

FRANCHISE DISCLOSURE DOCUMENT



GRILL-A-DOG FRANCHISE, LLC
a California Limited Liability Co.
27471 San Bernardino Ave #210
Redlands, CA 92374
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www.jojosgrilladog.com

The franchises described in this disclosure document are for the operation of a **JOJO'S GRILL-A-DOG®** Outlet and/or vehicle such as an Approved Vehicle, both offering high-quality, good tasting food service outlets featuring hot dogs ("**Outlet**"). The estimated total investment necessary to begin operation of an Outlet is \$233,500 to \$468,900. This includes \$35,000 that must be paid to the franchisor.

If You are an Area Developer, You are required to pay Us a nonrefundable Development Fee equal to the Initial Franchise Fee for the first Required Outlet plus \$10,000 for each additional Required Outlet.

* * * * *

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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Ryan Molnar or Jason Tang at the above address and telephone number.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*", which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 6, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in San Bernardino County, California. Out-of-state arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in San Bernardino County, California than your own state.
2. **Personal Liability.** If you are a legal entity, all of your owner(s) must personally guarantee the franchise agreement, thereby placing his/her personal assets at risk.

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

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EXHIBITS:

- A. Preliminary Agreement
- B. Franchise Agreement with Personal Guaranty and State Addenda
- C. Area Development Agreement
- D. Confidentiality Agreement
- E. State Agents and State Administrators
- F. Financial Statements
- G. Receipts

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

To simplify the language in this disclosure document, the words "**We**", "**Us**", or "**Our**" mean the franchisor Grill-A-Dog Franchise LLC. "**You**" or "**Your**" means the person who buys the franchise and includes Your owners if You are a corporation, limited liability company, partnership or other business entity. Boldface terms are for ease of reference only.

The Franchisor

We are a California limited liability company formed on March 8, 2017, to franchise and administer businesses ("**Outlets**") using the mark **JOJO'S GRILL-A-DOG®**. We do not do business under any other name and Our principal business address is 27471 San Bernardino Ave #210, Redlands, CA 92374; tel: (909) 797-2444. Our agents for service of process are listed on **Exhibit E**.

We do not have any predecessor or parent, but we do have a company named Millennium Restaurant Concepts, Inc. (referred to as the "**Company**") which operates one Outlet and an Approved Vehicle in Redlands, California. Its offices are located at 27471 San Bernardino Ave #210, Redlands, CA 92374. We do not operate any Outlets, but the Outlet operated by Company is similar to the franchise being offered to You ("Company Outlet"). Neither We nor the Company conduct any business activities other than in connection with the Outlets or have previously offered franchises in this or any other line of business. We have offered franchises for Outlets since May 2017.

Description of the Franchise

We offer franchises for the operation of JOJO'S GRILL-A-DOG Outlets and portable providers such as Approved Vehicles ("**Approved Vehicles**"). They specialize in providing a unique variety of grilled, all-beef hot dogs, freshly baked buns and Hawaiian style shaved ices at very competitive prices. Customers select the fresh toppings they want so each order is fully customized to the customers ("**Outlet Operations**"). Also offered are freshly made potato chips, house made coleslaw and house-made macaroni salad. The Outlets will use the JOJO'S GRILL-A-DOG trademark and other designated trademarks, trade names, service marks and logos ("**Marks**").

Each Outlet and Approved Vehicle must follow a system (the "**System**") first developed by Our founders starting in 2014. The System includes valuable knowhow, trade secrets, distinctive interior designs, demarks, copyrights, proprietary products and software, confidential electronic and other communications, marketing programs and other business procedures as well as Our confidential Manual (the "**Manual**"). Each Outlet and Approved Vehicle will use Our System and operate according to Our standards, specifications, operating procedures and rules (the "**System Standards**") as specified in the Manual.

Outlets typically range in size from 500 to 2,000 square feet with seating approximately 5 to 35 persons inside. Outside seating is used where available and appropriate to weather conditions. The Outlets may be unique walk-ups, free standing or in-line and are typically located in upscale multi-tenant retail locations to take advantage of existing customer traffic. There are no current plans to develop freestanding locations.

An Outlet typically employs 2 to 4 part-time and full-time persons. Each Outlet emphasizes a clean and brightly colored atmosphere with well-trained, efficient and extremely personable managers and staff. The Outlets and related Approved Vehicles have a unique ambience, identified exclusively with JOJO'S GRILL-A-DOG brand names, and every detail of the décor has been well planned to enhance the dining experience. Each Outlet is typically open from 11:00 a.m. to 9:00 p.m. every day except designated holidays.

The Outlet also operates as a commissary for Approved Vehicles, which currently range in size from 20 to 30 feet in length. Currently, the Approved Vehicle operated by Company is a 2019, 23 feet long Approved Vehicle.

Franchise Agreements

To obtain a JOJO'S GRILL-A-DOG franchise, You must be approved both operationally and financially before opening each new Outlet or operating an Approved Vehicle. The first step is to file a Franchise Application and Questionnaire with Us.

If We approve Your Franchise Application, You will execute a Preliminary Agreement (**Exhibit A**) which becomes a contractual commitment for a franchise, subject to the conditions in the Preliminary Agreement. The Preliminary Agreement defines an area within which You must find a specific location for the Outlet and/or describe the Approved Vehicle, each of which must be approved in writing by Us.

A Franchise Agreement (**Exhibit B**) will be signed when all conditions of the Preliminary Agreement have been met such as Your completion of training, obtaining all necessary permits and licenses for the new Outlet and payment of the balance of the Initial Franchise Fee. The initial term of each Franchise Agreement is 10 years and is renewable for two additional 5-year terms, subject to certain conditions. See "Renewal" discussed below in ITEM 17.

Area Development Agreements

We may offer to qualified multiple unit developers ("Developers") an Area Development Agreement ("**ADA**") for the opening and operation a minimum of 3 franchised Outlets, and preferably 5 or more franchised Outlets within a designated area ("**Territory**") pursuant to a mutually agreed upon Development Schedule. See **EXHIBIT C**.

The ADA grants the exclusive right and obligation to develop a minimum number of Outlets within the Territory during a certain time period (the "**Required Outlets**"). A Developer must pay Us a nonrefundable Development Fee. The primary purpose of the Development Fee is to pay Us for reserving the designated territory. You will execute Our then current form of the Franchise Agreement for each Required Outlet. See ITEM 5 for initial fees.

