forth below

2 **DEFINITIONS OF TERMS** As used in this Agreement, the following terms shall have the meanings defined in this Section unless a different meaning is plainly required by the context

A "Affiliates" shall include people, partnerships, corporations or other legal entities that directly or indirectly own or control Developer or JIB, and partnerships, corporations or other legal entities that are directly or indirectly owned or controlled by Developer or JIB, and all officers, directors, agents and employees of Developer or JIB

B "Compliance Date" shall mean _____, which is the last day of JIB's FY____ fiscal year

C "Development Rights" shall mean the right to construct a single *Jack in the Box* restaurant within the Development Area and enter into a "Franchise Agreement" (as defined below) to operate such restaurant, subject to the terms and conditions of this Agreement

D "Development Area" shall mean the particular site or larger area described on Exhibit A, attached hereto and incorporated herein by this reference

E 'Developed Restaurant" shall mean the *Jack in the Box* restaurant to be developed pursuant to this Agreement

F "Effective Date" shall mean the date upon which JIB signs this Agreement

G "Fast Food Restaurant" shall mean a restaurant offering prompt service from a limited menu and selling food and beverage products for consumption at or from the premises of the restaurant

H "Owner(s)" shall mean the owner(s) of Developer if Developer is or becomes (through an approved assignment under Section 11 below) a partnership,

limited liability company or corporation, and shall include all shareholders, general or limited partners, or members of such entity

3 GRANT OF RIGHTS

A In reliance upon the commitments made by Developer in this Agreement, JIB grants to Developer the Development Rights, subject to the terms and conditions of this Agreement and the Franchise Agreement which must be entered into for the restaurant pursuant to Section 8 hereof Until such time as this Agreement expires or is terminated, JIB will not grant new *Jack in the Box* franchises to any person or entity other than Developer for the operation of, nor will JIB open, any new *Jack in the Box* restaurant within the Development Area, however, if JIB or any other franchisee already operates one or more *Jack in the Box* restaurants within the Development Area, JIB shall have the right to (i) continue to operate (and allow franchisees to operate) any such currently existing locations, (ii) grant a franchise for the operation of those restaurants to a franchisee other than Developer, or (iii) develop and open, or allow a franchisee to develop and open, an offset restaurant to replace any such existing location(s) JIB also reserves the right to grant franchises for the operation of, or to itself operate restaurants, other than *Jack in the Box* restaurants, within the Development Area

B This Agreement is not a Franchise Agreement and does not grant to Developer any right to use the System or the Marks, any such rights will be acquired, if at all, only under and in accordance with the terms and conditions of Franchise Agreements entered into with JIB

4 TERM Subject to the termination provisions contained in this Agreement, the term of this Agreement shall commence on the Effective Date and expire on the Compliance Date

5 OPERATOR Developer hereby designates ("Operator") to be responsible during the term of this Agreement for supervising the development and operation of the Developed Restaurant and to act as JIB's principal contact with Developer JIB may communicate with and give notice to Developer through the Operator The Operator shall have authority to represent Developer and enter into agreements and modifications of agreements on behalf of Developer and bind Developer to such agreements and modifications

If Developer is or becomes (through an approved assignment under Section 10 below) a partnership, limited liability company or corporation, the Operator shall at all times maintain the percentage ownership interest in the Developer as required by JIB in writing Additionally, Operator shall at all times maintain the same percentage ownership interest in all Franchise Agreements to be signed hereunder, free and clear of all mortgages, pledges, liens, security interests and other encumbrances

Developer agrees to cause the Operator to maintain actual involvement in the operations of the Developed Restaurant and to devote the best efforts of Developer to the restaurant operations and the success thereof

6 DEVELOPMENT REQUIREMENTS

A Developer agrees to cause the Developed Restaurant to be open and in operation on or before the Compliance Date In addition, Developer agrees to obtain (i) expansion approval, if Developer is an existing Jack in the Box franchisee ("Expansion Approval"), (ii) site approval ("Site Approval"), and (iii) lease approval if the site on which the Development Restaurant is located is leased from a third party ("Lease Approval"), as detailed in Section 7, below

[OPTIONAL To assist Developer in meeting the obligations under this Agreement, JIB has identified a site that may be appropriate for development as a Jack in the Box restaurant and JIB shall make such site available to Developer and Developer shall undertake acquisition and development of such site in accordance with the provisions of the attached Addendum, which shall supplement and control the parties' duties and obligations regarding acquisition and development thereof]

Once Expansion Approval, Site Approval, Lease Approval, and all required permits have been obtained, Developer shall diligently pursue construction of the Developed Restaurant to ensure the Developed Restaurant opens at the earliest reasonable time, but in any event on or prior to the Compliance Date

Developer acknowledges that time is of the essence in this Agreement Developer timely obtaining Expansion Approval, Site Approval and Lease Approval, and constructing and opening the Developed Restaurant are of material importance to JIB Failure by Developer to adhere to open the Developed Restaurant on or before the Compliance Date, shall constitute a default under this Agreement as provided in Section 15 below

B If the opening is delayed because of "Force Majeure" (as defined below), then for the period of the delay in opening, up to a maximum of six (6) months following the Compliance Date, the Developed Restaurant shall be deemed "open and in operation" for purposes of determining compliance with this Agreement For the purposes of this Agreement, "Force Majeure" shall mean only acts of God, strikes, embargoes, war or riot

C The Developed Restaurant may be closed for up to three (3) consecutive days after having been opened, and still be deemed in operation for purposes of determining whether Developer has satisfied the obligation to open on or before the Compliance Date A restaurant that is closed for more than three (3) consecutive days will not be deemed "in operation "

7 RESTAURANT DEVELOPMENT PROCEDURE

A Developer agrees to apply for and obtain Expansion Approval, Site Approval and Lease Approval from JIB for the Development Restaurant, as well as to satisfy the conditions to Site Approval listed on Exhibit B, attached hereto and incorporated herein by this reference, all of which must be accomplished before beginning the development process Developer agrees to obtain all required Expansion Approval, Site Approval and Lease Approval in accordance with JIB's then current criteria and procedures, including without limitation, submitting the then current Expansion Application and Site Acquisition Package Such approval shall be made by JIB in writing and delivered to Developer

B Developer shall comply with the following procedure for obtaining Expansion Approval

(1) Before submitting a Site Acquisition Package or otherwise beginning the development of any restaurant hereunder, Developer shall apply in writing for Expansion Approval JIB will evaluate whether Developer has met JIB's then-current criteria and inform Developer in writing whether or not Developer has Expansion Approval JIB reserves the right to change its expansion criteria from time to time

(2) Failure to maintain Expansion Approval standards shall be grounds for withdrawing an Expansion Approval at any time before Developer makes a binding commitment for the acquisition of a restaurant site, provided such site has received written Site Approval as specified below Any refusal or withdrawal of Expansion Approval shall not extend or modify the obligations of Developer set forth in the Development Requirements, the Compliance Date, or any other provision of this Agreement

C Developer shall comply with the following procedure for obtaining Site Approval

(1) For the proposed site of the Developed Restaurant, Developer shall submit a Site Acquisition Package (SAP") in the form specified by JIB with a request for JIB Site Approval

(2) Developer acknowledges that Site Approval can be granted only by means of JIB's Real Estate Site Committee ("RESC") Approval Form duly signed by an authorized representative of JIB and no other approval, whether oral or written, shall be effective or binding on JIB Site Approvals are valid until the expiration or earlier termination of the Development Agreement under which the Site Approval was granted, unless a shorter period is identified by JIB during the Site Approval process

(3) JIB may refuse to approve the proposed site for the Developed Restaurant if it believes the potential long term sales impact on one or more surrounding restaurants is excessive Developer acknowledges that Developer may be required to pay for one or more trade area surveys on one or more surrounding restaurants in order to provide JIB with information about potential impact

(4) Failure to obtain Site Approval shall not extend or modify the Compliance Date, the term of this Agreement or any other provision of this Agreement

D If Developer leases the real property for the Developed Restaurant from a third party, Developer must use its best efforts to use JIB's standard form of lease addendum Regardless of whether JIB's standard form is used, all third-party leases must include the following terms and conditions

(1) Developer may not use the premises for the operation of any business other than a Jack in the Box restaurant

(2) The landlord consents to Developer's use of such marks and signage as JIB may reasonably require

(3) The landlord agrees that whenever it sends any notice, lease amendment or other material document pertaining to the lease or the Premises to Developer, it will simultaneously send a copy to JIB

(4) JIB has the right to enter the premises to make any modification necessary to protect its marks or to cure any default under the lease or the Franchise Agreement, including the right to enter upon expiration to de-identify the premises if Developer fails or refuses to do so

(5) If Developer is in default under the lease, JIB will have the right to cure the default, and after cure, to assume the lease and sublease the premises for all, or any part of, the term of the lease

(6) A Memorandum of Lease will be recorded in the appropriate recorder's office in the county in which the Developed Restaurant is located

(7) The landlord agrees to deliver to Developer a non-disturbance agreement (i) from the current holder of any mortgage or deed of trust which is a lien on the premises, or (ii) if the landlord is the tenant under the terms of any master lease, from the lessor under such master lease Such non-disturbance agreement shall provide that so long as Developer is not in default beyond any applicable cure periods under its lease, the lender or master lessor, as the case may be, shall not disturb Developer's use and possession of the premises upon the default by landlord under the mortgage/deed of trust or master lease, or upon termination of the master lease for any other reason

(8) If the Developed Restaurant is located within a shopping facility or similar multi-tenant facility, the landlord shall not at any time permit or allow the tenancy or operation of any drive-through fast-food restaurant business upon any land within the shopping center and/or upon any land adjacent to the premises that is owned or controlled by that landlord

E Developer shall not, except at Developer's own risk, enter into any legally binding commitments with vendors or property owners until JIB has given Site Approval as provided herein Developer further acknowledges that JIB's acceptance of a site does not constitute any representation or guarantee by JIB that said site will be a successful location for a restaurant and Developer assumes all risk associated with the profitability of any such site

F Developer agrees to do, or cause to be done, the following, all at its own expense

(1) Obtain the right to use the site to construct, maintain and operate a *Jack in the Box* restaurant,

(2) Secure all financing required to fully develop the restaurant,

(3) Obtain all required building, utility, sign, health, sanitation, and business permits and licenses and any other required permits and licenses,

(4) Adapt the prototypical building plans supplied by JIB,

(5) Submit the "permit set" of building plans to JIB for JIB's written approval,

(6) Provide JIB with a copy of the construction set" of building plans, construct all required improvements in compliance with construction plans and specifications approved by JIB,

(7) Decorate the restaurant in compliance with plans and specifications approved by JIB,

(8) Purchase and/or lease and install all required equipment, furniture, furnishings and signs required by JIB, and

(10) Purchase an opening inventory of food and other supplies and materials

G Upon Developer's written request, JIB will provide Developer with a schematic site plan indicating placement of the building on the site, parking area, landscaped areas and access to adjoining streets or properties Upon request, JIB will furnish standard prototypical building plans and specifications for a *Jack in the Box* restaurant reflecting JIB's requirements for design, decoration, furnishings, furniture, layout, equipment, fixtures and signs for *Jack in the Box* restaurants as in effect from time to time Such plans will not be adapted for a particular site nor certified by any JIB architect or engineer

H It shall be the responsibility of Developer to have prepared all required construction plans and specifications that comply with applicable ordinances, building codes, Federal laws, permit requirements, and lease requirements and restrictions If alterations of any kind are required for any reason, Developer shall submit to JIB an explanation of any such changes to JIB's prototypical construction plans and specifications, and the Site Plan approved by JIB Such changes must be approved by JIB in writing before any work is begun Any cost, including engineering and architectural fees, incurred in obtaining JIB review and approvals by the appropriate governmental authorities of the Site Plan, or other plans, specifications and layouts shall be paid by the Developer

8 <u>OPENING OF THE RESTAURANT</u> Approximately three (3) months before the Developed Restaurant is opened, Developer shall enter into the then current form of the Jack in the Box Franchise Agreement used by JIB to grant franchises to operate *Jack in the Box* restaurants in the state in which the specified Developed Restaurant is located ("Franchise Agreement"), and shall pay the "Franchise Fee" (as defined in the Franchise Agreement) Nothing in this Agreement shall be construed as obligating JIB to enter into a Franchise Agreement with respect to any restaurant if Developer has not obtained Expansion Approval, Site Approval and Lease Approval in accordance with Section 7 and/or if Developer is otherwise in breach of any of its obligations under this Agreement Developer agrees not to open a *Jack in the Box* restaurant for business until all of Developer's obligations under this Agreement have been fulfilled

9 <u>APPROVALS</u> Whenever JIB's approval is required under the terms of this Agreement, that approval is solely for the purpose of furthering JIB's interest in obtaining adherence to JIB's image and operational requirements Developer, Franchisee, and any agents associated with either, remain solely responsible for the costs, safety, adequacy, workmanship, design, and construction of the site, any buildings on the site, and all materials used in the construction of the improvements at the site, compliance with all laws related thereto, and all other aspects of the development process

10 <u>NON-ASSIGNABILITY</u>

A This Agreement is personal to Developer Except as provided herein, neither Developer nor any Owner shall sell, assign or otherwise transfer this Agreement or any direct or indirect right or interest in the development rights granted, nor permit any such assignment or transfer to occur directly or indirectly, whether by agreement or operation of law, nor pledge, mortgage, hypothecate, give as security for an obligation, or in any manner encumber any right under this Agreement or any direct or indirect interest in Developer, without the prior written consent of JIB In no event shall any assignment relieve Developer or any Owner of any obligations to JIB under this Agreement unless JIB shall expressly consent to such release from liability Any purported sale, assignment, pledge, mortgage, hypothecation or encumbrance contrary to the provisions of this Agreement shall be void and of no force or effect

B Subject to the prior written consent of JIB, Developer may assign this Agreement to a corporation, partnership or limited liability company, that is not then or thereafter to be engaged in any business other than the development and operation of *Jack in the Box* restaurants and in which Owners of Developer shall own one hundred percent (100%) of the outstanding securities Any such assignment shall not relieve any Owner of personal liability for performance of all obligations under this Agreement No subsequent transfer or issuance of shares in such corporate assignee shall be made without JIB's prior written approval Developer or the Operator, if Franchisee is not an individual, shall, throughout the term of this Agreement, own the percentage of the voting, capital and profits interest in outstanding securities of the corporation, partnership or limited liability interests as required by JIB in writing The Articles of Incorporation and/or By-Laws, partnership agreement or limited liability agreement, or any similar formation documents, copies of which shall be provided to JIB, shall at all times reflect the restrictions contained herein, unless otherwise directed by JIB, and all stock certificates shall bear on their face the following legend restricting transfer

"Ownership of this certificate and the shares evidenced thereby may be sold, assigned, transferred, pledged, hypothecated or otherwise alienated only under and subject to a *Jack in the Box* Development Agreement, a copy of which may be obtained from Jack in the Box Inc , 9330 Balboa Avenue, San Diego, California 92123 "

C At no time shall Developer be owned by more than eight (8) persons For the purpose of determining the number of persons owning a direct or indirect interest in Developer, each individual owner of a partnership or corporation, with a direct or indirect interest in Developer, and each trustee of any trust owning a direct or indirect interest, shall be considered an Owner of Developer

D Any assignment of any interest in the development rights, including (but not limited to) assignments among Owners of Developer, shall require, among other items, (i) delivery of complete financial statements of the proposed transferee and other information satisfactory to JIB, (ii) the payment by Franchisee of up to, but not exceeding, TWO THOUSAND FIVE HUNDRED DOLLARS ($2,500) to JIB (other than in an assignment by the Owners to a corporation, partnership of limited liability company which is one hundred percent (100%) owned by the Owners before the assignment), (iii) the signing by each Owner of a general release (in form satisfactory to JIB) in favor of JIB, covering (without limitation) all transactions or occurrences of any kind before the proposed assignment, whether arising out of the development relationship or otherwise, between Developer and JIB, (iv) the signing of a personal guarantee by each transferee, if the transferring Owner had signed the same, and such other conditions as JIB may require, including, but not limited to, JIB's approval of the assignee's fiscal year

E There are no restrictions on JIB's ability to assign this Agreement, and this Agreement is fully assignable by JIB, and shall inure to benefit any assignee or other legal successor to the interest of JIB

11 DEATH OR INCAPACITY OF DEVELOPER In the event of the death or incapacity of Developer, Operator or any Owner (hereinafter the "deceased"), the interest of such Developer, Operator, or Owner may be transferred to the heirs or personal representative if

A Such person is deemed in JIB's sole discretion to fulfill its requirements for developers in effect at the time of transfer and to meet any other requirements that JIB shall then be generally applying, and

B Such person agrees in writing to assume full and unconditional liability for and to perform all of the terms and conditions of this Agreement to the same extent as the deceased

If such person is not so approved, the deceased's estate or personal representative shall use its best efforts to assign the deceased's interest in this Agreement to a person acceptable to JIB within six (6) months after the date of death or incapacity of the deceased If the deceased's interest is not conveyed to a party acceptable to JIB within said six (6) months, such failure to assign shall be deemed a default hereunder and JIB may, at its option, terminate this Agreement upon ten (10) days' written notice to the estate or personal representative and any remaining Owners In the event of termination, JIB shall not be obligated to refund any fees paid to it hereunder

As used herein "incapacity" means suffering from a physical or mental impairment, or a combination of both, rendering such Developer, Operator, or Owner unable substantially to perform all of their responsibilities in connection with this Agreement which is verified by a medical authority acceptable to JIB and appears reasonably certain to continue for at least one (1) year without material improvement

12 COMPLIANCE WITH LAW Developer shall secure and maintain in good force in its name all required licenses, permits and certificates relating to the development, construction and operation of a *Jack in the Box* restaurant Developer shall conduct the business of development, construction and operation of the Developed Restaurant in full compliance with all applicable laws, ordinances and regulations

13 INDEPENDENT CONTRACTORS Nothing in this Agreement shall be construed as creating a fiduciary relationship between the parties or making the parties partners, joint venturers or employees of the other, or to make either party liable for any of the debts or obligations of the other party, and Developer shall in no way be considered as an agent, employee or representative of JIB in any dealings which Developer may have with third parties, and Developer shall not act for or make any representations on behalf of JIB and shall have no power to contract on behalf of JIB JIB shall have no liability for any excise, property or other taxes levied by any governmental tax authority upon Developer or *Jack in the Box* restaurants

14 INDEMNIFICATION / INSURANCE

A Developer agrees to indemnify, defend, and hold JIB harmless against, and to reimburse JIB for, any and all losses, liabilities, damages (actual or consequential) and taxes, and all costs and expenses of defending any claim brought or tax levied against JIB in any judicial, administrative or arbitration proceeding (including, without limitation, accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses), which JIB may suffer, sustain or incur directly or indirectly out of or by reason of, arising from or in connection with, the ownership, development or operation of *Jack in the Box* restaurants, except for damages arising directly out of Developer's proper use of JIB's standards, specifications or procedures under circumstances such that Developer could not have anticipated that they would give rise to liability JIB agrees to give Developer prompt notice of any such claim made against JIB and to offer Developer a reasonable opportunity to assume the defense thereof The indemnities and assumptions of liabilities and obligations herein shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement

B Developer agrees to obtain and maintain insurance as follows

(1) during the construction of the restaurant, policy(ies) of Builders' Risk Insurance for the full replacement cost of all real and personal property to be constructed In addition, Developer will cause each contractor and subcontractor performing work to maintain the following insurance (i) commercial general liability insurance in an amount not less than $5,000,000 combined single limit per occurrence and aggregate, written on a "per occurrence" policy form, covering bodily injury, property damage and personal injury, (ii) workers' compensation insurance as required by law and employer's liability insurance with a limit not less than $1,000,000, and such other insurance as may be required by the state or locality in which the Developed Restaurant will operate, and (iii) business automobile liability insurance, including owned, leased, non-owned and hired automobile coverage with a limit not less than $1,000,000 per accident JIB and its affiliates, and any other parties as JIB may request, shall be named as additional insureds" on all insurance required by this section (other than workers' compensation insurance), regardless of whether such insurance is provided by Developer and/or by any of its contractors and/or subcontractors

(2) on or before signing of any Franchise Agreements, such insurance coverages as are required under the *Jack in the Box* Franchise Agreements

C All insurance policies required in Section 14 B (1) and (2) above shall name JIB and its affiliates, and any other parties as JIB may request, as "additional insureds "

D Developer's performance of its obligations to maintain insurance shall not relieve Developer of liability under the indemnity provision hereinabove

E Throughout the term of this Agreement, Developer shall deliver to JIB certificates of insurance acceptable to JIB (and a copy of the Developer's insurance policy(ies) if requested by JIB) evidencing its compliance with this Section 14

15 DEFAULT, REMEDIES

A Time is of the essence with respect to all of Developer's obligations under this Agreement Except as otherwise provided by law, developer shall be in default under this Agreement if Developer breaches or otherwise fails to perform any of its obligations under this Agreement, including, without limitation, items (1) through (8) set forth below, and fails to cure such breach or failure within the period specified below, and if no time is specified, then within thirty (30) days after receipt of written notice Without prejudice to any other rights or remedies that JIB may have under this Agreement, at law or in equity, in the event Developer defaults, then JIB shall have the right to immediately terminate this Agreement and all development rights granted hereunder, in which event JIB shall have the unrestricted right to operate or license persons or entities other than Developer to develop and to operate one or more *Jack in the Box* restaurants within the Development Area

(1) Developer fails to open the Developed Restaurant on or before the Compliance Date

(2) Developer fails to obtain Expansion Approval, Site Approval or Lease Approval before the commencement of construction of the Developed Restaurant

(3) Without JIB's prior written consent, Developer assigns, transfers or otherwise disposes of, or attempts to assign, transfer, encumber, or otherwise dispose of this Agreement in whole or in part

(4) Developer's commencing a voluntary case or otherwise seeking any type of relief under the federal bankruptcy laws, as now or hereafter constituted, or under any state insolvency or similar law, or the entry of a decree or order for relief in respect of Developer by a court having jurisdiction in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or under any state insolvency or similar law, all without dismissal within ninety (90) days from filing This Agreement shall terminate upon this occurrence without notification to Developer as if that date were the expiration date, and Developer expressly waives all rights under the provisions of the Bankruptcy Rules and consents to the immediate termination of this Agreement Developer agrees not to seek an Injunctive Order from any court in any jurisdiction relating to insolvency, reorganization or arrangement proceedings which would have the effect of staying or enjoining this provision

(5) Developer shall fail to obtain or renew licenses or permits necessary for the performance of Developer's obligations under this Agreement

(6) Developer shall fail to comply with any other terms, provisions or conditions of this Agreement, or any Franchise Agreements signed pursuant to the terms of this Agreement

(7) Any *Jack in the Box* Franchise Agreement(s) under which Developer is an Owner or Operator are terminated

(8) Developer is delinquent in excess of sixty (60) days in the payment of any amount due under any Franchise Agreement with JIB, or is otherwise in default under any other agreement, lease, promissory note or account with JIB

B The termination of this Agreement and the Development Rights

(1) Shall not affect or diminish the binding force or effect of any provision of this Agreement which expressly or by implication shall come into force or continue in force after termination, and

(2) Shall not release Developer from obligations to pay any sums owed under this Agreement or to pay any franchise fees, royalties or other sums owed to JIB under Franchise Agreements or other agreements, leases, notes or accounts, and

(3) Shall not in and of itself alone terminate any Franchise Agreement between JIB and Developer for the operation of Jack in the Box restaurants

C The rights of JIB hereunder are cumulative and no exercise or enforcement by JIB of any right or remedy hereunder shall preclude the exercise or enforcement by JIB of any other right or remedy hereunder or which JIB is entitled by law to enforce If Developer is in default under this Agreement beyond any applicable cure period, in addition to all other rights and remedies available to JIB as a result of such default, including, without limitation, the right collect damages relating to such default, JIB shall also be entitled to injunctive relief

16 <u>COSTS AND ATTORNEYS' FEES</u> If a claim for amounts owed by Developer to JIB is asserted in any proceeding before a court of competent jurisdiction or arbiter, or if JIB or Developer is required to enforce this Agreement in a judicial or arbitration proceeding, the party prevailing in such proceeding shall be entitled to reimbursement of its costs and expenses including reasonable accounting and legal fees

17 INTERPRETATION The Exhibits, Introduction, Definitions and Preambles to this Agreement are a part of this Agreement, which constitutes the entire Agreement of the parties (all prior representations, negotiations and agreements being merged into this Agreement), and there are no other oral or written understandings or agreements between JIB and Developer relating to the subject matter of this Agreement The headings of the several Sections and Paragraphs are for convenience only and do not define, limit or construe the contents of such Sections or Paragraphs Words of any gender used in this Agreement shall include any other gender, and words in the singular shall include the plural, where the context requires This Agreement may be signed in duplicate counterparts, each of which shall be deemed an original

18 WAIVER OF OBLIGATIONS JIB and Developer shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including, without limitation, the right to demand compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate this Agreement before the expiration of its term) by virtue of (i) any custom or practice of the parties at variance with the terms hereof, (ii) any failure, refusal or neglect of JIB or Developer to exercise any right under this Agreement or to insist upon compliance by the other with its obligations hereunder, including, without limitation, compliance by Developer with any specification, standard or operating procedure, any waiver, forbearance, delay, failure or omission by JIB to exercise any right or option, whether of the same, similar or different natures, with respect to one or more other developers, franchisees or licensees of *Jack in the Box* restaurants, or (iii) the acceptance by JIB of any payments from Developer after any breach of this Agreement The rights or remedies set forth in this Agreement are in addition to any other rights or remedies which may be granted by law

19 SEVERABILITY JIB and Developer agree that if any of the provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable, such provision shall have the meaning which renders it valid and enforceable The language of all provisions of this Agreement shall be construed according to its fair meaning and not strictly against JIB or Developer If any provision of this Agreement, or the application thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid or unenforceable, JIB and Developer shall negotiate to amend this Agreement to provide substantially the same obligations and benefits for each as originally provided If the parties are unable to agree on such an amendment, either may terminate this Agreement upon written notice to the other

20 BROKER Developer warrants that Developer has not appointed and does not contemplate appointing any broker, agent or other person who would be entitled to a fee or commission upon the signing of this Agreement Developer agrees to hold JIB safe and harmless from any fee or commission claimed by any person purporting to act for or on Developer's behalf Nothing in this Agreement shall be construed as prohibiting either party from employing attorneys, accountants or patent or trademark agents to advise and carry out professional services on its behalf

21 TRADEMARKS Developer acknowledges JIB's absolute right to the Marks (registered and unregistered) and disclaims any right or interest therein or to the goodwill attaching thereto Developer agrees that any rights, privileges and benefits, legal or otherwise, resulting from the use of any of the Marks or other JIB names, slogans and symbols shall inure to JIB only

Neither Developer nor any company controlled by Developer shall at any time during the term of this Agreement or thereafter use any of the Marks except as authorized in writing by JIB nor shall Developer or any company controlled by Developer at any time question, deny or dispute the validity, right, title or interest of JIB in and to the Marks or any of JIB's registrations thereof Except as may be expressly authorized by JIB, Developer shall not incorporate or form or cause to be incorporated or formed any company or unincorporated body of persons with a name which includes any reference to any of the Marks or the name JIB or any variations or abbreviations or any words confusingly similar

Some of the Marks have been registered in the United States Patent and Trademark Office, however, JIB makes no express or implied warranty with respect to the validity of any of the Marks Developer acknowledges Developer's understanding that Developer will be conducting business pursuant to Franchise Agreements entered into with JIB, using some JIB Marks which have not been registered and that registration may not be granted for the unregistered Marks and that some of the Marks may be subject to use by third parties unauthorized by JIB

Developer shall immediately refer any infringement or imitation of the Marks or the System, or threat or challenge to the validity, right or use of the Marks to JIB JIB shall have the sole discretion, at its expense, to take such action as it deems appropriate to prevent unauthorized persons from using the Marks If requested by JIB, Developer agrees to join and assist JIB in any action relating to the right to use or the validity of the Marks, and JIB agrees to indemnify Developer for reasonable costs and expenses necessarily incurred in assisting JIB in such action Developer shall not institute any legal action or other kind of proceeding based upon the trademarks which Developer is licensed to use under this Agreement without the prior written approval of JIB

22 NOTICES All notices, reports and other information permitted or required to be delivered hereunder shall be in writing and shall be hand delivered or sent by registered mail, return receipt requested, postage fully prepaid, cable or by facsimile addressed to

Jack in the Box Inc	Jack in the Box Inc 9330 Balboa Avenue San Diego, CA 92123 Attention Franchise/Development Manager
Developer	_____ _____ _____

Addresses may be modified from time to time by either party by written notice to the other party Notices which are sent by mail shall be deemed delivered on the earlier of actual receipt or delivery to the address specified as evidenced by the return receipt Notices sent by facsimile, cable or comparable electronic system shall be effective on the business day following the day they were sent

23 MISCELLANEOUS

A This Agreement shall become valid when signed and accepted by JIB at San Diego, California The laws of California shall apply to any claim or controversy regarding the making, entering into, performance, or interpretation of this Agreement, without giving effect to any conflict-of-law rules of such jurisdiction If, however, any provision of this Agreement would not be enforceable under the laws of California, Developer is located outside of California, and such provision would be enforceable under the laws of the state in which Developer is located, then such provision shall be interpreted and construed under the laws of that state

B This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties relating to the subject matter hereof and supersede any and all prior negotiations, understandings, representations, and agreements regarding that subject matter Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you

C Developer acknowledges that Developer is entering into this Agreement as a result of Developer's own independent investigation of the franchised business and not as a result of any representations made by any shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees of JIB that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to Developer pursuant to applicable law

D Venue and jurisdiction of any suit arising hereunder shall lie within the courts of the State of California located in San Diego, California or within the courts of the United States of America located within the Southern District of California

E This Agreement may only be modified by a written instrument signed by the parties

DEVELOPER	JACK IN THE BOX INC
_____	By _____ Its _____
Date _____	Date _____

EXHIBIT A

Development Area
[to be provided]

Note The Development Area may be a single parcel or may include a larger territory If the Development Area constitutes a single site, there will be a one mile radius within which Developer will be granted protected development rights **[Optional Language if the Development Area constitutes a larger territory Developer will be granted protected rights within such territory, provided, however, that (i) such territorial protection will terminate in the event Developer fails to meet its obligations under this Agreement or any other agreement to develop restaurants within the Development Area, and (ii) Developer understands and acknowledges that certain locations within the Development Area are excluded from the Agreement as they may be more appropriately developed by JIB, or by a company that specializes in institutional foodservice operations or has exclusivity rights or master lease rights These locations include airports, the campuses of universities or colleges, hospitals, public transportation facilities, amusement parks, government facilities, malls, stadiums or other sports facilities, and similarly situated sites Notwithstanding any provision of the Agreement to the contrary, at any time, JIB may develop and operate, or franchise others to develop and operate, Jack in the Box® restaurants at such sites whether or not the sites are located within the Development Area The development and operation of such sites by JIB and/or other developers shall not constitute a violation of the Agreement If JIB permits Developer to develop such a site, that site will not count toward the development obligations under the Agreement]**

EXHIBIT B

Conditions to Site Approval
[to be provided]

ADDENDUM TO DEVELOPMENT AGREEMENT
(Incentive Program)

This Addendum ("Addendum") is incorporated into that certain Development Agreement, dated _____ ("Agreement"), by and between Jack in the Box Inc , a Delaware corporation (hereinafter "JIB"), and _____ (collectively, "Developer") Except as expressly provided in this Addendum, all terms used in this Addendum shall have the meanings established for those terms in the main body of the Agreement In the event of any conflict between the terms and provisions of this Addendum and the Agreement, the terms and provisions of this Addendum shall prevail

CHOOSE ONE OF THE FOLLOWING INCENTIVE PLAN OPTIONS

[OPTION A If the Developed restaurant is opened as a *Jack in the Box* restaurant on or before the Compliance Date, and otherwise in compliance with the terms and provisions hereof (i) for a period of three (3) years from commencement of the Franchise Agreement, Developer will not be obligated to pay any Royalty" to JIB (as defined in the Franchise Agreement), (ii) in the fourth (4th) year of the term of the Franchise Agreement, Developer will pay a reduced Royalty equal to 2% of "Gross Sales" (as defined in the Franchise Agreement), (iii) in the fifth (5th) year of the term of the Franchise Agreement, Developer will pay a reduced Royalty equal to 3% of Gross Sales, (iv) in the sixth year of the term of the Franchise Agreement, Developer will pay a reduced Royalty equal to 4% of Gross Sales, and (v) beginning with the first day of the seventh (7th) year of the term of the Franchise Agreement, and continuing throughout the remainder of the term thereof, Developer will pay Royalties equal to 5% of Gross Sales No Royalty reduction or other incentive listed above will be applicable to any restaurant which is not opened on a timely basis, and otherwise in full compliance with the terms of this Agreement

OPTION B If the Developed restaurant is opened as a *Jack in the Box* restaurant on or before the Compliance Date, and otherwise in compliance with the terms and provisions hereof, upon execution of the Franchise Agreement, JIB will make an interest free loan to Developer in the amount of $250,000 00 pursuant to the terms of promissory note in the form of Exhibit C, attached hereto and incorporated herein by this reference (Note"), which shall provide, among other things, that (i) the principal amount due under the Note will be repaid through a credit equal to 100% of the Royalties that would otherwise have been due and payable based upon Gross Sales at the Developed Restaurant until such time as the Note is paid in full, and (ii) the entire remaining principal balance of the Note shall be due and payable upon the sale or closure of the Developed Restaurant

OPTION C This option will result in a build to suit arrangement whereby JIB will build the building and improvements and charge building rent to Developer based upon the

development costs, amortized over the 20 year term of the Franchise Lease Such building rent will be in addition to any land rent otherwise due under the Franchise Lease If this option is selected, the 'Build to Suit" Addendum should be completed and attached to the Agreement

DEVELOPER	JACK IN THE BOX INC
_____	By _____ Its _____
Date _____	Date _____

EXHIBIT C

$250,000 00

Date _____
San Diego, California
JIB Site No _____

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, _____ and _____, INC , a _____ corporation (collectively Borrower"), hereby jointly and severally promise to pay without notice or demand, to JACK IN THE BOX INC , a Delaware corporation, or order ('Lender"), at 9330 Balboa Avenue, San Diego, California 92123-1516, or to Lender at such other place as Lender may from time to time designate in writing to Borrower, the principal sum of $250,000 00, without interest except as noted below Borrower acknowledges that this Note is being executed and delivered for business purposes, in connection with the development of the restaurant business referenced above ("Restaurant")

The principal amount due under this Note will be repaid through a credit by Lender equal to 100% of the Royalties that would otherwise have been due and payable by Borrower in accordance with the Franchise Agreement between Borrower and Lender for the Restaurant ('Franchise Agreement"), based upon 'Gross Sales" (as defined in the Franchise Agreement) at the Restaurant, until such time as this Note is paid in full

Borrower reserves the right at any time to prepay all or a portion of the amount due under this Promissory Note (the "Note") without penalty

In the event any payment hereunder is not paid when due, Lender's actual damages would be impracticable or extremely difficult to determine and the following is a reasonable estimate of Lender's actual damages under such circumstances In the event of a default in payment hereunder

(i) Borrower agrees to pay to Lender, without notice or demand, as liquidated damages, five percent (5%) of the total amount of each payment due hereunder, which is not paid by the date upon which it is due, and

(ii) In addition to any other remedies available to Lender at law or in equity, and to the maximum extent permitted by law, if this note shall not be paid in full on or before the Due Date, any amounts remaining outstanding shall thereafter accrue interest at a default rate of 12% until paid in full

Each payment hereunder shall be applied in the following order (a) to liquidated damages due to the date such payment is received, (b) to accrued but unpaid interest as of the date such payment is received, and (c) the balance to be applied to principal

All amounts to be paid hereon shall be made without deduction, set off or counterclaim

It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable law governing the maximum rate or amount of interest payable on or in connection with this Note If the applicable law is ever judicially interpreted so as to render usurious any amount called for under this Note or contracted

for, charged, taken, reserved or received with respect to this Note, or if acceleration of the maturity of this Note or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by law, then it is Borrower's and Lender's express intent that all excess amounts theretofore collected by Lender be credited on the principal balance of this Note (or, if this Note has been or would thereby be paid full, refunded to Borrower), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder Any right to accelerate maturity of this Note does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to collect any unearned interest in the event of acceleration All sums paid or agreed to be paid to Lender for the use, forbearance or detention of the indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the applicable usury ceiling

Notwithstanding any other provision contained herein, in the event of a sale, assignment or other transfer by the undersigned, with or without the consent of Lender, and whether voluntary, involuntary or by operation of law, of the Franchise Agreement or that certain Lease Agreement between the parties hereto and pertaining to the Restaurant ('Franchise Lease Agreement"), or if Borrower fails to pay any sum due under this Note, or fails to perform any of the terms, covenants or conditions of this Note, or otherwise defaults in the performance of its obligations hereunder, under the Franchise Agreement or Franchise Lease Agreement, or under any other document, instrument, note, or other agreement among the parties hereto, then, in addition to any other rights and remedies available to Lender, Lender may declare the entire unpaid principal balance of this Note, with all interest thereon, together with all other indebtedness owing from the undersigned to Lender represented or arising from any agreement or account between Lender and Borrower, to be immediately due and payable, without notice or demand

The failure of Lender to exercise any option or any right to which Lender may be entitled shall not constitute a waiver of the right to exercise the option or any right in the event of any subsequent default

If any action or proceeding arising out of this Note shall be commenced by either Lender or Borrower against the other, the prevailing party shall be entitled to recover from the losing party such amount as the court may adjudge to be reasonable costs and attorneys' fees for the services rendered to the party finally prevailing in such action or proceeding

Notices from Lender to Borrower shall be deemed given if addressed to Borrower at _____ (or such other address as Borrower may designate in writing to Lender), and deposited in the United States Mails postage prepaid and certified Lender or any holder hereof may rely on the foregoing address, as the same may be changed pursuant to the foregoing, as being the address of the undersigned last known to the holder thereof The date that any notice is so deposited in the United

States Mails shall be deemed to be the date that notice is given

This Note is to be construed and enforced according to and governed by, the laws of the State of California

This Note may not be changed or terminated orally, but only by an agreement in writing properly signed by the parties against whom such change or termination is sought

BORROWER

_____

_____, INC ,
a California corporation

By _____
Its _____

ADDENDUM TO DEVELOPMENT AGREEMENT

[To be used if JIB may assign its interest in the Master Lease to Developer and obtain a release of the obligations thereunder]