Competition

The food service business is highly competitive. You will compete with a variety of food service establishments and mobile food service businesses, which may have financial, personnel, and technical resources far greater than Us or You, including mid-scale casual dining Outlet chains, fast food chains, full service restaurants and mobile food vehicles or services. You will compete for business in this highly competitive environment and understand that there is no guarantee of Your success. You will offer products and services to the general public and individual consumers, for on-site consumption and carry out.

Industry Regulation

Laws exist in every state that govern the food-service industry and the operation of a mobile unit including health, sanitation, and safety regulations regarding food storage, preparation and safety and the sale of alcoholic beverages. You must comply with all local, state, and federal laws that apply to Outlet's operation, including health, sanitation, EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Americans with Disability Act requires readily accessible accommodation for disabled persons and therefore may affect your building construction. You must obtain real estate permits (such as zoning permits), real estate licenses and operational licenses. You also must comply with all PCI Data Security Standards. There are also regulations that pertain to sanitation, labeling, food preparation, food handling, food service and "dram shop" laws (which make bars and restaurants liable to persons injured by an intoxicated customer). You will be required to comply with all applicable federal, state, and local laws and regulations during the operation of Your Outlet.

You should consult with an attorney concerning those and other local laws and ordinances that may effect to Your Outlet's operation. To obtain an alcoholic beverages license, You will be subject to fairly intense governmental regulation, both in obtaining the license and properly maintaining it.

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ITEM 2. BUSINESS EXPERIENCE

The business experience of Our officers, directors and key management for the last five years is as follows:

CEO, LLC Manager and Co-Founder: Ryan Molnar

Ryan Molnar, one of our two Founders, has been CEO and LLC Manager since We were formed in March 2017. He has been the Company's President and CEO since its formation in August 2014. From February 2016 to Present, he worked for Gregory's Packaging as Regional Sales Manager based in Morristown, New Jersey. From February 2015 to February 2016, he worked for Green Bellies, LLC, as Vice President Business Development in San Diego, CA. From October 2010 to February 2015, he worked for Ling's Fifth Taste as a Regional Sales Manager based in Del Monte, CA. Prior to founding the Company, he was a student at University of Redlands.

CFO, LLC Manager and Co-Founder: Jason Tang

Jason Tang, one of our two Founders, has been CFO and LLC Manager since We were formed in March 2017. He has been the Company's Chief Financial Officer since its formation in August 2014. From March 2013 to May 2015, he worked for Ling's Fifth Taste in El Monte, CA as its National Retail Sales Manager. He has also worked in the public sector for the County of Riverside as well as in broadcast television as an award winning sports anchor and reporter. Mr. Tang graduated from Brigham Young University and earned a Master's degree from California State University, San Bernardino.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this ITEM.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Initial Franchise Fee

The initial franchise fee for one franchised Outlet is \$35,000 as payment for services rendered prior to the opening of the Outlet. We do not charge an initial franchise fee for an Approved Vehicle.

If We approve Your franchise application, You will sign a Preliminary Agreement (**Exhibit A**) and pay Us \$10,000 as a deposit. When We sign the Preliminary Agreement, it becomes a commitment for one Outlet franchise subject to its conditions such as locating a suitable Outlet site.

You will pay Us the balance of the initial franchise fee in full when the Franchise Agreement (**Exhibit B**) is executed, which will be after site approval, and before opening Your Outlet.

We offer a veteran initiative program. Under this program, honorably discharged veterans of the United States armed forces are entitled to receive a \$10,000 discount on the initial franchise fee for each new franchise Outlet.

There are no refunds of any part of the deposit or the initial franchise fee, which must be paid in full before You open Your Outlet. All fees payable to Us are intended to be “net” amounts and You will pay or reimburse Us for any sales, services, use or similar taxes which may be imposed upon any such fees.

Area Development Agreement

We are also offering franchises to qualified Developers who will develop and operate at least 3 to 5 Outlets under an Area Development Agreement.

You must pay Us a nonrefundable Development Fee equal to the full Initial Franchise Fee for the first Required Outlet plus \$10,000 for each additional Required Outlet (as specified in the development schedule to hold the protected territory). There is no refund of the Development Fee.

As You develop each Required Outlet, You will pay Us an initial franchise fee (less \$10,000 credit from the Development Fee) for that Outlet. For each Required Outlet opened under the Area Development Agreement, the initial franchise fee will be \$35,000 and the franchise royalty fee will be 6% of Gross Revenues.

The initial franchise fee and other fees for additional Outlets after the Required Outlets will be those fees required by the then-current form of Our Franchise Agreement. There are no refunds of these payments.

ITEM 6. OTHER FEES

NAME OF FEE (1)	AMOUNT	DUE DATE
Franchise Royalty Fee	6% of Gross Revenues (2)	Weekly (3)
Local Marketing Commitment	2% of Gross Revenues (2)(4)	As Incurred
System Marketing Fund	Up to 3% of Gross Revenues (2)(5)	Weekly (3)
Supplier Approval Fee	Reasonable amount for Our costs and efforts (currently \$1,000)	Upon request for approval
Initial Training Fee for Additional Attendees	\$1,500 per person (6)	Upon Invoice
Additional Training	Reasonable Fee (currently \$500 per day)(7)	Upon Invoice
Prototype Building Plans & Specifications	Reasonable Cost (currently \$1,500)	Upon Invoice
Late Payment Fees	\$250 plus interest on late amounts at 18% or highest legal rate (8)	Upon Invoice
Attorney Fees	Reasonable amount to prevailing party in any legal proceeding	Upon conclusion of proceeding
Transfer Fee	\$15,000	Before actual transfer
Renewal Fee	25% of then current Initial Fee	Prior to Renewal
Audit	Reasonable Accounting and Legal Fees (9)	Upon invoice
Indemnification	Amount of claim and costs incurred (10)	Upon Demand
Liquidated Damages – Default	Lump Sum (Calculation based on number of months and Royalty Fee averages) (11)	Upon Demand
Insurance Premiums	What You have failed to pay the Insurer	Immediately upon Invoice

FOOTNOTES:

- (1) You must pay all of these payments to Us. None of these fees are refundable for any reason except errors. All fees payable to Us are intended to be “net” amounts and You will pay or reimburse Us for any sales, services, use or similar taxes which may be imposed upon any such fees (specifically not to include income taxes).
- (2) **"Gross Revenues"** is defined in the Franchise Agreement and includes all amounts received for services and product sales in or from the Outlet and Approved Vehicle(s) whether or not these sales are made at the Outlet, Approved Vehicle or any other location. "Gross Revenues" does not include sales taxes, complimentary employee meals, discounts, revenue derived from selling or issuing system gift or loyalty cards (although revenue derived from selling products & services to customers who use such cards for payment will be included in Gross Revenues), refunds or proceeds from the sale of furniture, equipment or similar items used in the Outlet or Approved Vehicle.
- (3) You must pay these fees no later than the third (3rd) day following the end of each week or such other time as may be designated in the Manual. You agree to pay all such Fees to Us by direct transfer of funds (“**EFT**”) or other method of payment designated by Us. You must submit, for each designated period, a sales report, and ensure that each account has sufficient funds for the transfer.
- (4) You must spend this amount monthly to conduct approved local advertising and sales programs for Your Outlet and send Us proof of spending. If an advertising cooperative is established in Your area, You must join it, and contributions to it will be applied toward this obligation.
- (5) These payments will not be required until We determine that establishing the Marketing Fund is appropriate for the System. We will also set the initial contribution rate at that time, which may be less than the maximum rate. We will deposit each payment into a separate bank account to be used for advertising and marketing purposes as described in ITEM 11. The Company will make contributions at the same rate for its Outlet(s).
- (6) At Our sole discretion, We may approve Your request to operate one or more additional Approved Vehicles as part of Your Outlet operations under the Franchise Agreement. You must obtain Our prior written approval before purchasing the Approved Vehicle.
- (7) Your Designated Operator, Your General Manager (if a different person) and Assistant Manager must attend and successfully complete Our Initial Training. We will provide such training without charge. Additional Initial Training is currently conducted in a Company Outlet. You are responsible for the cost of travel, hotel and meals expenses for Your attendees.

FOOTNOTES CONTINUED:

(7) This estimate is for additional training if You request Our assistance or if We determine that You require Our assistance. Typically additional training might include 1 to 2 persons for 2 days. Fees may not be uniformly imposed depending on specific circumstances. Additional training is currently conducted in Your Outlet..

(8) The current maximum legal interest rate in California is 10%.

(9) In addition to any additional fees found due as a result of an audit of Your financial records, You must pay Us Our audit cost if You have understated Gross Revenues by more than 2% of the actual Gross Revenues found by the audit. The cost of an audit varies widely depending on how well the books and records are kept, but We estimate the cost of an audit to be between \$1,000 and \$5,000.

(10) You must indemnify Us for claims relating to Your operation of the Outlet.

(11) If the Franchise Agreement is terminated due to Your default, You must pay Us liquidated damages equal to the average monthly Royalty Fees owed or paid during the 12 full calendar months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two (2) full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is less.

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ITEM 7. ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low	High			
Initial Franchise Fee (1)	\$35,000	\$35,000	Lump Sum	In Full on signing of Franchise Agreement	Us
Training Travel and Living Expenses (2)	\$4,000	\$8,000	As Incurred	During Training	Airlines, Hotels, Outlets
Lease and Utility Deposits (3)	\$500	\$2,500	As Negotiated	Signing of Lease	Lessor
Leasehold Improvements (4)	\$40,000	\$105,000	As Negotiated	Prior to Opening	Suppliers and Contractors
Approved Vehicle (5)	\$45,000	\$130,000	As Incurred	Prior to Opening	Supplier
Furniture, Fixtures, Equipment, Kitchen Equipment (6)	\$55,000	\$75,000	As Incurred	Prior to Opening	Suppliers
Initial Inventory (7)	\$10,000	\$18,000	As Incurred	As Incurred	Suppliers
Computer Systems (8)	\$950	\$1,700	As Incurred	Prior to Opening	Suppliers
Licenses, Permits, Dues and Subscriptions (9)	\$9,000	\$16,700	As Incurred	Prior to Opening	Suppliers
Signage	\$4,000	\$10,000	As Incurred	Upon Invoice	Suppliers
Grand Opening (10)	\$6,000	\$13,000	As Incurred	Prior to Opening	Suppliers
Miscellaneous (11)	\$4,050	\$14,000	As Incurred	Prior to Opening	Suppliers
Additional Funds – Three Months (12)	\$20,000	\$40,000	As Incurred	As incurred	Employees, Suppliers, Utilities
TOTAL (13)	\$233,500	\$468,900			

FOOTNOTES:

- (1) You must pay the Initial Franchise Fee in full when You sign the Franchise Agreement and prior to opening Your Outlet or operating the Approved Vehicle. The Initial Franchise Fee is not refundable for any reason.
- (2) You must pay for the expenses of attendance, such as lodging, meals, transportation and wages of trainees. Each Outlet must have at least one trained and certified manager. The cost of these expenses will depend on the distance You must travel, type of accommodations, the number of Your employees attending training and their wages.
- (3) These estimates are the initial lease costs and are based on the assumption that You will lease Your Outlet. A typical Outlet contains approximately 1,000 to 2,000 square feet of indoor space for an in-line or end-cap unit. A lease normally requires payment of the first month's rent and a deposit equal to a second month's rent. The levels of rent vary widely from area to area and for different locations within the same area. A location within a mall or large shopping Outlet or unique walk-up location may be smaller but require higher rent. You should investigate all these costs in the area, and for the specific site where You wish to establish Your Outlet.
- (4) Includes the actual cost of construction. Lessors will often contribute to the cost of remodeling or constructing the space for Your Outlet. You will follow our standard development procedures and adapt them to meet the specific requirements of Your proposed Outlet. Costs and TI allowances vary widely from area to area and for different locations within the same area. You should investigate all these costs in the area, and for the specific site, where You wish to establish Your Outlet.
- (5) This is an estimate for the purchase of a food truck as an Approved Vehicle. The price assumes a 24 ft long double AA catering truck and includes all required equipment (excluding the register system) to operate as a JOJO'S GRILL-A-DOG Approved Vehicle. The price also includes a branded wrap. We suggest that You purchase or lease a used Approved Vehicle instead of purchasing a new Approved Vehicle.
- (6) This is an estimate of the cost of leasing or purchasing required outlet equipment, fixtures, furniture and supplies. The Manual contains a list of mandatory items for Approved Vehicles and Outlets with instructions for various site variations. Although You are not prohibited from doing so, We do not recommend that You purchase additional or upgraded items other than as specified in the Manual.
- (7) The initial inventory consists primarily of food, beverages, uniforms, smallwares and supplies. The amount will vary depending on the sales volume You anticipate as well as current market prices.
- (8) This is an estimate of the cost of leasing or purchasing the required point-of-sale systems, camera system and other related technology. The Manual contains a list of mandatory items for new Outlets with instructions for various site variations.