This Addendum ("Addendum") is incorporated into that certain Development Agreement, dated _____, ("Agreement"), by and between Jack in the Box Inc , a Delaware corporation (hereinafter "JIB"), and _____ (collectively, "Developer") Except as expressly provided in this Addendum, all terms used in this Addendum shall have the meanings established for those terms in the main body of the Agreement In the event of any conflict between the terms and provisions of this Addendum and the Agreement, the terms and provisions of this Addendum shall prevail

A Developer agrees to use best efforts to develop JIB Site No ____, located at _____ ("Site No ____") Developer acknowledges and agrees that any failure to use such best efforts may result in serious and substantial damages to JIB, which would be recoverable against Developer, notwithstanding any other provision of the Agreement or this Addendum Developer agrees and acknowledges that the following provisions shall apply with respect to the development of Site No ____

1 As required pursuant to the Agreement, Developer must obtain Site Approval (including, without limitation, satisfaction of all conditions thereto), Expansion Approval and Lease Approval, if applicable, with respect to Site No ____

2 JIB, or its subsidiary (which, for the purposes of this Addendum shall also be referred to as JIB), has entered into that certain Real Estate Purchase Contract and Receipt for Deposit, dated _____ [or Lease, dated _____] ("____ Contract"), with the owner of Site No ____ ("____ Owner"), pursuant to which JIB has agreed to purchase [lease] Site No ____ Under separate cover, JIB will deliver to Developer all of the underlying due diligence materials in its possession associated with the Site No ____, including, without limitation, (i) a soils report, (ii) an environmental site assessment, (iii) a current site plan, (iv) a set of construction plans, (v) the latest title information in JIB's possession, (vi) current development cost estimates, and (vii) a copy of the ____ Contract JIB makes no warranties or representations regarding such materials, and Developer shall be responsible to perform its own due diligence with respect to Site No ____ By execution hereof, Developer acknowledges receipt and approval of such materials, agrees that JIB shall be under no obligation to obtain or provide to Developer any additional reports or information regarding Site No ____, and acknowledges that the agreement contained in this letter is subject and subordinate to the provisions of the ____ Contract If, despite Developer's best efforts, the ____ Contract is terminated for any reason prior to commencement of the term thereof, JIB's obligations to Developer with respect to Site No ____ will also terminate, provided, however, that (a) JIB shall then have the right to either develop and operate Site No ____ itself, develop Site No ____ and sell the completed restaurant to another franchisee to operate, or present such site to another franchisee for development, and

(b) in any event, Developer shall continue to be obligated to comply with the schedule set forth in Section 7 A of the Agreement

3 Among other items, the ____ Contract contains terms which Developer is obligated to perform, at Developer's sole cost and expense Notwithstanding the fact that JIB has executed the ____ Contract, Developer hereby acknowledges and approves the specific terms and provisions of the ____ Contract Concurrently with execution of this Agreement, JIB and Developer shall execute a separate Assignment in the form of Exhibit D, attached hereto and incorporated herein by this reference, pursuant to which JIB shall assign its rights and delegate its duties under the ____ Contract to Developer, and Developer shall assume the obligations of the buyer [tenant] thereunder, and agree to abide by all of the terms and provisions of the ____ Contract, including, without limitation, the following _____ Upon such assignment, JIB will be released from any further duties or obligations under the ____ Contract

Developer will use best efforts to satisfy and(or) waive all of the contingencies set forth in the ____ Contract and shall adhere to the timing and contingency timeframes set forth in the ____ Contract and in this letter agreement Upon satisfaction of the contingencies set forth in the ____ Contract, Developer will waive the contingencies set forth in the ____ Contract, pull any and all required permits for the construction of all buildings and improvements to be located on Site No ____, and proceed to close escrow for the acquisition of Site No ____ Thereafter, Developer shall construct all buildings and improvements to be located on Site No ____ in accordance with the permitted set of plans and specifications, at Developer's sole cost and expense All permits shall be issued in the name of Developer Developer shall construct such improvements in a good and workmanlike manner, in accordance with all applicable laws, rules, regulations, ordinances and codes, and shall comply, at Developer's sole cost and expense, in all respects with the requirements and obligations of the buyer under the ____ Contract, and Developer shall contract directly with vendors approved by JIB for the acquisition and installation of the restaurant equipment required to operate Site No ____, at Developer's sole cost and expense Developer shall also be responsible for contracting directly with JIB's approved sign supplier for all building and other signage, as well as with Coca Cola for the purchase and installation of beverage station equipment, all at Developer's sole cost and expense Developer shall engage a contractor approved by JIB, and shall also enter into a separate agreement with an architect to provide any necessary services throughout the construction process In the event JIB has previously entered into an agreement with an architect for the site, to the extent permissible under such agreement, JIB shall assign its rights and delegate its duties thereunder to Developer

4 In any event, whether or not Developer acquires Site No ____ and develops a Jack in the Box restaurant thereon, Developer shall reimburse JIB for any and all costs and expenses, including, without limitation, any and all taxes or assessments relating thereto and any internal overhead or other charges, incurred by JIB in connection with the acquisition, investigation and development of Site No ____, and Developer shall also be responsible for all subsequent costs and expenses in connection with the acquisition, investigation and development of Site No ____,

including, without limitation, (i) any deposits, reimbursements, or other payments due the ____ Owner pursuant to the ____ Contract, and (ii) any fees payable to third party consultants for services rendered in connection with the acquisition, investigation and development of Site No ____, whether engaged by JIB or by Developer JIB shall provide Developer with one or more invoices for any and all unreimbursed costs and expenses incurred by JIB in connection with the acquisition, investigation and development of Site No ____, and Developer shall reimburse JIB for such costs within thirty (30) days of its receipt of such invoice(s) Developer shall be responsible for all such reimbursements, costs and expenses, even if Developer ultimately does not develop Site No ____

5 Developer shall comply in all respects with all Site Approval and development requirements established from time to time by JIB, including, without limitation, those set forth in the Agreement

6 Developer will construct all necessary improvements and commence business operations at Site No ____ as soon as possible following waiver of the contingencies under the ____ Contract, but in any event in compliance with the schedule set forth in section 6 A of the Agreement Immediately upon completion of construction of the improvements by Developer, or earlier as may be required by either party, JIB and Developer shall execute a then current form of Franchise Agreement for Site No ____, which will be effective upon commencement of business at Site No ____ and shall have a term of twenty (20) years Upon execution of such Franchise Agreement, Developer will pay the franchise fee of $50,000 00, as outlined in the Franchise Agreement, and shall otherwise comply in all respects with the obligations set forth therein The franchise, royalty and marketing fees will be charged as set forth in the Franchise Agreement

B Developer agrees and acknowledges that any construction plans provided by JIB for Site No ____ have been prepared by architects hired by JIB, and are being provided for use by Developer in obtaining the permits and constructing the improvements at such sites strictly on an "AS IS" basis JIB makes no warranties or representations of any kind whatsoever with respect to any such plans, or the appropriateness thereof or of any materials referenced therein, and by execution hereof, Developer (i) releases JIB from any and all Claims" (as defined below) with respect to the plans and (or) the accuracy or completeness thereof, or the appropriateness thereof or of any materials referenced therein, and (ii) shall indemnify, defend and hold JIB and its employees, officers, directors, agents, successors, representatives and assigns harmless from and against any and all claims, demands, actions, damages, losses, liabilities, costs and expenses of any kind, including, without limitation, attorney fees and costs (collectively, "Claims"), incurred directly or indirectly in connection with or as a result of the use of the plans or the materials referenced therein by Developer and(or) any change or modification of the plans by Developer, or the construction of the improvements by Developer at Site No ____

Developer	Jack in the Box Inc
_____	By _____
	Title _____

EXHIBIT D

ASSIGNMENT

THIS ASSIGNMENT is made effective as of _____, by and between JACK IN THE BOX INC , a Delaware corporation [or JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership], whose business and post office address is 9330 Balboa Avenue, San Diego, California 92123 ("Assignor"), and _____, whose business and post office address is _____(Assignee"), who agrees as follows

WITNESSETH

That the Assignor, for and in consideration of the sum TEN AND NO/100 DOLLARS ($10 00) and other good and valuable consideration to the Assignor paid by the Assignee, receipt whereof is hereby acknowledged, and of the covenants and agreements of the Assignee hereinafter contained and on the part of the Assignee to be faithfully kept and performed, does hereby sell, assign, transfer, set over and deliver unto the Assignee all of the right, title and interest of the Assignor in and to that certain [Real Estate Purchase Contract and Receipt for Deposit, dated _____, by and between _____, as seller ('Seller"), and Assignor, as buyer ("Purchase Agreement") OR Lease, dated _____, by and between _____, as landlord ("Landlord"), and Assignor, as tenant ('Lease")] Pursuant to the [Purchase Agreement/Lease], Assignor has agreed to [buy/lease] that certain real property located at _____, as more particularly described in therein ("Property")

The foregoing assignment shall be subject to the observance and performance by the Assignee of all of the covenants and conditions contained in the Purchase [Agreement/Lease], which according to the terms and provisions thereof, are or ought to be observed and performed by the [buyer/tenant] therein named

The Assignee hereby assumes the obligations of the [buyer/tenant] under the [Purchase Agreement/Lease] and shall, as of and from the date hereof, faithfully observe and perform all of the covenants and conditions contained the [Purchase Agreement/Lease] which are or ought to be observed and performed by the [buyer/tenant] therein named, and will at all times hereafter indemnify, defend and save the Assignor harmless from and against any and all claims, demands, actions, losses, liabilities, costs and expenses of any kind whatsoever, including without limitation, attorneys' fees and costs, arising out of or resulting directly or indirectly from the breach or nonobservance of the covenants and conditions contained in the [Purchase Agreement/Lease] Assignee shall not amend, modify or extend any of the provisions or conditions of the [Purchase Agreement/Lease] without the prior consent of Assignor

The rights and obligations of the parties hereto shall be binding upon and inure to the benefit of their respective heirs, personal representatives, successors and permitted assigns

This document may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same document

IN WITNESS WHEREOF, the parties hereto have executed these presents effective as of the day and year set forth above

Assignor

JACK IN THE BOX INC , a Delaware corporation

By _____
Its _____

[or

JACK IN THE BOX EASTERN DIVISION L P ,
a Texas limited partnership

By JBX General Partner LLC, a Delaware limited liability company, general partner

By _____
Name _____
Title Authorized Person]

Assignee

_____

By execution below, _____ ("[Seller/Landlord]"), consents to the assignment and assumption set forth above, and agrees that, effective as of the date hereof, Assignor is hereby fully and forever released, acquitted and discharged from any and all duties, liabilities or obligations under the [Purchase Contract/Lease]

[Seller/Landlord]

_____

ADDENDUM TO DEVELOPMENT AGREEMENT

[To be used if JIB will perform Due Diligence and turn the site over to Developer to complete construction]

This Addendum ("Addendum") is incorporated into that certain Development Agreement, dated _____ ("Agreement"), by and between Jack in the Box Inc , a Delaware corporation (hereinafter "JIB"), and _____(collectively, "Developer") Except as expressly provided in this Addendum, all terms used in this Addendum shall have the meanings established for those terms in the main body of the Agreement In the event of any conflict between the terms and provisions of this Addendum and the Agreement, the terms and provisions of this Addendum shall prevail

A Developer agrees to use best efforts to develop JIB Site No ____, located at _____ ("Site No ____"), including, without limitation, obtaining Site Approval, Expansion Approval and Lease Approval, if applicable Developer acknowledges and agrees that any failure to use such best efforts may result in serious and substantial damages to JIB, which would be recoverable against Developer, notwithstanding any other provision of the Agreement or this Addendum Developer agrees and acknowledges that the following provisions shall apply with respect to the development of Site No ____

1 JIB, or its subsidiary (which, for the purposes of this Addendum shall also be referred to as JIB), has entered into a Lease, dated _____, as amended ("____ Underlying Lease"), with the owner of Site No ____ ("____ Master Lessor") Under separate cover, JIB will deliver to Developer all of the underlying due diligence materials in its possession associated with the Site No ____, including, without limitation, (i) a soils report, (ii) an environmental site assessment, (iii) a current site plan, (iv) a set of construction plans, (v) the latest title information in JIB's possession, and (vi) a copy of the ____ Underlying Lease, with amendments JIB makes no warranties or representations regarding such materials By execution hereof, Developer acknowledges receipt and approval of such materials, agrees that, except as expressly provided herein, JIB shall be under no obligation to obtain or provide to Developer any additional reports or information regarding the Site, and acknowledges that the agreement contained in this letter is subject and subordinate to the provisions of the ____ Underlying Lease If the ____ Underlying Lease is terminated for any reason prior to commencement of the term thereof, JIB's obligations to Developer with respect to Site No ____ will also terminate, provided, however, that (a) JIB shall then have the right to either develop and operate Site No ____ itself, develop Site No ____ and sell the completed restaurant to another franchisee to operate, or present such site to another franchisee for development, and (b) in any event, Developer shall continue to be obligated to comply with the schedule set forth in Section 6 A of the Agreement

2 Among other items, the ____ Underlying Lease will contain a number of contingencies for the benefit of JIB JIB is in the process of satisfying such contingencies in the ____ Underlying Lease JIB shall continue to diligently pursue satisfaction and(or) waiver of all such contingencies, provided, however, that JIB shall have the right at any time, in its sole and absolute discretion, to terminate the ____ Underlying Lease if JIB determines that any contingency will not be satisfied in a timely manner and that such action is necessary to protect its rights or otherwise prevent JIB

from being bound under the ____ Underlying Lease Once JIB is in position to waive any or all such contingencies, JIB may (but will not be obligated to) notify Developer and seek approval from Developer for such contemplated contingency waiver, in which case Developer shall have five (5) days to approve or disapprove JIB's proposed waiver of the subject contingencies If Developer does not notify JIB in writing within such five (5) day period of Developer's approval or disapproval of the contemplated contingency waiver, Developer shall be deemed to have approved the waiver of the contingencies identified in JIB's notice In any event, upon waiver of all contingencies, Developer shall assume responsibility for obtaining all permits and paying any and all fees and costs associated therewith All permits shall be issued in the name of Developer, and Developer shall be responsible for pulling any and all required permits and for the construction of all buildings and improvements to be located on Site No ____ in accordance with the permitted set of plans and specifications, at Developer's sole cost and expense Developer shall construct such improvements in a good and workmanlike manner, in accordance with all applicable laws, rules, regulations, ordinances and codes, and shall comply, at Developer's sole cost and expense, in all respects with the requirements and obligations of the tenant under the ____ Underlying Lease and Developer shall contract directly with vendors approved by JIB for the acquisition and installation of the restaurant equipment required to operate Site No ____, at Developer's sole cost and expense Developer shall also be responsible for contracting directly with JIB's approved sign supplier for all building and other signage, as well as with Coca Cola for the purchase and installation of beverage station equipment, all at Developer's sole cost and expense Developer shall engage a contractor approved by JIB, and shall also enter into a separate agreement with an architect to provide any necessary services throughout the construction process In the event JIB has previously entered into an agreement with an architect for the site, to the extent permissible under such agreement, JIB shall assign its rights and delegate its duties thereunder to Developer

3 Developer shall be granted access for the purpose of performing the construction and other development activities described in this Addendum ("Development Activities"), at Developer's sole cost and expense Developer assumes all risk associated with the performance of the Development Activities, and shall indemnify, defend and hold JIB and its agents, representatives, assigns, employees, officers and directors, harmless from and against any and all claims, demands, actions, judgments, losses, liabilities, costs or expenses of any kind, including without limitation, attorney's fees and costs, incurred or arising directly or indirectly out of or in connection with the performance of the Development Activities or the entry onto Site No ____ In no event shall JIB or JIB's insurance carrier be liable for any loss, cost, damage or expense arising out of death of or injury to persons, or loss of or damage to property caused by or resulting from any acts or omissions of Developer or its servants, employees and/or agents Prior to entering onto Site No ____, Developer shall obtain all insurance coverage required under JIB's standard Franchise Lease and shall provide JIB with certificates of insurance such indicating such coverages

4 In any event, whether or not Developer acquires Site No ____ and develops a Jack in the Box restaurant thereon, Developer shall reimburse JIB for any and all costs and expenses, including, without limitation, any and all taxes or assessments related thereto and any internal overhead or other charges, incurred by JIB in connection with the acquisition, investigation and development of Site No ____, and

Developer shall also be responsible for all subsequent costs and expenses in connection with the acquisition, investigation and development of Site No ____, including, without limitation, any deposits, reimbursements, or other payments due the ____ Master Lessor pursuant to the ____ Underlying Lease In addition to any and all out of pocket costs and other expenses, and any internal overhead or other charges, incurred by JIB in connection with the acquisition, investigation and development of Site No ____, Developer agrees that it shall also pay JIB the additional sum of $25,000 00 to compensate JIB for services rendered in connection with the development of Site No ____ ('Due Diligence Fee") JIB shall provide Developer with one or more invoices for any and all unreimbursed costs and expenses incurred by JIB in connection with the acquisition, investigation and development of Site No ____, and Developer shall reimburse JIB for such costs within thirty (30) days of its receipt of such invoice(s), provided, however, that the Due Diligence Fee shall be due and payable by Developer to JIB concurrently with execution and delivery of this Agreement Developer shall be responsible for all such reimbursements, costs and expenses, even if Developer ultimately does not develop Site No ____

5 As required pursuant to the Agreement, Developer must obtain Site Approval (including, without limitation, satisfaction of all conditions thereto), Expansion Approval and Lease Approval, if applicable, with respect to Site No ____ Developer shall comply in all respects with all Site Approval and development requirements established from time to time by JIB, including, without limitation, those set forth in the Agreement

6 Developer will construct all necessary improvements and commence business operations at Site No ____ as soon as possible following waiver of the contingencies under the ____ Underlying Lease, but in any event on or before the Compliance Date Immediately upon completion of construction of the ____ Improvements by Developer, or earlier as may be required by either party, JIB and Developer shall execute a then current form of Franchise Agreement and Franchise Lease for Site No ____, which will be effective upon the 'Term Commencement Date" of the ____ Underlying Lease (as defined therein), whether or not Developer has opened for business at Site No ____, and shall have a term of twenty (20) years In accordance with the provisions of the ____ Underlying Lease, the Term Commencement Date shall be _____ [For example the earlier of (i) one hundred eighty one (181) days after the last of the contingencies to which the ____ Underlying Lease is subject have been satisfied or waived by JIB, or (ii) the date upon which the restaurant opens for business] Developer agrees that the minimum rent payable under the Franchise Lease shall be equal to (a) 105% of the minimum rent payable by JIB to the ____ Master Lessor pursuant to the ____ Underlying Lease, plus (b) any percentage rent payable under the ____ Underlying Lease (estimated), which Developer acknowledges shall be equal to _____ (as such terms are defined in the ____ Underlying Lease) Upon execution of such franchise documents, Developer will pay the franchise fee of $50,000 00, as outlined in the Franchise Agreement, and shall otherwise comply in all respects with the obligations set forth therein The franchise, royalty and marketing fees will be charged as set forth in the Franchise Agreement

B Developer agrees and acknowledges that any construction plans provided by JIB for Site No ____ have been prepared by architects hired by JIB, and are being provided for use by Developer in obtaining the permits and constructing the improvements at such sites strictly on an "AS IS" basis JIB makes no warranties or representations of any kind whatsoever with respect to any such plans, the appropriateness thereof or of any

materials referenced therein, and by execution hereof, Developer (i) releases JIB from any and all "Claims" (as defined below) with respect to the plans and (or) the accuracy or completeness thereof, or the appropriateness thereof or of any materials referenced therein, and (ii) shall indemnify, defend and hold JIB and its employees, officers, directors, agents, successors, representatives and assigns harmless from and against any and all claims, demands, actions, damages, losses, liabilities, costs and expenses of any kind, including, without limitation, attorney fees and costs (collectively, "Claims"), incurred directly or indirectly in connection with or as a result of the use of the plans or the materials referenced therein and(or) any change or modification of the plans, or the construction of the improvements at Site No ____ by Developer

Developer

_____

Jack in the Box Inc

By _____

Title _____

ADDENDUM TO DEVELOPMENT AGREEMENT

[Build to Suit Option]

This Addendum (Addendum") is incorporated into that certain Development Agreement, dated _____ ("Agreement"), by and between Jack in the Box Inc , a Delaware corporation (hereinafter "JIB"), and _____ (collectively, "Developer") Except as expressly provided in this Addendum, all terms used in this Addendum shall have the meanings established for those terms in the main body of the Agreement In the event of any conflict between the terms and provisions of this Addendum and the Agreement, the terms and provisions of this Addendum shall prevail

A Developer and JIB agree and acknowledge that JIB Site No ____, located at _____ ("Site No ____"), shall be developed by JIB on behalf of Developer so as to satisfy, in part, Developer's obligations under the Agreement JIB and Developer agree and acknowledge that the following provisions shall apply with respect to the development of Site No ____

1 As required pursuant to the Agreement, Developer must obtain Site Approval (including, without limitation, satisfaction of all conditions thereto), Expansion Approval and Lease Approval, if applicable, with respect to Site No ____

2 JIB, or its subsidiary (which, for the purposes of this Addendum shall also be referred to as JIB), has entered into a lease ("____ Underlying Lease"), for the acquisition of Site No ____, and is in the process of obtaining permits and approvals necessary to acquire the site and develop a Jack in the Box restaurant thereon, including, without limitation, satisfying all contingencies set forth in the ____ Underlying Lease Under separate cover, JIB will deliver to Developer all of the underlying due diligence materials in JIB's possession associated with the Site No ____, including, without limitation, (i) a soils report, (ii) an environmental site assessment, (iii) a current site plan, (iv) a set of construction plans, (v) the latest title information in JIB's possession, and (vi) a copy of the ____ Underlying Lease JIB makes no warranties or representations regarding such materials By execution hereof, Developer acknowledges receipt and approval of such materials, agrees that JIB shall be under no obligation to obtain or provide to Developer any additional reports or information regarding Site No ____, and acknowledges that the agreement contained herein is subject and subordinate to the provisions of the ____ Underlying Lease If the ____ Underlying Lease is terminated for any reason prior to commencement of the term thereof, JIB's obligations to Developer with respect to Site No ____ will also terminate, provided, however, that (a) JIB shall then have the right to either develop and operate Site No ____ itself, develop Site No ____ and sell the completed restaurant to another franchisee to operate, or present such site to another franchisee for development, and (b) in any event, Developer shall continue to be obligated to comply with the schedule set forth in Section 6 A of the Agreement, and if the ____ Underlying Lease is terminated for any reason prior to commencement of the term thereof, Developer shall reimburse JIB for any and all "Development Costs" (as defined below) incurred by JIB prior to such termination, including, without limitation, the $25,000 payable to JIB to

compensate JIB for services rendered in connection with the development of Site No ____

3 Among other items, the ____ Underlying Lease contains a number of contingencies for the benefit of JIB JIB is in the process of satisfying such contingencies JIB shall continue to diligently pursue satisfaction and(or) waiver of all such contingencies, provided, however, that JIB shall have the right at any time, in its sole and absolute discretion, to terminate the ____ Underlying Lease if JIB determines that any contingency will not be satisfied in a timely manner and that such action is necessary to protect its rights or otherwise prevent JIB from being bound under the ____ Underlying Lease Once JIB is in position to waive such contingencies and begin construction of the proposed Jack in the Box restaurant at Site No ____, JIB shall obtain all permits, including paying any and all fees and costs associated therewith, and shall JIB shall be responsible for construction of a new Jack in the Box restaurant according to the approved and permitted plans and specifications (____ Improvements"), using such contractors and material suppliers as JIB shall select, in its sole discretion JIB shall construct such improvements in a good and workmanlike manner, in accordance with all applicable laws, rules, regulations, ordinances and codes

4 Upon completion of construction of the ____ Improvements, JIB shall turn the newly constructed restaurant over to Developer and Developer will commence business operations at Site No ____ as soon as possible following such turnover, but in any event in compliance with the schedule set forth in section 7 A of the Agreement The parties agree that Developer shall have the right to enter Site No ____ prior to the turnover for the purpose of (i) cleaning, (ii) stocking shelving in anticipation of restaurant opening, and (iii) conducting employee training (collectively, "Pre-Opening Activities"), all in accordance with the following

(a) Developer shall be granted access for the purpose of performing the Pre-Opening Activities, which shall consist only of Pre-Opening Activities described herein and(or) such other activities as may be approved in advance by JIB Specifically, and without limitation, Developer shall not prepare or serve food prior to turnover Developer shall coordinate the Pre-Opening Activities with JIB and its contractors, and Developer shall not interfere in any manner with the activities of JIB, and(or) its contractors JIB shall notify Developer, in writing, with the date that Developer will be granted access to Site No ____ for the purpose of conducting the Pre-Opening Activities

(b) The Pre-Opening Activities shall be performed by Developer at its sole cost and expense Developer assumes all risk associated with the performance of the Pre-Opening Activities, and shall indemnify, defend and hold JIB and its agents, representatives, assigns, employees, officers and directors, harmless from and against any and all claims, demands, actions, judgments, losses, liabilities, costs or expenses of any kind, including without limitation, attorney's fees and costs, incurred or arising directly or indirectly out of or in connection with the performance of the Pre-Opening Activities or the entry onto Site No ____ In no event shall JIB or JIB's insurance carrier be liable for any loss, cost, damage or expense arising out of death of or injury to

persons, or loss of or damage to property caused by or resulting from any acts or omissions of Developer or its servants, employees and/or agents

(c) Prior to entering onto Site No ____, Developer shall obtain all insurance coverage required under JIB's standard Franchise Lease and shall provide JIB with certificates of insurance such indicating such coverages

5 Immediately upon completion of construction of the ____ Improvements by JIB, or earlier as may be required by either party, JIB and Developer shall execute a then current form of Franchise Agreement and Franchise Lease for Site No ____, which will be effective upon the 'Term Commencement Date" of the ____ Underlying Lease (as defined therein), whether or not Developer has opened for business at Site No ____, and shall have a term of twenty (20) years In accordance with the provisions of the ____ Underlying Lease, the Term Commencement Date shall be _____ [For example the earlier of (i) one hundred ten (110) days after the last of the contingencies to which the ____ Underlying Lease is subject have been satisfied or waived by JIB, or (ii) the date upon which the restaurant opens for business, and shall have a term of twenty (20) years] Upon execution of such franchise documents, Developer will pay the franchise fee of $50,000 00, as outlined in the Franchise Agreement, and shall otherwise comply in all respects with the obligations set forth therein

6 The initial Fixed Minimum Rent" (as defined in the Franchise Lease) for Site No ____ under the Franchise Lease will be calculated as follows (i) Developer shall pay annual land rent equal to $_____, which Developer acknowledges and agrees is equal to 105% of the initial minimum rent payable under the ____ Underlying Lease, plus any percentage rent payable under the ____ Underlying Lease (estimated), which Developer acknowledges shall be equal to _____ ("Land Rent"), and (ii) Developer shall pay annual building rent based upon the Development Costs incurred by JIB in constructing the ____ Improvements, prorated over the twenty (20) year term of the Franchise Lease ("Building Rent") In addition to Fixed Minimum Rent, Developer will pay "Percentage Rent" (as defined in the Franchise Lease) in the amount of [9 5% (for sale/leaseback transactions OR 10 5% (for ground lease transactions)] of "Gross Sales" (as defined in the Franchise Lease), in accordance with the provisions of the Franchise Lease For the purposes hereof, Development Costs" shall mean any and all costs and expenses, including, without limitation, any and all taxes or assessments related thereto and any internal overhead or other charges, incurred by JIB in connection with the acquisition, investigation, development and construction of Site No ____, including, without limitation, any deposits, reimbursements, or other payments due the ____ Master Lessor pursuant to the ____ Underlying Lease In addition to any and all out of pocket costs and other expenses, and any internal overhead or other charges, incurred by JIB in connection with the acquisition, investigation, development and construction of Site No ____, Developer agrees that the Development Costs shall also include the additional sum of $25,000 00 to compensate JIB for services rendered in connection with the development of Site No ____ Developer acknowledges and agrees that the estimated Development Costs for Site No ____ are $_____, provided, however, (a) such amount is an estimate only and is subject to modification based upon the actual Development Costs incurred by JIB in connection with Site No ____, (b) as noted above, the Development Costs shall include

the sum of $25,000 to compensate JIB for services rendered in connection with the development and construction of Site No ____, and (c) JIB and Developer expressly agree and acknowledge that the Development Costs shall not include acquisition and installation of the restaurant equipment required to operate Site No ____ and Developer shall contract directly with vendors approved by JIB for the acquisition and installation of such equipment, at Developer's sole cost and expense Developer shall also be responsible for contracting directly with JIB's approved sign supplier for all building and other signage, as well with Coca Cola for the purchase and installation of beverage station equipment, all at Developer's sole cost and expense Land Rent and Building Rent under the Franchise Lease for Site No ____ shall be payable in equal monthly installments and shall be adjusted in accordance with the provisions of the Franchise Lease to account for rent increases under the ____ Underlying Lease Royalty and marketing fees will be charged as set forth in the Franchise Agreement

B Developer agrees and acknowledges that any construction plans provided by JIB for Site No ____ have been prepared by architects hired by JIB and, along with any other materials provided by JIB hereunder, have been provided to Developer for information purposes only Developer shall accept the ____ Improvements on an AS IS" basis, without warranty or representation by JIB

Developer	Jack in the Box Inc
_____	By _____
	Title _____
Date _____	Date _____

EXHIBIT L

AUTHORIZATION FOR PREARRANGED PAYMENTS

EXHIBIT L

AUTHORIZATION FOR PREARRANGED PAYMENTS

The undersigned depositor (Franchisee') hereby authorizes Jack in the Box Inc (Company) to initiate debit entries and/or credit correction entries to the checking and/or savings account(s) indicated below for all amounts owed by Franchisee to Company

Name of Account Holder	Federal ID Number
Bank	
Bank Transit/ABA Number	Account Number

This authorization will remain in full force and effect until Bank has received joint written notification from Company and Franchisee of the termination of such authorization in such time and in such manner as Bank requires

If an erroneous debit entry is initiated by Company to Franchisee s account(s), Franchisee will have the right to have the amount of such entry credited by Company against future invoices If an erroneous debit entry exceeds $25 000 Franchisee may request that Company correct the error by wiring funds into the account within 5 days after the error is verified alternatively, Franchisee may request a reversal of the entry by Bank and Company agrees to send to Bank a written notice identifying such entry stating that such entry was in error and requesting Bank to credit the amount thereof to such account(s) These rights are in addition to any rights Franchisee may have under applicable federal and state banking laws

The undersigned represents and warrants that he/she is authorized to sign this document on behalf of Franchisee and that the undersigned and Franchisee are authorized to initiate debit entries to the account referenced above for all amounts owed by Franchisee to Company

Franchisee agrees to provide such other and additional information as Bank may require to authorize debit entries including but not limited to written authorization of any joint account holders if the account referenced above is a joint account

Please provide a voided check, MICR encoded slip, or a MICR Specification sheet provided by the Bank to verify the Bank Transit/ABA Number and Account Number

Entity_____

By_____

Print Name_____

Title_____

Date_____

EXHIBIT M

PROMISSORY NOTE
AND SECURITY AGREEMENT

$_____

Date _____, 20___
San Diego, California
JIB Site No(s) _____

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, _____ and _____, INC , a _____ corporation (collectively Borrower"), hereby jointly and severally promise to pay without notice or demand, to JACK IN THE BOX INC , a Delaware corporation, or order (Lender"), at 9330 Balboa Avenue, San Diego, California 92123-1516, or to Lender at such other place as Lender may from time to time designate in writing to Borrower, the principal sum of $_____, with interest per annum at the rate of ___% Interest shall accrue commencing _____ and continuing until this Note is paid in full Borrower acknowledges that this Note is being executed and delivered for business purposes, in connection with the sale of the restaurant business referenced above

Commencing on _____ and continuing on the first day of each month throughout the term hereof, Borrower shall make monthly payments of principle and interest, in arrears, based upon a ten (10) year amortization schedule, with all outstanding principal and accrued but unpaid interest being due and payable on _____ (Due Date") Interest shall be calculated on the basis of thirty (30) day months and three hundred sixty (360) day years

Borrower reserves the right at any time to prepay all or a portion of the amount due under this Promissory Note (the "Note") without penalty

In the event any payment hereunder is not paid when due, Lender's actual damages would be impracticable or extremely difficult to determine and the following is a reasonable estimate of Lender's actual damages under such circumstances In the event of a default in payment hereunder

(i) Borrower agrees to pay to Lender, without notice or demand, as liquidated damages, five percent (5%) of the total amount of each payment due hereunder, which is not paid by the date upon which it is due, and

(ii) In addition to any other remedies available to Lender at law or in equity, and to the maximum extent permitted by law, if this note shall not be paid in full on or before the Due Date, any amounts remaining outstanding shall thereafter accrue interest at a default rate of 12% until paid in full

Each payment hereunder shall be applied in the following order (a) to liquidated damages due to the date such payment is received, (b) to accrued but unpaid interest as of the date such payment is received, and (c) the balance to be applied to principal

All amounts to be paid hereon shall be made without deduction, set off or counterclaim

It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable law governing the maximum rate or amount of interest payable on or in connection with this Note If the applicable law is ever judicially interpreted so as to render usurious any amount called for under this Note or contracted for, charged, taken, reserved or received with respect to this Note, or if acceleration of

the maturity of this Note or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by law, then it is Borrower's and Lender's express intent that all excess amounts theretofore collected by Lender be credited on the principal balance of this Note (or, if this Note has been or would thereby be paid in full, refunded to Borrower), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder Any right to accelerate maturity of this Note does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to collect any unearned interest in the event of acceleration All sums paid or agreed to be paid to Lender for the use, forbearance or detention of the indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the applicable usury ceiling

This Note is secured by a Security Agreement of even date herewith ("Security Agreement") from Borrower to Lender granting a security interest in certain personal property located at the JACK IN THE BOX restaurants listed on Schedule 1, attached hereto and incorporated herein by this reference ("Collateral")

Notwithstanding any other provision contained herein, in the event of a sale, assignment or other transfer by the undersigned, with or without the consent of Lender, and whether voluntary, involuntary or by operation of law, of that certain Franchise Agreement or that certain Lease Agreement between the parties hereto and pertaining to the JACK IN THE BOX restaurants referenced above relating to the Collateral (herein referred to respectively as the "Franchise Agreement" and the "Franchise Lease Agreement"), or if Borrower fails to pay any sum due under this Note, or fails to perform any of the terms, covenants or conditions of this Note, or otherwise defaults in the performance of its obligations hereunder, under the Security Agreement, Franchise Agreement or Franchise Lease Agreement, then, in addition to any other rights and remedies available to Lender, Lender may declare the entire unpaid principal balance of this Note, with all interest thereon, together with all other indebtedness owing from the undersigned to Lender represented or arising from any agreement or account between Lender and Borrower, to be immediately due and payable, without notice or demand

The failure of Lender to exercise any option or any right to which Lender may be entitled shall not constitute a waiver of the right to exercise the option or any right in the event of any subsequent default

If any action or proceeding arising out of this Note shall be commenced by either Lender or Borrower against the other, the prevailing party shall be entitled to recover from the losing party such amount as the court may adjudge to be reasonable costs and attorneys' fees for the services rendered to the party finally prevailing in such action or proceeding

Notices from Lender to Borrower shall be deemed given if addressed to Borrower at _____ (or such other address as Borrower may designate in writing to Lender), and deposited in the United States Mails postage prepaid and

certified Lender or any holder hereof may rely on the foregoing address, as the same may be changed pursuant to the foregoing, as being the address of the undersigned last known to the holder thereof The date that any notice is so deposited in the United States Mails shall be deemed to be the date that notice is given

This Note is to be construed and enforced according to and governed by, the laws of the State of California

This Note may not be changed or terminated orally, but only by an agreement in writing properly signed by the parties against whom such change or termination is sought

BORROWER

_____

_____, Inc ,
a California corporation

By _____
Its _____

SCHEDULE 1

JIB Site #

JIB No(s) _____

SECURITY AGREEMENT

This Security Agreement ('Agreement") is made and entered into as of _____, 2003, by and between _____, and _____, a California corporation (collectively 'Debtor"), and JACK IN THE BOX INC , a Delaware corporation ('Secured Party"), who agree as follows

1 Recitals This Agreement is made and entered into with reference to the following facts and circumstances

A Debtor is jointly and severally indebted to Secured Party in the principal amount of $_____ as evidenced by a Promissory Note, dated concurrently herewith ('Note") The indebtedness evidenced by the Note shall be referred to herein as "Indebtedness"

B As a material inducement for Secured Party's accepting the Note, Debtor has agreed to secure Debtor's performance under the provisions and conditions of the Note by granting to Secured Party a security interest in the collateral described in this Agreement

2 Grant of Security Interest As security for Debtor's timely and complete payment of all amounts owing under the Note and Debtor's performance of all of the covenants, obligations and agreements contained in the Note, this Agreement and all other instruments and documents pertaining to, evidencing or securing the Note, as the Note, this Agreement and all other instruments and documents pertaining to, evidencing or securing the Note may be amended from time to time, Debtor hereby grants, transfers, and assigns to Secured Party a continuing security interest in the following items, property and rights (collectively, 'Collateral")

A All of the personal property of Debtor now and hereafter situated at, used in connection with, relating to or deriving from those certain premises which are described on Exhibit A, attached hereto and incorporated herein by this reference ("Premises"), and the businesses conducted at such Premises, including, without limitation, all goods, accounts, documents, instruments, money, deposit accounts, chattel paper, inventory, equipment, supporting obligations, investment property, letter of credit rights, and general intangibles, as those terms are defined in the California Commercial Code from time to time in effect

B Debtor's entire right, title and interest in and to all replacements, rents, profits, substitutions and(or) additions to or of those items referred to in subparagraph 2 A above and in Exhibit A hereto, and any proceeds arising from the sale and(or) other disposition of the same (including, without limitation, sums payable for loss under insurance covering the Collateral)

3 Warranties, Protection of Collateral Debtor warrants that it is the owner of the Collateral free of all liens except the lien created hereby Debtor agrees that it (a) will properly maintain, repair and preserve the Collateral and insure the same against

casualty loss by a policy of insurance covering such risks and in such amount as the Secured Party may require, with loss payable to Secured Party and will furnish certificates acceptable to Secured Party, (b) will pay in timely fashion all taxes which may become a lien on the Collateral, (c) except with Secured Party's prior written consent, Debtor will make no sale, contract to sell, lease, encumbrance or other disposition of the Collateral nor change its physical location from the Premises above designated, (d) will use the Collateral lawfully and only within insurance coverage and not use the Collateral so as to cause or result in any waste, unreasonable deterioration or depreciation, (e) will permit Secured Party to enter on Debtor's property and to inspect the Collateral at any reasonable time, (f) will not, with the exception of sales of inventory in the ordinary course of business, remove the Collateral from the Premises without the consent of Secured Party except when reasonably necessary for repair or to replace obsolete or worn out items of Collateral, and (g) will execute any additional agreements, assignments or documents that may be deemed necessary or advisable by Secured Party to effectuate the purpose of this Agreement and the protection of the Collateral

4 Delivery and Perfection Concurrently with the execution of this Agreement, if requested by Secured Party, Debtor shall execute and deliver to Secured Party one or more UCC-1 Financing Statements describing the Collateral, to be filed with the office of the Secretary of State of the State of California (and in such other offices as Secured Party may deem appropriate) In addition, Debtor agrees to do all acts and things necessary to establish, maintain and continue perfected a first priority security interest in the Collateral in favor of Secured Party and to reimburse Secured Party for all expenses incurred, including legal fees and expenses, in seeking to collect the Indebtedness or in pursuing any of its rights hereunder

5 Default The following shall constitute a default by Debtor hereunder

A Any failure to comply with the provisions of this Agreement, or to perform any covenant contained herein

B Any default by Debtor under the Note or any failure to pay when due any portion of the Indebtedness, including, without limitation, any interest payable thereunder

C Any loss, theft, substantial damage or destruction of the Collateral or issuance of attachment, levy, garnishment or judicial process with respect to the Collateral

D Insolvency, bankruptcy, business failure, assignment for benefit of creditors or appointment of a receiver for Debtor or its property

E Secured Party deeming itself insecure, believing in good faith that the prospect of payment of the Indebtedness (or any portion thereof) or of performance of this Agreement, or any covenant contained herein, is impaired

6 Rights and Remedies In the event of a default hereunder, Secured Party shall have and shall otherwise be entitled to all rights and remedies provided for or allowed under law In accordance with the foregoing, and without limitation, Secured Party shall be entitled to

A Take possession of and protect the Collateral, including the right to remove all persons from the Premises and take sole possession thereof

B If Secured Party is not then in possession of the Collateral, to require Debtor or any other person in possession of the Collateral to assemble it at Debtor's expenses and make it available to Secured Party at a reasonably convenient place, to be designated by Secured Party

C Retain the Collateral in satisfaction of Debtor's obligations, or dispose of the Collateral by public or private sale (at which sale the Secured Party may be a buyer), or commence operation of the Business for Debtor's account Any sale or operation of the Business shall be deemed to be on Debtor's account unless Secured Party gives Debtor written notice of intent to retain the Collateral in satisfaction of Debtor's obligations The proceeds of sale or operation for Debtor's account shall be applied in total or partial satisfaction of Debtor's obligations to Secured Party and for Secured Party's costs incurred in proceeding under this paragraph All proceeds shall be applied first to cover Secured Party's costs, and second to satisfy Debtor's obligations to Secured Party To the extent there is still any deficiency in the amount Secured Party is owed, Secured Party may collect the same from Debtor, and, to the extent that any excess proceeds exist (after the application of such proceeds as provided for herein and under the law), Secured Party shall pay the same to Debtor

D Declare any and all amounts outstanding under the Note to be immediately due and payable

E Reduce any claim against Debtor to judgment and enforce any such judgment against Debtor

F Take such steps as it may deem appropriate to foreclose upon or otherwise enforce the security interest(s) and lien of this Agreement to secure payment and performance of the Debtor's obligations under this Agreement and the Note

G Exercise any and all other rights and remedies available at law or equity or otherwise to Secured Party under this Agreement or the Note

7 Nonwaiver No delay or omission to exercise any right, power, or remedy accruing to Secured Party upon any breach or default of Debtor under this Agreement shall impair any such right, power, or remedy of Secured Party, nor shall it be construed to be a waiver of any such breach thereafter occurring, nor shall any waiver of any single breach or default theretofore occurring be deemed a waiver of any other breach or default Any waiver, permit, consent, or approval of any kind under this Agreement, or any waiver on the part of the Secured Party of any provision or condition of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing All remedies, either under this Agreement or by law, or otherwise afforded to Secured Party, shall be cumulative and not alternative

8 Notices Unless otherwise specifically provided in this Agreement, all notices, demands, or other communications given hereunder will be in writing and will be deemed to have been duly delivered upon personal delivery or as of the second business day after mailing if sent by United States registered or certified mail, return receipt requested, postage prepaid and addressed as follows

If to Secured Party, to JACK IN THE BOX INC
9330 Balboa Ave
San Diego, CA 92123
Attn Real Estate Legal

If to Debtor, to _____
_____
_____

or to such other address as any party may designate to the others for such purpose in the manner set forth above

9 Miscellaneous

A This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the manners dealt with in this Agreement In addition each party has had the opportunity to consult with experienced and knowledgeable legal counsel Accordingly, any rule of law (including California Civil Code section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purpose of the parties and this Agreement

B In the event of any dispute arising out of this Agreement, or concerning the meaning or interpretation of any provision contained herein, the losing party shall pay the prevailing party's costs and expenses incurred in any action, arbitration, mediation, or litigation, including without limitation court costs and reasonable attorneys' fees and disbursements

C Any provisions of this Agreement which may be prohibited by law or otherwise held invalid shall be ineffective only to the extent of such prohibition or invalidity and shall not invalidate or otherwise render ineffective the remaining provisions of this Agreement

D This Agreement is being executed and delivered and is intended to be performed in the State of California and shall be governed by and construed in accordance with the laws of the State of California Sole and proper venue for any action shall be in San Diego, California

E This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto

DEBTOR

By _____

_____, Inc ,
a California corporation

By _____
Its _____

SECURED PARTY

JACK IN THE BOX INC ,
a Delaware corporation

By _____
Its Assistant Secretary

EXHIBIT A

JIB Site #

_____

_____

EXHIBIT M-1

PROMISSORY NOTE – DEVELOPMENT INCENTIVE PROGRAM

$250,000 00

Date _____
San Diego, California
JIB Site No _____

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, _____ and _____, INC , a _____ corporation (collectively Borrower"), hereby jointly and severally promise to pay without notice or demand, to JACK IN THE BOX INC , a Delaware corporation, or order ("Lender"), at 9330 Balboa Avenue, San Diego, California 92123-1516, or to Lender at such other place as Lender may from time to time designate in writing to Borrower, the principal sum of $250,000 00, without interest except as noted below Borrower acknowledges that this Note is being executed and delivered for business purposes, in connection with the development of the restaurant business referenced above ("Restaurant")

The principal amount due under this Note will be repaid through a credit by Lender equal to 100% of the Royalties that would otherwise have been due and payable by Borrower in accordance with the Franchise Agreement between Borrower and Lender for the Restaurant ("Franchise Agreement"), based upon 'Gross Sales" (as defined in the Franchise Agreement) at the Restaurant, until such time as this Note is paid in full

Borrower reserves the right at any time to prepay all or a portion of the amount due under this Promissory Note (the Note") without penalty

In the event any payment hereunder is not paid when due, Lender's actual damages would be impracticable or extremely difficult to determine and the following is a reasonable estimate of Lender's actual damages under such circumstances In the event of a default in payment hereunder

(i) Borrower agrees to pay to Lender, without notice or demand, as liquidated damages, five percent (5%) of the total amount of each payment due hereunder, which is not paid by the date upon which it is due, and

(ii) In addition to any other remedies available to Lender at law or in equity, and to the maximum extent permitted by law, if this note shall not be paid in full on or before the Due Date, any amounts remaining outstanding shall thereafter accrue interest at a default rate of 12% until paid in full

Each payment hereunder shall be applied in the following order (a) to liquidated damages due to the date such payment is received, (b) to accrued but unpaid interest as of the date such payment is received, and (c) the balance to be applied to principal

All amounts to be paid hereon shall be made without deduction, set off or counterclaim

It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable law governing the maximum rate or amount of interest payable on or in connection with this Note If the applicable law is ever judicially interpreted so as to render usurious any amount called for under this Note or contracted

for, charged, taken, reserved or received with respect to this Note, or if acceleration of the maturity of this Note or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by law, then it is Borrower's and Lender's express intent that all excess amounts theretofore collected by Lender be credited on the principal balance of this Note (or, if this Note has been or would thereby be paid full, refunded to Borrower), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder Any right to accelerate maturity of this Note does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to collect any unearned interest in the event of acceleration All sums paid or agreed to be paid to Lender for the use, forbearance or detention of the indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the applicable usury ceiling

Notwithstanding any other provision contained herein, in the event of a sale, assignment or other transfer by the undersigned, with or without the consent of Lender, and whether voluntary, involuntary or by operation of law, of the Franchise Agreement or that certain Lease Agreement between the parties hereto and pertaining to the Restaurant ("Franchise Lease Agreement"), or if Borrower fails to pay any sum due under this Note, or fails to perform any of the terms, covenants or conditions of this Note, or otherwise defaults in the performance of its obligations hereunder, under the Franchise Agreement or Franchise Lease Agreement, or under any other document, instrument, note, or other agreement among the parties hereto, then, in addition to any other rights and remedies available to Lender, Lender may declare the entire unpaid principal balance of this Note, with all interest thereon, together with all other indebtedness owing from the undersigned to Lender represented or arising from any agreement or account between Lender and Borrower, to be immediately due and payable, without notice or demand

The failure of Lender to exercise any option or any right to which Lender may be entitled shall not constitute a waiver of the right to exercise the option or any right in the event of any subsequent default

If any action or proceeding arising out of this Note shall be commenced by either Lender or Borrower against the other, the prevailing party shall be entitled to recover from the losing party such amount as the court may adjudge to be reasonable costs and attorneys' fees for the services rendered to the party finally prevailing in such action or proceeding

Notices from Lender to Borrower shall be deemed given if addressed to Borrower at _____ (or such other address as Borrower may designate in writing to Lender), and deposited in the United States Mails postage prepaid and certified Lender or any holder hereof may rely on the foregoing address, as the same may be changed pursuant to the foregoing, as being the address of the undersigned

last known to the holder thereof The date that any notice is so deposited in the United States Mails shall be deemed to be the date that notice is given

This Note is to be construed and enforced according to and governed by, the laws of the State of California

This Note may not be changed or terminated orally, but only by an agreement in writing properly signed by the parties against whom such change or termination is sought

BORROWER

_____

_____, INC ,
a California corporation

By _____
Its _____

EXHIBIT N

LEASE AGREEMENT

LEASE AGREEMENT

JACK IN THE BOX FRANCHISED RESTAURANT

THIS LEASE is made as of this day of , 20 , by and between JACK IN THE BOX INC , a Delaware corporation (or JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership), having an office for business at 9330 Balboa Avenue, San Diego, California 92123, hereinafter referred to as "Landlord" or "JIB", and , hereinafter referred to as "Tenant "

W I T N E S S E T H

WHEREAS JIB and Tenant have or prior to the commencement of the term of this Lease will have entered into a Franchise Agreement (the "Franchise Agreement") licensing Tenant to operate a JACK IN THE BOX® restaurant (the "Franchised Restaurant") using its JACK IN THE BOX Restaurant System (as that term is defined in the Franchise Agreement) on the premises to be leased hereby

NOW THEREFORE in consideration of the covenants contained herein and the mutual execution hereof by the parties it is agreed as follows

1 DEMISED PREMISES

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, that certain real property situated in the City of , County of , State of , more particularly described in Exhibit "A" attached hereto and made a part hereof, together with all appurtenances, easements and rights of way there unto pertaining and the building and improvements thereon, subject to any easements, covenants, conditions, restrictions, encumbrances, party wall agreements, roads and highways and zoning and building code restrictions existing as of the date of commencement of the term of this Lease The property hereby leased to Tenant is hereinafter referred to as the "Premises "

2 TERM AND COMMENCEMENT DATE

The term of this Lease shall commence, if at all, on the date (the "Commencement Date") which is the earlier of (a) the date upon which Tenant takes possession of the Premises or (b) , Unless sooner terminated pursuant to the provisions of this Lease, this Lease shall terminate on Tenant's obligation to pay Rent pursuant to Section 3, below, shall commence on the Commencement Date, regardless of whether Tenant has actually taken possession of the Premises or whether the Premises are ready for occupancy by Tenant as of such date

3 RENT

Tenant covenants and agrees to pay to Landlord rent consisting of Fixed Minimum Rent, Percentage Rent and Additional Rent (hereinafter collectively Rent") as set forth more particularly below

A Fixed Minimum Rent

Tenant covenants and agrees to pay to Landlord a fixed minimum rent of $_____ per month ("Fixed Minimum Rent") in advance on or before the first day of each calendar month during the term of this Lease Fixed Minimum Rent for any partial month during the term of this Lease shall be appropriately prorated If the Commencement Date shall fall on a day other than the first day of a calendar month, then Tenant shall pay to Landlord, on or before the Commencement Date, a prorated portion of the Fixed Minimum Rent Fixed Minimum Rent shall be payable for each month during the term of this Lease, regardless of the amount of Percentage Rent or Gross Sales (as those terms are hereinafter defined) for such month or for any other period

[ALTERNATIVE PARAGRAPH A , to be used with owned sites that may be the subject of a Sale/Leaseback

Tenant covenants and agrees to pay to Landlord a fixed minimum rent of $_____ per month ("Fixed Minimum Rent") in advance on or before the first day of each calendar month during the term of this Lease, provided, however, that if JIB enters into a sale/leaseback transaction and as a result enters into a new "Master Lease" (as defined below), then as of the commencement of the term of such new Master Lease, Fixed Minimum Rent shall be adjusted to the greater of (i) underlying rent payable by JIB under the Master Lease, or (ii) an amount equal to 90% of trailing twelve (12) month sales at the Premises, multiplied by 9 5% Fixed Minimum Rent for any partial month during the term of this Lease shall be appropriately prorated If the Commencement Date shall fall on a day other than the first day of a calendar month, then Tenant shall pay to Landlord, on or before the Commencement Date, a prorated portion of the Fixed Minimum Rent Fixed Minimum Rent shall be payable for each month during the term of this Lease, regardless of the amount of Percentage Rent or Gross Sales (as those terms are hereinafter defined) for such month or for any other period]

B Percentage Rent

(1) Amount

In addition to the Fixed Minimum Rent, throughout the term of this Lease, Tenant covenants and agrees to pay to Landlord an amount ("Percentage Rent") equal to percent (%) of the Gross Sales at the Premises for each calendar month

or portion thereof during such term, LESS the amount paid by Tenant as Fixed Minimum Rent during such month

(2) Method of Calculation

(a) Within ten (10) days after the end of each calendar month during the term of this Lease, Tenant shall deliver to Landlord (i) a statement in writing, in a form approved by Landlord, of the Gross Sales for such calendar month, and (ii) payment of the Percentage Rent for such calendar month

(b) In the event that this Lease shall terminate on a date which is other than the end of a calendar month, Tenant's statement of Gross Sales and payment of Percentage Rent for such partial month pursuant to Section 3B(2)(a), above, shall be delivered to Landlord within ten (10) days after such termination date

(3) Audits

Landlord shall, at all reasonable times during the term of this Lease, have the right to audit, at its own expense, the financial records and books of account of Tenant In the event that any such audit discloses that reported Gross Sales are less than actual Gross Sales, Tenant shall pay to Landlord, within ten (10) days of written demand therefore, the resulting difference in Percentage Rent, together with interest thereon at the Default Interest Rate, pursuant to Section 3E, below In the event such audit discloses that reported Gross Sales are less than actual Gross Sales by an amount which exceeds one percent (1%), Tenant shall reimburse Landlord for all costs of the audit, including travel, lodging and wages, which are reasonably incurred by Landlord in connection with such audit

(4) Gross Sales

The term "Gross Sales" as used in this Lease shall mean all revenues derived, directly or indirectly, from all business conducted upon, from or in connection with the Premises, whether such revenues be evidenced by check, cash, cash equivalent (gift certificates/stored value cards), credit, charge account, exchange or otherwise, and shall include, but not be limited to, the amounts received from the sale of goods, wares and merchandise, including sales of food, beverages, tangible property of every kind and nature, promotional or otherwise, and for services performed at the Premises, together with the amount of all orders taken or received or fulfilled at the Premises Gross Sales shall not include sales of merchandise for which cash has been refunded, or allowances made on merchandise claimed to be defective or unsatisfactory, provided that such returned or exchanged merchandise shall have been previously included in Gross Sales Gross Sales shall not include the amount of any sales tax imposed by any federal, state or other governmental authority directly on sales and collected from customers, provided that the amount thereof is added to the selling price or specifically absorbed therein, and actually paid by Tenant to such governmental authority Each charge or sale upon installment or credit shall be treated as a sale for

the full price in the month during which such charge or sale shall be made, irrespective of the time when Tenant shall receive payment (whether full or partial) therefore, and without allowance for the collectability thereof In addition, Landlord may, from time to time, permit or allow certain other items to be excluded from Gross Sales In order to be effective, any such permission or allowance must be granted by Landlord in writing, and any such permission or allowance may be revoked or withdrawn at the discretion of Landlord at any time The granting by Landlord of any such permission or allowance shall be applicable only to the items expressly specified in writing, and shall not constitute a waiver by Landlord of its right thereafter to require strict compliance with the terms hereof

C Additional Rent

All monetary obligations of Tenant under this Lease, including, without limitation payments for taxes and assessments, insurance, and repairs, will be considered Additional Rent for purposes of this Lease, and the word "Rent" as used in this Lease will include all such Additional Rent, unless the context specifically or clearly implies that only Fixed Minimum Rent is intended

D No Rent Abatement or Offset

Except as and to the extent expressly provided in this Lease, damage to or destruction of any portion or all of the buildings, structures and fixtures upon the Premises by fire, the elements or any other cause, whether with or without fault on the part of Tenant, shall not terminate this Lease or entitle Tenant to surrender the Premises or entitle Tenant to any abatement of or reduction in the Rent payable hereunder, or otherwise affect Tenant's obligations hereunder, any present or future law to the contrary notwithstanding To the extent permitted by law, Tenant hereby waives the benefit of all rights, statutory or otherwise and whether now or hereafter in existence, to suspend the payment of Rent or offset against Rent any costs of maintenance or repair of the Premises, or any other moneys allegedly due from, or alleged obligations of, Landlord, it being the intent of Landlord and Tenant that the provisions of this Lease shall operate to the exclusion of any such rights

E Interest on Past Due Rent and Other Sums

Any and all Rent hereunder and other sums that may be and become due and owing from Tenant to Landlord hereunder shall bear interest from the respective due dates thereof at the highest rate of interest permitted by law in the state in which the Premises are located, and if there is no maximum rate permitted by law, then at a per annum rate which is the higher of (a) twenty percent (20%) or (b) the prime commercial interest rate announced from time to time by Bank of America, N T & S A , plus two percent (2%) The interest rate specified in this Section 3E is referred to hereinafter as the "Default Interest Rate "

F MANNER OF PAYMENT

Tenant agrees to make all payments of Rent under this Lease to Landlord at the following address

JACK IN THE BOX INC
9330 Balboa Avenue
San Diego, CA 92123-1516
Attention Cash Management
Site No

Landlord may change its address for purposes of Rent payment from time to time by notice to Tenant Tenant shall clearly designate (by an inscription on the rent check, or otherwise), as to each Rent payment, the Site Number for which such payment is being made Landlord's Internal Revenue Service identifying number is 95-2698708

[ALTERNATIVE RENT PARAGRAPH #1 – TO BE USED IN NEW SITE DEVELOPMENT/TURN KEY SCENARIOS

3 RENT

Tenant covenants and agrees to pay to Landlord rent consisting of Fixed Minimum Rent and Additional Rent (hereinafter collectively "Rent") as set forth more particularly below

A Fixed Minimum Rent

Tenant covenants and agrees to pay to Landlord the initial fixed minimum rent of $_____ per month ("Fixed Minimum Rent") in advance on or before the first day of each calendar month during the term of this Lease Fixed Minimum Rent shall be subject to adjustment in accordance with paragraph 17 below based upon rent increases under the "Master Lease" (as defined below), including the additional 5% increase referenced in such paragraph 17 Fixed Minimum Rent for any partial month during the term of this Lease shall be appropriately prorated If the Commencement Date shall fall on a day other than the first day of a calendar month, then Tenant shall pay to Landlord, on or before the Commencement Date, a prorated portion of the Fixed Minimum Rent

B Additional Rent

All monetary obligations of Tenant under this Lease, including, without limitation payments for taxes and assessments, insurance, and repairs, will be considered Additional Rent for purposes of this Lease, and the word "Rent" as used in this Lease will include all such Additional Rent, unless the context specifically or clearly implies that only Fixed Minimum Rent is intended

C No Rent Abatement or Offset

Except as and to the extent expressly provided in this Lease, damage to or destruction of any portion or all of the buildings, structures and fixtures upon the Premises by fire, the elements or any other cause, whether with or without fault on the part of Tenant, shall not terminate this Lease or entitle Tenant to surrender the Premises or entitle Tenant to any abatement of or reduction in the Rent payable hereunder, or otherwise affect Tenant's obligations hereunder, any present or future law to the contrary notwithstanding To the extent permitted by law, Tenant hereby waives the benefit of all rights, statutory or otherwise and whether now or hereafter in existence, to suspend the payment of Rent or offset against Rent any costs of maintenance or repair of the Premises, or any other moneys allegedly due from, or alleged obligations of, Landlord, it being the intent of Landlord and Tenant that the provisions of this Lease shall operate to the exclusion of any such rights

D Interest on Past Due Rent and Other Sums

Any and all Rent hereunder and other sums that may be and become due and owing from Tenant to Landlord hereunder shall bear interest from the respective due dates thereof at the highest rate of interest permitted by law in the state in which the Premises are located, and if there is no maximum rate permitted by law, then at a per annum rate which is the higher of (a) twenty percent (20%) or (b) the prime commercial interest rate announced from time to time by Bank of America, N T & S A , plus two percent (2%) The interest rate specified in this Section 3E is referred to hereinafter as the "Default Interest Rate "

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Tenant agrees to make all payments of Rent under this Lease to Landlord at the following address

JACK IN THE BOX, INC
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Site No _____

Landlord may change its address for purposes of Rent payment from time to time by notice to Tenant Tenant shall clearly designate (by an inscription on the rent check, or otherwise), as to each Rent payment, the Site Number for which such payment is being made Landlord's Internal Revenue Service identifying number is 95-2698708]

[ALTERNATIVE RENT PARAGRAPH #2 – TO BE USED FOR BUILD TO SUIT ARRANGEMENTS

3 RENT

Tenant covenants and agrees to pay to Landlord "Fixed Minimum Rent" (as defined below) in accordance with the Rent Addendum attached hereto and incorporated herein by this reference

A Fixed Minimum Rent

Fixed Minimum Rent for any partial month during the term of this Lease shall be appropriately prorated If the Commencement Date shall fall on a day other than the first day of a calendar month, then Tenant shall pay to Landlord, on or before the Commencement Date, a prorated portion of the Fixed Minimum Rent

B Percentage Rent

(1) Amount

In addition to the Fixed Minimum Rent, throughout the term of this Lease, Tenant covenants and agrees to pay to Landlord an amount ("Percentage Rent") equal to percent (%) of the Gross Sales at the Premises for each calendar month or portion thereof during such term, LESS the amount paid by Tenant as Fixed Minimum Rent during such month [Note, Percentage Rent for these type of transactions will be 9 5% for sale/leaseback transactions OR 10 5% for ground lease transactions]

(2) Method of Calculation

(a) Within ten (10) days after the end of each calendar month during the term of this Lease, Tenant shall deliver to Landlord (i) a statement in writing, in a form approved by Landlord, of the Gross Sales for such calendar month, and (ii) payment of the Percentage Rent for such calendar month

(b) In the event that this Lease shall terminate on a date which is other than the end of a calendar month, Tenant's statement of Gross Sales and payment of Percentage Rent for such partial month pursuant to Section 3B(2)(a), above, shall be delivered to Landlord within ten (10) days after such termination date

(3) Audits

Landlord shall, at all reasonable times during the term of this Lease, have the right to audit, at its own expense, the financial records and books of account

of Tenant In the event that any such audit discloses that reported Gross Sales are less than actual Gross Sales, Tenant shall pay to Landlord, within ten (10) days of written demand therefore, the resulting difference in Percentage Rent, together with interest thereon at the Default Interest Rate, pursuant to Section 3E, below In the event such audit discloses that reported Gross Sales are less than actual Gross Sales by an amount which exceeds one percent (1%), Tenant shall reimburse Landlord for all costs of the audit, including travel, lodging and wages, which are reasonably incurred by Landlord in connection with such audit

(4) Gross Sales

The term "Gross Sales" as used in this Lease shall mean all revenues derived, directly or indirectly, from all business conducted upon, from or in connection with the Premises, whether such revenues be evidenced by check, cash, cash equivalent (gift certificates/stored value cards), credit, charge account, exchange or otherwise, and shall include, but not be limited to, the amounts received from the sale of goods, wares and merchandise, including sales of food, beverages, tangible property of every kind and nature, promotional or otherwise, and for services performed at the Premises, together with the amount of all orders taken or received or fulfilled at the Premises Gross Sales shall not include sales of merchandise for which cash has been refunded, or allowances made on merchandise claimed to be defective or unsatisfactory, provided that such returned or exchanged merchandise shall have been previously included in Gross Sales Gross Sales shall not include the amount of any sales tax imposed by any federal, state or other governmental authority directly on sales and collected from customers, provided that the amount thereof is added to the selling price or specifically absorbed therein, and actually paid by Tenant to such governmental authority Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale shall be made, irrespective of the time when Tenant shall receive payment (whether full or partial) therefore, and without allowance for the collectability thereof In addition, Landlord may, from time to time, permit or allow certain other items to be excluded from Gross Sales In order to be effective, any such permission or allowance must be granted by Landlord in writing, and any such permission or allowance may be revoked or withdrawn at the discretion of Landlord at any time The granting by Landlord of any such permission or allowance shall be applicable only to the items expressly specified in writing, and shall not constitute a waiver by Landlord of its right thereafter to require strict compliance with the terms hereof

C Additional Rent

All monetary obligations of Tenant under this Lease, including, without limitation payments for taxes and assessments, insurance, and repairs, will be considered Additional Rent for purposes of this Lease, and the word "Rent" as used in this Lease will include all such Additional Rent, unless

the context specifically or clearly implies that only Fixed Minimum Rent is intended

D No Rent Abatement or Offset

Except as and to the extent expressly provided in this Lease, damage to or destruction of any portion or all of the buildings, structures and fixtures upon the Premises by fire, the elements or any other cause, whether with or without fault on the part of Tenant, shall not terminate this Lease or entitle Tenant to surrender the Premises or entitle Tenant to any abatement of or reduction in the Rent payable hereunder, or otherwise affect Tenant's obligations hereunder, any present or future law to the contrary notwithstanding To the extent permitted by law, Tenant hereby waives the benefit of all rights, statutory or otherwise and whether now or hereafter in existence, to suspend the payment of Rent or offset against Rent any costs of maintenance or repair of the Premises, or any other moneys allegedly due from, or alleged obligations of, Landlord, it being the intent of Landlord and Tenant that the provisions of this Lease shall operate to the exclusion of any such rights

E Interest on Past Due Rent and Other Sums

Any and all Rent hereunder and other sums that may be and become due and owing from Tenant to Landlord hereunder shall bear interest from the respective due dates thereof at the highest rate of interest permitted by law in the state in which the Premises are located, and if there is no maximum rate permitted by law, then at a per annum rate which is the higher of (a) twenty percent (20%) or (b) the prime commercial interest rate announced from time to time by Bank of America, N T & S A , plus two percent (2%) The interest rate specified in this Section 3E is referred to hereinafter as the "Default Interest Rate "

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such payment is being made Landlord's Internal Revenue Service identifying number is 95 2698708]

4 USE OF PREMISES

Tenant shall use and occupy the Premises solely for the operation of a Franchised Restaurant in strict conformance to the standards set forth by Landlord which constitute its JACK IN THE BOX restaurant System Tenant acknowledges that the Premises and improvements and certain fixtures and equipment thereon have been specially designed and are intended for use as a Franchised Restaurant Tenant agrees to occupy the Premises continuously during the term of this Lease and agrees not to vacate the same If Tenant vacates the Premises during the term of this Lease in breach hereof, Landlord shall have the right, in addition to the other rights and remedies available to Landlord upon a default by Tenant, to enter the Premises for the purpose of continuing the operation of the restaurant, remitting to Tenant only such amount that exceeds (1) Tenant's monthly obligations for Fixed Minimum Rent and Percentage Rent, plus an additional two percent (2%) of monthly Gross Sales as overhead, and (2) all of the operating costs Landlord may incur, and (3) any other monetary obligations owing by Tenant to Landlord pursuant to any other agreement between Landlord and Tenant

5 CONDITION AND ACCEPTANCE OF PREMISES

Tenant acknowledges that Tenant has inspected the Premises and all improvements, signs, fixtures, plumbing, wiring, utility facilities and hook ups, lighting, heating and cooling systems, equipment, furnishings, appurtenances and other personal property (collectively, "Business Facilities") presently on or at the Premises, and has found all of them and the Premises to be in a safe, satisfactory and completed condition Tenant accepts the Premises and the Business Facilities upon the Commencement Date in their then "AS IS" condition without any warranty by Landlord at any time, express or implied, as to their condition or fitness for any use or purpose Tenant acknowledges that Landlord has made, and will make as of the Commencement Date, no representations or warranties as to the condition of the Premises or any of the Business Facilities, or their fitness for any particular purpose or use, either express or implied, and all such representations and warranties are hereby expressly waived by Tenant Tenant expressly agrees that Landlord shall not be liable to Tenant for any costs, fees, losses, or damages incurred by Tenant or any damages to the Premises or any of the Business Facilities due to any patent or latent defect in the Premises or any of the Business Facilities whether arising out of any original design or construction of the Premises or the Business Facilities or otherwise This Lease creates a landlord/tenant relationship only between the parties and no other agency, partnership or other relationship between the parties shall be created hereby, and Tenant assumes the risk of and sole responsibility for and hereby agrees to indemnify and hold harmless Landlord from any and all claims, changes, demands, actions, losses, liabilities, costs or expenses of any kind whatsoever (including, without limitation, attorneys' fees and costs), for injuries, death, loss and damage of any kind or character to person or

property, by whomsoever suffered or asserted, resulting from or arising out of the condition or use of the Premises and Building Facilities, including but not limited to, the defective design or construction thereof, whether due to any latent or patent defect, or the carelessness or negligence of Tenant, during the term of this Lease or any renewal or extension thereof, except, however, when Tenant shall have given Landlord written notice of the existence of a condition for the repair of which Landlord may be responsible under the Lease (if applicable) and shall have taken all reasonable precautions to prevent the occurrence of any injuries, death, loss and damage attributable solely and directly to such defective condition Tenant acknowledges that Tenant has had the opportunity to seek the advice of counsel as to this Lease in general and specifically as to the waivers contained in this Article 5

6 TAXES

Beginning with the Commencement Date and throughout the term of this Lease, Tenant shall pay (and shall furnish to Landlord evidence satisfactory to Landlord of such payment), at least ten (10) days prior to delinquency, all taxes and assessments which may be levied upon or assessed against those lands comprising the Premises hereunder, and all taxes or assessments levied upon or assessed against the improvements situated thereon, together with all taxes levied upon or assessed against the personal property located in or on the Premises, whether installed and paid for by Landlord, by Tenant, or by any other person or entity, to the end that Landlord shall not be required to pay any taxes or assessments whatsoever which may, during the term of this Lease, be assessed against or in respect of, or become a lien upon, said lands, improvements or personal property The foregoing obligation shall include (a) any taxes occasioned by any reassessment of the Premises including such reassessments which may occur as the result of a transfer by Landlord of all or any part of its interest in the Premises, and (b) any tax which is levied or assessed against Landlord or Tenant, whether the same be called a rent tax, occupancy tax, excise tax, sales tax or otherwise In the event that Tenant does not furnish to Landlord, at least ten (10) days prior to delinquency, evidence satisfactory to Landlord of payment of any tax required to be paid by Tenant hereunder, Landlord shall have the right (but not the obligation) to pay the same Tenant shall reimburse Landlord, immediately upon demand as Additional Rent hereunder, for any such taxes which Landlord thus elects to pay or is required to pay and such payment and/or reimbursement shall not be excluded from Gross Sales provided, however, that any taxes or assessments which may be levied or assessed for a period beginning before the Commencement Date or ending after the termination hereof shall be prorated between Landlord and Tenant as of such date or dates Tenant shall not be obligated to pay any federal or state income tax which may be levied or become due by reason of the rents and profits received by Landlord as a result of this Lease

7 UTILITIES

Tenant agrees to pay all charges for water, gas, electricity, sewer charges, trash removal, driveway fees (if applicable) and other utilities and services used on, at or in connection with the Premises, as such charges become due

8 SUBLETTING AND ASSIGNMENT

Tenant shall have no right to assign or sublet the Premises or any portion thereof nor to pledge, mortgage, hypothecate or encumber in any manner without advance written consent of Landlord, which consent shall be in the sole discretion of Landlord In no event shall any assignment or subletting relieve Tenant of its obligations to Landlord under this Lease, regardless of Landlord's consent thereto Any purported assignment or subletting, pledge, mortgage, hypothecation or encumbrance without the advance written consent of Landlord shall be void and of no force or effect

9 INSURANCE AND INDEMNITY

A Waiver of Claims, Indemnity

Tenant hereby agrees that it shall be solely responsible for all losses, damages and contractual and statutory liabilities to third persons arising out of or in connection with the possession, ownership or operation of the Premises, and for all claims or demands for damages to property, or for injury, illness or death of persons directly or indirectly resulting therefrom, and Tenant hereby waives all claims against Landlord and its affiliates and agrees to defend, indemnify and hold harmless Landlord and its affiliates from all such losses, damages, liabilities, claims and demands, as well as any and all costs, expenses and attorneys' fees directly or indirectly resulting therefrom, unless resulting from the gross negligence or willful misconduct of Landlord If any such claims are asserted against Landlord or its affiliates, Landlord shall notify Tenant, and Tenant may assume the defense of such claims If Tenant fails to assume the defense, then Landlord may defend in such manner as it deems appropriate Tenant shall reimburse Landlord for all costs, including attorneys' fees, incurred by Landlord or its affiliates in effecting such defense, in addition to any sum which Landlord or its affiliates may incur by reason of any settlement, award, or judgment Landlord's right to indemnification hereunder shall exist notwithstanding that joint or concurrent liability may be imposed on Landlord by law

B Insurance

During the term of this Agreement, Tenant shall obtain and maintain in full force and effect, at his own expense, such insurance coverage as may be required of Franchisees by Landlord Such requirements may be specified in any Franchise Agreement between JIB and Tenant or otherwise provided to Tenant in writing by JIB Prior to the Commencement Date and thereafter, as requested by JIB, throughout the term of this Agreement, Tenant shall furnish JIB with evidence satisfactory to JIB of

such insurance coverages in effect in the form of Certificates of Insurance and any insurance policy endorsements required by JIB, and a copy of the Franchisee's insurance policy(ies), if requested by JIB Renewal Certificates of Insurance shall be delivered to JIB no later than thirty (30) days prior to the expiration date of all policies All deductible amounts on all insurance policies required hereunder shall be disclosed in writing to and shall be subject to approval by JIB and noted on the applicable Certificate of Insurance The insurance requirements, including, but not limited to, coverages and policy limits, may be increased or modified from time to time by JIB at its sole discretion Requirements as of the date hereof are

(1) Commercial General Liability insurance, including Products Liability coverage, and Broad Form Contractual Liability coverage, written on a "per occurrence" policy form in an amount of not less than $5,000,000 combined single limit per occurrence and aggregate Such coverage must not contain an exclusion for occurrences arising from food borne illness and must insure the contractual liability of Tenant under Section 9A of this Lease

(2) Business Automobile Liability insurance including "owned, leased, non-owned and hired automobile" coverage with a limit of not less than $1,000,000 per accident

(3) Workers' Compensation insurance as required by law and Employer's Liability insurance with a limit not less than $1,000,000, and such other insurance as may be required by the state or locality in which the Franchised Restaurant is operated

(4) "All Risk" property insurance covering, (a) the building including tenant improvements, furniture, fixtures, equipment, inventory and other tangible property of the Franchised Restaurant, including plate glass coverage, on a full one hundred percent (100%) repair or replacement value basis, (b) Business Interruption/ Business Income insurance (at least one (1) year of actual loss sustained), including Extra Expense insurance, so as to re-establish normal business operations, and (c) loss of rents insurance covering a minimum of twelve (12) months fixed minimum rent

All insurance policies required hereunder of the Franchisee (a) shall be primary and non-contributory, (b) shall be issued by an insurance company(ies) with a rating of not less than "A-VIII" in the current A M Best Insurance Rating Guide or approved by JIB, (c) shall name JIB as a loss payee on the property insurance described in subparagraph 9 B (4) above, and all other policies shall name JIB and its affiliates, and any other parties as JIB may request, as "additional insureds" and shall contain an "Additional Insured-Designated Person or Organization" endorsement (or its equivalent), except workers' compensation insurance only, without any qualifying language, (d) shall provide that the insurance cannot be canceled, materially changed, or non-renewed, except upon thirty (30) days advance written notice to JIB, and (e) shall contain a waiver of subrogation rights of the insurer(s) against JIB, which waiver shall be effective regardless of whether any loss is caused by the act, omission or

negligence of JIB, and shall contain a "Waiver of Transfer Rights of Recovery Against Others" endorsement (or its equivalent)

10 REPAIR AND REPLACEMENT OF BUILDINGS

If the building and the plate glass on the Premises shall be damaged by fire or any other occurrence, Tenant shall promptly notify Landlord and Landlord will, within a reasonable time from the date of the damage or destruction, repair or replace the building in accordance with Landlord's then current design standards in effect at the time of the repair or replacement (subject to any changes in applicable codes and to Landlord's ability to obtain all necessary permits and approvals in connection with such repair and replacement) so that Tenant may continue in occupancy All damage to plate glass shall be Tenant's sole responsibility Landlord's obligation to rebuild or restore the building shall, however, be only to the extent of insurance proceeds recovered from the insurance required to be provided by Tenant and available to Landlord In the event that such proceeds are not adequate for such repair or replacement, Tenant shall deliver to Landlord, in cash, the full amount of the deficiency, within thirty (30) days after delivery by Landlord to Tenant of a statement of the amount of such deficiency In the event that Tenant fails to make payment of any such deficiency within such period, Landlord may, in its sole discretion, terminate this Lease by written notice to Tenant Rent required to be paid pursuant to this Lease shall not abate during any period that Tenant is unable to occupy the building or the Premises If the building cannot be replaced or repaired within a reasonable time due to the inability of Landlord to obtain necessary permits or to obtain materials and labor needed therefore, or because of strikes, acts of God or governmental or other applicable restrictions that would prohibit, limit or delay the construction, then the time for completion of the repair or replacement shall be extended accordingly However, in any event, if the repair or replacement of the building has not been commenced within a period of one (1) year from date of the damage or destruction, Tenant or Landlord may, at their option, terminate this Lease by written notice to the other In the event of any damage or destruction occurring during the last five (5) years of the term of this Lease to the extent of fifty percent (50%) or more of the insurable value of the building, Landlord may, by notice to Tenant within forty (40) days after the occurrence of the damage or destruction, in lieu of repairing or replacing said building, elect to terminate this Lease as of the date of the damage or destruction