FOOTNOTES CONTINUED:

(9) You must obtain all necessary business permits, licenses and approvals to operate the Outlet and Approved Vehicle. The costs of these licenses and other licenses and permits vary widely from area to area. You should contact an attorney and the government authorities in Your area for information about the cost and level of difficulties in obtaining all necessary permits. The Company Outlet does not serve alcohol and this estimate does not include the cost of obtaining a liquor license. If You elect to serve alcohol at Your Outlet, You should contact an attorney and the governmental authorities in Your area for information about the cost and level of difficulty in obtaining all necessary permits.

(10) You and We will agree on a specific grand promotional program for Your new Outlet. The cost of this mandatory promotional program will range from \$6,000 to \$13,000. Outlets being opened in a new trade area may require more initial spending than where Our brand is already known. This includes all social media and non-traditional outreach programs.

(11) Insurance, deposits and other prepaid expenses are included in this amount. You should have funds for one year's estimated insurance premium for property, liability, workers' comp and other insurance. The cost of insurance varies depending on many factors. Insurance must be obtained to meet minimum requirements set by the System Standards. Initial premiums for commercial general liability insurance are subject to change due to market forces. The cost of other coverage, including workers' compensation and employer liability coverage varies depending on many factors. You should contact your insurance agent and obtain an estimate of Your actual insurance costs. This also includes office expenses and professional fees which include an attorney and/or CPA who will represent You and review the Franchise Agreement prior to your signing the agreement. There may also be a requirement to pay utility and/or other deposits and to prepay certain expenses.

(12) This category includes contingent working capital requirements, which could include expenditures for payroll, utilities, vendor, advertising, promotion and similar costs during the initial phase of a new Outlet. This estimate is for the first 3 months of operation Your Outlet. We cannot guarantee that You will not have additional expenses starting Your business. Your costs will depend on factors such as how much You follow the System and its procedures, the local market for Outlet products, the prevailing wage rate, competition, and the sales level reached during the initial period.

(13) This is Our estimate of the total expenses to start Your Outlet. Except for security deposits, none of the above payments are expected to be refundable. We will not finance any of these payments. The above are all estimates based on Our experience with the company Outlets, but Your costs will depend to a great extent on Your area, the size of Your Outlet; how much You follow the System and its procedures; Your management skill, experience, and business acumen; and the sales level reached during the initial period. You should review these figures carefully with a business advisor, accountant or attorney before making any decision to purchase a franchise.

**Area Development Agreement
Your Estimated Initial Investment**

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low (1)	High (1)			
Development Fee (2)	\$55,000	\$75,000	Lump Sum	When you sign the Area Development Agreement	Us
Total (3)	\$55,000	\$75,000			

FOOTNOTES:

(1) We are also offering franchises to qualified Developers who will develop and operate at least 3 to 5 Centers under an Area Development Agreement. The Development Fee is contingent on the number of JOJO'S GRILL-A-DOG Outlets You intend to open under the terms of the Area Development Agreement. The low estimated cost is for a three (3) Outlet Area Development Agreement and the high estimated cost is for a five (5) Outlet Area Development Agreement.

(2) Upon execution of the Area Development Agreement, You must pay Us a nonrefundable Development Fee equal to the Initial Franchise Fee for the first Required Outlet (\$35,000), plus \$10,000 for each additional Required Outlet to be developed under the Area Development Agreement. There is no refund of the Development Fee.

As You develop each Required Outlet, You will execute Our then current Franchise Agreement. The Initial franchise fee for all Required Outlets is \$35,000. For the second and subsequent Required Outlets, You will pay Us an initial franchise fee less \$10,000 credit from the Development Fee for that Outlet.

(3) In addition to this estimated cost, You will incur total initial expenses for each Required Outlet developed as set forth in the first table of this Item 7. The initial expenses set forth in the first table may increase over the term of the Area Development Agreement based on inflation and other economic factors.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Each Outlet must be constructed or remodeled to Our specifications. You must obtain Our written approval of any proposed alterations to Our specifications before any work is begun. You must equip and supply Your Outlet from suppliers previously approved by Us, which include Us and the Company ("**Approved Suppliers**").

Currently, You must purchase Our proprietary food products and items bearing our Marks which We or designated suppliers will sell to You at a reasonable markup. Our Affiliate, Millennium Restaurant Concepts, Inc., is an Approved Supplier who may sell food products and proprietary items bearing Our trademarks to Franchisees.

You are not obligated to purchase anything else from Us or an affiliate, but You will be obligated to make 100% of Your purchases from Approved Suppliers and in accordance with Our specifications, both in establishing and while operating Your Outlet. Currently, We require You to use Sysco for all of Your Outlet's food and beverages.

To ensure that the highest degree of quality and service is maintained, You must operate Your Outlet in strict conformity with the methods, standards and specifications that We prescribe in the Manual or otherwise in writing. We may modify or add new specifications in writing. We may negotiate purchase arrangements with suppliers, including price and terms, for the benefit of franchisees and the Outlets operated by the Company. In order to maintain the uniformity and conformity within the System, You must cooperate with Us and participate in these programs and purchase the products from suppliers designated in the Manual so long as they are also required for all other franchisees similarly situated.

We will specify Approved Suppliers and the products and services that are required to be purchased or leased in the Manual. These will include without limitation a back office computer system, polling services, broadcast background music, television broadcasting, signs, camera system, menu boards, promotional materials, website maintenance, uniforms and supplies. The list of required items will be changed to meet current needs. Approved Suppliers are identified in Our Operations Manual. We may update our list of Approved Suppliers as We deem necessary or appropriate. Approved Suppliers and specifications are determined based on the current needs for operating the Outlet.

We evaluate Approved Suppliers based on price, service, quality, and other commercially reasonable benchmarks. We have the right to limit the number of vendors and suppliers for products, goods, supplies, fixtures and equipment. We also have the right to designate a single source of supply for certain products. We or an affiliate may be that single source. You must use some supplies that are proprietary to Us, including copyrighted forms and materials bearing Our Marks. The only material benefits You may receive for using Approved Suppliers are lower prices and better services and quality, due to Our negotiations with them on behalf of the System.

You may be required to purchase from Us in the future software, Internet, and multi-area marketing programs, and to participate in these programs. There are no such requirements at this time, and We estimate based on present circumstances, that these required purchases will be less than one percent of Your purchases and leases.

If you want to purchase items from another supplier, you may request Our "Supplier Approval Form" and pay Our Supplier Approval Fee (currently \$1,000). Based on the information and samples you supply Us, We may test the items supplied and review the proposed supplier's financial records, business reputation, delivery performance, credit rating and other information. We are not required to make available to You or any supplier Our criteria for product or supplier approval. We will complete Our review promptly, generally within 90 days.