Tenant hereby expressly waives and releases any and all claims against Landlord for damages or other relief as a result of any failure of Landlord to rebuild or restore the building in accordance with the provisions of this Section 10 Tenant understands and agrees that Tenant's sole remedy for any such failure shall be to elect to terminate this Lease In the event the building and other improvements are not repaired, restored or replaced, for any reason, all proceeds of the fire and extended coverage insurance applicable to the building and other permanent improvements and other property of Landlord shall be paid and given to Landlord Tenant shall execute and deliver any release or other document that Landlord may request in order to obtain the release or control of said proceeds All proceeds of the fire and extended coverage insurance

which are specifically designated by the insurer as being for the equipment and personal property of Tenant shall be paid and given to Tenant

11 MAINTENANCE, REPAIR AND SURRENDER

Except to the extent of Landlord's obligations (if applicable) under Section 10 (REPAIR AND REPLACEMENT OF BUILDINGS) and Section 15 (EMINENT DOMAIN), Tenant shall, at its expense, (a) keep the entire Premises, Building Facilities on or about the Premises and all utility lines and facilities on or connected to the Premises at all times in good repair, order and condition, (b) replace all broken, damaged or missing fixtures, equipment, personal property, appurtenances and utility lines and facilities and (c) upon the termination of this Lease, whether by lapse of time or otherwise, surrender the Premises in good repair, order and condition, ordinary wear and tear excepted Upon request by Landlord, Tenant shall remove all signs and other identifying features from the Premises Tenant's obligation to make repairs to the Premises and Building Facilities shall include all repairs, whether ordinary or extraordinary, including, but not limited to, structural repairs to the building's foundation, floors, walls and roof

12 OWNERSHIP AND REMOVAL OF PROPERTY

All buildings and improvements and all plumbing, heating, lighting, electrical and air conditioning fixtures and equipment and all other articles of property which are the property of Landlord immediately prior to the Commencement Date are and shall remain a part of the real estate and shall be considered to be leased hereunder, saving and excepting only such personal property and trade fixtures as may be purchased by Tenant as evidenced by a written purchase agreement or bill of sale

Any additions, replacements, alterations or remodeling of improvements on or about the Premises or other property leased hereunder shall immediately become the property of Landlord and shall not be removed by Tenant at the termination of this Lease by lapse of time or otherwise At or prior to the termination of this Lease, whether by lapse of time or otherwise, Tenant shall remove from the Premises all of its personal property and trade fixtures and any such additions, replacements, alterations or remodeled improvements which Landlord shall require to be removed, and shall repair any damage to the Premises which may have been caused or occasioned by such removal

13 ALTERATIONS

Tenant shall not make any change in, alteration of, or addition to any part of the Premises or improvements, fixtures or equipment therein, or remove any item or portion of the Premises or any such improvements, fixtures or equipment, without, in each instance, obtaining the prior written consent of Landlord In any case, any such change, alteration, addition or removal shall be in full compliance with all governmental rules, ordinances, and regulations and any covenants, conditions or restrictions which are applicable to the Property Any work or improvement, alteration or removal conducted

by Tenant on or about the Premises shall be in strict compliance with plans and specifications approved in writing by Landlord, and shall be conducted only by contractors, mechanics and materialmen and with materials approved in writing by Landlord Landlord may grant or withhold its approvals pursuant to this Section 13 in its sole discretion, and may require that Tenant furnish to Landlord, prior to commencement of any work, a completion and lien indemnity bond in form, content and amount satisfactory to Landlord

14 LANDLORD'S RIGHT TO PERFORM FOR TENANT

If Tenant should fail to perform any of its obligations under the provisions of this Lease, Landlord, at its option, may (but shall not be required to), without waiving any default or any of the rights of Landlord hereunder, do the same or cause the same to be done In addition to any and all other rights and remedies of Landlord, all costs incurred by Landlord in connection with such performance by Landlord shall be due as Additional Rent hereunder immediately upon demand by Landlord, together with interest thereon at the Default Interest Rate

15 EMINENT DOMAIN

A Entire Premises

If the whole of the Premises shall be lawfully condemned by eminent domain, or conveyed by Landlord in lieu of condemnation, for any public or quasi-public use or purpose, all rents and taxes or other charges hereunder shall be paid up to the date when the condemning authority shall take possession of the Premises and this Lease shall then terminate Tenant hereby waives, releases, shall have no interest in, and assigns to Landlord any compensation or award for any such condemnation or conveyance, including, without limitation, any claims for loss of good will, delay, bonus value, the value of the Premises, the lease, the building, improvements, fixtures or equipment thereon, whether or not installed or paid for by Tenant, except that Tenant shall have the right to compensation as may be specifically awarded to Tenant by the condemning authority for loss or damage to Tenant's removable personal property or for the cost or loss which Tenant may incur in removing Tenant's merchandise and personal property

B Partial Taking

In the event that only a part of the Premises shall be lawfully taken, condemned or conveyed by Landlord in lieu of condemnation and Landlord determines, in its sole discretion, that the operation of a Franchised Restaurant on the portion of the Premises remaining after such taking is no longer desirable or would not, from Landlord's standpoint, be economically feasible, Landlord may at any time, either prior to or within a period of sixty (60) days after the date when the condemning authority shall take possession of such portion of the Premises, elect to terminate this Lease In the event of such termination, the provisions of Section 15A, above, shall apply in the

same manner as if a total taking of the Premises had occurred, including, without limitation, the provisions of Section 15A regarding any compensation or award for the condemnation or conveyance In the event that Landlord shall fail to exercise any such election to terminate this Lease, or shall not have any such election hereunder, Landlord shall (1) with reasonable promptness, make necessary repairs and alterations of the improvements on the Premises for the purpose of restoring the same to an economic architectural unit, susceptible to the same use as that which was in effect immediately prior to such taking, to the extent that such repairs and alterations may be necessary as a result of such condemnation, and (2) be entitled to the entire award for such partial taking and the provisions of Section 15A shall apply with respect thereto In the event the award for such partial taking is inadequate to make all necessary repairs and alterations in accordance with subparagraph (1) above, Tenant shall deliver to Landlord, in cash, the full amount of the deficiency within 30 days after delivery by Landlord to Tenant of a statement of the amount of such deficiency If this Lease is not terminated, Tenant's obligation for Fixed Minimum Rent, from and after the date the condemning authority takes possession, shall be reduced to an amount which bears the same proportion to the Fixed Minimum Rent in effect at the time of the condemnation as the total floor area of the building(s) on the Premises following such repairs and alterations bears to the total floor area of the building(s) on the Premises prior to the condemnation

16 SUBORDINATION AND NON-DISTURBANCE

This Lease and all of Tenant's rights, title and interest in and under this Lease shall, at the option of Landlord, be subject, subordinate and inferior to (a) any ground or underlying leases, (b) any and all mortgages, deeds of trust, collateral assignments of this Lease and similar security instruments (collectively, "Mortgages") and any and all advances made on the security thereof, and (c) the rights of all parties under any sale and leaseback arrangement, and to any and all terms, conditions, provisions, extensions, renewals or modifications of any such leases, Mortgages and/or sale and leaseback arrangements which Landlord or any grantee, successor or assign of Landlord has or may place upon the Premises or any portion thereof or any of the improvements, fixtures or equipment thereon, in the same manner and to the same extent as if this Lease had been executed subsequent to the execution, delivery and recording of such lease, Mortgage or sale and leaseback arrangement This provision is intended to include the right of Landlord and its grantees, successors and assigns, any ground lessor and any party to a sale and leaseback arrangement further to encumber the Premises or their interests therein with one or more Mortgages, all of which shall, at the option of Landlord or its grantees, successors or assigns, any such ground lessor or any such party to a sale and leaseback arrangement, be superior to the interest of Tenant hereunder Alternatively, at the option of Landlord or its grantees, successors or assigns, any mortgagee or other beneficiary of a Mortgage ("Mortgagee") or any ground lessor or any party to a sale and leaseback arrangement, this Lease and the rights of Tenant hereunder may be deemed to be prior and superior to the interests of such party

In the event that a Mortgagee or any other person acquires title to the Premises pursuant to the exercise of any remedy provided for in its Mortgage, or in the event of default under any ground or underlying lease or any lease related to a sale and leaseback of the Premises, Tenant's right of possession shall not be disturbed provided (a) Tenant is not then in default under this Lease and (b) Tenant attorns to such title holder Tenant covenants and agrees that upon foreclosure of any Mortgage it will, subject to any contrary provision in such Mortgage, attorn to any Mortgagee or purchaser at the foreclosure sale as its lessor under this Lease and in the case of a default under the terms of any ground or underlying lease or any lease related to a sale and leaseback it will, subject to any contrary provision in such lease, attorn to the lessor thereunder as its lessor under this Lease and, in either such event, this Lease shall, subject to any contrary provision in such Mortgage or lease, continue in full force and effect as a direct lease between Tenant and such party upon all terms, conditions and agreements set forth in this Lease In the event of the foreclosure of a Mortgage placed on the Premises by a grantee under a sale and leaseback, such attornment shall be required only if, at the time of such foreclosure, the lease related to such sale and leaseback is also in default

The subordination of this Lease provided in this Section 16 shall, in the event Landlord shall so elect, be automatic and self-operative, and no special instrument of subordination shall be necessary Notwithstanding the foregoing, Tenant shall, on demand, at any time or times, execute, acknowledge and deliver to Landlord, without expense to Landlord, any and all instruments that may be necessary or proper to evidence the subordination of this Lease and all rights hereunder to any ground or underlying lease, Mortgage or sale and leaseback arrangement If Tenant shall fail to execute, acknowledge and deliver any such subordination instrument within five (5) days after receipt thereof, Landlord, in addition to any other remedies available to it as a result of such failure, may execute, acknowledge and deliver the same as the attorney-in-fact of Tenant and in Tenant's name, place and stead, and Tenant hereby irrevocably makes, constitutes and appoints Landlord, its successors and assigns, such attorney-in-fact for that purpose

17 <u>COMPLIANCE WITH MASTER LEASE</u>

A Tenant acknowledges and agrees as follows

(1) Landlord may have its possessory right in the Premises pursuant to a Master Lease Agreement (Master Lease), and in the event Landlord's possessory right is terminated, Tenant's possessory right would likewise terminate (The term Master Lease" shall include, without limitation, any and all amendments, modifications, extensions, renewals or substitutions thereto)

(2) The terms and conditions of this Lease, and the rights of Tenant under this Lease are subject and subordinate to the terms and conditions of the Master Lease

(3) Tenant agrees to execute, when required by Landlord, a Landlord's Interest Addendum, in substantially the form as attached hereto as Exhibit B

B Tenant hereby authorizes Landlord, without notice or demand, and without affecting Tenant's liability under the Lease, to renew, compromise, extend, replace, substitute or otherwise modify or amend the provisions and conditions of the Master Lease, and Tenant hereby waives and relinquishes any and all rights or defenses based upon any such action, and(or) Landlord's failure to notify Tenant thereof

C Tenant hereby authorizes Landlord, without notice or demand, and without affecting Tenant's liability under the Lease, to enter into a new Master Lease at any time during the term of this Lease Tenant agrees to execute the Landlord Interest Addendum with respect to any new Master Lease and Tenant hereby waives and relinquishes any and all rights or defenses based upon any such action, and(or) Landlord's failure to notify Tenant thereof

D Tenant shall not, in its use and enjoyment of the Premises and the conduct and operation of its business thereon, suffer or permit any condition to exist or do, or omit to do, anything which would result in or constitute a breach or default of the terms and provisions of the Master Lease or which would give rise to any right of Master Lessor to terminate the Master Lease or any rights of the Landlord as lessee under the Master Lease Tenant will perform, comply with and discharge all obligations which Landlord, as lessee under the Master Lease, is required to comply with and discharge, except for Landlord's monthly base rent obligations as lessee under the Master Lease during the term of this Lease Tenant's obligations may include, without limitation, obtaining insurance against flood, earthquake, and/or other risks, from an insurance carrier holding a specified rating from the Best Insurance Rating Guide

E In the event of any increase in the rent, percentage rent, or other charges or obligations of Landlord as lessee under the Master Lease, the amount of the monthly increase in such rent (or if the increase is an increase in the rate of percentage rent then the rate of percentage rent payable by Tenant under this Lease shall be increased by the same amount), charges or obligations shall, upon notice by Landlord to Tenant, be added, effective as of the date of the increase under the Master Lease, to the Fixed Minimum Rent previously payable by Tenant under this Lease **[use with Alternative Rent provision #1 - , plus, in the case of an increase in rent payable under the Master Lease, an additional 5% of such increase]**, provided, however, that the Rent payable by Tenant under this Lease shall not be reduced in the event of a decrease in the rent or other charges or obligations of Landlord as lessee under the Master Lease Except as expressly provided herein, if Landlord enters into a new Master Lease, whether or not there was previously a Master Lease in place, then Fixed Minimum Rent payable under this Lease shall be increased in the amount equal to the difference between the Fixed Minimum Rent previously payable under this Lease and the amount of rent payable under the new Master Lease, provided, however, that the Rent payable by Tenant under this Lease shall not be reduced in the event of a decrease in the rent or other charges or obligations of Landlord as lessee under any new Master Lease In

the event that the Premises described herein encompass less than the property demised to Landlord under the terms of the Master Lease, Tenant shall only be responsible for its prorata share of the real estate taxes, assessments, insurance premiums and other charges assessed to or levied against the property demised pursuant to the Master Lease and a like percentage of any increase in the rent or other charges or obligations of Landlord as lessee under the Master Lease

F Tenant hereby indemnifies Landlord against and agrees to save Landlord harmless from any and all claims, demands, losses, liabilities, obligations, costs and expenses (including without limitation attorneys' fees and court costs) which may result from or arise in connection with any failure by Tenant to comply with and discharge all of the obligations of Landlord, as lessee under the Master Lease, which are assumed by Tenant pursuant hereto

18 QUIET POSSESSION

Tenant, upon paying the Rent herein provided and performing all and singular the covenants and conditions of this Lease on its part to be performed, shall and may peaceably and quietly have, hold and enjoy the Premises during the term hereof

19 COMPLIANCE WITH LAW AND RESTRICTIONS

A Tenant, in connection with any use it may make of the Premises, agrees at all times during the term of this Lease at its own expense to conform to and comply with all federal, state and local laws, ordinances and regulations, and all covenants, conditions and restrictions, whether now or hereafter in force, affecting the use, occupancy condition or configuration of all or any part of the Premises and Tenant's business thereon, including, without limitation, the Americans with Disabilities Act and any state law version of such law Landlord makes no warranties or representations as to the state of compliance of the Premises, or Building Facilities, or Tenant's actual or intended use thereof with any such laws, ordinances, and regulations (including without limitation any zoning, land use or environmental laws or regulations and any federal, state or industrial health or safety codes) or with any such covenants, conditions and restrictions, and Tenant acknowledges that it has independently investigated same and represents that it will comply therewith Tenant shall obtain, keep in full force and effect, and strictly comply with, all governmental licenses and permits which may be required from time to time for Tenant's use and occupancy of the Premises and operation of a Franchised Restaurant thereon Tenant hereby indemnifies Landlord against and agrees to save Landlord harmless from all claims, demands, losses, liabilities, obligations, costs or expenses (including attorneys' fees or court costs) which result from or arise in connection with any violation of any law, ordinance, regulation, covenant, condition or restriction, whether occasioned by the neglect, omission or willful act of Tenant or any other person on the Premises by permission of or holding under Tenant

B Throughout the term of this Lease, Tenant shall comply with and perform all of the obligations of the fee owner or occupant of the Premises pursuant to any and all reciprocal easement agreements, covenants, conditions and restrictions affecting the Premises and pursuant to any articles, charters, by-laws, rules or regulations of any association of owners or occupants of property which includes the Premises Tenant hereby indemnifies Landlord against and agrees to save Landlord harmless from all claims, demands, losses, liabilities, obligations, costs and expenses (including without limitation attorneys' fees and court costs) which result from or arise in connection with any failure of Tenant to comply with such agreements, covenants, conditions, restrictions, articles, charters, by-laws, rules and regulations Without limitation upon the generality of the foregoing, Tenant shall pay (and shall furnish to Landlord evidence satisfactory to Landlord of such payment), at least ten (10) days prior to delinquency, any and all assessments, dues, fees, common area maintenance charges and other sums which become due and payable during the term of this Lease in connection with any such agreements, covenants, conditions, restrictions, articles, charters, by-laws, rules or regulations or actions of any such association of owners or occupants In the event that Tenant does not furnish to Landlord, at least ten (10) days prior to delinquency, evidence satisfactory to Landlord of payment of any such assessment, dues, fee, charge or other sum, Landlord shall have the right (but not the obligation) to pay the same Tenant shall reimburse Landlord, immediately upon demand as Additional Rent hereunder, for any such sums which Landlord thus elects to pay or is required to pay Provided, however, that any such sums which may be levied or assessed for a period beginning before the Commencement Date or ending after the termination hereof shall be prorated between Landlord and Tenant as of such date or dates

C Tenant agrees to promptly provide Landlord with copies of any notices, letters or other communications pertaining to the Premises or Tenant's operations thereon which are received by Tenant from any governmental or quasi-governmental entity, any person or entity with actual or alleged power to enforce any covenants, conditions or restrictions affecting the Premises, or any association of owners or occupants of property which includes the Premises

20 ATTORNEYS' FEES

Should either party hereto institute any action or proceeding in court to enforce any provision hereof or for damage by reason of alleged breach of any provision of this Lease or for a declaration of such party's rights or obligations hereunder, or for any other judicial remedy, the prevailing party shall be entitled to receive from the losing party such amount as the court may adjudge to be reasonable attorneys' fees for the services rendered the party finally prevailing in any such action or proceeding

21 LIENS AGAINST PROPERTY

Nothing in this Lease shall authorize Tenant to do any act which shall in any way encumber the title of Landlord in and to the Premises The interest or estate of

Landlord in the Premises shall not in any way be subject to any claim of lien or encumbrance whether by operation of law or by virtue of any Mortgage or other express or implied contract by Tenant Tenant shall not permit the Premises to become subject to any mechanic's, laborer's or materialmen's lien on account of labor or material furnished to Tenant (whether or not delivered to or located on the Premises) or in connection with work of any character performed or claimed to have been performed on the Premises by or at the direction of, or sufferance of, Tenant

In the event any lien is filed against or attached to the Premises or Tenant's interest therein, at Landlord's option, Tenant shall either pay the amount of said lien in full or shall, upon demand of Landlord, provide and pay for a non-cancelable bond, placed with a reputable company, approved by Landlord, in an amount deemed sufficient by Landlord, insuring the interest of Landlord and any interest superior to Landlord's interest from any loss by reason of the filing of such lien Tenant shall immediately pursue in good faith its legal remedies to the end of obtaining removal of said lien

Tenant shall give Landlord written notice of the commencement of work of any character on or about the Premises at least ten (10) days prior to such commencement Landlord shall have the right to post and maintain on the Premises such notices of non-responsibility, and to do such other things as may in Landlord's judgment be necessary to protect against such mechanics', laborers' and materialmen's liens as are provided for in the law of the state in which the Premises are located

22 COMPLIANCE WITH FRANCHISE AGREEMENT(S)

Tenant shall comply with and perform all covenants contained in the Franchise Agreement and in any other franchise agreements, leases or other agreements between Landlord (or Landlord's affiliates) and Tenant, whether or not pertaining to the Premises Termination, default, or revocation of the Franchise Agreement for any reason, either in whole or in part, or failure of Landlord and/or Landlord's affiliate(s) and Tenant to enter into such Franchise Agreement within ninety (90) days from the date of this Lease, shall terminate this Lease, without further notice being required

23 DEFAULTS OF TENANT

A Events of Default

The following events shall constitute events of default by Tenant under this Lease

(1) Failure by Tenant to pay any installment of Rent or any other sum required to be paid by Tenant under this Lease, unless Tenant shall cure such failure within five (5) days after demand therefore

(2) Failure by Tenant to comply with any term, provision or covenant of this Lease, other than provisions pertaining to the payment of money, unless Tenant shall cure such failure within thirty (30) days after demand therefore, provided, however, that if such default is of a nature that the cure thereof cannot reasonably be effected within such period, Tenant shall not be deemed to be in default hereunder if Tenant commences such cure within such period and diligently prosecutes the same to completion thereafter

(3) Default by Tenant under the Franchise Agreement or under any other franchise agreement, lease, note, or other agreement between Tenant and Landlord and/or any of Landlord's affiliates, whether or not pertaining to the Premises

(4) Tenant's commencing a voluntary case or otherwise seeking any type of relief under the federal bankruptcy laws, as now or hereafter constituted, or under any state insolvency or similar law, or the entry of a decree or order for relief in respect of Tenant by a court having jurisdiction in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or under any state insolvency or similar law, all without dismissal within ninety (90) days from filing

(5) Tenant's failure generally to pay its debts as they come due, or making of an assignment for the benefit of creditors, or the appointment of a receiver or custodian (permanent or temporary) for any part of Tenant's property by a court of competent jurisdiction

(6) Abandonment, desertion or vacation of the Premises by Tenant

B Rights on Default

Upon the occurrence of any event of default by Tenant, Landlord shall be entitled to all of the rights and remedies available to Landlord at law or in equity, including without limitation the right, with or without termination of the Lease, to each of the following

(1) Recovery from Tenant of all Rent and other amounts owing hereunder

(2) Recovery from Tenant of any other amounts necessary or appropriate in order to compensate Landlord for all of the detriment suffered by Landlord as a result of Tenant's failure to perform its obligations under this Lease

(3) Re-entry and possession of the Premises, and removal of all persons and property therefrom

(4) Maintenance of an action for recovery of possession of the Premises, without formal demand or re-entry

(5) Enforcement of any and all lien rights

(6) Termination of any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or, in Landlord's sole discretion, succession to Tenant's interest in such subleases, licenses, concessions or arrangements In the event of Landlord's election to succeed to Tenant's interest in such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the Rent or other consideration receivable thereunder

Without limitation upon the generality of the foregoing, in the event of an event of default described in Section 23A(4) or Section 23A(5), above, this Lease and the rights of Tenant may be terminated by Landlord without notification to Tenant as if the date of occurrence of such event of default were the expiration date of this Lease, and Tenant expressly waives all rights under the provisions of the Bankruptcy Rules, and consents to such immediate termination of this Lease Tenant agrees not to seek an injunctive order from any court in any jurisdiction relating to insolvency, reorganization or arrangement proceedings which would have the effect of staying or enjoining the operation of this provision

The rights and remedies of Landlord as provided in this Section 23B are cumulative, in addition to and not exclusive of any and all other rights or remedies now or hereafter given to Landlord by law or by the terms of this Lease Any re-entry as provided for herein shall be allowed by Tenant without hindrance, and Landlord shall not be liable in damages or guilty of trespass because of such re-entry The failure of Landlord to insist, in any one or more instances, upon a strict performance of any of the covenants of this Lease, or to exercise any option contained herein, shall not be construed as a waiver or a relinquishment for the future of such covenant or option A receipt by Landlord of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord In addition to the other remedies provided herein, Landlord shall be entitled to the restraint by injunction of the violation or attempted violation of any of the covenants, conditions or provisions of this Lease

24 DEFAULTS OF LANDLORD

Landlord shall in no event be in default in the performance of any of Landlord's obligations under this Lease unless and until Landlord shall have failed to perform such obligations within thirty (30) days after notice in writing by Tenant to Landlord properly specifying wherein Landlord has failed so to perform, provided, however, that if such default is of a nature that the cure thereof cannot reasonably be effected within such period, Landlord shall not be deemed to be in default hereunder if Landlord commences such cure within such period and diligently prosecutes the same to completion thereafter Landlord's non-performance shall be excused and the time for performance shall be extended for as long as and to the extent that such non-performance is due to

an act of God, governmental control or other factors beyond the reasonable control of Landlord

25 RECORDING OF LEASE

Tenant shall not record this Lease without the written consent of Landlord, however, Landlord, in its discretion, may require recordation of a Memorandum of Lease Tenant agrees to cooperate in the execution and recordation of such Memorandum of Lease which shall be recorded at Tenant's expense

26 NOTICES

A All notices or demands of any kind which Tenant is required to or desires to serve on Landlord with respect to this Lease may be served by personal delivery or by mailing a copy of such notice or demand to Landlord by certified mail, with return receipt requested and postage prepaid, in either case at the place in the United States last designated by Landlord as the place at which notices may be served Landlord hereby designates 9330 Balboa Avenue, San Diego, California 92123-1516, Attention Franchise Development, as the place at which notices shall be served by personal delivery or by mail Service by mail or by personal delivery shall be deemed complete at the expiration of the third day after the date of delivery thereof to the address specified

B All notices or demands of any kind which Landlord is required to or desires to serve on Tenant with respect to this Lease may be served by personal delivery at any location or by mailing a copy of such notice or demand to Tenant by certified mail, with return receipt requested and postage prepaid, addressed to Tenant at the place in the United States last designated by Tenant as the place at which notices may be served, or if no such written designation is then in effect, then addressed to Tenant at the Premises Tenant hereby designates _____as the place at which notices shall be served Service by personal delivery shall be effective upon such delivery Service by mail shall be deemed complete at the expiration of the third day after the date of delivery thereof to the address specified

27 APPLICABLE LAW AND PARTIES BOUND

This Lease shall be construed under the laws of the state in which the Premises are situated and shall be binding upon and inure to the benefit of, as the case may require, the parties hereto and their respective heirs, executors, administrators, successors and assigns

28 INTERPRETATION

The words "Landlord" and "Tenant," as used herein, shall include, apply to, bind and benefit, as the context may permit or require, the parties executing this Lease and their respective heirs, executors, administrators, successors and assigns

The term "Landlord" as used herein shall mean only the owner or owners, at the time in question, of the fee title or a lessee's interest in a ground lease of the Premises, and in the event of any transfer of such title or interest, Landlord herein named (and, in case of any subsequent transfers, then the grantor in connection therewith) shall be relieved from and after the date of such transfer of all liability as respects Landlord's obligations thereafter to be performed, provided that any funds in the hands of Landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be delivered to the grantee The obligations contained in this Lease to be performed by Landlord shall, subject as aforesaid, be binding on Landlord's successors and assigns, only during their respective periods of ownership

Wherever the context so permits or requires, words of any gender used in this Lease shall be construed to include any other gender, and words in the singular number shall be construed to include the plural

29 INVALIDITY

In the event that any term, provision, condition or covenant or any part thereof contained in this Lease, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, or be held to be invalid or unenforceable by any court of competent jurisdiction, the remainder of this Lease, or the application of such term, provision, condition or covenant or any part thereof to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and all such remaining terms, provisions, conditions and covenants and parts thereof in this Lease shall be deemed to be valid and enforceable

30 CAPTIONS

The headings and captions contained in this Lease are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Lease nor of any provisions herein contained

31 ESTOPPEL CERTIFICATES

Tenant shall at any time, upon not less than ten (10) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the Rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord, or specifying such defaults if any are claimed Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises or any lender of Landlord

Tenant's failure to deliver such statement within such time shall constitute a material default of this Lease without any further notice to Tenant At Landlord's option, such failure may also be deemed conclusive upon Tenant that (i) this Lease is in full force and effect, without modification except as may be represented by Landlord, (ii) there are no uncured defaults in Landlord's performance hereunder, and (iii) not more than one (1) month's Fixed Minimum Rent has been paid in advance

32 ADDITIONAL RENT

All monetary obligations of Tenant to Landlord under this Lease shall be deemed to be Rent hereunder

33 BROKERS

Landlord and Tenant each hereby represent and warrant to the other that it has not engaged or dealt with any broker, finder or other agent in connection with its entry into this Lease or the transactions contemplated hereby, other than as expressly disclosed in writing prior to the execution of this Lease Landlord and Tenant each hereby indemnify and hold the other harmless from and against all claims, demands, losses, liabilities, obligations, costs or expenses (including without limitation attorneys' fees and court costs) incurred by the indemnified party in connection with any claim or demand by any person or entity for any broker's, finder's or other fee or commission in connection with the entry by the indemnifying party into this Lease and the transactions contemplated hereby

34 RIGHT OF INSPECTION

Landlord shall have the right, exercisable without notice and without liability to Tenant for damage or injury to property, person or business (all claims for damage being hereby released), and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for offsets or abatement of Rent, to enter the Premises at all reasonable times during the term of this Lease for the purpose of inspecting the same, or making such repairs or replacements therein as may be required by this Lease or as Landlord may deem appropriate, provided that Landlord shall use all reasonable efforts not to disturb Tenant's use and occupancy and shall, when practical, give Tenant prior notice of such repairs

35 ENTIRE AGREEMENT

This Lease, together with any Exhibits or addenda attached hereto, constitutes the entire agreement between Landlord and Tenant pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and undertakings of the parties in connection herewith

36 LIMITATION OF LIABILITY

Notwithstanding anything to the contrary contained in this Lease, the liability of Landlord (and any successor Landlord hereunder) to Tenant shall be limited to the interest of Landlord in the building, and Tenant agrees to look solely to Landlord's interest in the building for the recovery of any judgment or award against the Landlord, it being intended that neither Landlord nor any member, principal, partner, shareholder, officer, director or beneficiary of Landlord shall be personally liable for any judgment or deficiency

37 HOLDING OVER

If Tenant fails to vacate the Premises at the end of the term of this Lease, then Tenant shall be a tenant at will and, in addition to Percentage Rent due and payable under this Lease during the holdover period, Tenant shall be obligated to pay Fixed Minimum Rent equal to two hundred percent (200%) of the Fixed Minimum Rent payable during the last month of the term No payments of money paid by Tenant to Landlord following the expiration of the Lease shall reinstate the term, and the term shall not be extended unless it is in writing and signed by Landlord and Tenant

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year shown opposite their respective signatures herein below

Executed by Tenant this
____ day of _____, 20___

"Tenant"

By _____

Executed by Landlord this
____ day of _____, 20___

"Landlord"

(JACK IN THE BOX INC),
a Delaware corporation

By _____
President

By _____
Vice President

EXHIBIT B"

LANDLORD'S INTEREST ADDENDUM

(SUBLEASE)

This Addendum is incorporated within to that certain Lease Agreement for a JACK IN THE BOX Franchised Restaurant (the "Lease") by and between JACK IN THE BOX INC , a Delaware corporation (or JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership) (hereinafter "Landlord") and , (hereinafter "Tenant"), dated _____, 20___ Except as expressly provided in this Addendum, all terms used in this Addendum shall have the meanings established for those terms in the main body of the Lease In the event of any conflict between this Addendum and the Lease this Addendum shall prevail

1 LANDLORD'S INTEREST IN PREMISES Landlord is the lessee of the Premises under a certain lease, (hereinafter "Master Lease") between , (hereinafter "Master Lessor") and , dated _____, 20____, a copy of which, together with amendments dated _____, 20___, is attached hereto and incorporated herein by reference The Lessee's interest under said Master Lease now vests in Landlord

2 COMPLIANCE WITH MASTER LEASE Tenant acknowledges and agrees that the terms and conditions of this Lease, and the rights of Tenant under this Lease, are subject and subordinate to the terms and conditions of the Master Lease and any subsequent amendments, modifications, extensions, renewals or substitutions thereto Tenant hereby authorizes Landlord, without notice or demand, and without affecting Tenant's liability under the Lease, to renew, compromise, extend, or otherwise amend, modify, extend, renew or substitute the provisions and conditions of the Master Lease, and Tenant hereby waives and relinquishes any and all rights or defenses based upon any such amendments, modifications, extensions, renewals or substitutions to the Master Lease, and(or) Landlord's failure to notify Tenant thereof Tenant shall not, in its use and enjoyment of the Premises and the conduct and operation of its business thereon, suffer or permit any condition to exist or do, or omit to do, anything which would result in or constitute a breach or default of the terms and provisions of the Master Lease or which would give rise to any right of Master Lessor to terminate the Master Lease or any rights of the Landlord as lessee under the Master Lease Tenant will perform, comply with and discharge all obligations which Landlord, as lessee under the Master Lease, is required to comply with and discharge, except for Landlord's monthly base rent obligations as lessee under the Master Lease, as of the date of this Lease Tenant's obligations may include, without limitation, obtaining insurance against flood, earthquake, and/or other risks, from an insurance carrier holding a specified rating from the A M Best Insurance Rating Guide

In the event of any increase in the rent, percentage rent or other charges or obligations of Landlord as lessee under the Master Lease, the amount of the monthly

increase in such rent (or if the increase is an increase in the rate of percentage rent then the rate of percentage rent payable by Tenant under this Lease shall be increased by the same amount), charges or obligations shall, upon notice by Landlord to Tenant, be added, effective as of the date of the increase under the Master Lease, to the Fixed Minimum Rent previously payable by Tenant under this Lease **[use with Alternative Rent provision #1 - , plus, in the case of an increase in rent payable under the Master Lease, an additional 5% of such increase]**, provided, however, that the Rent payable by Tenant under this Lease shall not be reduced in the event of a decrease in the rent or other charges or obligations of Landlord as lessee under the Master Lease Except as expressly provided herein, if Landlord enters into a new Master Lease, whether or not there was previously a Master Lease in place, then Fixed Minimum Rent payable under the Lease shall be increased in the amount equal to the difference between the Fixed Minimum Rent previously payable under the Lease and the amount of rent payable under the new Master Lease, provided, however, that the Rent payable by Tenant under the Lease shall not be reduced in the event of a decrease in the rent or other charges or obligations of Landlord as lessee under any new Master Lease

In the event that the Premises described herein encompass less than the property demised to Landlord under the terms of the Master Lease, Tenant shall only be responsible for its prorata share of the real estate taxes, assessments, insurance premiums and other charges assessed to or levied against the property demised pursuant to the Master Lease and a like percentage of any increase in the rent or other charges or obligations of Landlord as lessee under the Master Lease

3 TENANT'S INDEMNITY Tenant hereby indemnifies Landlord against and agrees to save Landlord harmless from any and all claims, demands, losses, liabilities, obligations, costs and expenses (including without limitation attorneys' fees and court costs) which may result from or arise in connection with any failure by Tenant to comply with and discharge all of the obligations of Landlord, as lessee under the Master Lease, which are assumed by Tenant pursuant hereto

4 LESSEE'S STATEMENTS AND CERTIFICATES Without limiting the generality of the foregoing, Tenant agrees to promptly provide to Landlord insurance policies or certificates, estoppel certificates, statements of sales, mechanic's lien waivers, notices, releases and any other statement, record or document which may be required, from time to time, by the Master Lessor under the terms of the Master Lease All certificates or policies of insurance required under this Lease or under the Master Lease shall name Master Lessor as co-insured or additional insured, as the case may be, and all rights of Tenant to insurance proceeds and condemnation awards under this Lease shall be subject to the rights of Master Lessor under the Master Lease

5 NOTICES Tenant agrees to promptly provide Landlord with copies of any notices, letters or other communications received by Tenant from the Master Lessor, and to promptly notify Landlord of any failure by Master Lessor to perform its obligations under the Master Lease

6 ENFORCEMENT OF LANDLORD'S RIGHTS UNDER MASTER LEASE It is hereby acknowledged that Master Lessor may have certain obligations under the Master Lease to maintain and repair the Premises and adjoining areas, pay real estate taxes, assessments and special charges and impositions, restore, replace and/or rebuild the Premises and adjoining areas in the event of damage by fire and other causes, carry and pay for certain types of insurance policies and perform other obligations set forth in the Master Lease If said obligations exist, Landlord agrees to make a good faith effort to obtain the timely and faithful performance of Master Lessor's obligations, but Landlord shall not be in default or breach of any of its covenants and duties under this Lease or liable for any resulting loss or claim of Tenant if Landlord is not able to enforce its rights under the Master Lease With respect to Landlord's obligation to repair and restore the Premises in the event of damage or destruction thereto by fire or any other cause, Landlord's obligations under this Lease are conditioned upon Landlord obtaining the cooperation and approval of Master Lessor, as the same may be required, and the compliance of Master Lessor with all of Master Lessor's duties under the Master Lease, and Landlord shall not be liable to Tenant for any damage, claim or injury resulting from Landlord's inability to repair or restore the Premises due to default or breach of the Master Lease

7 INTENT OF THE PARTIES It is the intent of the parties to hereby create a sublease between Landlord and Tenant and not to effect an assignment of the Master Lease The parties further acknowledge that it is their intent that there be no merger of either Landlord's or Tenant's interest in this Lease and the fee title in the event that either party acquires a fee interest in the Premises at any time after the execution of this Lease In such event, this Lease will remain in full force and effect and shall determine the rights, duties, and obligations of the parties

Executed by Tenant this
_____, 20___

"Tenant"
By _____

Executed by Landlord this
_____, 20___

"Landlord"
(JACK IN THE BOX INC)

By _____
President

By _____
Vice President

[To be used in Build to Suit Scenarios]

JIB No ____

RENT ADDENDUM

This Addendum to Franchise Lease Agreement ("Addendum") is attached to and entered into concurrently with that certain Lease Agreement, dated _____, by and among JACK IN THE BOX INC , a Delaware corporation (or JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership) ("JIB" or "Landlord"), as landlord, and _____ (collectively, "Tenant" or "Franchisee(s)"), as tenants If there is any conflict between the provisions of this Addendum and the terms of the Lease, this Addendum will control Unless otherwise defined herein, all capitalized terms in this Addendum shall have the meaning(s) ascribed to them in the Lease

1 RECITALS This Addendum is made and entered into with reference to the following facts and circumstances

a Landlord and Tenant are parties to that certain Development Agreement, dated _____ ("Development Agreement"), pursuant to which Landlord agreed to construct certain restaurant improvements at the Premises, as described in and according to the terms and provisions of such Development Agreement

b The parties now desire to enter into this Addendum to set forth and implement the rent structure contemplated in the Development Agreement for the Premises

2 LAND AND BUILDING RENT Landlord and Tenant agree and acknowledge that (i) the total amount of the "Land Rent" (as defined in the Development Agreement) is $_____, and (ii) the total amount of the "Building Rent" based upon the "Development Costs" (as such terms are defined in the Development Agreement) is $_____ Pursuant to the terms of the Development Agreement, Tenant shall pay Land Rent and Building Rent, as set forth on Schedule 1, attached hereto and incorporated herein by this reference (such Land Rent and Building Rent shall be collectively referred to herein as "Fixed Minimum Rent") Such Fixed Minimum Rent shall be payable to Landlord in equal monthly installments, beginning on the Commencement Date and continuing throughout the term of the Lease, without set off or deduction and otherwise pursuant to the provisions of the Lease

3 NO OTHER CHANGES Except as set forth herein, the terms and conditions of the Lease remain in effect and unmodified

LANDLORD

(JACK IN THE BOX INC),

By _____
Title _____
Date _____

TENANT

_____
Date _____

SCHEDULE 1

Calculation of Fixed Minimum Rent

(to be provided)

EXHIBIT O

GENERAL RELEASE OF ALL CLAIMS

GENERAL RELEASE OF ALL CLAIMS

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned,

- [FRANCHISEE]
- [FRANCHISEE], and

- [ENTITY NAME], a [STATE OF INCORPORATION] corporation

(collectively "Releasor"), hereby releases and forever discharges Jack in the Box Inc , its officers, directors, agents, employees, subsidiaries and affiliates from and against any and all liabilities, actions, causes of action, judgments, suits, controversies, claims, demands, damages, costs and expenses whatsoever, in law or in equity ("Claims") arising out of any matters prior to the date of execution hereof, which have ever existed, may now exist or may hereafter arise, known or unknown, foreseen or unforeseen, to the full extent permitted by applicable law Without limiting the generality of the foregoing, it is expressly understood and agreed that this Release includes Claims Releasor may have individually or as the member of any class (i) under any federal or state franchise, antitrust, trade regulation or similar law, or (ii) under any state or federal security, blue sky or similar law, or (iii) in connection with allowances, discounts or compensation of any type received by Jack in the Box Inc from vendors

Further, the undersigned do hereby expressly waive all right, protection, privilege and benefit under Section 1542 of the Civil Code of the State of California, which provides

> **"1542 Certain claims not affected by general release A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor "**

By signing this General Release of All Claims, Releasor is giving up all rights under Section 1542 and any similar provision of any state

Notwithstanding any other provision contained in this Release, existing Franchise Agreements and Lease Agreements (the "Franchise Agreements" and the "Leases") to which Releasor and Jack in the Box Inc are parties remain in full force and effect

This Release does not release, waive, modify or in any way affect liabilities of Jack in the Box Inc under the Franchise Agreements or Leases arising after the date of execution of this Release by Releasor

This release contains the entire agreement among the parties hereto concerning the subject matter hereof, and the terms of this Release are contractual and not a mere recital

The undersigned hereby certify that they have read all provisions of this General Release of All Claims and the quoted California Civil Code Section, that they are represented by Counsel, and have been advised or been afforded the opportunity to be advised of the effect of the provisions of this General Release of All Claims and their waiver of all rights under the quoted California Civil Code Section, that they have made such investigation and inquiry as they and Counsel have deemed appropriate, and that they understand said provisions and effect, and have executed this General Release of All Claims freely and without duress

_____ Dated _____
[FRANCHISEE]

_____ Dated _____
[FRANCHISEE]

[ENTITY NAME],
a [STATE OF INCORPORATION] corporation

By _____ Dated _____
[FRANCHISEE], President

By _____ Dated _____
[FRANCHISEE], Secretary

EXHIBIT P

CO-TENANCY OPERATING AGREEMENT

JIB No ____

CO-TENANCY OPERATING AGREEMENT

This Co-tenancy Operating Agreement ("Agreement") is made and entered into as of _____, by and between JACK IN THE BOX INC , a Delaware corporation [or JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership] ("JIB"), whose address is 9330 Balboa Avenue, San Diego, California 92123, and _____ ("Operator"), whose address is _____, who agree as follows

RECITALS

Pursuant to a Franchise Agreement and Franchise Lease with JIB, Operator is the owner and operator of the JACK IN THE BOX restaurant business located at _____ (Location")

Operator acknowledges that there is a convenience store and fuel station ('Adjacent Businesses"), located adjacent to and sharing the same building as the Location The real property upon which the Location and the Adjacent Businesses are located shall be referred to herein as the "Land " The building in which the Location and the Adjacent Businesses are located shall be referred to herein as the "Building " Those portions of the Land which are not included within either the Jack in the Box restaurant or the Adjacent Businesses (including the area under the fuel canopy), but are otherwise available for non-exclusive use in common by Operator, JIB, and their respective customers, including all restrooms and adjacent vestibules and hallways, shall be referred to herein as the "Common Area(s) "

This Agreement sets forth the parties' agreement as to certain operating covenants, conditions and restrictions relating to the use and operation of the Location, the Adjacent Businesses, and the Common Areas

NOW THEREFORE, in consideration of the premises and the mutual covenants and conditions contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Operator and JIB agree as follows

1 <u>INCORPORATION OF RECITALS</u>

The above recitals are incorporated as terms of this Agreement as though fully set forth hereafter

2 <u>OPERATING COVENANTS</u>

A JIB grants to Operator nonexclusive easements over, across and upon the Land for (a) general unrestricted use of and access to the Common Area, including pedestrian and vehicular ingress, egress and general access and parking, (b) general unrestricted use of the restrooms (including adjacent vestibules and/or hallways) located in the Building, including the nonexclusive right of pedestrian access to such restrooms, vestibules and/or hallways across the Common Area, and (c) reasonably convenient access as necessary to permit Operator to perform its maintenance obligations hereunder Such

easements are each for the express benefit of Operator and Operator's employees, contractors, customers, invitees, licensees and/or guests

B Operator grants to JIB a nonexclusive easement for access over, across and through the Location as may be necessary for JIB to access the roof of the Building and(or) to use or perform maintenance or replacement of any utility installations, connections, conduits, lines or equipment which are necessary for the operation of the Adjacent Businesses Such easement is for the express benefit of JIB and JIB's employees, contractors, customers, invitees, licensees and/or guests

C Subject to the provisions of subparagraph D below, JIB will, at all times, repair, maintain and operate the Common Areas in fully operable, clean, safe, and good condition and repair, and shall be responsible for payment of real property taxes, insurance premiums and utility costs relating to the Common Areas Common Area maintenance and operating costs (Operating Costs") shall include, without limitation (i) maintenance and repair of equipment (e g , any automatic door openers) in the Building, (ii) interior and exterior cleaning of perimeter windows in the Common Areas, (iii) maintenance, repair, cleaning, and sweeping of sidewalks, curbs, gutters, drives, drive aisles, and parking areas, (iv) maintenance, repair, and cleaning of on-site surface drainage, (v) asphalt re-sealing and re-surfacing, parking re-striping, and bumper and marker repair and maintenance, (vi) periodic cleaning of the exterior of the Building only (i e , excluding the fuel station and car wash), (vii) periodic repainting of the exterior of the Building only (i e , excluding the fuel station and car wash), (viii) maintenance and repair of lighting fixtures and equipment, including bulb replacements, within the Common Areas, (ix) water and electricity consumption charges, (x) pest control, (xi) security measures mutually approved by the parties, and (xii) any other reasonable costs incurred by JIB in connection with the use, operation and maintenance of the Common Areas In order to provide flexibility with respect to specified operating and maintenance services related to the Common Areas, JIB may engage one or more third parties to provide such services, in which case Operator will reimburse JIB for its share of such costs, as provided herein

D Notwithstanding the provisions of subparagraph C above, Operator agrees that it shall be solely responsible, at its sole cost and expense and not to be included in Operating Costs, at all times to repair and maintain in fully operable, clean, safe, and good condition and repair, all landscaped areas located on the Land, provided, however, that the cost for water to irrigate such landscaped areas shall be reimbursed to JIB in accordance with subparagraph F below In exchange for Operators' agreement to maintain and repair the landscaping, as set forth in the preceding sentence, JIB agrees that it shall be solely responsible, at its sole cost and expense, and not to be included in Operating Costs, at all times to repair and maintain in fully operable, clean, safe, and good condition and repair, the restrooms located in the Building (including, without limitation, any adjacent vestibules and(or) hallways), provided, however, that the electricity costs related to such restrooms shall be included in "Electricity Costs" (as defined below), and reimbursed to JIB in accordance with subparagraph F below [NOTE The foregoing structure is dependent upon the arrangements with the existing gas/c-store operator, and may be negotiated] In addition,

notwithstanding the provisions of subparagraph C above, Operator agrees that it shall be solely responsible, at its sole cost and expense and not to be included in Operating Costs, at all times for (i) cleaning and sweeping the sidewalks, curbs, gutters, drives, drive aisles, and parking areas designated as Landlord Sweep Area" on Exhibit A, attached hereto and incorporated herein by this reference, and (ii) interior and exterior cleaning of perimeter windows in the Common Areas

E In addition to its obligations with respect to the Common Areas, as set forth above, and notwithstanding any provisions of the Franchise Lease or the Franchise Agreement for the Location to the contrary, the parties agree that

(i) JIB shall be responsible for maintaining commercial general liability insurance coverage for the Common Areas only, as well as property insurance covering the Building and other improvements located on the Land, and, subject to reimbursement by Operator as set forth below, JIB shall pay all premiums in connection therewith directly to the insurance carrier (Insurance Costs"), provided, however, that nothing set forth herein shall affect Operator's obligation to maintain commercial general liability insurance covering the Location, and property insurance covering the furniture, fixtures, equipment and other personal property of Operator within the Location in accordance with the provisions of the Franchise Lease and Franchise Agreement for the Location

(ii) JIB shall be responsible for paying all real property taxes and assessments applicable to the Building, the Land and(or) any improvements located thereon ("Real Property Taxes"), subject to reimbursement by Operator as set forth below, provided, however, that nothing set forth herein shall affect Operator's obligation to pay any and all property taxes and assessments relating to the furniture, fixtures, equipment and other personal property of Operator within the Location in accordance with the provisions of the Franchise Lease and Franchise Agreement for the Location

(iii) JBX shall be responsible for maintaining trash removal services for the site ("Trash Service"), and for paying directly to the provider thereof the costs of such Trash Service, subject to reimbursement by Operator as set forth below, provided, however, that JIB shall not be liable in any way for any interruption in Trash Service to the Common Area or the Location unless such interruption was caused solely by the gross negligence or willful misconduct of JBX

(iv) JIB shall contract for and pay directly to the provider thereof the costs of electricity supplied to the Location, the Adjacent Businesses and the Common Areas, all of which are metered together ('Electricity Costs"), and for water and sewer services to the entire site ("Water and Sewer Costs"), all subject to reimbursement by Operator as set forth below, provided, however, that JIB shall not be liable in any way for any interruption in utility service to the Common Area or the Location unless such interruption was caused solely by the gross negligence or willful misconduct of JIB

F Operator will reimburse JIB for Operating Costs, Taxes, Insurance Premiums and Utility Costs in accordance with the following percentages

(i) Operating Costs – __%
(ii) Trash Service – __%
(iii) Insurance Costs – __%

(iv) Real Property Taxes – __%
(v) Electricity Costs – __%
(vi) General Water and Sewer Costs – __%
(vii) Irrigation Costs for Common Area Landscaping – __%
(viii) Costs for CO_2 to drink stations (if not separately provided) – __%

All costs subject to reimbursement hereunder will be described in a reasonably detailed invoice, rendered monthly in arrears by JIB, which invoice will be due within thirty (30) days after receipt Despite any provision to the contrary in this section, if Operator (or its employees, agents, representatives, invitees or customers) is the sole cause of any damage to property and/or disruption of any utility service to the Common Areas, Operator, at its expense, will promptly perform all necessary repairs at no expense to JIB

G Despite any provision to the contrary in this Agreement, neither JIB nor Operator may place or maintain in any Common Area any products, merchandise, or displays containing products or merchandise, or vending machines

H Operator may place and maintain advertising materials other than signage <u>only</u> within the Location (including the drive-thru area) and/or on only those portions of any other exterior wall or window that enclose the Location

I Operator may not place or maintain anywhere on the Land any sign other than advertising materials permitted in accordance with section D above, or those signs which have been approved by JIB

J JIB and Operator will each indemnify, defend and hold the other harmless from and against any and all claims, demands, actions, causes of actions, losses, liabilities, damages, fines, penalties, costs, and expenses (including reasonable attorneys' fees, court costs, consultants and expert witness charges) arising out of or relating to (a) any act, failure to act, omission, willful misconduct, or negligence of the indemnifying party, (b) the use or occupancy of the Land and Improvements, including the Common Area, restrooms (including adjacent vestibules and/or hallways) in the Building, by the indemnifying party, (c) the violation of applicable laws from time to time in effect, and (d) any breach or default in the performance of any obligation under this Agreement

3 <u>INFORMAL DISPUTE RESOLUTION, MEETINGS</u>

Within thirty (30) days after receipt of a written request by JIB or Operator specifying the issues to be addressed at the meeting, JIB and Operator will meet to discuss and attempt to resolve, in good faith, any operating issues that may arise between the parties, including those relating to advertising, promotions, operations and maintenance Any notice to JIB pursuant to this paragraph should be addressed to JIB at the address listed above, attention to Real Estate Legal, and referencing JIB No ____ JIB will arrange and coordinate the meeting time, date and location (which will be convenient to all parties), and circulate a written meeting notice and meeting agenda, not less than fifteen (15) days before the scheduled meeting date The parties will each send representatives to such meetings who have authority to make decisions on all agenda items to be discussed If JIB or Operator desires the presence of a specific authorized representative of the other party, or an interested third party, it will so notify the other party as soon as possible after a meeting has

been requested The party who has been requested to bring a specific representative or third party will use its reasonable efforts to coordinate the presence of such person

4 TERM

This Agreement shall be effective as of the date set forth in the introductory paragraph hereof, and shall expire upon expiration or sooner termination of the Franchise Lease for the Location

5 MISCELLANEOUS

A All understandings and agreements heretofore made between the parties hereto concerning the matters specified in this Agreement are merged into this Agreement, which, alone, fully and completely expresses their agreement relating to the subject matter hereof

B This Agreement shall not be modified or amended except by a writing signed by each party

C This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs and respective successors and assigns

D This Agreement shall be governed by the laws of the State of California

E This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

6 NOTICES

All notices, consents, approvals or other instruments required or permitted to be given by either party shall be in writing, and shall be deemed to have been properly given if sent by registered, certified mail/return receipt requested, Federal Express (including Federal Express Zap Mail Service), Airborne, Emery, DHL, Express Mail, or by other recognized overnight courier service, postage and other charges prepaid to the parties at the addresses set forth in the first paragraph hereof, or to such other address as either party may specify by written notice given in accordance with this paragraph

7 ACKNOWLEDGMENT OF RECEIPT OF FDD

By execution hereof, each of the parties constituting DEVELOPER hereunder represents and warrants that (a) they have received JIB's current FDD and all Exhibits thereto at the earlier of the first personal meeting with JIB personnel regarding the transition which is the subject of this Agreement or fourteen (14) days or more prior to the execution hereof or payment of any fee in connection herewith, (b) they have had full opportunity to be advised of the terms and conditions of this Agreement and the Exhibits hereto by counsel of their own choosing prior to the execution hereof, (c) they are executing this Agreement after having made such investigations of JIB and its operations as they desire, and (d) they have

not reviewed nor relied upon any representations by JIB or its officers, directors, employees, or agents that are contrary to the terms hereof or the FDD

Dated this __ day of 20___

JIB

JACK IN THE BOX INC ,
a Delaware corporation

By _____
Title _____

[OR

JACK IN THE BOX EASTERN DIVISION L P , a Texas limited partnership

By JBX General Partner LLC, a Delaware limited liability company, general partner

By _____
Name _____
Title Authorized Person]

Dated this __ day of 20___

OPERATOR

_____

EXHIBIT A

Sweep Areas

(to be provided)

EXHIBIT Q

NATIONAL BURGER LEAGUE PARTICIPATION AGREEMENT

NATIONAL BURGER LEAGUE PARTICIPATION AGREEMENT

The National Burger League ('NBL") consists of teams within a given geographical area/market that collaborate, at the market level, to grow restaurant sales, market share, and profits, with a focus on what is controllable at the restaurant level Team participants share their performance and financial data, which is then aggregated by Jack in the Box Inc ('JIB") and provided to the team to assist with assessing their market's performance versus the competition Markets consist of franchise and company locations (where applicable) in the same geographical area

I agree to participate in the NBL team(s) where my restaurant(s) is/are located

I understand that participating in the NBL means that my sales, transaction level details, profit, and other performance and financial data will be shared by JIB with other members of the NBL

FRANCHISEE

Print name _____

By _____

Title _____

Date _____

EXHIBIT R

EQUIPMENT BROKERAGE AGREEMENT

Date _____

EQUIPMENT BROKERAGE AGREEMENT

Franchisee _____
Operator _____
Broker JACK IN THE BOX INC
9330 BALBOA AVENUE
SAN DIEGO, CA 92123

1 RECITALS

Jack in the Box Inc (JIB) purchases certain equipment furniture, fixtures and decor items from various vendors for its own use For the convenience of its franchisees JIB also acts as a broker for franchisees for the purchase of the following categories of equipment on a select basis (i) general replacement equipment and decor items (ii) menu development and Operations Improvement System (OIS) equipment and (iii) custom-fabricated items (collectively, the 'Equipment')

The franchisee referenced above (Franchisee") may want JIB to act as a broker for the purchase of Equipment JIB is willing to do so under the terms and conditions set forth in this Agreement

2 COMMENCEMENT DATE

This Agreement is valid from the date written above until terminated by either party pursuant to Paragraph 3 below

3 TERMINATION

Either JIB or Franchisee may terminate this Agreement with or without cause effective upon written notice to the other party This Agreement terminates automatically if Franchisee ceases to be a Jack in the Box franchisee

The rights and obligations of the Parties with respect to transactions originated before the termination of this Agreement survive termination

4 EQUIPMENT AVAILABLE FOR PURCHASE AND PRICES

JIB will provide Franchisee a written description of any Equipment it is willing to purchase on Franchisee's behalf, and the prices and specific payment terms relating to that Equipment JIB agrees to purchase that Equipment on Franchisee's behalf in accordance with those terms and the terms of this Agreement

5 EQUIPMENT ORDERS

Franchisee must provide JIB with a written request for each Equipment order in the form required by JIB (Order") The terms, conditions and provisions of this Equipment Brokerage Agreement shall be in full force and effect for each such Order

Receipt of an Order from Franchisee constitutes (i) Franchisee s authorization for JIB to enter into binding agreements to purchase the Equipment on behalf of Franchisee and (ii) Franchisee s agreement to promptly pay the listed price of the Equipment JIB's mark-up for brokerage services, all freight taxes and other fees in connection with the purchase of the Equipment

6 CANCELLATION OF ORDER

Franchisee may not cancel or modify an Order that has been delivered to JIB except at the sole discretion of JIB Any agreement between Franchisee and JIB to cancel or change an Order must be in writing and signed by JIB If JIB agrees to accept a cancellation or modification of an Order Franchisee nevertheless must pay all handling charges transportation expenses and restocking charges incident to any such cancellation or change

7 PAYMENT TERMS AND FEES

Franchisee will pay JIB a broker fee in the amount of eight percent (8%) of the purchase price of the Equipment ordered Payment terms will be Net 21 days

8 TAXES

Franchisee must pay all federal state municipal or other political subdivision excise sales use property, purchase, lease possession or other taxes now in force or enacted in the future required to be collected by JIB on account of Equipment or services furnished to Franchisee except for federal or state taxes based upon JIB s net income Franchisee will pay any such taxes upon demand

9 FRANCHISEE AUTHORIZED PERSONNEL

The "Authorization' attached as Exhibit A lists the individuals (other than the Franchise Operator) authorized to order Equipment on Franchisee's behalf Franchisee may change the Authorization only by written notice to JIB which will be effective upon receipt Any change to the Authorization will not be effective for any Orders received purchases otherwise made or expenses incurred by JIB pursuant to the direction of a person previously listed on the Authorization Franchisee is liable for performance of agreements entered into by, and payment of all charges for all Equipment ordered by or delivered to, individuals listed on the Authorization

10 SITE PREPARATION, PERMITS, FEES AND INSTALLATION

Franchisee is responsible for preparing the restaurant site as necessary for the Equipment to be installed including adding or altering electrical connections Franchisee is also responsible for properly installing the Equipment obtaining any necessary permits inspections safety tests and licenses JIB's sole responsibility is to purchase the Equipment ordered by Franchisee

11 FORCE MAJEURE

JIB will not be liable to Franchisee for delayed purchase or delivery or non-delivery of Equipment due to Acts of God fire, flood, storm riot war, terrorism sabotage, explosion accident, strike lockout, labor disturbance government action law ordinance or regulation failure of normal sources of supply or any similar or different contingency beyond its control that would make performance commercially impracticable whether or not the contingency is of the same class as those previously enumerated

12 LIABILITY

Except as otherwise provided in this Agreement, Franchisee assumes all liability, including but not limited to the entire Risk of Loss in the event of disappearance theft destruction of or damage to the Equipment from any cause whatsoever (all referred to as a Casualty Occurrence) from the time Equipment is shipped from the Manufacturer or Distributor or other third party No such Casualty Occurrence will relieve Franchisee of the obligation to make payments under this Agreement or of meeting any other obligation under this Agreement

JIB is not responsible for expenses losses or any damages of any nature due to Equipment failure caused by defects in material or workmanship Franchisee's sole remedy if any, lies with the Manufacturer Distributor or other third party from whom JIB purchased the Equipment on Franchisee's behalf

13 INDEMNITY

Franchisee hereby agrees to indemnify JIB against and to hold JIB harmless from any and all claims actions, damages attorneys fees obligations liabilities and liens (including any of the foregoing arising or imposed under the doctrine of strict liability or by operation of law) arising out of the manufacture or condition of the Equipment, or the purchase, lease loan delivery possession operation use of return of the Equipment The provisions of this paragraph survive termination of this Agreement with respect to events occurring prior to such termination

14 NO WARRANTIES BY JACK IN THE BOX INC

JACK IN THE BOX INC MAKES NO ORAL, STATUTORY OR IMPLIED WARRANTIES RELATING TO THE EQUIPMENT OR THE SALE DELIVERY INSTALLATION OPERATION OR USE THEREOF JACK IN THE BOX INC NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME FOR IT, ANY OBLIGATION OR LIABILITY IN CONNECTION WITH THE EQUIPMENT OR ITS SALE DELIVERY INSTALLATION, OPERATION OR USE JACK IN THE BOX INC IS NOT THE MANUFACTURER DISTRUBUTOR OR SUPPLIER OR THE EQUIPMENT BUT SIMPLY AGREES TO ACT AS AGENT FOR FRANCHISEE UNDER THIS AGREEMENT AS AN ACCOMMODATION JACK IN THE BOX INC MAKES NO REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED AS TO ANY MATTER WHATSOEVER INCLUDING CONDITION OF EQUIPMENT, ITS MERCHANTABILITY OR FITNESS AND AS TO JACK IN THE BOX INC FRANCHISEE ACKNOWLEDGES THAT THIS EQUIPMENT IS ENTIRELY SUITABLE FOR HIS/HER PURPOSES

15 SECURITY INTEREST IN EQUIPMENT

Upon JIB s acceptance of an Order for any Equipment purchase, Franchisee is indebted to JIB for (i) the principal amount of the purchase price as specified on the Order (ii) the amount of the mark-up compensation for JIB s services, and (iii) in the amount of all freight charges taxes and other fees incidental to the purchase and delivery of the Equipment ordered, (all of which is collectively referred to as the 'Purchase Price") To secure such indebtedness and all extensions and renewals thereof Franchisee hereby grants to JIB a security interest in the Equipment described on the Order together with the proceeds of the sale of the Equipment any replacements accessions or additions thereto (which property is for the purposes of this section hereinafter referred to as the "Collateral')

Until the Purchase Price is paid in full Franchisee warrants that Franchisee (a) will properly maintain repair and preserve the Collateral and insure the same against loss (b) will pay all taxes that may become a lien on the Collateral (c) will not sell, contract to sell lease encumbrance or other dispose of the Collateral nor change its physical location from the Jack in the Box restaurant premises to which it was delivered (d) will sign any additional agreements assignments or documents that may be deemed necessary or advisable by JIB to effectuate the purpose of this Agreement and the protection of the Collateral

16 DELINQUENT PAYMENTS

If any payment to JIB required under this Agreement is not paid by its due date Franchisee agrees to pay interest at the then-current rate established by JIB under its Franchise Payment Policy or the maximum rate permitted by law whichever is less Additionally if Franchisee does not pay the invoice by the due date Franchisee is obligated to pay any collection and legal expenses including attorneys' fees, necessary to obtain full payment of the invoice amount JIB's acceptance of any payment less than the full amount of any invoice will not constitute a waiver of JIB s right to collect the balance and will not be deemed satisfaction of JIB s claim

17 REMEDIES UPON DEFAULT

In the event of (a) any failure by Franchisee to pay when due any payment required by this Agreement (b) any failure by Franchisee to perform or comply with any other obligations under this Agreement or (c) any loss or theft of any purchased Equipment for which JIB is not yet fully paid or substantial damage or destruction to such Equipment, or issuance of any lien levy attachment garnishment or judicial process relating to such Equipment (d) any use or intended use of Equipment other than in Jack in the Box restaurants in the context of normal restaurant operations (e) any insolvency bankruptcy business failure, assignment for the benefit of creditors of the appointment of a receiver for Franchisee or its property or a bulk transfer of Franchisee's Equipment, furniture fixtures inventory or other personal property (f) JIB deeming itself insecure believing in good faith that the prospect of payment of indebtedness under this Agreement or of performance of this Agreement is impaired, (g) any default under the terms of any Franchise Agreement or Lease Assignment between JIB or its affiliates and Franchisee or its affiliates JIB will have the following remedies

JIB may exercise any and all rights and remedies granted a secured party under the Uniform Commercial Code including seizure and sale Seizure shall be without notice, demand court order or other process of law and without liability to Franchisee for any damages occasioned thereby In the event of seizure and sale of any Equipment hereunder by JIB, it is agreed that the proceeds of sale will be applied first to costs of sale and other expenses authorized by the Uniform Commercial Code, including reasonable attorneys fees second to service charges on past due payments and third to other amounts due thereafter any surplus will be paid to Franchisee or such other person as may be entitled thereto Franchisee will remain liable for any deficiency, which shall pay to JIB immediately upon demand

18 JACK IN THE BOX INC FAILURE TO PERFORM - LIQUIDATED DAMAGES

It is agreed that it is impractical if not impossible to fix the actual damages if any, that may proximately result from a failure on the part of JIB to perform any of its

obligations under this Agreement It is further agreed that if JIB is found liable to Franchisee for loss or damage due to a failure to perform in any respect, even if due to JIB's negligence JIB s liability will be limited to a sum equal to ONE HUNDRED DOLLARS ($100) as liquidated damages and not as a penalty and that this liability is exclusive and in no event will JIB be liable for any special incidental or consequential damages loss of profit data or any other losses whatsoever

19 NOTICES

Any notice required under this Agreement will be deemed duly given if put in writing and delivered personally or mailed by first class mail postage prepaid to JIB at the addresses given on the first page of this Agreement (or different mailing address if provided to Franchisee in writing) and to Franchisee at the last mailing address Franchisee or Operator provided to JIB in writing

20 ASSIGNMENT

This Agreement is not assignable by Franchisee without the prior written consent of JIB Any such attempted assignment shall be void This Agreement is assignable by JIB at any time

21 ENTIRE AGREEMENT

It is specifically understood and agreed that all understandings between the parties relating to this Agreement are merged in this Agreement which constitutes the entire agreement between Franchisee and JIB relating to brokerage of Equipment and neither party relies upon any statement or representation that is not in this Agreement No check list instruction or summary provided to Franchisee by JIB will modify the terms and conditions of this Agreement or affect Franchisee's responsibilities to JIB as defined in this Agreement

22 MODIFICATION

This Agreement can be modified only by a written agreement signed by persons authorized to sign agreements on behalf of Franchisee and JIB

23 SEVERABILITY

If any part of this Agreement is adjudged by a Court of competent jurisdiction to be invalid such judgment will not affect the validity of the remainder of this Agreement

24 WAIVER

No failure on the part of either party to exercise, nor delay in exercising, any right, power or privilege under this Agreement will operate as a waiver of that right power or privilege, nor will any single or partial exercise of any right power or privilege under this Agreement preclude further exercise of such right or any other right under this Agreement

25 CAPTIONS

The captions herein are for convenience only and do not define or in any way limit any of the terms of this Agreement

26 JOINT AND SEVERAL LIABILITY

If more than one Franchisee is named in this Agreement, the liability of each is joint and several

27 NOT A CONSUMER CONTRACT

Franchisee represents that the Equipment is being purchased for business purposes and agrees that under no circumstances shall this Agreement be construed as a consumer contract

BROKER	**FRANCHISEE**
JACK IN THE BOX INC	_____ (Print Name)
By _____	By _____ (Signature)
Title _____	
Date _____	Date _____

AUTHORIZATION

Names of individuals (in addition to the Operator of the franchised restaurant) who are authorized to purchase equipment for Franchisee under terms of the Jack in the Box Equipment Brokerage Agreement

Effective Date _____

_____ (Authorized signature) _____ (printed name)

Date _____

_____ (Authorized signature) _____ (printed name)

Date _____

_____ (Authorized signature) _____ (printed name)

Date _____

_____ (Authorized signature) _____ (printed name)

Date _____

_____ (Franchise Operator signature)

Date _____

_____ (Franchise Operator printed name)

Date _____

This authorization is effective until written revocation is received by Jack in the Box Inc

EXHIBIT S

MASTER TECHNOLOGY AGREEMENT

MASTER TECHNOLOGY AGREEMENT

This **Master Technology Agreement** is effective as of **ENTER EFFECTIVE DATE** (**Effective Date**") and is entered into by and between **JACK IN THE BOX INC** , a Delaware corporation (**JIB**) and **ENTER FRANCHISE ENTITY NAME** a(n) ENTER STATE OF INCORPORATION corporation(**Franchisee**) (each individually a **Party**," and collectively the **Parties**) and includes all attachments, exhibits and supplements hereto as specified below (collectively the **Agreement**)

WHEREAS JIB operates and franchises JACK IN THE BOX® branded restaurants (Restaurant or Restaurants) and

WHEREAS, JIB and Franchisee have entered into (a) separate Franchise Agreement(s) whereby Franchisee will operate one or more Restaurants and,

WHEREAS JIB requires the use of a Technology System (hereinafter defined) and certain other services in the operation of the Restaurants in order to maintain the security, optimal functionality and serviceability of certain systems and services and,

WHEREAS subject to the terms and conditions of this Agreement Franchisee wishes to

(A) use the Technology System and its various components,

(B) procure and/or lease certain hardware software, equipment and/or services from JIB and/or a JIB-approved third-party vendor

NOW, THEREFORE, in consideration of the mutual promises and covenants described in this Agreement and other good and valuable consideration the sufficiency of which is hereby acknowledged and subject to the terms, conditions and restrictions of this Agreement, the Parties agree as follows

1 DEFINITIONS

In this Agreement a term defined in the singular shall include the plural and vice-versa The following terms have the meanings set forth hereinbelow

1 1 **Author**' means JIB or any third-party author Owner and/or holder of the Copyright in any Software or Documentation (as defined below)

1 2 **Cardholder Data**" means a number or other identifying information assigned by a credit and/or debit card issuer that identifies a cardholder s account or other cardholder personal information

1 3 **Casualty Occurrence**" means but is not limited to, the disappearance theft, destruction of or damage to the Leased Equipment from the time the Leased Equipment is shipped from the manufacturer distributor or other third-party

1 4 **Casualty Value**" means either

(A) if a casualty value table is added to the Leased Equipment Schedule the casualty value set forth in such table as of the lease payment date immediately preceding the date of the Casualty Occurrence or

(B) if no casualty value table is added to the Leased Equipment Schedule, an amount (as of the date of Casualty Loss) equal to
  (i) the aggregate lease amount remaining for the balance of the lease term or the Fair Market Value of the Leased Equipment of the same model, type and feature configuration as the Leased Equipment that suffered a Casualty Occurrence, whichever is greater plus,
  (ii) an amount sufficient to make JIB whole on an after-tax basis for the disallowance, Casualty Occurrence or recapture of JIB's tax benefits as a result of the Casualty Occurrence

1 5 **Commencement Date** means the date on which a particular service, lease and/or license begins, as may be otherwise specified in this Agreement or any accompanying Documentation (as defined below) If no other such date is specified the Commencement Date is the Effective Date of this Agreement

1 6 **Documentation** means any materials including any updates, accompanying a license system or software program that are provided to or made available to Franchisee by the Author

1 7 **Dynamic Link Library** means a small software program(s) that facilitates the operation of a larger software program

1 8 **Fair Market Value**' means the basis of the Leased Equipment which equals the aggregate amount which would have been obtainable at the expiration of the lease term or any lease term extension arising out of an arm s-length transaction

1 9 **Franchise Agreement** means a separate agreement between Franchisee and JIB under which Franchisee has acquired from JIB the right and license to operate a Restaurant(s)

1 10 **Franchise Business Manual**' means an electronic document made available by JIB for access by Franchisees that contains information tools resources specifications and other information related to this Agreement

1 11 **Leased Equipment**" means any equipment that is leased to Franchisee pursuant to this Agreement

1 12 **Leased Equipment Schedule** means a document which specifies any Leased Equipment

1 13 **Owner**' means either JIB or a third-party vendor as applicable that owns any equipment or software provided to Franchisee by JIB pursuant to this Agreement

1 14 **POS System**' means the server terminal and other hardware system and software approved by JIB for use for the processing of point-of-sale transactions during the operation of the Restaurants

1 15 **Secured Party** means a security assignee that has purchased or received an assignment of the Owner s interest to any Leased Equipment whether in whole or in part for the purpose of securing a loan to JIB or to the Owner

1 16 **Site** means the Restaurant location(s) owned and/or operated by the Franchisee both as of the Effective Date and for any future sites that Franchisee may acquire own and/or operate in the future pursuant to a Franchise Agreement A Site may also include Franchisee's main business office provided that such office is used primarily for JACK IN THE BOX® branded business purposes

1 17 **Software** means the computer software programs whether developed and owned by JIB or such other Third-Party Software licensed to JIB and licensed or sublicensed to Franchisee under this Agreement including machine-readable code intermediate code or interpreted form, and all corrections, modifications and enhancements to such programs Software does not include source code

1 18 **Technical Support Services** means the maintenance, diagnosis repair and/or replacement services for the Technology System and its components that meet JIB's most-current technical standards as specified in the Franchise Business Manual

1 19 **Technology System** means any and all hardware personal computer equipment (PCs) servers, specialty service equipment, firewalls telecommunications equipment, high-speed communication equipment, (e g satellite or digital subscriber line (DSL)), network connectivity equipment antennas POS System Software email systems voicemail box systems, Internet Intranet other technology equipment as may be specified by JIB (including any applicable passwords for accessing and using same) and any support-related processes as may be specified by JIB and which may be modified by JIB from time-to-time, all of which are used in the support and/or operation of a Restaurant The term Technology System' also includes any Upgrade

1 20 **Third-Party Software**" means software developed or owned by a third-party licensed to JIB and which may be licensed for use by Franchisee as provided for under this Agreement

1 21 **Upgrade** means any accessory equipment or device installed in or as part of the operation of the Technology System (other than those added by the manufacturer in order to maintain the Technology System at current operational levels)

2 TECHNICAL SUPPORT SERVICES

2 1 **Technical Support Services** JIB may provide Technical Support Services to Franchisee either directly or through an approved third-party vendor as pre-paid services or on a time and materials basis, and may be billed either directly from JIB or from the vendor providing the services Technical Support Services may be suspended if Franchisee is not current in its payments to JIB or to any third-party for such Technical Support Services

2 2 **Changes to Required Environment** JIB anticipates that the environment needed to support the Technology System will change over time requiring additional different or upgraded equipment hardware and/or software Within a reasonable timeframe and unless otherwise specified Franchisee must at its own cost and expense obtain install add to update Upgrade, alter, modify use and maintain the Technology System as required by JIB JIB at its option may discontinue Technical Support Services for any part of the Technology System that becomes obsolete or requires parts that have been discontinued or are generally unavailable Franchisee should refer to the technology roadmap in the Franchise Business Manual for information related to the obsolescence of the Technology System and related components Additional fees or costs may be incurred by the Franchisee for Technical Support Services to support any obsolete component

2 3 **Authorization of Self-Maintenance Services** JIB may authorize Franchisee to self-maintain and support certain components of the Technology System The requirements for becoming a self-maintainer are set forth in a separate Self-Maintainer Agreement and/or as specified in the Franchise Business Manual

2 4 **Menu Management Services** Due to the complexity of the menu management system, JIB requires Franchisees to use JIB s menu management services at each Restaurant JIB agrees to provide menu and pricing management services in accordance with JIB s current standards From time to time JIB directly or through a third-party vendor, may offer pricing suggestions for Franchisee s menu however, Franchisee is fully and exclusively responsible for establishing its own product prices at Franchisee s Sites other than for specific products for which JIB may set a price ceiling

(A) JIB will install all recipe and menu data required as part of the menu management system and integrate that data into the POS System at Franchisee's Site(s) This service includes standard video routing for the POS System Any changes from standard video routing must be requested in writing or by contacting JIB Technical Support Services Requests will be completed within **five (5) business days** after receipt of request

(B) JIB will program all pricing data into the menu management system and program initial system level pricing in the POS System Changes from initial system level pricing must be requested in writing and standard price or menu item changes will be completed within approximately **five (5) business days** after receipt of the request JIB will program all other non-standard special menu and/or pricing requests within **approximately ten (10) business days** of receipt of request Any change that may require additional development and/or research effort by JIB may take longer to process

(C) JIB will program the tax rates for each Site JIB will program changes to the tax rates when and if it receives official notification of tax rate changes from the Franchisee however it is the Franchisee s responsibility to ensure that all tax rate information in the menu management system is accurate and in compliance with all applicable tax laws Any requests for JIB to change menu information that results in a tax rate change will be classified as a non-standard request and may require **ten (10) business days** to process

(D) JIB may also perform services required to perform updates or changes to menu items, promotions product descriptions, "voice of the guest frequency changes, coupons and discounts kiosk systems

training modes, biometrics, outside order takers, electronic benefit transfer systems (EBT) foreign currencies recipes, ingredients and preparation updates used for back office applications

(E) Franchisee is required to designate its representatives who are authorized to submit requests for non-standard special menu programming and price changes The designation will become effective upon receipt JIB may limit the number of representatives Franchisee may designate Franchisee may change any of its designated representatives by providing **five (5) business days** advance written notice to JIB

3 SOFTWARE

3 1 **Description of Software** The Software that is covered by this Agreement is specified in the Franchise Business Manual Franchisee must use the Software specified as Required (Required Software') and may elect to use such other Software that is specified as Optional (Optional Software) Failure to use any of the Required Software constitutes a breach of this Agreement