During the last fiscal year, neither We, nor the Company received any revenues or rebates as a result of franchisee purchases. We do not have any purchasing or distribution cooperatives. If We receive rebates from suppliers based on Franchisee purchases, We use the funds to benefit the System. Except as stated above, none of Our officers own an interest in an Approved Supplier. We do not have any purchasing or distribution cooperatives.

Insurance

You must obtain and maintain the insurance coverage and meet the other insurance-related obligation required in the Franchise Agreement. The required insurance policies must have at least the minimum coverage specified in the Franchise Agreement. In all events, the insurance policy or policies will include at least the following:

- (a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate.
- (b) Liquor liability coverage (if any alcoholic beverages are offered for sale from the Outlet) with minimum coverage of \$1,000,000 and \$2,000,000 in the aggregate.
- (c) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
- (d) Liability for owned, non-owned and hired vehicles with minimum coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate.
- (e) Umbrella liability insurance policy providing a minimum of \$5,000,000 coverage including the above limits.
- (f) Course of construction insurance at replacement cost.
- (g) Workers' compensation insurance as required by applicable state law.
- (h) Business interruption insurance (reasonable coverage and time limit).

The cost of insurance coverage will vary depending on the insurance carrier's charges, the terms of payment and your insurance history. You must also carry the insurance required by Your landlord and applicable law. Your obligation to maintain this insurance will not be limited in any way by reason of any insurance We carry for Ourselves.

ITEM 9. FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT (“FA”), AND THE AREA DEVELOPMENT AGREEMENT (“ADA”). IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

Obligation	Section in Agreement	Item in Disclosure Document
a. Site Selection and acquisition/lease	FA: §1.3, 6.3 ADA: §§1.1, 4.2	Items 1, 11
b. Pre-opening purchases/leases	N/A	Items 7, 8, 11, 16
c. Site development and other pre-opening requirements	FA: §§4, 5 ADA: §§1, 2, 4	Items 1, 5, 7, 11, 12, 15
d. Initial and ongoing training	FA: §5 ADA: §4	Items 1, 11, 17
e. Opening	FA: §7.8 ADA: §2	Items 5, 7, 11
f. Fees	FA: §§2, 3.2, 4.1, 4.8, 5.6, 11.5, 16.6 ADA: §§3, 4.3, 5.2(c), 6.2(e)	Items 1, 5, 6, 7, 17, 19
g. Compliance with standards and policies/Manuals	FA: §4 ADA: §4.1	Items 1, 11
h. Trademarks and proprietary information	FA: §§4.5, 14 ADA: §4.4, 8.3	Items 13, 14
i. Restrictions on products & services offered	FA: §§4.4(a), 4.7, 4.8 ADA: None	Items 8, 16
j. Warranty and customer service requirements	FA: §§4.3 ADA: None	Item 1
k. Territorial development and sales quotas	FA: §§1.2 ADA: §§1.1, 2, 4	Items 1, 12

Obligation	Section in Agreement	Item in Disclosure Document
l. Ongoing product/service purchases	FA: §§4.6, 4.7, 4.8 ADA: None	Items 8, 16
m. Maintenance, appearance & remodeling requirements	FA: §§ 4.3 4.4, 4.6, 6 ADA: None	Item 17
n. Insurance	FA: §11 ADA: None	Item 7
o. Advertising	FA: §7 ADA: None	Items 6, 7, 11
p. Indemnification	FA: §10.2 ADA: None	Item 13
q. Owner's participation/ management/staffing	FA: §§4.2, 4.9, 4.10, 9.4, 13.2 ADA: §§8.4, 8.5	Item 15
r. Records/ Reports	FA: §§8, 9.3, 9.4 ADA: None	Items 6, 11
s. Inspections/Audits	FA: §9 ADA: None	Item 17
t. Transfer	FA: §13 ADA: §§1.6, 1.7	Items 6, 17
u. Renewal	FA: §3.2 ADA: 1.2, 6	Items 6, 17
v. Post termination obligations	FA: §§4.9(f), 15 ADA: None	Item 17
w. Non-competition covenants	FA: §4.9 ADA: §8	Items 5, 17
x. Dispute resolution	FA: §§16.5, 16.7 ADA: §9	Item 17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee Your note, lease or other obligation. There are no waiver of defenses or similar provisions in any note, contract or other instrument executed by franchisees with Us. We are registered with the SBA Franchise Registry. This affiliation may assist You with obtaining expedited loan processing if You should seek SBA financing.

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

Except as listed below, We need not provide any assistance to You.

A. Pre-opening. Before You open Your Outlet, We will:

1. Loan you a copy of Our confidential Manual, which contains mandatory and suggested specifications, standards, operating procedures and rules, in written and/or electronic form (Franchise Agreement, Section 4.4).
2. Conduct an operations training course for You and Your Designated Operator (Franchise Agreement, Section 5.1).
3. Provide You with assistance in locating the site for Your Outlet (Franchise Agreement, Section 1.3).
4. Review and comment on the proposed lease for Your Outlet which must be provided to Us prior to finalization and executed after Our approval. (Franchise Agreements, Section 1.4).
5. Approve, if it meets Our standards and specifications for approval, plans submitted by You for the design of Your Outlet. You are responsible for conforming premises to building codes and local ordinances (Franchise Agreement, Section 1.3).
6. Assist You in developing a marketing program designed for Your Outlet's initial opening (Franchise Agreement, Sections 4.1, 7.8).
7. Advise and assist You in opening Your Outlet and be available to assist with its operations for as long as reasonably needed, in Our opinion (Franchise Agreement, Section 4.1).

B. Post-opening. During the operation of Your Outlet, We will:

1. Advise and assist You in opening Your Outlet and be available to assist with its operations for the first month of business, as reasonably needed in Our opinion (Franchise Agreement, Section 4.1).
2. Make available additional training programs as We deem appropriate (Franchise Agreement, Section 5.5).
3. Assist You in planning for Your Outlet's grand opening (Franchise Agreement, Section 7.8).
4. Develop and administer, at Our discretion, advertising and promotion programs designed to promote the collective success of all Outlets (Franchise Agreement, Section 7.3).
5. Administer the System Marketing Fund ("**Marketing Fund**"), once established (Franchise Agreement, Sections 7.3 and 7.4).
6. Deposit Marketing Fund Fees received into a separate account (Franchise Agreement, Section 7.3).
7. Make periodic calls and inspection visits to Your Outlet as We deem advisable (Franchise Agreement, Section 9.2).
8. Include information about your Outlet on Our Website (Franchise Agreement, Section 7.9)

C. Site Selection.

We will not sign the Franchise Agreement until You obtain Our approval for the site. You must select a site that meets Our approval. We will provide assistance in locating a site for Your Outlet. Within three (3) months days after execution of the Preliminary Agreement, You must locate and obtain Our approval for the site of Your first Outlet. If You have not done so, We will grant You additional 90-day extensions so long as We are satisfied that you are proceeding in good faith and with due diligence. You must use Our approved form to request each ninety-day extension. After the extensions, We may terminate the Preliminary Agreement with no refunds if You have not obtained an approved site.

We will consider, as part of site approval, a number of factors such as potential customer density levels, assessment of a demographic study of the customer mix compared to existing profiles already established by Us, assessment of competitor activity, revenue generators, traffic patterns of the area, as well as specific size, parking, and other physical characteristics of the proposed site itself. We will use reasonable efforts to make a site acceptance decision within 30 days after We acknowledge receipt of a complete site information form and any other materials we have requested Our approval means that the

site and plans meet minimum specifications and is not a warranty of their appropriateness. We do not generally own the premises and lease it to franchisees.

If You lease the site for Your Outlet, You must provide Us for Our review and comment a copy of the proposed lease at least fifteen (15) days prior to its being finalized and executed. As a condition of approving the lease, We will require that it include the Lease Provisions attached as Attachment 3 to the Franchise Agreement. We will not unreasonably withhold Our approval of any proposed lease that includes all the Lease Provisions.

You are responsible for conforming the premises to building codes and local ordinances. You must adhere to Our standards and specifications for the construction and design of the Outlet, which will include requirements for the interior and exterior layout, signage, equipment, fixtures, and trade dress as designated in the Manual. You must obtain Our prior written approval of site-specific drawings/plans before beginning construction. You may not open Your Outlet without Our prior written consent and satisfaction of all pre-opening obligations stated in the Manual and the installation of all equipment, fixtures, furnishings, and signs included in the plans and specifications approved by Us.

You will be solely responsible for all hiring and employment decisions and functions relating to Your Outlet.

If You enter into an Area Development Agreement (“ADA”), You are responsible for securing sites We find acceptable and within the deadlines of the Development Schedule. If You fail to meet a deadline in the Development Schedule, You will be in default, and We may terminate the ADA.

D. Time Before Opening.

We believe that based upon the Company’s experience, You should typically open an Outlet within three to seven months after executing the Franchise Agreement. This length of time may be affected by factors such as difficulties in obtaining a lease for an acceptable premises, financing arrangements, building or sign permits, or delays caused by zoning or local ordinances, weather conditions, labor strikes, shortages of products and installation of equipment, fixtures and signs.

You must open Your Center within seven months of executing the Franchise Agreement, unless We extend the time in writing. Failure to open within the specified time period is a breach of the Franchise Agreement and Your Franchise Agreement can be terminated. (Franchise Agreement Section 1.4). You are responsible for conforming premises to building codes and local ordinances. You must adhere to Our standards and specifications for the construction and design of the Outlet, which will include requirements for the interior and exterior layout, signage, equipment, fixtures and trade dress. You will be solely responsible for all hiring and employment decisions and functions relating to Your Outlet.

E. Advertising.

We will develop marketing, promotion and advertising programs designed to promote JOJO'S GRILL-A-DOG businesses. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as We may have established.

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

You may develop advertising materials for Your own use at Your own cost. All advertising materials must be approved by Us in advance and in writing. Approval takes between 30 and 60 days.

All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and promotion policies. You must submit to Us samples of all advertising, promotional and marketing materials (including Internet or electronic media marketing material) for Our prior written approval. You must only use advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise.

There are no restrictions on Your advertising, except that You may not advertise independently on the Internet or outside Your territory, and that Your advertising must be approved by Us, as stated above. We have the sole right to market on the Internet and use the Marks on the Internet.

You must participate in Our "eclub" marketing campaigns, Gift Card program, Loyal Customer program and similar marketing programs as they are developed.

You may not register any domain name or establish or maintain any website, social media site or otherwise maintain a presence or advertise on the internet or any other public computer network in connection with the Outlet, unless We provide Our prior written approval. If such approval is granted by Us, You shall establish and operate such World Wide Web or Internet site in accordance with Our standards and policies as set forth in the Manual or otherwise in writing from time to time. You must adhere to the social media policies that We establish from time to time and must require Your employees to do so as well.

Grand Opening. You must conduct a pre-approved grand opening promotion for Your Outlet. The cost of the grand opening promotion will range from a minimum of \$3,000 to \$6,000 in approved expenditures, with regard to such promotion. We will assist You in planning Your grand opening.

Local Advertising. You must spend 2% of Your Café's Gross Revenues monthly for pre-approved local advertising and promotion of Your Outlet in its trade area. You must submit confirmation of Your Local Advertising following the procedures and timing requirements designated in the Manual.

If an Advertising Cooperative ("**Ad Co-op**") is established for the area where Your Outlet is located, You must join, actively participate in and contribute to the Ad Co-op; contributions to it will be applied toward Your Local Marketing Commitment. The Ad Co-op may also serve as a means of exchanging ideas, sharing information and problem solving.

The Franchise Agreement gives Us the power to require Ad Co-ops to be formed, changed, dissolved or merged. We will determine the area of each Ad Co-op. You must contribute to the Ad Co-op up to 2% or more of Your Outlet's Gross Revenues, which is in addition to your contributions to the system wide Marketing Fund discussed below. The Ad Co-op members may agree to additional funding in accordance with its established Bylaws.

We will oversee each Ad Co-op. If You are in default of the Franchise Agreement, You will not have voting privileges. The Ad Co-op may prepare annual or periodic financial statements, and these will be available to You upon request. We have the right to form, change, dissolve, and merge any Ad Co-op and to create and amend any organization and governing documents of any Ad Co-op in our sole business judgment. A copy of the governing documents for Your area will be provided upon written request.

Marketing Fund. If and when We notify that We have established a Marketing Fund, You must contribute up to 3% of Your Outlet's Gross Revenues. We will establish the Marketing Fund when We determine that it is appropriate to do so.

The Marketing Fund will be used to develop, produce and administer marketing programs designed to increase sales for all Outlets system-wide. Advertising may be in the form of print ads, radio, television or electronic media and may be conducted on a regional and/or national basis. We may use a national or regional advertising agency or in-house advertising to create and place advertising. All interest earned on monies contributed to the Marketing Fund and any funds received from suppliers based on Franchisee purchases will be used for the same purpose. Marketing Fund contributions will not be targeted to advertise or sell franchises.