3 2 **Grant of Software License** Subject to the limitations and conditions contained in this Agreement or in the Franchisee Business Manual (including the payment of any applicable fees), JIB grants to Franchisee a non-exclusive non-transferrable limited licenses to use the Software for the internal operation of Franchisee s Restaurant business (**Software License**) All use of the Software shall be in accordance with its additional applicable licensing requirements if any

3 3 **Commencement Date of Software Licenses** Unless otherwise specified the Commencement Date of each Software License is the date on which the Software is delivered to Franchisee provided access to it by JIB and/or installed as part of the Technology System

3 4 **Duration of Software Licenses** Each Software License granted under this Agreement is effective until terminated by JIB, the expiration or termination of this Agreement, or the Franchise Agreement is terminated whichever occurs first

3 5 **Termination of Software Licenses** Franchisee may terminate the Software License for any Optional Software at any time by providing **thirty (30) days**' written notice to JIB, and by turning off or returning the Optional Software together with all copies in any form and any related Documentation At JIB's option, Franchisee may destroy rather than return the Optional Software and its related Documentation and certify in writing as to its proper destruction and discontinuation of use Franchisee may not elect to terminate the use of any Required Software without cause

3 6 **Limitations on Use of Software** Franchisee must ensure that all Software is used exclusively in connection with the operation of Franchisee s Restaurant(s) and only in the manner expressly permitted by the terms of this Agreement Franchisee may not use copy or otherwise transfer any Software or any copy of any Software in whole or in part except as expressly provided for in this Agreement Franchisee may not, and Franchisee may not allow others to disassemble decompile or otherwise reverse engineer any Software Transferring possession of any copy modification or merged portion of Software to another party is a breach of this Agreement

3 7 **No Other Software Permitted** The Software specified by JIB is the only software Franchisee is authorized to install onto or otherwise use in or on the Technology System Operation of other software may cause damage to or loss of the Software or its data and is a breach of this Agreement

3 8 **Changes to Software** JIB may require that Franchisee use Software that is in addition to or different from, the Software currently specified by JIB If JIB licenses other software or software components to Franchisee, or if JIB or an Author creates any derivatives from the Software and JIB licenses those Software derivatives to Franchisee the terms of those licenses will be established through a separate agreement, a separate supplement to this Agreement or publication of the change in the Franchise Business Manual JIB will give Franchisee **thirty (30) days** advance written notice of any change in Software requirements

3 9 **Title to Software and Related Materials** Title to the Source Code Software and its related Documentation (including but not limited to originals, copies translations, compilations and partial copies and its derivatives) will not pass to Franchisee and all rights thereto are retained by its Author Title to the media (if any) on which

Software is recorded and transmitted is transferred to Franchisee Franchisee must not make any improvements to the Technology System

3 10 **Software** The Software applications provided by JIB to Franchisee may be used for maintaining employee timekeeping records or obtaining or maintaining other important data Nothing in the Software is intended to restrict or influence Franchisee s rights to establish and control its policies and procedures relating to employment matters or any other matters that are subject to federal, state or local laws and regulations The Franchisee is solely responsible for ensuring Franchisee s compliance with all applicable laws JIB recommends that Franchisee seek the advice of counsel in using the Software in setting all Software configurations choosing pricing and sales tax rates and similar activities JIB may from time to time provide information to Franchisee about Software capabilities and configurations however JIB makes no representations or warranties regarding the accuracy of that information Franchisee may elect to make changes to configurations by providing the type of change requested and the effective date of those changes and JIB will make such changes in accordance with Franchisee s request

4 DOCUMENTATION

4 1 **Grant of Documentation License** Subject to the limitations and conditions contained in this Agreement or in the Franchise Business Manual JIB grants to Franchisee a non-exclusive non-transferrable limited license to use reproduce and distribute any and all Documentation related to the Technology System specified exclusively in conjunction with the use of the Technology System and in the internal operation of Franchisee s Restaurant business hereunder (**Documentation License**")

4 2 **Commencement Date of Documentation Licenses** The Commencement Date of the Documentation License is the date such Documentation is made available to Franchisee

4 3 **Duration of Documentation Licenses** Each Documentation License granted under this Agreement is effective until terminated by JIB, until the expiration or termination of this Agreement or the Franchise Agreement is terminated whichever occurs first

4 4 **Limitations on Use of Documentation** Franchisee must ensure that all Documentation is used exclusively in connection with the operation of Franchisee's Restaurant(s) and only in the manner expressly permitted by the terms of this Agreement Franchisee may not use copy, or otherwise transfer any Documentation, or any copy of any Documentation, in whole or in part except as expressly provided for in this Agreement Transferring possession of any copy modification or merged portion of Software to another party is a breach of this Agreement Franchisee may make such copies of the Documentation as are reasonably necessary for disaster recovery purposes

5 HARDWARE

5 1 **Description of Hardware** A complete description of the Technology System and all other required equipment that is covered by this Agreement can be found in the Franchise Business Manual JIB will specify which equipment is required and which if any is optional Unless JIB otherwise consents in writing, Franchisee's failure to use any required equipment constitutes a breach of this Agreement

5 2 **Requirements for Use** Franchisee is responsible for

(A) any and all site preparation necessary for use of the Technology System including dedicated electrical connections with power protection telephones and telephone lines

(B) using the JIB-specified communication equipment for the polling and transmission of data,

(C) using the JIB-approved e-mail and other communication-related equipment and/or services, and such other computer-related accessories or peripheral equipment as JIB may specify

(D) the proper installation of the Technology System a,

(E) obtaining any permits inspections safety tests and licenses required and

(F) the payment of all taxes and fees in connection with site preparation Technology System purchases installation and operation

5 3 **Labeling of Equipment** Upon JIB s request, Franchisee will plainly permanently and conspicuously mark the Technology System and any Leased Equipment by stenciling or by affixing a metal tag or plate to the Leased Equipmet, indicating the Owner s interest in the Technology System and/or any Leased Equipment JIB may also elect to designate in a Leased Equipment Schedule by serial number or other identifying data any Leased Equipment on lease to Franchisee for the purpose of further identifying the ownership of such Leased Equipment Franchisee will not remove or deface any marking or labels affixed to the Technology System and/or any Leased Equipment Franchisee will replace any such stenciling, tag or plate that may be removed or destroyed or become illegible Franchisee will keep the Technology System and/or all Leased Equipment free from any marking or labeling which might be interpreted as a claim of ownership thereof by Franchisee or anyone other than its Owner

6 FILES AND SECURITY

6 1 **Data** In order to facilitate the use of the Technology System JIB may at its discretion transmit certain data electronically JIB will transmit this data to pre-specified JIB Directories Franchisee may not transmit, alter add or delete any data Directory, File Database or Dynamic Link Library Any such transmission alteration addition or deletion to data or the contents or structure of any Directory File Database or Dynamic Link Library may cause errors in the Technology System or prevent the Technology System from functioning properly, and will constitute a breach of this Agreement Notwithstanding the above, Franchisee may transmit data or information contained in any Directory File, Database Dynamic Link Library for the purpose and by means of polling a computer provided that the polling does not interfere with JIB's polling or alter the data in any way Franchisee acknowledges that the methods or practices related to data transmission storage and/or security employed by JIB may not meet Franchisee's requirements or be in compliance with all applicable laws and regulations Any data hosted or stored by JIB (or through its third-party data hosting and/or storage providers) is for the facilitiation of Services under this Agreement and is not suitable for any third-party or government certification and/or audit Franchisee is solely responsible for maintaining its own data storage data retention and other requirements as may be necessary to comply with applicable laws and regulations Any data hosted or stored on JIB's systems (or through its third-party data hosting and/or storage providers) may be deleted, amended, altered or destroyed by JIB or on JIB s behalf at any time in JIB s sole discretion

6 2 **Payment Card Industry Data Security Standards** Franchisee is responsible for the security of information contained in the Technology System This includes the security of Cardholder Data if Franchisee accepts credit cards as payment Franchisee understands that certain equipment covered by this Agreement may contain Cardholder Data As required by the Payment Card Industry Data Security Standards (**PCI DSS**) requirements Franchiseemust maintain appropriate business continuity procedures and systems to ensure the security of Cardholder Data in the event of a disruption disaster or failure that would compromise Cardholder Data In the event of a breach or intrusion of or otherwise unauthorized access to Cardholder Data Franchisee must immediately notify JIB in the manner required in the PCI DSS requirements and provide an approved third-party full access to conduct a thorough security review following a security intrusion In the event of termination or expiration of this Agreement Franchisee and its respective successors and permitted assigns shall ensure compliance with PCI DSS requirements even after expiration of this Agreement

6 3 **Security and Password Protection** Franchisee must ensure that only authorized users have access to any user identifications and/or passwords for use in connection with the Technology System, and must not disclose such user identifications and/or passwords to any other individual Franchisee acknowledges and agrees that it is solely responsible for strictly maintaining the confidentiality and integrity of such user identifications and/and passwords and for all activities that occur under all user identifications and /or passwords assigned to Franchisee or any of its employees Franchisee must ensure that user identifications and/or passwords are not re-assigned transferred or otherwise used by any other person than to whom the user identification and/or password was assigned by JIB Access to the Technology System may not be shared with any other person or entity JIB shall not be responsible for any third-party access to accounts assigned to Franchisee or any of its employees when such access results from theft or misappropriation of such accounts Franchisee must notify JIB immediately in writing if the security or integrity of an identification or password has been compromised JIB reserves the right, in

its sole discretion to refuse or terminate access to any part of the Technology System, terminate accounts and to remove and/or edit content posted on any part of the Technology System without notice to Franchisee

6 4 **Links to third-party sites/services** Parts or components of the Technology System may contain links to other websites (**Linked Sites** ') The Linked Sites are not under JIB s controland JIB is not responsible for the content of any Linked Sites including without limitation any link contained in a Linked Site or any changes or updates to Linked Sites JIB provides these links to Franchisee only as a convenience and the inclusion of any link does not imply endorsement by JIB of the Linked Site, its content or any association with its operators

6 5 **Limitations** Franchisee will not use the Technology System for any purpose that is unlawful or prohibited by this Agreement Franchisee may not use the Technology System in any manner which could damage disable overburden or impair the Technology System in any way or interfere with any other party s use of the Technology System Franchisee may not obtain or attempt to obtain any materials or information through any means not intentionally made available or provided for through the Technology System

6 6 **Intellectual Property Rights** All Software and content included as part of the Technology System including text graphics, logos, documents and images, , is the property JIB or its suppliers and protected by Copyright and other laws that protect intellectual property and proprietary rights Franchisee agrees to observe and abide by all Copyright and other proprietary notices, legends or other restrictions contained in any such content and will not make any changes thereto Franchisee will not modify publish transmit reverse engineer participate in the transfer or sale create derivative works or in any way exploit any of the content, in whole or in part included as part of the Technology System Use of the Technology System does not entitle Franchisee to make any unauthorized use of any protected content and in particular Franchisee will not delete or alter any proprietary rights or attribution notices in any content Franchisee will use protected content solely for the purposes specified in this Agreement and will make no other use of the content without the express written permission of JIB and the Copyright owner It is expressly agreed and understood that Franchisee does not acquire any ownership rights in any protected content JIB does not grant Franchisee any licenses, express or implied to the intellectual property of JIB or JIB s licensors except as expressly authorized by this Agreement

6 7 **Use of Communication Services** The Technology System may contain bulletin board services chat areas, news groups forums communities personal web pages calendars, and/or other message or communication facilities designed to enable you to communicate with the public at large or with a group (collectively **Communication Services**)

(A) Franchisee agrees to use the Communication Services only to post send and receive messages and materials that are proper and related to the particular Communication Service By way of example, and not as a limitation Franchisee agrees that when using a Communication Service Franchisee including its employees, will not defame abuse harass stalk threaten or otherwise violate the legal rights (such as rights of privacy and publicity) of others, publish post, upload, distribute or disseminate any inappropriate profane defamatory infringing obscene indecent or unlawful topic, material or information, upload files that contain software or other material protected by intellectual property law (or by rights of privacy of publicity) unless Franchisee owns or controls the rights thereto or has received all necessary consents upload files that contain viruses, corrupted files or any other similar software or programs that may damage the operation of another's computer advertise or offer to see or buy goods or services for any business purpose unless such Communication Service specifically allows such messages, conduct or forward surveys contests pyramid schemes or chain letters download any file posted by another user of a Communication Service that Franchisee knows, or reasonably should know cannot be legally distributed in such manner falsify or delete any author attributions, legal or other proper notices or proprietary designations or labels of the origin or source of software or other material contained in a file that is uploaded, restrict or inhibit any other user from using the Communication Services, violate any code of conduct or other guidelines which may be applicable for any particular Communication Service, harvest or otherwise collect information about others including e-mail addresses without their consent violate any applicable laws or regulations

(B) JIB has no obligation to monitor the Communication Services however, JIB reserves the right to review materials posted to a Communication Service and to remove any materials in its sole discretion JIB reserves the right to terminate Franchisee's access to any or all of the Communication Services at any time without notice for any reason whatsoever

(C) JIB reserves the right at all times to disclose any information as necessary to satisfy any applicable law regulation legal process or governmental request or to edit refuse to post or to remove any information or materials in whole or in part in JIB's sole discretion

(D) Franchisee must always use caution when posting or providing any personally identifying information in any Communication Service

(E) JIB does not control or endorse the content messages or information found in any Communication Service and therefore JIB specifically disclaims any liability with regard to the Communication Services and any actions resulting from Franchisee's participation in any Communication Service

(F) Information posted on the Technology System may contain material that is not expressly authorized by JIB and therefore such content may not be relied on as approved or authorized by JIB

(G) Content uploaded to a Communication Service may be subject to posted limitations on usage reproduction and/or dissemination and Franchisee is responsible for adhering to such limitations before uploading content

6 8 **Content provided to JIB or posted on the Technology System** JIB does not claim ownership of the content provided to JIB by Franchisee or its employees (including feedback and suggestions) or content posted uploaded input or submitted to the Technology System (including the Communication Service) or any of JIB s associated services (collectively "**Submissions**) However by providing posting, uploading inputting or submitting Submissions Franchisee grants JIB and its subsidiaries a non-exclusive transferrable fully-paid up license to use the Submissions in connection with the operation of JIB s businesses including without limitation, the rights to copy distribute, transmit publicly display publicly perform reproduce, edit translate and reformat such Submission and to publish Franchisee's name in connection with such Submission No compensation will be paid for JIB s use of any Submission JIB is under no obligation to post or use any Submission that Franchisee may provide and may remove any Submission at any time in JIB s sole discretion By providing posting uploading inputting or submitting any Submissions Franchisee warrants and represents that Franchisee owns or otherwise controls all of the rights to such Submissions as described in this section including without limitation, all the rights necessary for Franchisee to provide post upload input or submit the Submissions

6 9 **Discarding of Equipment** Prior to discarding any part of the Technology System, Franchisee must ensure that all Cardholder Data personally identifiable information and all such other Confidential Information is removed and/or destroyed in order to ensure that such information cannot be retrieved Requirements may include wiping" or physical destruction of any hard drives or memory Any credit Cardholder Data on electronic media must be either a) rendered unrecoverable so that it cannot be reconstructed via a secure wipe program in accordance with industry-accepted standards for secure deletion or b) otherwise physically destroyed (for example, degaussing)

7 EQUIPMENT LEASING

7 1 **Grant of Lease Rights** As an accommodation and for Franchisee's convenience in the operation of JACK IN THE BOX® branded restaurants JIB may lease equipment to Franchisee In some cases the Leased Equipment is owned by JIB and in other cases the Leased Equipment is leased by JIB from one or more third-party vendors under the terms of a master lease agreement between JIB and such third-party vendor(s) If JIB does not own the equipment JIB acts as an agent for Franchisee for the lease of such equipment at Franchisee s request Equipment leased to Franchisee will be specified in a Leased Equipment Schedule that will be provided to Franchisee upon inception of a new lease or upon the transfer of an existing lease to Franchisee In consideration of the payment by Franchisee of the monthly lease payments for such Leased Equipment as set forth in the Leased Equipment Schedule and the promises of Franchisee set forth in this Agreement, JIB will lease to Franchisee the tangible personal property specified in a Leased Equipment Schedule as Leased Equipment JIB may charge a brokerage fee for any lease that it negotiates manages or enters into on behalf of Franchisee Unless otherwise provided in a written agreement between Franchisee and a third-party vendor, the terms and conditions in this Agreement will apply to all equipment leased through JIB

7 2 **Master Lease** All of the terms conditions representations and warranties of each and every master lease agreement entered into between JIB and a third-party vendor relating to Leased Equipment are hereby incorporated herein and made a part hereof as if they were expressly set forth in this Agreement Copies of such

other agreements are available for Franchisee s review upon request If JIB leases any equipment from a third-party vendor Franchisee acknowledges that the Owner of such Leased Equipment intends to claim all depreciation interest deductions and other tax benefits (other than investment tax credit) available to an Owner of such Leased Equipment under the Internal Revenue Code of 1986 (the **Code**) Franchisee must not take any actions that might cause such a claim to be disallowed If any such disallowance is caused by an act or omission of Franchisee, Franchisee will promptly compensate the Owner for such loss By accepting possession of Leased Equipment Franchisee represents and warrants that the length of the initial term (including any fixed rate renewal granted as part of this Agreement) applicable to each Leased Equipment item and the estimated Fair Market Value of each Leased Equipment item at the end of such initial term is consistent a true lease for Federal Income Tax purposes If the Owner or Owner's designee shall lose not have the right to claim, or suffer a disallowance or recaptureof all or any portion of such tax benefits as a result of an act omission or misrepresentation of Franchisee Franchisee must promptly indemnify the Owner or Owner s designee on an after-tax basis so as to compensate the Owner or Owner s designee in the Owner s reasonable judgment for such loss

7 3 **Commencement of Lease Term** For equipment leased to Franchisee by JIB under this Agreement the term of each lease shall begin with the date the Leased Equipment is installed at the Franchisee s Site or the date specified in the Leased Equipment Schedule and will continue for the number of months specified in the Leased Equipment Schedule (**Lease Commencement Date**) Some items of Leased Equipment covered under this Agreement may have been installed delivered or otherwise in use at a restaurant location under a lease to JIB prior the Effective Date of this Agreement For such items of Leased Equipment Franchisee agrees to accept the terms of the existing lease and shall assume all payments and obligations thereunder for the lease of such Leased Equipment through the remainder of the lease period

7 4 **Maintenance** Franchisee must at its sole expense and at all times during the term of each Leased Equipment Schedule maintain the Leased Equipment in good operating order repair condition and appearance and protect the Leased Equipment from deterioration other than normal wear and tear Franchisee will not use the Leased Equipment for any purpose other than in the operation of a Restaurant

7 5 **Dedicated Software Required** Franchisee understands and agrees that the Leased Equipment must be dedicated to JIB-approved Software and agrees that no other software will be operated or installed on the Leased Equipment

7 6 **Title** Nothing contained in this Agreement or any other document will give nor convey to the Franchisee any right title or interest in or to the Leased Equipment beyond the lease rights specified in this Agreement The Owner will retain all right title and interest to the Leased Equipment until sold to Franchisee as provided for herein Franchisee agrees not to relocate transfer or attempt to transfer the Leased Equipment or any interest therein, except that if Franchisee operates more than one (1) Restaurant Franchisee may, upon written notice to JIB relocate or transfer such Leased Equipment to another Restaurant Site Franchisee represents and agrees that Franchisee will hold the Leased Equipment subject and subordinate to the rights of the Owner an Assignee and any Secured Party and Franchisee will furnish JIB with such documentation as JIB reasonably requires with respect to issues of title Upon expiration of an applicable lease term if Franchisee elects to retain the Leased Equipment pursuant to **Section 7 13** below then once Franchisee has paid all outstanding amounts due including the Fair Market Value together with any and all applicable sales or other taxes due, and any and all remaining amounts payable JIB and/or the Owner shall transfer all its right, title and interest in and to the Leased Equipment to Franchisee The Leased Equipment shall be transferred **"AS-IS"** and **"WHERE-IS"** without any express or implied representations or warranties

7 7 **UCC Filing** Franchisee hereby authorizes JIB or it representatives to file at Franchisee s expense this Agreement, any Leased Equipment Schedule, or any statement or other instrument in respect of any Leased Equipment Schedule that shows the interest of the Owner an Assignee and any Secured Party in the Leased Equipment and Franchisee agrees to execute and deliver Uniform Commercial Code financing statements reasonably requested by JIB for such purpose

7 8 **Free of Liens** Franchisee will at its expense protect and defend the Owner's an Assignee's; and/or any Secured Party s title and interest against all persons claiming title or interest against or through Franchisee and will at all times keep the Leased Equipment free and clear from any legal claim process liens or encumbrances whatsoever (except any placed thereon by the Owner) Franchisee will give JIB immediate written notice of any

such claim process lien or encumbrance and will indemnify and hold the Owner, an Assignee and any Secured Party harmless from and against any such loss

7 9 **Leased Equipment Not a Fixture** The Leased Equipment is personal property and when subjected to use by the Franchisee will not be or become a fixture under applicable law Franchisee will not without the prior written consent of the Owner an Assignee and any Secured Party and subject to such conditions as the Owner an Assignee and any Secured Party may impose for its protection affix the Leased Equipment to any real property if as a result thereof the Leased Equipment will become a fixture under applicable law

7 10 **Alterations and Attachments** Upon **sixty (60) days** prior written notice to Franchisee JIB may at Franchisee s additional lease expense add or install any Upgrade on the Leased Equipment An Upgrade will be an accession to the Leased Equipment and will be the property of the Owner an Assignee and any Secured Party Franchisee will not remove any such Upgrade from any Leased Equipment

7 11 **Delivery and Return of Equipment** Franchisee hereby assumes the full expense of transporting the Leased Equipment and installing it at Franchisee s premises and the cost of insuring it in transit Upon the expiration of a lease term for Leased Equipment if Franchisee has not exercised its purchase option for such Leased Equipment as set forth in **Section 7 13** below then Franchisee must, pursuant to JIB s instructions and at Franchisee s full expense (including without limitation expenses of transportation and in-transit insurance), return the Leased Equipment to JIB or the Owner (as directed by JIB) in the same operating order repair condition and appearance as when received less normal depreciation and wear and tear Franchisee must prepare the Leased Equipment for shipping according to manufacturer s instructions using approved packing materials and shall bear all risk of damage or loss until the Leased Equipment is returned to the designated location All costs and expenses associated with the packing shipping delivery and inspection of the Leased Equipment must be paid by Franchisee including any costs incurred by JIB and/or Franchisee for de-installation of alterations attachments or Upgrades to the Leased Equipment Franchisee must return the Leased Equipment in "**Eligible Condition** with each of the following conditions satisfied

(A) the Leased Equipment is in good working order (normal wear and tear excepted) and is capable of performing all functions that the Leased Equipment could perform when delivered to Franchisee

(B) the Leased Equipment as returned includes
- i all engineering modifications,
- ii all software required by the manufacturer to operate the Leased Equipment,
- iii all hardware and software Upgrades, and,
- iv other alterations required by the manufacturer for maintenance eligibility during the term of the lease,

(C) the Leased Equipment includes only components and other parts from the manufacturer or an authorized supplier

(D) if maintenance of the Leased Equipment has been provided under a service contract, the Leased Equipment is certified as eligible for a service contract by the manufacturer of the Leased Equipment or by a service organization satisfactory to JIB, and,

(E) all data and other information stored on hard drives and other media storage devices (**Resident Data**) has been securely overwritten and destroyed beyond recovery using advanced wiping techniques (**Data Erasure**") However if Franchisee does not wish to perform the Data Erasure itself, Franchisee must notify JIB **three (3) months** prior to termination of the lease and return the Leased Equipment to a location designated by JIB JIB will arrange for the Data Erasure to be performed at Franchisee's cost based upon JIB s then-current fee

7 12 Franchisee must arrange or pay for any inspections and any repairs or modifications as required to maintain the Leased Equipment in Eligible Condition If Franchisee fails to return the Leased Equipment in Eligible Condition upon expiration of the initial lease term (or any extension or renewal term), the lease will continue and Franchisee shall remain obligated to pay rent and all other amounts due under the lease and otherwise perform all obligations under this Agreement until Franchisee returns the Leased Equipment in Eligible Condition or JIB elects to terminate the lease, at which time Franchisee must purchase the Leased Equipment pursuant to **Section 7 13** and shall be responsible for all purchase fees

7 13 **Option to Buy** Unless otherwise specified in a Leased Equipment Schedule upon the expiration of a lease term JIB at its option may allow Franchisee to purchase some or all of the Leased Equipment The option to purchase any Leased Equipment must be exercised by delivering written notice that is received by JIB at least **four (4) months** prior to the last day of the initial lease term (or any renewal or extension lease term) The notice must identify all items of Leased Equipment that will be purchased by Franchisee The purchase price of the Leased Equipment shall be determined at the Fair Market Value of the Leased Equipment at the time of such exercise to purchase as determined by mutual agreement between JIB and the Lessor including any remaining sums due under the lease (**Purchase Price**) If for any reason Franchisee fails to timely return any item of Leased Equipment as set forth in **Section 7 11** above then Franchisee will be required to pay the Purchase Price for such Leased Equipment

7 14 **Risk of Loss** Effective upon delivery of the Leased Equipment to Franchisee and until the Leased Equipment is returned to JIB Franchisee relieves JIB of responsibility for all risks of physical damage to or loss or destruction of the Leased Equipment however caused Franchisee also assumes the entire risk of loss damage or destruction of any Leased Equipment resulting from any cause whatsoever whether or not insured against except for loss damage or destruction caused by the Owner, an Assignee or any Secured Party If any Leased Equipment is materially damaged Franchisee will promptly notify JIB Except as otherwise provided for herein Franchisee assumes all risk of loss and liability for any Casualty Occurrence No such Casualty Occurrence will relieve Franchisee of the obligation to make payments or of any other obligation under this Agreement

7 15 **Insurance** Throughout the term of this Agreement Franchisee must at its own expense carry and maintain in force at all times casualty insurance property damage insurance risk insurance and liability insurance and insure each item of Leased Equipment against all other risks which are customarily insured against on the type of equipment leased The insurance must be in form and substance and with insurers reasonably satisfactory to the Owner an Assignee and any Secured Party and be for an amount no less than the greater of a) the Casualty Value amount or b) the stipulated replacement value for such Leased Equipment Any amounts received by JIB via such insurance shall be credited against the Franchisee s obligations hereunder All insurance policies under this Section will name the Owner any Assignee and/or Secured Party as their interests may appear as additional insured and as loss payee and will provide for at least **thirty (30) days** prior written notice by the underwriter or insurance company to the Owner an Assignee and/or Secured Party in the event of cancellation or expiration The Franchisee will upon request of the Owner, an Assignee and/or Secured Party, furnish appropriate evidence of such insurance

7 16 **Destruction of Equipment**

(A) If any item of Leased Equipment is lost, stolen destroyed damaged beyond repair or rendered unusable as a result of any physical damage to or destruction of the Leased Equipment (**Equipment Loss**) Franchisee will give JIB prompt notice and this Agreement will continue in effect without any abatement of lease amounts due Within **ten (10) days** after the Equipment Loss Franchisee will notify JIB that the Leased Equipment that has suffered a Casualty Occurrence and Franchisee must either

(i) at its expense, make any corrections to cause such item of Leased Equipment to be in good repair condition and working order to JIB's satisfaction within **ninety (90) days** of the date of the loss or

(ii) if the Leased Equipment cannot be repaired Franchisee must (a) promptly notify JIB and such Leased Equipment will be deemed to have suffered a Casualty Occurrence as of the date of the loss, and (b) continue to pay the lease payments as due and, (c) replace the Leased Equipment that has suffered a Casualty Occurrence with equipment of the same model type and feature configuration, with equal or greater capacity utility and value to that of the original Leased Equipment In such case Franchisee must transfer title to the replacement equipment to the Owner an Assignee and/or Secured Party free and clear of all liens and encumbrances of any kind, and take such further action as may be required in order to effect such substitution, in which case the replacement equipment shall become the Leased Equipment, with the lease continuing in full force and effect and marketable title in such Leased Equipment will vest in the Owner an Assignee and any Secured Party or,

(iii) pay the Casualty Value for such Leased Equipment If Franchisee suffers a Casualty Loss and pays the Casualty Value Franchisee remains responsible for replacing any equipment that may be specified as Required pursuant to **Section 5 1** for the continued operation of its business pursuant to this Agreement

(B) If the Casualty Value is paid any lease payment due for such Leased Equipment before the date of the Casualty Occurrence will remain due and payable After the payment of such Casualty Value amount and all other amounts due with respect to such Leased Equipment, Franchisee s obligation to pay further lease payments for such Leased Equipment will cease Except in the case of loss or total destruction JIB will be entitled to recover all Leased Equipment or the costs for same for which a Casualty Value has been paid, provided however that Franchisee will dispose of such Leased Equipment for the best price obtainable (on an **AS-IS, WHERE-IS** basis without representation or warranty expressed or implied) and Franchisee will be entitled to retain all amounts received for the Leased Equipment up to the Casualty Value amount and Franchisee s reasonable costs of disposition attributable thereto and will remit the excess if any to JIB

8 PURCHASE REQUISITIONS

8 1 **Franchisee Requisitions** Franchisee and its designated representatives are authorized to procure and/or lease from JIB or through a JIB-approved vendor certain hardware software other equipment training materials other materials services and/or training (**Goods/Services**) Franchisee will be liable for payment of all fees for all Goods/Services ordered by or accepted by Franchisee or its designated representatives Franchisee may designate its authorized representatives by providing written notice to JIB which will become effective upon receipt Any such change will not be effective for any Purchase Requisition (hereinafter defined) received, purchases made or expenses incurred by JIB pursuant to the direction of Franchisee s designated representative before JIB received written revocation of authorization JIB may limit the number of representatives that Franchisee may designate

8 2 The request for the procurement for any Goods/Services is referred to as a **Purchase Requisition** " JIB s receipt of a Purchase Requisition from Franchisee constitutes the

(A) authorization for JIB to enter into binding agreements with third-parties to obtain and deliver the Goods/Services ordered

(B) Franchisee s agreement to sign and return to JIB any applicable receipt delivery and/or acceptance documentation upon delivery of the Goods/Services and

(C) Franchisee's agreement to promptly pay the Procurement Price (hereinafter defined) for such Goods/Services ordered JIB may require Franchisee to submit a Purchase Requisition in writing

8 3 **Cancellation of Purchase Requisition** No Purchase Requisition submitted by Franchisee and received by JIB may be cancelled or modified in any respect except at the discretion of JIB Any agreement to cancel or accept a modification of a Purchase Requisition must be in a writing executed by an officer of JIB If JIB agrees to accept a cancellation or modification of a Purchase Requisition Franchisee shall pay all handling charges transportation expenses and restocking charges incident to any such cancellation or change

8 4 **Indebtedness to JIB** Upon JIB s receipt of a Purchase Requisition Franchisee is indebted to JIB for

(A) the principal amount of the purchase price or lease amount for any Goods/Services ordered under a Purchase Requisition

(B) the amount of the mark-up specified, if any (which is currently up to **ten percent (10%)** and,

(C) the amount of all freight charges, taxes brokerage fees and other fees incidental to the purchase, lease delivery and/or performance in providing the Goods/Services

(all collectively referred to as the **Procurement Price**)

To secure such indebtedness and all extensions and renewals, Franchisee hereby grants to JIB a security interest in the personal property purchased and/or leased through a Purchase Requisition, together with the

proceeds, any replacements accessions or additions (which property is for the purposes of this **Section 8** hereinafter referred to as the **Collateral**")

8 5 Until the Procurement Price is paid in full Franchisee warrants that it will

(A) properly maintain repair and preserve the Collateral and insure the same against loss

(B) pay all taxes that may become a lien on the Collateral

(C) make no sale, contract to sell lease encumbrance or other disposition of the Collateral

(D) execute any additional agreements, assignments or documents that may be deemed necessary or advisable by JIB to accomplish the purpose of this Agreement and to protect the Collateral

9 FEES AND INVOICING

9 1 **Fees** Any and all fees payable by Franchisee to JIB shall be set forth in **Exhibit A** and/or in the Franchise Business Manual JIB may increase the fees for any equipment software service and/or lease provided under this Agreement upon **thirty (30) days**' advance notice before the effective date of the increase

9 2 **Late Fees** If any fee required under this Agreement is not paid by its due date Franchisee agrees to pay a late fee on the overdue balance at the rate established by JIB s then-current credit policy not to exceed the maximum percentage allowed by law

9 3 **Invoices** JIB will invoice Franchisee in accordance with its standard invoicing procedures All payments to JIB will be due as specified on the invoice All payments will be paid to JIB by ACH or such other method specified by JIB in writing so as to constitute immediately available funds All payments will be paid free and clear of all claims, demands or setoffs against JIB JIB may alter the method of invoicing and/or payment under this Agreement upon **thirty (30) days** written notice to Franchisee

9 4 **Net Lease** Franchisee acknowledges and agrees that the lease for any Leased Equipment covered by a Leased Equipment Schedule constitutes a net lease and that Franchisee s obligation to pay all fees, rents taxes and sums when due and any and all amounts otherwise payable hereunder by Franchisee shall be absolute and unconditional and shall not be subject to any abatement reduction set-off defense counterclaim, interruption, deferment or recoupment for any reason whatsoever, and that such payments shall be and continue to be payable in all events

9 5 **Taxes** Franchisee covenants and agrees to pay when due or reimburse and indemnify and hold JIB harmless from and against all taxes excise sales use property purchase lease possession or other taxes, duties, tax penalties interest or amounts in lieu thereof fees or other charges of any nature whatsoever (together with any related interest or penalties not arising from negligence on the part of JIB) now or hereafter imposed or assessed during the Term of this Agreement against JIB, or Franchisee, or against the Technology System by any Federal state, county, municipality or local government authority or other political subdivision authority or upon the order purchase sale ownership delivery shipment, insurance, lease possession use operation return or other disposition thereof or upon the rents, receipts or earnings arising therefrom or upon or with respect to the Technology System (excepting only Federal, state, local taxes based on or measured by the net income of the Owner an Assignee or Secured Party) Franchisee must pay or reimburse JIB for amounts equal to any such taxes exclusive of taxes based on JIB's net income Notwithstanding the foregoing unless otherwise specified herein, JIB will be responsible for the filing of all personal property tax returns with respect to the Equipment leased from JIB and will make initial payment of taxes indicated thereon Franchisee will reimburse JIB as directed by JIB, for all such taxes within **ten (10) days** of receipt of JIB s invoice therefore

9 6 **JIB Credit Approval** JIB may extend credit terms to Franchisee for any lease purchase or offer of services made to Franchisee under this Agreement JIB will only lease, procure equipment or provide services upon approval and extension of credit terms to Franchisee JIB s credit approval may be withdrawn at any time

9 7 **JIB as Billing Agent** In some cases JIB may act as a billing agent for a third-party to send invoices to and accept payments from Franchisee If JIB is a billing agent for a third-party such payments must be made in accordance with the terms of **Section 9** of this Agreement

10 REPRESENTATIONS AND WARRANTIES

10 1 **Representations and Warranties of Franchisee** Franchisee hereby represents warrants and covenants that with respect to this Agreement and each Leased Equipment Schedule executed hereunder

(A) the execution, delivery and performance thereof by the Franchisee has been duly authorized by all necessary corporate action

(B) the individual executing such was duly authorized to do so

(C) they constitute legal, valid and binding agreements of Franchisee enforceable in accordance with their respective terms

(D) the Franchisee shall furnish upon reasonable request by JIB, audited financial statements for the most recent period

10 2 Franchisee upon reasonable request by JIB, shall provide certified resolutions and an opinion from Franchisee s counsel addressed to the Owner an Assignee or any Secured Party with respect to the representations and warranties set forth in **subparagraphs (A) through (D)** of **Section 10 1** and shall also supply such other documents as JIB may reasonably request

11 DISCLAIMER OF ANY OTHER GUARANTEES/WARRANTIES

11 1 **AS TO THE TECHNOLOGY SYSTEM** JIB is not responsible for failures in the Technology System JIB will not be liable for expenses losses or any damages of any kind including but not limited to the repair or replacement expenses lost credit card sales, or lost profits in connection with or directly or indirectly resulting from such failures *Franchisee s sole remedy if any lies with the manufacturer distributor or other third-party from whom* JIB obtained or accessed any part of the Technology System

AS TO THE SOFTWARE FRANCHISEE ASSUMES RESPONSIBILITY FOR THE SOFTWARE TO ACHIEVE ITS INTENDED RESULTS AND FOR THE INSTALLATION USE AND RESULTS OBTAINED FROM ANY SOFTWARE ALL SOFTWARE IS PROVIDED **AS-IS** AND NEITHER JIB NOR THE SOFTWARE'S AUTHOR MAKE ANY WARRANTY OF ANY KIND EITHER EXPRESS OR IMPLIED THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE SOFTWARE IS WITH FRANCHISEE NEITHER JIB NOR THE SOFTWARE S AUTHOR WARRANT THAT THE FUNCTIONALITY CONTAINED IN ANY SOFTWARE WILL MEET ALL OF FRANCHISEE'S REQUIREMENTS OR THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE

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EQUIPMENT BUT IS AGREEING TO ACT AS AGENT FOR THE FRANCHISEE UNDER THIS AGREEMENT AND ONLY AS AN ACCOMODATION TO FRANCHISEE

AS TO TECHNICAL SUPPORT SERVICES PROVIDED BY JIB JIB AND ITS EMPLOYEES OR AGENTS HEREBY DISCLAIM ANY AND ALL ORAL STATUTORY OR IMPLIED WARRANTIES FOR TECHNICAL SUPPORT SERVICES COVERED BY THIS AGREEMENT NEITHER JIB NOR ANY OF ITS EMPLOYEES CONTRACTORS OR AGENTS MAKE ANY WARRANTY OR REPRESENTATION OF THE RESULTS TO BE OBTAINED FROM ANY TECHNICAL SUPPORT SERVICES UNDER THIS AGREEMENT INCLUDING BUT NOT LIMITED TO WARRANTIES OR REPRESENTATIONS THAT THE TECHNICAL SUPPORT SERVICES PROVIDED UNDER THIS AGREEMENT WILL RESOLVE PROBLEMS LOCATE FAULTY EQUIPMENT OR ISOLATE ERRORS IN THE EQUIPMENT JIB NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME ON BEHALF OF JIB ANY OBLIGATION OR LIABILITY IN CONNECTION WITH SUCH TECHNICAL SUPPORT SERVICES

EACH OF THE FOREGOING IS IN LIEU OF ALL WARRANTIES EXPRESS OR IMPLIED INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY FITNESS FOR A PARTICULAR PURPOSE TITLE AND NON-INFRINGEMENT