The purpose of the Marketing Fund is to develop advertising and marketing programs that will benefit all Outlets wherever located. We cannot ensure that the Marketing Fund's expenditures will be equally beneficial or proportionate to each Outlet's contributions. We will account for monies in the Marketing Fund separately from Our other

amounts received. Money from the Marketing Fund may be used to pay Us for the reasonable salaries, administrative costs, travel expenses and overhead incurred by Us in the administration of that Fund and its programs. We will prepare an annual unaudited statement of monies collected and costs of the Funds and provide it to You upon Your written request. The Outlets operated by the Company will contribute to the Marketing Fund at the same rate as Franchisees.

F. Computers; Computer Programs.

Your Outlet and Approved Vehicle must have a point of sale and computer system as specified in the Manual, which will operate Our currently approved software and allow You to participate in the Network. Your Outlet must also have one or more modems, fax machines, polling systems, digital menu boards, computerized safe systems and a telephone answering machine capable of voice mail recovery. We may require you to upgrade or update Your equipment, such as the computers, other hardware, programs, fax machine and telephone system, with reasonable limitation on the frequency or cost of this requirement. You are responsible for installing a broadband hook-up and other utilities for the Outlet.

Currently, We require in the operation of Your Outlet the TOAST POS System by Toast, Inc. ("POS System"). You must record all sales on the POS System. The POS System will generate reports on the sales and expenses of the Outlet, and it currently costs approximately \$3,000 which includes two stations. You will also be responsible to pay the hardware and software subscription directly to Toast, Inc. The estimated monthly subscription ranges between \$350 to \$425 depending on the options You select for Your Outlet. You will be solely responsible for the acquisition, operation, maintenance, and upgrading of the POS System.

We will have independent access to the information that will be generated or stored in any electronic cash register or computer system, such as financial and marketing information. There are no contractual limitations on Our right to access this information. If We establish an online management and communication system for Outlet Operations, You must participate fully with its requirements as stated in the Manual.

All of the designated equipment and software is available generally at competitive prices. The purchase cost is estimated at \$5,000 to \$10,000. Your annual maintenance costs are estimated at \$1,500 to \$5,000. None of the above are proprietary properties of Us or the Company, and We are not obligated to provide or assist You in obtaining the above items or services.

G. Confidential Manual.

You may review Our Manual before purchasing a Franchise. However, You may not copy any of the information contained in the Manual, as it contains proprietary information. You must sign a confidentiality agreement regarding the Manual before Your review. **(Exhibit D)**

H. Training.

Our Initial Training Program consisted of the following content with a duration of approximately two weeks according to the following general outline:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction to the Market - History of the Market - Competition - Growth and Opportunity	2	-	Our Locations in southern California or Your Location.
Marketing and Branding - Understanding the JOJO'S Brand and Position in the Market - How to create awareness - Driving Traffic into your stores - Our brand presentation	4	4	Our Locations in southern California or Your Location.
Managing the Business and Overseeing Daily Operations - Hiring Staff and Managing your Team - Training your Staff - Hiring the Right People - HR responsibilities	24	12	Our Locations in southern California or Your Location.
Maintaining the Equipment and Your Inventory Management - Knowing our Suppliers - Maintaining the Equipment - Inventory Management and Ordering	8	8	Our Locations in southern California or Your Location.

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
System Software - Working with our POS Systems - Managing Transactions - Using technology to manage your customer relationships	12	16	Our Locations in southern California or Your Location.
Collateral Materials - Printed Materials, Menus, Brochures, Collateral, Business cards	4	16	Our Locations in southern California or Your Location.
Preparing the Products and Knowing the Menu - How to make the products - Product Presentation	4	16	Our Locations in southern California or Your Location.
TOTALS:	58	88	

FOOTNOTES:

(1) The Initial Training must be successfully completed no later than one week before Your Outlet opens. It will be conducted in one of Company's Outlets located in California one to three months prior to Your opening Your Outlet. We expect to conduct these training courses several times each year.

(2) Your Designated Operator, Your General Manager (if a different person) and Assistant Manager must attend and successfully complete Our Initial Training. We will provide such training without charge. We can terminate the Franchise Agreement for failure to successfully complete this training course. You will be responsible for paying all of Your personnel's travel, lodging and food costs.

(3) If You want Us to provide initial manager training to additional people, You must pay Us the then current charge (presently \$1,500 each) for the training described in Item 11 above.

FOOTNOTES CONTINUED ON NEXT PAGE.

FOOTNOTES CONTINUED:

- (4) The instructors will include Trainers and Training Managers, each of whom have experience in Outlet operations with Us or with other food systems.
- (5) The materials used in Our Initial Training are the Manual and other materials such as various videos. We may modify Our training programs at any time. We may develop audio-visual and other training materials at a reasonable charge.
- (6) The actual hours will depend on a variety of factors, including the trainee's prior experience and his or her ability to pass any written and/or practical exams to Our reasonable satisfaction.
- (7) If You operate 3 or more JOJO'S GRILL-A-DOG Outlets You may apply to offer training at Your training facility. We may certify You for training if You meet Our standards, Your training facility has been certified by Us and Your designated training manager has been certified by Us. You must reimburse Us for the travel, living and other expenses Incurred in evaluating your facility and your training manager.
- (8) As We deem necessary, We may require that You and Your personnel attend additional training courses or programs covering operations and new product or procedure introductions. We may require You to pay a reasonable fee for the additional training. Currently, Our training fee is \$500 per day You must pay for all travel, lodging and food costs for You and Your personnel. We expect that additional training will be conducted at one Our Outlets in Los Angeles, California, will be one or two days in duration and cover changes in Outlet products and procedures. Under normal circumstances, the additional training will not occur more than once a year. See ITEM 6 for current daily charge.
- (9) If You are a business entity, each of Your owners who own 10% or more of the outstanding voting interests must attend a 2 to 3 Day Overview Training, which is a condensed version of the Initial Training. There is no extra charge for this training program which will be held in California at one of Company's Outlets.

ITEM 12. TERRITORY

You must operate each Outlet at a specific location selected by You and approved by Us.

You will not receive an exclusive territory and You may face competition from other franchised Outlet operations, from Outlets that We own, or from other channels of distribution or competitive brands that We control. However, We agree that unless Your Outlet is in a “high density area” (as defined below), We will not establish another JOJO’s GRILL-A-DOG Outlet within three (3) miles of Your Outlet (the “**Designated Area**”), except for one or more “Non-traditional Venue” Outlets.