12 PATENT AND COPYRIGHT INFRINGEMENT

12 1 Except as may expressly provided for in this Agreement JIB will defend any action brought against Franchisee to the extent that the claim is based upon a claim that JIB-owned Software licensed under this Agreement and used within the scope of the Software License granted to Franchisee under this Agreement infringes a United States copyright or United States patent JIB will pay resulting costs damages and legal fees finally awarded against Franchisee in such action that are attributable to such claim provided that

(A) Franchisee notifies JIB promptly in writing of any claim

(B) JIB has sole control of the defense of any such claim and all related settlement negotiations,

(C) Franchisee promptly provides to JIB all information known to Franchisee relating to any such claim and cooperates with JIB and its agents in the settlement and/or defense

12 2 If any JIB-owned Software licensed to Franchisee by JIB hereunder becomes or in JIB s opinion is likely to become the subject of a claim of infringement of a United States copyright or United States patent JIB may procure for Franchisee the right to continue using the JIB-owned Software or replace or modify it to make it non-infringing

12 3 JIB will have no liability for and Franchisee will indemnify and hold harmless JIB from and against any claim based upon

(A) the use of an outdated or altered release of any JIB-owned Software or,

(B) the use operation or combination of any JIB-owned Software with any non-JIB Software or other equipment if such infringement would have been avoided but for such use operation or combination It is understood and agreed that for purposes of the foregoing exception the current unaltered versions of the JIB-owned Software is the version originally delivered to Franchisee

12 4 The foregoing states the entire liability of JIB with respect to infringement of copyrights or patents for JIB-owned Software

12 5 JIB shall have no liability direct or otherwise to Franchisee for any non JIB-owned Software, whether or not licensed by JIB under this Agreement to Franchisee

13 INDEMNIFICATION

13 1 Franchisee will and hereby agrees to indemnify defend and hold the Owner, any Assignee and any Secured Party harmless from and against any and all liabilities losses claims, costs expenses damages liabilities, demands and obligations (including reasonable attorneys' fees) arising from or relating to

(A) the negligence or willful misconduct of Franchisee or its employees or agents, and

(B) Franchisee s breach of the terms and conditions of this Agreement and

(C) Franchisee s violation of any law treaties or other rules or regulations that may relate to this Agreement including the rights of third-parties and,

(D) the manufacture ownership selection possession lease rental operation, installation control, use maintenance delivery, return or other disposition of any and all software, hardware and/or other equipment serviced loaned or used in connection with Franchisee s Restaurant business and

(E) any and all services on or for software, hardware or equipment at or in connection with Franchisee s Restaurant business and

(F) Franchisee s use of or inability to use the Technolgy System or any Services and,

(G) any postings or Submissions made by Franchisee and

(H) the selection, performance or non-performance of other services covered by this Agreement

13 2 Notwithstanding the foregoing, Franchisee will not be responsible under the terms of this **Section 13** to JIB for any claims costs expenses damages, liabilities demands and obligations occasioned by the gross negligence or willful misconduct of JIB

13 3 JIB reserves the right at its own cost to assume the exclusive defense and control of any matter otherwise subject to indemnification by Franchisee in which event Franchisee will fully cooperate with JIB in asserting any available defenses

13 4 During the term of the applicable Leased Equipment Schedule Franchisee hereby appoints JIB as Franchisee's agent to assert any right Franchisee may have to enforce the manufacturer's warranties, if any, provided, however, that Franchisee will indemnify defend and hold JIB harmless from and against any and all claims costs expenses, damages, losses and liabilities incurred or suffered by JIB as a result of or incident to any action by Franchisee in connection therewith

13 5 This **Section 13** supplements rather than replaces, the indemnity obligations provided in any Franchise Agreement and other contracts entered into by Franchisee with JIB The provisions of this paragraph survive the termination of this Agreement with respect to events occurring prior to such termination

14 LIMITATIONS ON LIABILITIES AND REMEDIES FOR DEFAULT

14 1 JIB s entire liability and Franchisee s exclusive remedies will be as follows

(A) **Technical Support Services** With respect to the performance or non-performance of Technical Support Services provided by JIB to Franchisee Franchisee s exclusive remedy is for JIB to re-perform such services at JIB's expense

(B) **Media** With respect to defective media JIB will replace media supplied by JIB to Franchisee, upon return of such defective media by Franchisee to JIB

(C) **Software** With respect to the performance or non-performance of Software offered by JIB and used by Franchisee, Franchisee's exclusive remedy is the correction or bypass by JIB of Software defects if, in JIB s determination such correction or bypass is reasonably feasible

14 2 IN NO EVENT WILL JIB ITS AGENTS AUTHORS OWNERS AND/OR ASSIGNS BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES INCLUDING ANY LOST SALES LOST PROFITS LOST SAVINGS, OR OTHER INCIDENTAL OR INDIRECT DAMAGES ARISING OUT OF TECHNICAL SUPPORT SERVICES PROVIDED BY JIB TECHNICAL SUPPORT SERVICES JIB FAILED TO PROVIDE USE OR INABILITY TO USE ANY SOFTWARE ANY TECHNCIAL SUPPORT SERVICE PROCEDURES PERFORMED AT FRANCHISEE S REQUEST OR OTHERWISE OR FOR THE TECHNOLOGY SYSTEM OR ANY COMPONENT THEREOF THIS APPLIES EVEN IF JIB ITS AGENTS, AUTHORS OWNERS AND/OR ASSIGNS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY

14 3 IN NO EVENT SHALL JIB BE RESPONSIBLE FOR ANY DAMAGES OR CLAIMS IN CONNECTION WITH RESIDENT DATA OR DATA ERASURE INCLUDING WITHOUT LIMITATION, THE SUFFICIENCY OF ANY DATA ERASURE PROCEDURES OR SERVICES ANY ALLEGED OR ACTUAL VIOLATION OF PRIVACY LAWS LOST OR COMPROMISED PROPRIETARY INFORMATION LOSS OF SALES LOSS OF PROFITS, BUSINESS OR USE OR INCIDENTAL SPECIAL CONSEQUENTIAL EXEMPLARY OR PUNITIVE DAMAGES AND FRANCHISEE SHALL INDEMNIFY DEFEND AND HOLD JIB HARMLESS FROM AND AGAINST ANY SUCH DAMAGES AND CLAIMS JIB MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER EXPRESS OR IMPLIED WITH RESPECT TO DATA ERASURE OR THE MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ANY DATA ERASURE PROCEDURES OR SERVICES

14 4 JIB WILL NOT BE LIABLE, TO ANY EXTENT WHATSOEVER FOR THE SELECTION QUALITY CONDITION, MERCHANTABILITY, SUITABILITY RELIABILITY AVAILABILITY TIMELINESS ACCURACY FITNESS OPERATION OR PERFORMANCE OF THE TECHNOLOGY SYSTEM WITHOUT LIMITING THE GENERALITY OF THE FOREGOING JIB WILL NOT BE LIABLE TO FRANCHISEE FOR ANY LIABILITY CLAIM, LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE (INCLUDING STRICT LIABILITY IN TORT) CAUSED DIRECTLY OR INDIRECTLY, BY TECHNOLOGY SYSTEM OR ANY INADEQUACY THEREOF FOR ANY PURPOSE, OR ANY DEFICIENCY OR DEFECT THEREIN, OR THE USE OR MAINTENANCE THEREOF OR ANY REPAIRS SERVICING OR ADJUSTMENTS THERETO OR ANY DELAY IN PROVIDING OR FAILURE TO PROVIDE ANY PART THEREOF, OR ANY INTERRUPTION OR LOSS OF SERVICE OR USE THEREOF, OR ANY LOSS OF BUSINESS OR ANY DAMAGE WHATSOEVER AND HOWSOEVER CAUSED EXCEPT THAT JIB WILL BE LIABLE FOR ANY SUCH LOSS OR DAMAGE CAUSED BY THE WILLFUL MISCONDUCT OF JIB OR ITS AGENTS AND REPRESENTATIVES AS TO JIB FRANCHISEE ACKNOWLEDGES THAT THE TECHNOLOGY SYSTEM PROVIDED IS ENTIRELY SUITABLE FOR FRANCHISEE'S PURPOSES

14 3 THE LIABILITY OF JIB TO FRANCHISEE FOR ACTUAL DAMAGES FOR ANY CAUSE WHATSOEVER, AND REGARDLESS OF THE FORM OF ACTION WILL BE LIMITED TO THE LESSER OF

(A) **ONE THOUSAND DOLLARS ($1,000 00)**, OR

(B) THE ANNUAL SERVICE FEE FOR THE TECHNCAL SUPPORT SERVICE THAT IS ALLEGED TO HAVE CAUSED THE DAMAGES OR

(C) THE MONEY OTHERWISE PAID FOR THE TECHNICAL SUPPORT SERVICE THAT IS ALLEGED TO HAVE CAUSED THE DAMAGES

14 4 Some states and/or jurisdictions do not allow the exclusion or limitation of liability for consequential or incidental damages therefore the above limitation may not apply

14 5 **Default by Franchisee** The occurrence of any one or more of the following events shall constitute a default by Franchisee (**Events of Default**)

(A) Franchisee s failure to pay when due any payment and such default continues for a period of **ten (10) days** or

(B) any failure by Franchisee to perform or comply with any other term covenant condition or obligation under this Agreement or the inaccuracy in any material respect of any representation or warranty made by Franchisee in connection therewith which default or inaccuracy shall continue for a period of **thirty (30) days** after notice or

(C) any loss theft, substantial damage or destruction of any equipment purchased or leased under this Agreement for which JIB is not yet fully paid or the issuance of attachment levy garnishment or judicial process with respect to that equipment, or

(D) any use or intended use of the equipment purchased or leased, or Software provided under this Agreement by Franchisee other in the context of normal Restaurants operations or

(E) the making of an assignment by Franchisee for the benefit of its creditors or the admission by Franchisee in writing of its inability to pay its debts as they become due or the seeking or consenting by Franchisee to or acquiescence by Franchisee in the appointment of any trustee receiver or liquidator of Franchisee or of all or any substantial part of the properties of Franchisee or its property or a bulk transfer of Franchisee s equipment furniture fixtures inventory or other personal property or the insolvency of Franchisee or the filing by Franchisee of a voluntary petition in bankruptcy or the adjudication of Franchisee as a bankruptcy or the filing by Franchisee of any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment liquidation dissolution, or similar relief under any present or future statute law or regulation or the filing of any answer by Franchisee admitting or the failure by Franchisee to deny the material allegations of a petition filed against it for any such relieve or the commission by Franchisee of any act of bankruptcy as defined in the Federal Bankruptcy Act, as amended, or,

(F) the failure by Franchisee within **sixty (60) days** after the commencement of any proceeding against Franchisee seeking any reorganization arrangement composition readjustment liquidation dissolution or similar relief under any present or future statute law or regulation, to obtain the dismissal of such proceeding or within **sixty (60) days** after the appointment without consent or acquiescence of Franchisee of any trustee, receive or liquidator of Franchisee or of all or any substantial part of the properties of Franchisee, to vacate such appointment or,

(G) JIB deeming itself insecure believing in good faith that the prospect of Franchisee s payment of indebtedness hereunder (or any portion thereof) or of performance of this Agreement is impaired or,

(H) any default under the terms of any Franchise Agreement or Franchise Lease Agreement between JIB and Franchisee

14 6 **JIB's Remedies Upon Default by Franchisee** Upon the occurrence of any one or more Events of Default by Franchisee JIB at its option may

(A) proceed by appropriate court action or actions at law and/or in equity to enforce performance by Franchisee of the applicable covenants and terms of this Agreement, and to recover from Franchisee any and all damages or expenses including reasonable attorney s fees which JIB shall have sustained by reason of Franchisee's default under this Agreement or in connection with JIB's enforcement of its remedies thereunder, and/or

(B) terminate this Agreement and/or

(C) exercise any and all rights and remedies granted to a Secured Party under the Uniform Commercial Code including seizure and sale and/or

(D) maintain an action to recover damages and expenses

Franchisee agrees that any seizure may be without notice, demand court order or other process of law and without liability to Franchisee for any damages occasioned by the seizure In the event of seizure and sale of any equipment it is agreed that the proceeds of sale will be applied first to costs of sale and other expenses authorized by the Uniform Commercial Code, including reasonable attorneys' fees second to service charges on past due payments and third to other amounts due Any surplus will be paid to Franchisee or such other person as may be entitled Franchisee will remain liable for any deficiency which it must pay to JIB immediately upon demand

14 7 **Special Remedies as to Equipment Leases** If Franchisee defaults under any part of this Agreement relating to the leasing of Leased Equipment JIB may without notice or demand, accelerate the balance of any rents lease payments or other sums accruing under the applicable Leased Equipment Schedule which, together with all lease payments and other amounts then due will become immediately due and payable as liquidated damages and not as a penalty JIB will have the right to exercise the remedies described in **Section 14 6** above and, to the extent permitted by law to

(A) recover all sums so due, and/or,

(B) retake immediate possession of the Leased Equipment without any process of law For such purpose JIB may enter upon premises where the Leased Equipment is located and may remove the Leased Equipment without notice and without being liable to Franchisee, except that JIB will be liable for damages resulting from the fault or negligence of JIB or its agents and representatives in any such entry or repossession and/or

(C) to sell lease or otherwise dispose of all or any portion of the Leased Equipment with the privilege of becoming the purchaser thereof, at public or private sale for cash or on credit and without notice of its intention to do so or of its doing so in which event JIB will apply the cash proceeds from any sale or other disposition (less the estimated Fair Market Value of the Leased Equipment at the expiration of the term or any extension) or the present value (discounted at the overdue rate) of the payments under any lease for a term not to exceed the expiration of the term or any extension(all such amounts to be called ***Proceeds***) *less all costs and expenses incurred in connection with the recovery repair or storage of* the Leased Equipment or the transaction itself against all sums due from Franchisee To the extent and in the manner permitted by law Franchisee will be liable to JIB for and JIB may recover from Franchisee the amount by which the Proceeds of any such transaction less the expenses of retaking storing repairing and the transaction itself, including reasonable attorneys' fees incurred by JIB is less than all sums due from Franchisee under the applicable Leased Equipment Schedule

14 8 The remedies described in **Sections 14 6 and 14 7** above, to the extent permitted by law any one of which JIB need not, in its discretion, exercise, shall be deemed cumulative and may be exercised successively or concurrently Except as set forth in this **Section 14 8**, and to the extent permitted by applicable law, Franchisee hereby waives any rights now or hereafter conferred by statute or otherwise that may require JIB to sell lease or otherwise use any Leased Equipment in mitigation of JIB s damage or that may otherwise limit or modify any of JIB s rights or remedies

15 TERM AND TERMINATION

15 1 **Term** This Agreement becomes effective as of the Effective Date and will remain in effect until terminated

15 2 **Termination for Cause** JIB may terminate this Agreement or suspend any services under this Agreement in the case of an Event of Default

15 3 **Termination for Convenience** JIB may terminate this Agreement, or any service or lease provided for under this Agreement for any or no reason with **ninety (90) days** written notice to Franchisee Franchisee may terminate any services identified as Optional covered by this Agreement with **ninety (90) days** written notice to JIB

16 GENERAL PROVISIONS

16 1 **Access to Equipment** Upon reasonable notice to Franchisee, Franchisee must allow JIB, the Owner an Assignee and/or any Secured Party access to a Site during normal business hours for the purpose of inspecting the condition of the Technology System and/or to prepare for or install any new equipment or perform service pursuant to this Agreement If this Agreement expires or is terminated Franchisee will provide JIB, the Owner an Assignee and/or any Secured Party reasonable access to Franchisee s Site(s) for purposes of removing any Leased Equipment or other equipment owned by JIB, such Owner, Assignee and/or any Secured Party Upon termination or expiration of this Agreement JIB reserves the right without further notice to access to the Site for

the purposes of removing the Technology System or to remotely or physically access the Technology System and disable any part therein

16 2 **Confidentiality of Technology System** Franchisee acknowledges that JIB and its Authors have expended considerable time and money to develop the Technology System the content of which is not generally known by others and JIB its Authors wish to maintain the confidentiality of the Technology System Accordingly Franchisee must not at any time disclose the content of any part of the Technology System (including, but not limited to the password(s) necessary to obtain access to and use the Technology System) to any person firm organization or employee that does not need to obtain access to the Technology System to assist with the operation of one or more Restaurants Franchisee may not use the Technology System for the benefit of any third-party Any unauthorized disclosure of any aspect of the Technology System or any of its components will constitute a breach of this Agreement This non-disclosure provision supplements rather than replaces Franchisee s obligation not to disclose or use JIB Confidential Information as set forth in any Franchise Agreement or other agreement or documentation signed by Franchisee This non-disclosure provision survives the termination of this Agreement regardless of the reason for the termination

16 3 **Third-Parties** JIB may need to provide the name telephone number email address and/or other contact information as provided to JIB by Franchisee (**Franchisee Contact Information**) to JIB-authorized third-party service providers for the purpose of facilitating the procurement of (including the lease of) hardware, software and other Goods/Services on behalf of Franchisee and Franchisee hereby directs consents and authorizes JIB to share such Franchisee Contact Information with any third-party with whom JIB has a contractual relationship for such purposes

16 4 **Disaster Recovery Kit** Franchisee shall keep a disaster recovery kit which must be maintained and kept in the same location as the Technology System

16 5 **Sales Data** Franchisee must not delete, alter or modify sales data Any deletion alteration or modification to sales data may constitute a breach of this Agreement

16 6 **Non-Specified Features** Franchisee grants JIB at JIB s option, the right to remove or deactivate any feature of the Technology System Such removal or deactivation shall be performed by JIB the manufacturer or other third-party acceptable to JIB upon the request of JIB and at a time convenient to Franchisee Franchisee shall not unreasonably delay the removal of such features

16 7 **Force Majeure** JIB will not be liable to Franchisee for failure delay hindrance or prevention in performing any of its obligations hereunder if such failure delay hindrance or prevention is due to Acts of God fire flood, storm riot war terrorism sabotage insurrection explosion accident strike lockout labor disturbance government action, law ordinance or regulation failure of normal sources of supply failure of power, or any other contingency beyond its control that would have made performance commercially impracticable whether or not the contingency is of the same class as those enumerated (each a **Force Majeure Event**") Any Force Majeure Event will be excused for the period of such Force Majeure Event and the period for the performance of the obligations under this Agreement will be extended for a period equivalent to the period of such Force Majeure Event

16 8 **Notices** All notices, requests and other communications under this Agreement must be made in writing and will be deemed given if delivered personally by facsimile transmission, by email or by certified mail return receipt requested addressed as follows

To JIB	**To Franchisee**
JACK IN THE BOX INC	**ENTER FRANCHISE ENTITY NAME**
9330 Balboa Avenue	ENTER FRANCHISE ENTITY STREET ADDRESS
San Diego, CA 92123	ENTER CITY, ENTER STATE ZIPCODE
Attn Legal Franchise Notifications	Attn ENTER FRANCHISEE'S NAME
Fax Number (858) 571-2625	Fax Number ENTER FRANCHISEE'S FAX NUMBER
	Email ENTER FRANCHISEE'S EMAIL

Either Party may change its address, fax number or other contact information by giving written notice to the other Party

16 9 **Assignment** Franchisee may not assign sublicense, rent, lease, or otherwise transfer this Agreement any rights or obligations under this Agreement the Technology System or any Leased Equipment without prior written consent of JIB Any attempt to do so by Franchisee is void and will constitute a breach of this Agreement JIB may freely assign this Agreement at any time

16 10 **Third-Party Beneficiaries** Any third-party Owner Assignee Secured Party or Author is an intended third-party beneficiary of all of the exclusions, limitations restrictions and conditions imposed in this Agreement to which it is entitled and will be authorized to enforce the same by direct action

16 11 **No Waiver** No omission or delay by JIB at any time to enforce any right or remedy reserved to it or to require performance of any of the terms covenants or provisions hereof by Franchisee at any time designated will be a waiver of any such right or remedy to which JIB is entitled nor will it in any way affect the right of JIB to enforce such provisions

16 12 **Binding Nature** This Agreement and each Leased Equipment Schedule will be binding upon and will inure to the benefit of JIB Franchisee and their respective successors legal representatives and permitted assigns except in the case of any Secured Party to the extent set forth in **Section 7 7** If JIB grants a security interest in all or any part of a Leased Equipment Schedule, the Leased Equipment covered thereby and/or sums payable only that counterpart Leased Equipment Schedule marked Secured Party's Original' will be effective to transfer JIB's rights and all other counterparts will be marked Duplicate to indicate that they are not the Secured Party s Original

16 13 **Not a Consumer Contract** Franchisee agrees that under no circumstances is this Agreement to be construed as a consumer contract

16 14 **Modification** This Agreement may not be amended or modified orally This Agreement may not be modified terminated or discharged except in writing signed by both Parties Notwithstanding the foregoing this Agreement may be modified as follows

(A) JIB may add or delete technology hardware, software and/or services by providing Franchisee **thirty (30) days** advance notice of such changes before they go into effect and

(B) exhibits to this Agreement may be modified or replaced and new exhibits may be added only with the written agreement of both Parties

16 15 **Severability** In the event any one or more of the provisions of this Agreement is for any reason as adjudged by a Court of competent jurisdiction to be held invalid illegal or unenforceable the remaining provisions of this Agreement shall be unimpaired and such judgment will not affect the validity of the remainder of this Agreement and the invalid illegal or unenforceable provision shall be replaced by a mutually acceptable valid legal and enforceable provision which comes closest to the intent of the Parties underlying the invalid illegal or unenforceable provision

16 16 **Headings** Section headings are for convenience only and shall not be construed as part of this Agreement

16 17 **Survival of Obligations** All obligations of JIB and Franchisee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire

16 18 **Compliance with Laws** Franchisee acknowledges that it is required to comply with all laws, ordinances and regulations applicable to its restaurant operations and Franchisee is solely responsible for the safety, security and personnel policies rules and procedures in franchised restaurants JIB assumes no duties in that regard

16 19 **Choice of Law** This Agreement will be governed and construed under the laws of the State of California without regard to any California conflict of law provisions

16 20 **Jurisdiction and Venue** The Parties to this Agreement hereby submit to the jurisdiction of the State of California and any litigation arising out of or related to this Agreement will take place in San Diego County, California which will be the sole proper venue for such action

16 21 **Counterparts** This Agreement may be executed in any number of counterparts each of which shall be deemed *an original but all such counterparts together shall constitute but one and the same instrument*

16 22 **Entire Agreement** This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof and incorporates or supersedes all other written or oral agreements and understandings, regarding the Technology System and the services specified herein Neither Party has relied upon any other statement or representation in entering into this Agreement

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorized representatives as of its Effective Date

JACK IN THE BOX INC	**ENTER FRANCHISE ENTITY NAME**
By _____	By _____
Name _____	Name _____
Title _____	Title _____
Date _____	Date _____

Exhibit A
Fees

This **Exhibit A** is made effective as of **ENTER EFFECTIVE DATE** (**Exhibit A Effective Date**") by and between Jack in the Box Inc and **ENTER FRANCHISE ENTITY NAME** and is incorporated into and supplemented by the terms of the Master Technology Agreement entered into between the Parties dated **ENTER EFFECTIVE DATE** (**Agreement**')

Purpose This **Exhibit A** sets for the fees payable from Franchisee to JIB pursuant to the Agreement

Description of Fees*	One-Time Fee	Monthly Fee	Total Annual Fee	Type of Charge	Comments
Technical Support Service Fees (RTS Call Center Services Fees)	N/A	$129 17	$1 550 00	per Site	Any out-of-scope services provided by JIB shall be billed on a time and materials basis billed at the then current hourly rate in effect with a **one (1) hour** minimum charge plus materials Any out-of-scope services provided by a third-party shall be billed in accordance with such vendor s standard fees
POS Hardware Maintenance Fee	varies	varies	varies	per Site	Fees are based on the type of equipment and type of services selected
POS Software License Fee	$1,000 00	N/A	N/A	per Site	Software license fee
POS Software License Maintenance Fee	N/A	$16 67	$200 00	per Site	Maintenance fee
Back Office Software License Fee	N/A	$141 67*	$1 700 00 *	per Site	Fee to support back-office software applications *Fee may be increased in Calendar Year 2013 up to $2 800 00 per Site depending on new software implementation schedule
Email License Fee	N/A	$9 58	$115 00	per account	Software license fee
Timekeeping System Fee	N/A	$33 17	$398 04	per Site	Payable for five years after initial installation
Menu Management Fee	N/A	$14 17	$170 00	per Site	For restaurant menu management services
Voicemail Account (optional)	N/A	$7 00	$84 00	per account	First voice mail account for Franchisee is free Additional charges apply only if Franchisee requests additional accounts

Description of Fees*	One-Time Fee	Monthly Fee	Total Annual Fee	Type of Charge	Comments
Next Generation Network (NGN)	$161 to $230 plus tax per restaurant plus universal service fee set by vendor if applicable	Monthly	N/A	per Site	Includes broadband connection managed firewall & network switch security services private Wi-Fi and if selected public Wi-Fi and backup network (satellite/4G) connectivity A purchase option is available which will require an initial investment of approximately $2 200-$2 800 per restaurant You are required to use the NGN equipment and services and pay the associated monthly fees The equipment and services are provided by Hughes Network Systems
Jack s Ca$h	N/A	$10 00	$120 00	per Site	For processing of Jack Cash gift cards

Description of Fees*	One-Time Fee	Monthly Fee	Total Annual Fee	Type of Charge	Comments
Taxes and Freight	varies	varies	varies	per equipment/services	Taxes may apply on any of the above-related fees, as required by taxing authorities and are in addition to the fees stated

Description of Fees*	One-Time Fee	Monthly Fee	Total Annual Fee	Type of Charge	Comments

* All fees are net of any taxes

IN WITNESS WHEREOF, the Parties the Parties acknowledge that they have read this **Exhibit A** understand it and agree to be bound by its terms and conditions and have caused this **Exhibit A** to be executed by their duly authorized representatives as of its Effective Date

JACK IN THE BOX INC

By _____

Name _____

Title _____

Date _____

ENTER FRANCHISE ENTITY NAME

By _____

Name _____

Title _____

Date _____

Exhibit B
Leased Equipment Schedule

Any and all applicable Leased Equipment Schedule reports are annexed to this Exhibit B In certain cases, there may not be any reports annexed as there may be no Leased Equipment on record As this Leased Equipment Schedule may become applicable the Franchisee will be provided with any new or updated Leased Equipment Schedules

EXHIBIT T

STORED VALUE CARD SERVICE AGREEMENT

STORED VALUE CARD SERVICE AGREEMENT

THIS STORED VALUE CARD SERVICE AGREEMENT ('Agreement") is entered into this ____ day of _____, 20___ between JIB Stored Value Card, LLC ("JIB SVC"), a _____ Company and _____ ("FRANCHISEE")

RECITALS

1 Jack in the Box Inc has engaged JIB SVC to initiate a stored value card program, whereby customers of Jack in the Box restaurants may purchase and redeem stored value cards at any participating Jack in the Box restaurant (the "Gift Card Program"),

2 FRANCHISEE independently operates one or more Jack in the Box restaurants, and desires to participate in the Gift Card Program

3 FRANCHISEE desires to use the services of JIB SVC in connection with the conduct of its business activities related to the administration of a Gift Card Program on the terms and conditions set forth herein

Now therefore, in consideration of the premises and mutual covenants contained herein, the parties agree as follows

ARTICLE I

Retention of Services and Term Agreement

1 1 Retention FRANCHISEE hereby retains the services of JIB SVC, and JIB SVC agrees to provide the services described herein

1 2 Term The term of this Agreement shall begin on _____, and continue until terminated by either party Termination by one party shall be effective ten calendar days after the date of mailing a written notice of termination to the other party

ARTICLE II

Power and Duties of JIB SVC

2 1 Powers of JIB SVC Subject to such limitations as may be imposed by law or this Agreement, JIB SVC is hereby authorized and empowered, in the name of and on behalf of FRANCHISEE, to manage the Gift Card Program as it deems reasonably necessary and appropriate, including but not limited to (a) managing contracts with outside vendors for the tracking functions associated with the issuance and redemption of the Gift Card Program, and (b) establishing policies and procedures with respect to the operations, marketing, banking, accounting, financial controls, and other activities of the Gift Card Program

2 2 Duties of JIB SVC

JIB SVC shall

a) render or cause to be rendered such accounting services, financial controls, legal, technical and other services as it deems necessary or appropriate in the management of the Gift Card Program,

b) facilitate cash transfers between FRANCHISEE's bank account and JIB SVC's bank account to the extent of stored value card activations, redemptions, and other transactions requiring the transfer of cash To enable JIB SVC to perform such services, FRANCHISEE agrees to execute and deliver such authorizations and other instruments as JIB SVC may require, including but not limited to the authorization attached hereto as Exhibit A

c) prepare and furnish to FRANCHISEE such information and reports concerning the conduct of the business and affairs of the Gift Card Program as FRANCHISEE shall reasonably request,

d) render such reports and make such periodic and other filings regarding the Gift Card Program as may be required under applicable federal, state and local laws, rules and regulations

ARTICLE III

Duties of Franchisee

3 1 Execution of Authorizations and Agreements To enable JIB SVC to perform services hereunder and administer the Jack Cash Program, FRANCHISEE agrees to execute and deliver to JIB SVC, JIB SVC's designee or FRANCHISEE's bank, such authorizations and other instruments as JIB SVC may require, including but not limited to the authorization attached hereto as Exhibit A

3 2 Payments of ACH or other Banking Fees Any charges imposed by FRANCHISEE's bank, JIB SVC's bank, any governing authority, or any other loss or expense arising out of or incurred in connection with automated electronic withdrawals, deposits, transfers or insufficient funds (including reasonable attorneys' fees) are the responsibility of FRANCHISEE FRANCHISEE agrees to maintain sufficient funds in his accounts to cover the expenses of the Jack Cash program

ARTICLE IV

Compensation of JIB SVC

4 1 In consideration of the services provided by JIB SVC hereunder, FRANCHISEE agrees to pay to JIB SVC during the term of this Agreement, a monthly fee in an amount to be determined by JIB SVC in its reasonable discretion (the "Service Fee") The Service Fee shall be paid monthly in advance on or before the first day of each calendar month during the term of this Agreement Each payment shall be made to JIB SVC or JIB SVC's designee The initial Service Fee shall be in the amount of thirty-four dollars ($34 00) per month, and shall remain in that amount until JIB SVC notifies FRANCHISEE of a change in the amount of the Service Fee Any change in the amount of the Service Fee shall be effective thirty (30) days after notice is given by JIB SVC

ARTICLE V

Liability of JIB SVC, Indemnification

5 1 Judgments in Good Faith Notwithstanding any other provisions contained herein to the contrary, in no event shall FRANCHISEE, or any director, officer, employee, agent, affiliate or shareholder of same make claim against JIB SVC on account of any alleged errors of judgment made in good faith in connection with the provision of services under this Agreement

5 2 Indemnification FRANCHISEE is responsible for all losses, damages and liabilities, whether contractual, statutory or otherwise, to third persons arising out of or in connection with the offer, sale, redemption or any use of stored value cards at businesses operated by FRANCHISEE, and for all claims or demands for damages or injury directly or indirectly resulting therefrom FRANCHISEE on behalf of itself and each of its officers, directors, shareholders, affiliates, partners, agents, employees, heirs, successors and assigns (the "INDEMNITORS") hereby agrees to indemnify and hold harmless JIB SVC and each of its officers, directors, agents, employees, parent corporation and affiliates (the "INDEMNITEES") from any and all claims, demands, costs, losses, damages, liabilities, expenses (including attorneys' fees) judgments, fines and amounts paid in settlement (collectively, "Losses") in connection with claims made by third parties, whether contractual, statutory or otherwise, directly or indirectly arising out of or in connection with the offer, sale, redemption or any use of stored value cards at restaurants operated by INDEMNITORS, unless resulting from the gross negligence or willful misconduct of INDEMNITEES If such claims are asserted against INDEMNITEES shall notify INDEMNITOR, and INDEMNITOR will assume the defense of such claims If INDEMNITOR fails to assume the defense, then INDEMNITEES may defend in such manner as it deems appropriate INDEMNITOR shall reimburse INDEMNITEE for all costs, including attorneys' fees, and the reasonable value of time spent by corporate counsel, incurred by INDEMNITEE in effecting such defense, in addition to any sum which INDEMNITEE or its affiliates may incur by reason of any settlement or judgment INDEMNITEE's right to defense and

indemnification hereunder shall exist, notwithstanding that its joint or concurrent liability may be imposed on INDEMNITEE by law

ARTICLE VI

Miscellaneous

6 1 Independent Contractor Nothing herein shall be construed or deemed to create a joint venture, contract of employment or partnership JIB SVC SHALL NOT BE LIABLE TO ANY PERSON OR ORGANIZATION FOR ANY DEBT, LIABILITY OR OBLIGATION OF FRANCHISEE INCURRED OR CREATED PURSUANT TO THE AUTHORITY GRANTED IN THIS AGREEMENT OR BY REASON OF ITS MANAGEMENT, DIRECTION OR CONDUCT OF FRANCHISEE 'S OPERATIONS

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written

FRANCHISEE

By _____

Date _____

JIB STORED VALUE CARD, LLC

By _____

Title _____

Date _____

EXHIBIT U

STATE-SPECIFIC ADDENDA AND AGREEMENT AMENDMENTS

EXHIBIT U

STATE-SPECIFIC ADDENDA AND AGREEMENT AMENDMENTS

STATE-SPECIFIC ADDENDA AND AGREEMENT AMENDMENTS

Each provision of these Addenda to the Disclosure Document and Amendments to the Franchise Agreements, License Agreements and Development Agreements is effective only to the extent (with respect to each provision) that that state franchise law would apply to your franchise or development rights, without reference to the Addenda or Amendments and to the extent that they are then valid requirements of the applicable statute

We reserve the right to challenge the applicability of any law that declares provisions in the Franchise Agreement, License Agreement Development Agreement or any other agreement void or unenforceable

CALIFORNIA DISCLOSURE ADDENDUM

In recognition of the requirements of the California Franchise Investment Law, Cal Corp Code §§ 31000-31516, and the California Franchise Relations Act, Cal Bus & Prof Code §§ 20000-20043, the JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of California is amended to include the following

1 Our website, www jackinthebox com, has not been reviewed or approved by the California Department of Business Oversight Any complaints concerning the content of the website may be directed to the California Department of Business Oversight at www dbo ca gov

2 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

3 SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE

4 YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE CALIFORNIA CORPORATIONS CODE § 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE §§ 31000 THROUGH 31516) BUSINESS AND PROFESSIONS CODE § 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§ 20000 THROUGH 20043)

5 In Item 3, 'Litigation," is amended by adding the following paragraphs

> Pursuant to California law, this Item does not include any information regarding the arrest of any person(s) that did not result in a conviction or plea of nolo contendere
>
> Neither we, nor any person identified in Item 2 above, 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, 15 U S C § 78a, et seq) suspending or expelling such person from membership in such association or exchange

6 Item 10, "Financing" is amended to ty adding the following to the first paragraph

The highest interest rate permitted by law in California is 10% annually

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is amended by adding the following paragraph(s) to the end of the Item

> California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control
>
> The Franchise Agreement and Development Agreement provide for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C § 101, et seq)
>
> The Franchise Agreement and contains a covenant not to compete which extends beyond the termination of the franchise This provision may not be enforceable under California law

7 All the owners of the franchise will be required to execute personal guarantees This requirement places the personal and marital assets of the franchise owner(s) at risk

8 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

HAWAII DISCLOSURE ADDENDUM

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E, et seq , the JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Hawaii is amended to include the following

1 The following paragraphs are added to the State Cover Page

THESE FRANCHISES WILL BE OR HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING

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

THIS ADDENDUM AND THE DISCLOSURE DOCUMENT CONTAIN A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND FRANCHISEE

The name and address of the Franchisor's agent in this state authorized to receive service of process is Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813

2 The following paragraph is added at the end of Item 5

Based upon the review of Company's audited financial statements (attached as Exhibit A), by the State of Hawaii Hawaii Department of Commerce and Consumer Affairs (the 'DOCC"), the DOCC has

required that Company defer the payment of (1) the development fee until the first restaurant required to be developed under a Development Agreement opens for business, and (2) the pre-opening fees for each Restaurant until the relevant Restaurant opens for business Upon the opening of the first Restaurant that you develop under the Development Agreement, you must pay to Company the Development Fee Upon the opening of each Restaurant, you must pay to Company the pre-opening fees for that Restaurant

3 Item 20 'List of Outlets," is amended by adding the following paragraph

This proposed registration is effective/exempt from registration or will shortly be on file in California, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Texas, Virginia, Washington, and Wisconsin No states have refused, by order or otherwise, to register these franchises No states have revoked or suspended the right to offer these franchises The proposed registration of these franchises has not been involuntarily withdrawn in any state

4 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

HAWAII FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E, et seq , the parties to the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the Agreement") agree as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, in the State of Hawaii, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, Franchisee shall pay to JIB the Franchise Fee

2 The following sentence is added to the end of Section 14E, under the heading Assignment of the Franchise"

The general release requirement in subsection (iv) above excludes only such claims as Franchisee may have under the Hawaii Franchise Investment Law

3 The following sentence is added to the end of Section 16E, under the heading "Right of First Refusal"

The general release requirement in this subsection excludes only such claims as Franchisee may have under the Hawaii Franchise Investment Law

4 The following new Section 18J is added, under the heading "Termination"

J Notwithstanding anything to the contrary in this Section 18, JIB shall comply with Hawaii law which currently requires that JIB compensate Franchisee upon termination or refusal to renew the franchise for the fair market value, at the time of the termination or expiration of the franchise, of any inventory, supplies, equipment and furnishings which were purchased from JIB or a supplier designated by JIB Personalized materials which have no value to JIB need not be compensated for If JIB refuses to renew a franchise for the purpose of converting Franchisee's business to one owned and operated by JIB, JIB, in addition, must compensate Franchisee for the loss of goodwill JIB may deduct reasonable costs incurred in removing, transporting and disposing of Franchisee's inventory, supplies, equipment and furnishings pursuant to these requirements, and may offset any moneys due JIB

5 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

HAWAII LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E, et seq , the parties to the attached JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") agree as follows

1 The following is added to the end of Section 2 of the Agreement

Notwithstanding the foregoing, in the State of Hawaii, JIB will defer payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening of the Licensed Restaurant, Licensee shall pay to JIB the Franchise Fee

2 The following sentence is added to the end of Section 14, under the heading Assignment by Licensee"

3 The following sentence is added to the end of Section 14, under the heading 'Assignment by Licensee"

The general release requirement in subsection (iv) above excludes only such claims as Licensee may have under the Hawaii Franchise Investment Law

4 The following new Section 15H is added, under the heading Termination"

H Notwithstanding anything to the contrary in this Section 15, JIB shall comply with Hawaii law which currently requires that JIB compensate Licensee upon termination or refusal to renew the franchise for the fair market value, at the time of the termination or expiration of the franchise, of any inventory, supplies, equipment and furnishings which were purchased from JIB or a supplier designated by JIB Personalized materials which have no value to JIB need not be compensated for If JIB refuses to renew a franchise for the purpose of converting Licensee's business to one owned and operated by JIB, JIB, in addition, must compensate Licensee for the loss of goodwill JIB may deduct reasonable costs incurred in removing, transporting and disposing of Licensee's inventory, supplies, equipment and furnishings pursuant to these requirements, and may offset any moneys due JIB

5 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

HAWAII DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E, et seq , the parties to the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the 'Agreement") agree as follows

1 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, in the State of Hawaii, JIB will defer the payment of the Development Fee until the first Franchised Restaurant that you develop under this Agreement opens for business Upon the opening of the first Franchised Restaurant, Developer shall pay to JIB the Development Fee

2 The following sentence is added to the end of Section 10D, under the heading 'Non-Assignability"

The general release requirement in subsection (iii) above excludes only such claims as Developer may have under the Hawaii Franchise Investment Law

3 The following new Section 15D is added

D Notwithstanding anything to the contrary in this Section 15, JIB shall comply with Hawaii law which currently requires that JIB compensate Developer upon termination or refusal to renew the development rights for the fair market value, at the time of the termination or expiration of the development rights, of any inventory, supplies, equipment and furnishings which were purchased from JIB or a supplier designated by JIB Personalized materials which have no value to JIB need not be compensated for If JIB refuses to renew development rights for the purpose of converting Developer's business to one owned and operated by JIB, JIB, in addition, must compensate Developer for the loss of goodwill JIB may deduct reasonable costs incurred in removing, transporting and disposing of Developer's inventory, supplies, equipment and furnishings pursuant to these requirements, and may offset any moneys due JIB

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

ILLINOIS DISCLOSURE ADDENDUM

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Illinois Complied Statutes sections 705/4 and 705/41 ('the Act"), the JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Illinois is amended to include the following

1 If there is any conflict between any part of the Act and any part of the Franchise or Development Agreements, the provisions of the Act will control

2 The following paragraph is added at the end of Item 5

> Based upon our financial condition, the State of Illinois, Office of the Attorney General, (the 'OAG"), the OAG has required that we defer the payment of (1) the Development Fee until the first Restaurant required to be developed under the Development Agreement opens for business, and (2) the pre-opening fees for each Restaurant until the relevant Restaurant opens for business Upon the opening of the first Restaurant that you develop under the Development Agreement, you must pay to us the development fee Upon the opening of each Restaurant, you must pay to us the pre-opening fees for that Restaurant

3 Item 17 of the Disclosure Document is amended by adding the following language to the beginning of the Item

"Notice Required By Law

> THE TERMS AND CONDITIONS UNDER WHICH YOUR FRANCHISE CAN BE TERMINATED AND YOUR RIGHTS UPON NON RENEWAL MAY BE AFFECTED BY ILLINOIS LAW, 815 ILCS 705/19 - 705/20 "

4 The "Summary" section of Item 17 (v) ("Choice of forum") for the Franchise Agreement is amended by adding the following language

> However, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under Section 4 of the current Illinois Franchise Disclosure Act, although the Franchise Agreement may provide for arbitration in a forum outside of the State of Illinois

5 The "Summary" section of Item 17 (v) (Choice of forum") for the Development Agreement is amended by adding the following language

> However, any provision in the Development Agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under Section 4 of the current Illinois Franchise Disclosure Act, although the Development Agreement may provide for arbitration in a forum outside of the State of Illinois

6 The 'Summary" section of Item 17 (w) ("Choice of law") for the Franchise Agreement is amended by adding the following language

> However, except for federal law, Illinois law applies if the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987 (as amended) are met

7 The 'Summary" section of Item 17 (w) ("Choice of law") for the Development Agreement is amended by adding the following language

> However, except for federal law, Illinois law applies if the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987 (as amended) are met

8 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

ILLINOIS FRANCHISE AGREEMENT AMENDMENT

To comply with the requirements of the Illinois Franchise Disclosure Act (Ill Comp Stat §§ 705/1 to 705/44, (the "Act"), the parties to the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the 'Agreement") agree as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, in the State of Illinois, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, Franchisee shall pay to JIB the Franchise Fee

2 The following new Section 18 is added, under the heading "Termination"

J If any of the provisions of this Section 18 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act, then Illinois law will apply

3 The following new Section 20D(7) is added, under the heading 'Governing Law, Jurisdiction and Venue"

7 Notwithstanding any other provisions of this Section 20D, claims arising under the Illinois Franchise Disclosure Act (which provides that 'any provision in a franchise agreement that designates jurisdiction or venue in a forum outside this state [Illinois] is void") may be brought in Illinois and will be governed by Illinois law (without regard to, and without giving effect to, the application of Illinois conflict-of-laws rules) Franchisee and JIB agree that the preceding venue limitations of this Section 20D will not apply with respect to claims arising under the Illinois Franchise Disclosure Act, which provides that "any provision in a franchise agreement that designates jurisdiction or venue in a forum outside this state [Illinois] is void " However, this Agreement may provide for arbitration in a forum outside of the state of Illinois

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

ILLINOIS LICENSE AGREEMENT AMENDMENT

To comply with the requirements of the Illinois Franchise Disclosure Act (Ill Comp Stat §§ 705/1 to 705/44, (the Act"), the parties to the attached JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") agree as follows

1 The following is added to the end of Section 2 of the Agreement

Notwithstanding anything to the contrary in the State of Illinois, JIB will defer the payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening, Licensee shall pay to JIB the Franchise Fee

2 The following new Section 15H is added, under the heading "Termination"

H If any of the provisions of this Section 15 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act, then Illinois law will apply

3 The following new Section 18B6 is added, under the heading Governing Law, Jurisdiction and Venue"

6 Notwithstanding any other provisions of this Section 18B, claims arising under the Illinois Franchise Disclosure Act (which provides that "any provision in a franchise agreement that designates jurisdiction or venue in a forum outside this state [Illinois] is void") may be brought in Illinois and will be governed by Illinois law (without regard to, and without giving effect to, the application of Illinois conflict-of-laws rules) Licensee and JIB agree that the preceding venue limitations of this Section 18B will not apply with respect to claims arising under the Illinois Franchise Disclosure Act, which provides that "any provision in a franchise agreement that designates jurisdiction or venue in a forum outside this state [Illinois] is void." However, this Agreement may provide for arbitration in a forum outside of the state of Illinois

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

ILLINOIS DEVELOPMENT AGREEMENT AMENDMENT

To comply with the requirements of the Illinois Franchise Disclosure Act (Ill Comp Stat §§ 705/1 to 705/44, (the Act"), the parties to the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the 'Agreement") agree as follows

1 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, in the State of Illinois, JIB will defer the payment of the Development Fee until the first Franchised Restaurant that Developer develop under this Agreement opens for business Upon the opening of the first Franchised Restaurant, Developer shall pay to JIB the Development Fee

2 The following new Section 15D is added

D If any of the provisions of this Section 15 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act, then Illinois law will apply

3 The following new Section 23F is added, under the heading 'Miscellaneous"

D Notwithstanding any other provisions of this Section 23, claims arising under the Illinois Franchise Disclosure Act (which provides that 'any provision in a franchise agreement that designates jurisdiction or venue in a forum outside this state [Illinois] is void") may be brought in Illinois and will be governed by Illinois law (without regard to, and without giving effect to, the application of Illinois conflict-of-laws rules) Developer and JIB agree that the preceding venue limitations of this Section 23 will not apply with respect to claims arising under the Illinois Franchise Disclosure Act, which provides that 'any provision in a franchise agreement that designates jurisdiction or venue in a forum outside this state [Illinois] is void " However, this Agreement may provide for arbitration in a forum outside of the state of Illinois

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

MARYLAND DISCLOSURE DOCUMENT ADDENDUM

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the undersigned acknowledge and agree that the attached JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Maryland is amended to include the following

1 The following paragraph is added at the end of Item 5

> Based upon our financial condition, the State of Maryland, Office of the Attorney General, Securities Division, (the "Securities Division"), the Securities Division has required that we defer the payment of (1) the Development Fee until the first Restaurant required to be developed under the Development Agreement opens for business, and (2) the pre-opening fees for each Restaurant until the relevant Restaurant opens for business Upon the opening of the first Restaurant that you develop under the Development Agreement, you must pay to us the development fee Upon the opening of each Restaurant, you must pay to us the pre-opening fees for that Restaurant

2 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," is amended by adding the following language

> The general releases required for renewal or transfer will not apply with respect to any claim you may have which arises under the Maryland Franchise Registration and Disclosure Law
>
> Except with respect to claims arising under the Maryland Franchise Registration and Disclosure Law, the Franchise Agreement permits you to sue only in California
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise or development rights
>
> You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law

3 The Item 17, 'Renewal, Termination, Transfer and Dispute Resolution," chart for the Franchise Agreement is amended by adding the following language to the summary of provision 'h"

> Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U S C Section 101 et seq

4 The Item 17, "Renewal, Termination, Transfer and Dispute Resolution," chart for the Development Agreement is amended by adding the following language to the summary of provision "h"

Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U S C Section 101 et seq

5 The Item 17, Renewal, Termination, Transfer and Dispute Resolution," chart for the Franchise Agreement is amended by adding the following language to the summary of provisions "v" and "w"

, except for claims arising under the Maryland Franchise Registration and Disclosure Law

6 The Item 17, "Renewal, Termination, Transfer and Dispute Resolution," chart for the Development Agreement is amended by adding the following language to the summary of provisions v" and "w"

, except for claims arising under the Maryland Franchise Registration and Disclosure Law

7 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

MARYLAND FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the JACK IN THE BOX INC FRANCHISE AGREEMENT (the "Agreement") agree as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, in the State of Maryland, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, Franchisee shall pay to JIB the Franchise Fee

2 The following sentence is added to the end of Section 14E, under the heading Assignment of the Franchise"

The general release requirement in subsection (iv) above excludes only such claims as Franchisee may have under the Maryland Franchise Registration and Disclosure Law

3 The following sentence is added to the end of Section 16E, under the heading "Right of First Refusal"

The general release requirement in this subsection excludes only such claims as Franchisee may have under the Maryland Franchise Registration and Disclosure Law

4 The following new Section 20D(7) is added, under the heading 'Governing Law, Jurisdiction and Venue"

7 The Maryland Franchise Registration and Disclosure Law allows a franchisee to bring a civil lawsuit in Maryland for claims arising under this 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

5 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

MARYLAND LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") agree as follows

1 The following is added to the end of Section 2 of the Agreement

Notwithstanding anything to the contrary in the State of Maryland, JIB will defer the payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening, Licensee shall pay to JIB the Franchise Fee

2 The following sentence is added to the end of Section 14, under the heading Assignment by Licensee"

The general release requirement in subsection (iv) above excludes only such claims as Licensee may have under the Maryland Franchise Registration and Disclosure Law

3 The following new Section 18 B 6 is added, under the heading "Governing Law, Jurisdiction and Venue"

6 The Maryland Franchise Registration and Disclosure Law allows a franchisee to bring a civil lawsuit in Maryland for claims arising under this Law Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the license

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

MARYLAND DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the Agreement") agree as follows

1 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, in the State of Maryland, JIB will defer the payment of the Development Fee until the first Franchised Restaurant that Developer develop under this Agreement opens for business Upon the opening of the first Franchised Restaurant, Developer shall pay to JIB the Development Fee

2 The following sentence is added to the end of Section 10D, under the heading 'Non-Assignability"

The general release requirement in subsection (iii) above excludes only such claims as Developer may have under the Maryland Franchise Registration and Disclosure Law

3 The following new Section 23F is added, under the heading "Miscellaneous"

F The Maryland Franchise Registration and Disclosure Law allows a franchisee to bring a civil lawsuit in Maryland for claims arising under this 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

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

Michigan Disclosure

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

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS 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 FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION THIS SUBSECTION APPLIES ONLY IF (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS, AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF

ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO

(i) THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C)

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES

* * * *

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

* * * *

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN $100,000 00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P O BOX 30222, LANSING, MICHIGAN 48910

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN FRANCHISE
670 G MENNEN WILLIAMS BUILDING
LANSING, MICHIGAN 48913

MINNESOTA DISCLOSURE ADDENDUM

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the undersigned acknowledge and agree that the attached JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Minnesota is amended to include the following

1 Item 5 of the Disclosure Document, "Initial Fees," is supplemented by the following

> Based upon the review of our audited financial statements (attached as Exhibit A), by the State of Minnesota Department of Commerce (the 'DOC"), the DOC has required that we defer the payment of (1) the development fee until the first Restaurant required to be developed under the Development Agreement opens for business, and (2) the pre-opening fees for each Restaurant until the relevant Restaurant opens for business Upon the opening of the first Restaurant that you develop under the Development Agreement, you must pay to us the development fee Upon the opening of each Restaurant, you must pay to us the pre-opening fees for that Restaurant

2 Item 13 of the Disclosure Document, 'Trademarks," is supplemented by the following sentence

> The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name

3 Item 14 of the Disclosure Document, "Patents, Copyrights, and Proprietary Information," is supplemented by the following sentence

> The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name

4 Item 17 of the Disclosure Document, "Renewal, Termination, Transfer, and Dispute Resolution," is supplemented by the following

> With respect to franchisees/licensees/developers governed by Minnesota law, we will comply with Minn Stat Sec 80C 14, Subds 3,4, and 5 which require, except in certain specified cases, that a franchisee/licensee/developer be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-

renewal of the Franchise/License/Development Agreement, and that consent to the transfer of the franchise/license/development not be unreasonably withheld

Pursuant to Minn Rule 2860 4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce

Minn Stat § 80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction

Any claim made pursuant to Minn Stat § 80C 17, may be brought within three (3) years after the cause of action accrues (Minn Stat § 80C 17, Subd 5)

5 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

MINNESOTA FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the parties to the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the Agreement") agree as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, in the State of Minnesota, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, shall pay to JIB the Franchise Fee

2 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Development Fee until the first Franchised Restaurant that Developer will develop under this Agreement opens for business Upon the opening of the first Franchised Restaurant, Developer shall pay to JIB the Development Fee

3 Section 11 of the Agreement, "Ownership of Intellectual Property," is supplemented by the following sentence

The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name

4 Section 14E of the Agreement, under the heading 'Assignment of the Franchise," is supplemented by the following

The general release required as a condition of assignment or transfer shall not apply to any claims that arise under Minnesota Law regulating franchises (Minn Rule Part 260 4400D)

5 The following sentence is added to the end of Section 16E, under the heading "Right of First Refusal"

The general release required as a condition of assignment or transfer shall not apply to any claims that arise under Minnesota Law regulating franchises (Minn Rule Part 260 4400D)

6 Section 18 of the Agreement, 'Termination," is supplemented by the following sentence

With respect to franchises governed by Minnesota Law, the franchisor will comply with Minn Stat § 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 day notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement, and that consent to the transfer of the franchise not be unreasonably withheld

7 Section 20D of the Agreement, Governing Law, Jurisdiction and Venue," is supplemented by the following

Minn Stat § 80C 21 and Minn Rule 2860 4400J prohibit JIB from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction

Any claim made pursuant to Minn Stat § 80C 17, may be brought within three (3) years after the cause of action accrues (Minn Stat § 80C 17, Subd 5)

8 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

MINNESOTA LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the parties to the attached JACK IN THE BOX INC LICENSE AGREEMENT (the 'Agreement') agree as follows

1 The following is added to the end of Section 2 of the Agreement

> Notwithstanding the foregoing, in the State of Minnesota, JIB will defer the payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening of the Licensed Restaurant, Licensee shall pay to JIB the Franchise Fee

2 Section 10 of the Agreement, 'Ownership of Intellectual Property," is supplemented by the following sentence

> The franchisor will protect the Licensee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify the Licensee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name

3 Section 14 of the Agreement, under the heading "Assignment by Licensee," is supplemented by the following

> The general release required as a condition of assignment or transfer shall not apply to any claims that arise under Minnesota Law regulating franchises (Minn Rule Part 260 4400D)

4 Section 15 of the Agreement, "Termination," is supplemented by the following sentence

> With respect to franchises governed by Minnesota Law, the franchisor will comply with Minn Stat § 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 day notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the license agreement, and that consent to the transfer of the license rights not be unreasonably withheld

5 Section 18B of the Agreement, "Miscellaneous General Conditions," is supplemented by the following

> Minn Stat § 80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Licensee to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or

reduce any of Licensee's rights as provided for in Minnesota Statutes, Chapter 80C, or Licensee's rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction

Any claim made pursuant to Minn Stat § 80C 17, may be brought within three (3) years after the cause of action accrues (Minn Stat § 80C 17, Subd 5)

6 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

MINNESOTA DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the parties to the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the 'Agreement") agree as follows

1 The following is added to the end of Section 5 of the Agreement

> Notwithstanding the foregoing, in the State of Minnesota, JIB will defer the payment of the Development Fee until the first Franchised Restaurant that Developer will develop under this Agreement opens for business Upon the opening of the first Franchised Restaurant, Developer shall pay to JIB the Development Fee

2 Section 10 of the Agreement, under the heading Non-Assignability," is supplemented by the following

> The general release required as a condition of assignment or transfer shall not apply to any claims that arise under Minnesota Law regulating franchises (Minn Rule Part 260 4400D)

3 Section 15 of the Agreement, "Default, Remedies," is supplemented by the following sentence

> With respect to development rights governed by Minnesota Law, JIB will comply with Minn Stat § 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, that a Developer be given 90-day notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the development agreement, and that consent to the transfer of the development rights not be unreasonably withheld

4 Section 23 of the Agreement, "Miscellaneous," is supplemented by the following

> Minn Stat § 80C 21 and Minn Rule 2860 4400J prohibit JIB from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Developer to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or Developer's rights to jury trial, any procedure, forum, or remedies as may be provided for by the laws of the jurisdiction
>
> Any claim made pursuant to Minn Stat § 80C 17, may be brought within three (3) years after the cause of action accrues (Minn Stat § 80C 17, Subd 5)

5 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

NEW YORK DISCLOSURE ADDENDUM

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs tit 13, §§ 200 1 through 201 16), the JACK AND THE BOX DISCLOSURE DOCUMENT for use in the State of New York is amended as follows

1 The following additional risk factors are added to the State Cover Page

ADDITIONAL RISK FACTORS

INFORMATION COMPARING FRANCHISORS IS AVAILABLE CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271

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

2 Item 3, 'Litigation," is amended by the addition of the following paragraphs at the end of the Item

Except as described above, neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, 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

Except as described above, neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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

Except as described above, neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, 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 Item 4, 'Bankruptcy," language is deleted and replaced with the following paragraph

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

4 The Item 17 ("Renewal, Termination, Transfer and Dispute Resolution") charts for the Franchise Agreement are amended by deleting "d", "j", "w" and substituting the following new "d", "j", 'w"

Provision	Section in Franchise Agreement	Summary
d Termination by you	Not applicable	Pursuant to New York General Business Law, you may terminate the Agreement upon any grounds available by law
j Assignment of contract by the Company	§ 14 F	There are no limits on our assignment rights No assignment will be made except to an assignee who, we believe in our judgment, is willing and able to assume our obligations under the Franchise Agreement
w Choice of law	§ 20 D	California law controls You and we must bring any action against each other within two (2) years of the occurrence of the facts on which the action is based, or within a shorter term if required by law The foregoing choice of law should not be considered as a waiver of any right conferred upon you or us by the General Business Law of the State of New York, Article 33

5 The Item 17 ("Renewal, Termination, Transfer and Dispute Resolution") charts for the License Agreement are amended by deleting 'd", "j", "w" and substituting the following new "d", "j", "w"

Provision	Section in License Agreement	Summary
d Termination by you	§ 15	If the Facility requests that you cease operating the nontraditional restaurant, you may terminate by providing Company sixty (60) days' written notice Pursuant to New York General Business Law, you may terminate the Agreement upon any grounds available by law
j Assignment of contract by the Company	§ 13	There are no limits on our assignment rights No assignment will be made except to an assignee who we believe in our judgment, is willing and able to assume our obligations under the Franchise Agreement
w Choice of law	§ 18B	California law controls You and we must bring any action against each other within two (2) years of the occurrence of the facts on which the action is based, or within a shorter term if required by law The foregoing choice of law should not be considered as a waiver of any right conferred upon you or us by the General Business Law of the State of New York, Article 33

6 The Item 17 (Renewal, Termination, Transfer and Dispute Resolution") charts for the Development Agreement are amended by deleting 'd", j", "w" and substituting the following new d", "j", "w"

Provision	Section in Development Agreement	Summary
d Termination by you	Not applicable	Pursuant to New York General Business Law, you may terminate the Agreement upon any grounds available by law
j Assignment of contract by the Company	§ 10 E	There are no limits on our assignment rights No assignment will be made except to an assignee who we believe in our judgment, is willing and able to assume our obligations under the Franchise Agreement
w Choice of law	§ 23 A	California, but if such law would not enforce an Agreement provision, then the law where you are located, if that state's law would enforce the provision The foregoing choice of law should not be considered as a waiver of any right conferred upon us or you by the General Business Law of the State of New York, Article 33

7 There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York However, an offer or sale is deemed made in New York if the franchisee is domiciled in or the franchise will be opened in New York We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33

STATEMENT OF DISCLOSURE DOCUMENT ACCURACY -- THE FRANCHISOR REPRESENTS THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT

NEW YORK FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs , tit 13, §§ 200 1 through 201 16), the parties to the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the 'Agreement") agree as follows

1 Section 10G of the Agreement, 'Confidential Information," is deleted and replaced by the following paragraph

> G Franchisee understands and acknowledges that any failure to comply with the requirements of this Section will result in substantial injury and damage to JIB for which there is no adequate remedy at law For these reasons, if Franchisee violates or threatens to violate any term of this provision, JIB will be entitled, in addition to any other remedies and damages available, to seek injunctive or other equitable relief to restrain the violation of this provision by Franchisee and its agents or employees Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by JIB in seeking specific performance of, or an injunction against violation of, the requirements of this Section in addition to any other claims to which JIB may be entitled

2 Section 14E of the Agreement, "Assignment of the Franchise," is supplemented by the following

> Article 33, Section 687 5, of the New York General Business Law states that it is unlawful to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by this article

3 The following sentence is added to the end of Section 16E, under the heading "Right of First Refusal"

> Article 33, Section 687 5, of the New York General Business Law states that it is unlawful to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by this article

4 Section 20D of the Agreement, "Governing Law, Jurisdiction and Venue," is supplemented by adding the following language

> Nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by New York General Business Law, Sections 680-695

5 There are circumstances in which an offering made by JACK IN THE BOX INC would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York However, an offer or sale is deemed made in New York if Franchisee is domiciled in or the franchise will be opening in New York JACK IN THE BOX INC is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33

6 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

NEW YORK LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs , tit 13, §§ 200 1 through 201 16), the parties to the attached JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") agree as follows

1 Section 14 of the Agreement, "Assignment of the Franchise," is supplemented by the following

> Article 33, Section 687 5, of the New York General Business Law states that it is unlawful to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by this article

2 Section 18B of the Agreement, 'Governing Law, Jurisdiction and Venue," is supplemented by adding the following language

> Nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by New York General Business Law, Sections 680-695

3 There are circumstances in which an offering made by JACK IN THE BOX INC would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York However, an offer or sale is deemed made in New York if Licensee is domiciled in or the franchise will be opening in New York JACK IN THE BOX INC is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

NEW YORK DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs , tit 13, §§ 200 1 through 201 16), the parties to the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the Agreement") agree as follows

1 Section 10D of the Agreement, 'Non-assignability," is supplemented by the following

> Article 33, Section 687 5, of the New York General Business Law states that it is unlawful to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by this article

2 Section 23 of the Agreement, under the heading "Miscellaneous," is supplemented by adding the following language

> Nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by New York General Business Law, Sections 680-695

3 There are circumstances in which an offering made by JACK IN THE BOX INC would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York However, an offer or sale is deemed made in New York if Developer is domiciled in or the franchise will be opening in New York JACK IN THE BOX INC is required to furnish a New York prospectus to every prospective developer who is protected under the New York General Business Law, Article 33

4 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

NORTH DAKOTA DISCLOSURE ADDENDUM

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51 19 01 through 51 19 17, and the policies of the office of the State of North Dakota Securities Commission, the undersigned acknowledge and agree that the attached JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of North Dakota is amended as follows

1 The following paragraph is added at the end of Item 5

Based upon the review of our audited financial statements (attached as Exhibit A), by the North Dakota Securities Department (the Department"), the Department has required that we defer the payment of (1) the development fee until the first restaurant required to be developed under the Development Agreement opens for business, and (2) the franchise fee for each restaurant until the relevant restaurant opens for business Upon the opening of the first restaurant that you develop under the Development Agreement, you must pay to us the development fee Upon the opening of each restaurant, you must pay to us the franchise fee for that Store

2 The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N D C C)

A Restrictive Covenants Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

B Situs of Arbitration Proceedings Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

C Restriction on Forum Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

D Liquidated Damages and Termination Penalties Requiring North Dakota franchisees to consent to liquidated damages or termination penalties

E Applicable Laws Franchise Agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

F Waiver of Trial by Jury Requiring North Dakota franchisees to consent to the waiver of a trial by jury

G Waiver of Exemplary and Punitive Damages Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

H General Release Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

3 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

NORTH DAKOTA FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51 19 01 through 51 19 17, and the policies of the office of the State of North Dakota Securities Commission, the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the "Agreement") is supplemented as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, in the State of North Dakota, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, Franchisee shall pay to JIB the Franchise Fee

2 The Agreement is amended by adding the following Section 21

L The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees(Section 51-19-09, N D C C)

1 Restrictive Covenants Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

2 Situs of Arbitration Proceedings Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

3 Restriction on Forum Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

4 Liquidated Damages and Termination Penalties Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties

5 Applicable Laws Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

6 Waiver of Trial by Jury Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury

7 Waiver of Exemplary and Punitive Damages Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

8 General Release Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

3 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

NORTH DAKOTA LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51 19 01 through 51 19 17, and the policies of the office of the State of North Dakota Securities Commission, the attached JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") is supplemented as follows

1 The following is added to the end of Section 2 of the Agreement

Notwithstanding the foregoing, in the State of North Dakota, JIB will defer the payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening of the Licensed Restaurant, Licensee shall pay to JIB the Franchise Fee

2 The Agreement is amended by adding the following Section 18

L The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees(Section 51-19-09, N D C C)

1 Restrictive Covenants Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

2 Situs of Arbitration Proceedings Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

3 Restriction on Forum Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

4 Liquidated Damages and Termination Penalties Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties

5 Applicable Laws Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

6 Waiver of Trial by Jury Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury

7 Waiver of Exemplary and Punitive Damages Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

8 General Release Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

3 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

NORTH DAKOTA DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51 19 01 through 51 19 17, and the policies of the office of the State of North Dakota Securities Commission, the attached JACK IN THE BOX INC DISCLOSURE DOCUMENT DEVELOPMENT AGREEMENT (the "Agreement") is supplemented as follows

1 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, in the State of North Dakota, JIB will defer the payment of the Development Fee until the first Restaurant that you develop under this Agreement opens for business Upon the opening of the first Restaurant, Developer shall pay to JIB the Development Fee

2 The Agreement is amended by adding the following Section 24

D The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N D C C)

1 Restrictive Covenants Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

2 Situs of Arbitration Proceedings Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

3 Restriction on Forum Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

4 Liquidated Damages and Termination Penalties Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties

5 Applicable Laws Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

6 Waiver of Trial by Jury Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury

7 Waiver of Exemplary and Punitive Damages Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

8 General Release Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

3 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

RHODE ISLAND DISCLOSURE ADDENDUM

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19 28 1-1 through 19-28 1-34 the JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Rhode Island is amended to include the following

1 The following language is added to Item 17, Renewal, Termination, Transfer and Dispute Resolution"

> § 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 "

2 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

RHODE ISLAND FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19 28 1-1 through 19-28 1-34, the parties to the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the "Agreement") agree as follows

1 Section 20D of the Agreement, under the heading "Governing Law, Jurisdiction and Venue," is supplemented by adding the following

> § 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 "

2 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

RHODE ISLAND LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19 28 1-1 through 19-28 1-34, the parties to the attached JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") agree as follows

1 Section 18B of the Agreement, under the heading 'Governing Law, Jurisdiction and Venue," is supplemented by adding the following

> § 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 "

2 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

RHODE ISLAND DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19 28 1-1 through 19-28 1-34, the parties to the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the Agreement") agree as follows

1 Section 23 of the Agreement, under the heading Miscellaneous," is supplemented by adding the following

> § 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 "

2 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

VIRGINIA DISCLOSURE ADDENDUM

In recognition of the Virginia Retail Franchising Act, Virginia Code sections 13,1-557 et seq, ('Franchise Act"), the JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Virginia is amended to include the following

1 The following paragraph is added at the end of Item 5

> Based upon the review of our audited financial statements (attached as Exhibit A), by the Virginia State Corporation Commission's Division of Securities and Retail Franchising (the Division"), the Division has required that we defer the payment of (1) the development fee until the first restaurant required to be developed under the Development Agreement opens for business, and (2) the franchise fee for each restaurant until the relevant restaurant opens for business Upon the opening of the first restaurant that you develop under the Development Agreement, you must pay to us the development fee Upon the opening of each restaurant, you must pay to us the franchise fee for that Store

3 Item 17 of the Disclosure Document, "Renewal, Termination, Transfer and Dispute Resolution," is supplemented by adding the following statement

> Section 13 1-571 of the Franchise Act provides that any condition, stipulation or provision binding any person to waive compliance with any provision of the Franchise Act or of any rule or order under the Franchise Act is void

3 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

4 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 ground for default or termination stated in the franchise or development 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

VIRGINIA FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the Virginia Retail Franchising Act, Virginia Code sections 13,1-557 et seq , the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the "Agreement") is supplemented as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, Franchisee shall pay to JIB the Franchise Fee

2 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

VIRGINIA LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the Virginia Retail Franchising Act, Virginia Code sections 13,1-557 et seq , the attached JACK IN THE BOX INC LICENSE AGREEMENT (the 'Agreement") is supplemented as follows

1 The following is added to the end of Section 2 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening of the Licensed Restaurant, Licensee shall pay to JIB the Franchise Fee

2 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

VIRGINIA DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the Virginia Retail Franchising Act, Virginia Code sections 13,1-557 et seq , the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the Agreement") is supplemented as follows

1 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Development Fee until the first Restaurant that you develop under this Agreement opens for business Upon the opening of the first Restaurant, Developer shall pay to JIB the Development Fee

2 To the extent this Amendment is deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

WASHINGTON DISCLOSURE ADDENDUM

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 180, the JACK IN THE BOX INC DISCLOSURE DOCUMENT for use in the State of Washington is amended as follows

1 The following paragraph is added at the end of Item 5

Based upon the review of our audited financial statements (attached as Exhibit A), by the State of Washington, Department of Financial Institutions, Securities Division (the "Division"), the Division has required that we defer the payment of (1) the development fee until the first restaurant required to be developed under the Development Agreement opens for business, and (2) the franchise fee for each restaurant until the relevant restaurant opens for business Upon the opening of the first restaurant that you develop under the Development Agreement, you must pay to us the development fee Upon the opening of each restaurant, you must pay to us the franchise fee for that Store

2 The following paragraphs are added to the end of Item 17, 'Renewal, Termination, Transfer and Dispute Resolution"

The State of Washington has a statute, RCW 19 100 180, which may supersede the Franchise and Development Agreements in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the Franchise and Development Agreements in your relationship with the franchisor including the areas of termination and renewal of your franchise

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (or any other applicable law) shall prevail

A release or waiver of rights executed by a franchisee or developer shall not include rights under the Washington Franchise Investment Protection Act 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, 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

3 To the extent this Addendum is deemed to be inconsistent with the Disclosure Document, the terms of this Addendum shall govern

WASHINGTON FRANCHISE AGREEMENT AMENDMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, the parties to the attached JACK IN THE BOX INC FRANCHISE AGREEMENT (the Agreement") agree as follows

1 The following is added to the end of Section 4 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Franchise Fee until the Franchised Restaurant opens for business Upon the opening of the Franchised Restaurant, Franchisee shall pay to JIB the Franchise Fee

2 The State of Washington has a Statute, RCW 19 100 180 which may supersede the 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 Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

3 In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

4 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (or any other applicable law) shall prevail

5 A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act 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, rights or remedies under the Act such as a right to a jury trial may not be enforceable

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

7 To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

WASHINGTON LICENSE AGREEMENT AMENDMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, the parties to the attached JACK IN THE BOX INC LICENSE AGREEMENT (the "Agreement") agree as follows

1 The following is added to the end of Section 2 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Franchise Fee until the Licensed Restaurant opens for business Upon the opening of the Licensed Restaurant, Licensee shall pay to JIB the Franchise Fee

2 The State of Washington has a Statute, RCW 19 100 180 which may supersede the 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 Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

3 In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

4 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (or any other applicable law) shall prevail

5 A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act 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, rights or remedies under the Act such as a right to a jury trial may not be enforceable

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

7 To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

WASHINGTON DEVELOPMENT AGREEMENT AMENDMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, the parties to the attached JACK IN THE BOX INC DEVELOPMENT AGREEMENT (the "Agreement") agree as follows

1 The following is added to the end of Section 5 of the Agreement

Notwithstanding the foregoing, JIB will defer the payment of the Development Fee until the first Restaurant that you develop under this Agreement opens for business Upon the opening of the first Restaurant, Developer shall pay to JIB the Development Fee

2 The State of Washington has a Statute, RCW 19 100 180 which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your development rights There may also be court decisions which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your development rights

3 In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

4 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (or any other applicable law) shall prevail

5 A release or waiver of rights executed by a developer shall not include rights under the Washington Franchise Investment Protection Act 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, rights or remedies under the Act such as a right to a jury trial may not be enforceable

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

7 To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of the Agreement, the terms of this Amendment shall govern

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on the same date as the Agreement was executed

JACK IN THE BOX INC	FRANCHISEE
By _____	By _____
Date _____	Date _____
By _____	By _____
Date _____	Date _____

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 the franchisor offers you a franchise, it must provide this Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with or make a payment to the franchisor or an affiliate in connection with the proposed franchise sale New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration whichever occurs first

If Jack in the Box Inc does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission Washington D C 20580 and the state agencies listed in Exhibit B

The franchisor is Jack in the Box Inc located at 9330 Balboa Avenue San Diego California 92123 Its telephone number is (858) 571-2121

Issuance Date March 15 2017

Jack in the Box Inc authorizes the agents listed in Exhibit C to receive service of process for it

The name, principal business address and telephone number of each franchise seller offering the franchise

- Grant Kreutzer, Director, Franchise Business Development
  9330 Balboa Avenue
  San Diego California 92123
  (858) 571-4091

- Vanessa Fox, Vice President, Chief Development Officer
  9330 Balboa Avenue
  San Diego, California 92123
  (858) 571-2649

- Abigail E Whetstone Director of Non-traditional Development
  Franchise Business Development
  9330 Balboa Avenue
  San Diego California 92123
  (858) 571-2484

_____
_____
_____
_____

I have received a Franchise Disclosure Document issued March 15, 2017 that included the following Exhibits

EXHIBITS

A Consolidated Financial Statements of Jack in the Box Inc and Subsidiaries
B List of State Administrators
C Agents for Purposes of Service of Process
D List of Current Franchisees
E Application Package
F Non-Disclosure Agreement
G Letter of Intent
H Statement of Prospective Franchisee

I Purchase Agreement
J-1 Franchise Agreement (and Development Incentive Amendment to Franchise Agreement)
J-2 Nontraditional License Agreement
K Development Agreement
L Authorization for Prearranged Payments
M Promissory Note and Security Agreement
M-1 Promissory Note – Development Incentive Program
N Lease Agreement – Jack in the Box Franchised Restaurant
O General Release of All Claims
P Co-tenancy Operating Agreement
Q National Burger League Participation Agreement
R Equipment Brokerage Agreement
S Master Technology Agreement
T Stored Value Card Service Agreement
U State-Specific Disclosure Addenda and Agreement Amendments

Please sign one copy of the receipt date your signature and return it to Franchise Services 9330 Balboa Avenue San Diego California 92123

Date _____ Signature _____

_____
Printed Name

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 the franchisor offers you a franchise it must provide this Disclosure Document to you fourteen (14) calendar days before you sign a binding agreement with or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration whichever occurs first

If Jack in the Box Inc does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission Washington D C 20580 and the state agencies listed in Exhibit B

The franchisor is Jack in the Box Inc located at 9330 Balboa Avenue San Diego, California 92123 Its telephone number is (858) 571-2121

Issuance Date March 15, 2017

Jack in the Box Inc authorizes the agents listed in Exhibit C to receive service of process for it

The name principal business address and telephone number of each franchise seller offering the franchise

- Grant Kreutzer Director Franchise Business Development
  9330 Balboa Avenue
  San Diego, California 92123
  (858) 571-4091

- Vanessa Fox, Vice President Chief Development Officer
  9330 Balboa Avenue
  San Diego California 92123
  (858) 571-2649

- Abigail E Whetstone Director of Non-traditional Development
  Franchise Business Development
  9330 Balboa Avenue
  San Diego California 92123
  (858) 571-2484

_____
_____
_____
_____

I have received a Franchise Disclosure Document, issued March 15, 2017, that included the following Exhibits

EXHIBITS

A Consolidated Financial Statements of Jack in the Box Inc and Subsidiaries
B List of State Administrators
C Agents for Purposes of Service of Process
D List of Current Franchisees
E Application Package
F Non-Disclosure Agreement
G Letter of Intent
H Statement of Prospective Franchisee
I Purchase Agreement

J-1 Franchise Agreement (and Development Incentive Amendment to Franchise Agreement)
J-2 Nontraditional License Agreement
K Development Agreement
L Authorization for Prearranged Payments
M Promissory Note and Security Agreement
M-1 Promissory Note – Development Incentive Program
N Lease Agreement – Jack in the Box Franchised Restaurant
O General Release of All Claims
P Co-tenancy Operating Agreement
Q National Burger League Participation Agreement
R Equipment Brokerage Agreement
S Master Technology Agreement
T Stored Value Card Service Agreement
U State-Specific Disclosure Addenda and Agreement Amendments

Please sign one copy of the receipt date your signature and return it to Franchise Services 9330 Balboa Avenue San Diego California 92123

Date _____ Signature _____

_____
Printed Name