Even though We grant You a Designated Area and agree not to establish another Outlet in such Designated Area (except for any Non-traditional Venues), You will not receive an exclusive territory. Any JOJO’s GRILL-A-DOG Approved Vehicles may operate without limitation regardless of granted Designated Areas. Your Approved Vehicle may operate within the Designated Area of another franchisee.

We have the discretion to determine what is to be considered a “**high density area**”, which will typically be an area with a high degree of pedestrian traffic, such as a downtown portion of an urban area with high rise commercial buildings, or a densely populated residential area with primarily multi-family or apartment units, in which event You and We agree on the area, if any, You will have territory protection.

“**Non-Traditional Venue**” means a site or location for which the lessor, owner or operator thereof shall have indicated its intent to limit the operation of its food service facilities to itself or a master concessionaire or contract food service provider, and which site or location is either (i) within another primary business or (ii) at an institutional setting such as a school, college and university, military and other governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant food facility, sports arena and stadium, supermarket, grocery store or convenience store.

The Franchise Agreement will not grant You any options, rights of first refusal or similar rights to acquire additional franchises within Your Designated Area or contiguous areas. There is no minimum sales quota. Your territorial rights are not dependent upon population changes, achievement of a certain sales volume, market penetration or any other contingency, and it will not be altered except by mutual consent.

You must receive Our prior written approval before relocating the Outlet. Any request to relocate Your Outlet will be either approved or denied within 90 days of Our receipt of all relevant information. We may approve the relocation of Your Outlet in certain limited circumstances, such as loss of the location due to condemnation, eminent domain destruction, or loss of Your right of possession for reasons not caused by You.

The Franchise Agreement does not restrict Us from operating or authorizing others to operate other franchises or Company-owned Outlets or other channels of distribution, at any location, from selling or leasing similar products or services under a name other than JOJO'S GRILL-A-DOG. We do not currently intend to do so.

We have the sole and exclusive right to produce, license, distribute and market products using the Marks or other marks (such as pre-packaged products, beverages, books, clothing, souvenirs and novelty items) through any Outlet anywhere, and through any distribution channels, including the Internet. We reserve the right to use or license others to use Our name and other trademarks to distribute pre-packaged products. You will not receive any of these rights. We are not required to pay You for soliciting or accepting orders from inside Your Designated Area.

There are no restrictions on Your advertising, except that You may not advertise independently on the World Wide Web or outside Your Designated Area, and You may not maintain any Website or any presence on the Internet without Our prior written consent. Your advertising must be approved by Us, as stated in Item 11 above.

Area Development Agreement.

During the term of an Area Development Agreement (“**ADA**”), We will not license or allow any other party to open a JOJO'S GRILL-A-DOG Outlet within Your designated Territory (except for one or more “**Non-traditional Venue**” Outlets (defined above)) or pursuant to any first refusal rights contained in Your Franchise Agreement.

If You materially breach the ADA and it is terminated, We will have full rights to franchise other parties to operate Outlets within what was Your designated ADA Territory, or to operate Outlets Ourselves within that Territory.

If before the end of the term You have opened all of the Outlets required by the ADA and We decide that one or more additional Outlets should be developed within Your Territory, You will have the right of first refusal for the additional Outlet(s).

If We acquire any other Outlets with the intention of converting them to Outlets using Our Marks, You will have a right of first refusal to purchase and convert any of those Outlets within Your Territory.

Each Outlet developed under the ADA will have the same territory rights and protections as defined above in this Item 12 and pursuant to the Outlet's Franchise Agreement.

ITEM 13. TRADEMARKS

You will receive the right to operate an Outlet and/or Mobile Vehicle under the name JOJO'S GRILL-A-DOG. You may also use other current or future Marks as We designate to operate Your Outlet. By Marks, We mean trade names, trademarks, service marks and logos used to identify and operate Your business. The following Mark has been registered on the United States Patent and Trademark Office ("USPTO") Principal Register:

<u>Mark</u>	<u>Date</u>	<u>Reg. Number</u>
JOJO'S GRILL-A-DOG	Nov. 24, 2015	4858026

The above marks are owned by Our Affiliate, Millennium Restaurant Concepts, who has granted Us a perpetual license for sole use of the Marks, as part of a written license agreement. All required affidavits have been filed. You must follow Our rules when You use any of the Marks.

You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate name or in any form on the Internet, including, but not limited to URLs, domain names, email addresses, locators, links, metatags or search techniques, except as We license to You or otherwise authorized in writing. You may not use any of the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized by us in writing. Guidelines regarding proper trademark use and notices are set forth in the Manual and will be updated from time to time.

No agreements limit Our right to use or franchise the use of the Marks. We do not know of any infringing uses that could materially affect Your use of the Marks. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceeding, or any pending material litigation, involving the Marks.

You must notify Us immediately after learning about an infringement of or challenge to your use of the Marks. We will take the action We think appropriate to protect the integrity and validity of the Marks. We are not required to take any specific action in regard to infringements involving the Marks. We have the sole right to control administrative proceedings or litigation regarding any trademark infringements.

We will defend You and indemnify You if You are a party to a legal proceeding involving a Mark licensed by Us, used properly by You, and timely informed Us of the proceeding. You must modify or discontinue the use of a trademark if We modify or discontinue it. We have the right to modify, add to, or discontinue use of the Marks, or to substitute different Marks. You must promptly comply with any required changes, revisions and/or substitutions, and You will pay all the costs of modifying Your signs, advertising materials, interior graphics and any other items which bear the Marks. You must not contest Our right to the Marks, trade secrets or business techniques.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or copyright, but You can use the proprietary information in the Manual, training materials, including DVD and CD diskettes, electronic emails and confidential information. Although We have not made a copyright filing for the Manual, training materials, advertising materials and other written materials, We claim a copyright, and the information is proprietary and confidential and the may only be used as provided in the Franchise Agreement. The Manual will remain Our sole property. You must keep in a secure place on the Outlet premises.

You or Designated Operator may divulge confidential information only to those employees who must have access to it to operate Outlet. The Manual may not be copied, recorded or otherwise reproduced without Our prior written consent. You agree to keep and respect all confidential information received from Us, to obtain from the Designated Operator, each of Your Outlet's managers, and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached as **Attachment 2 in the Franchise Agreement**. You agree to timely provide Us with copies of Your employee's executed confidentiality agreements.

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

You or Your Designated Operator, who has successfully completed Our training program, must directly supervise and participate in the actual day-to-day operation of the Outlet. You agree to keep and respect all confidential information received from Us, and obtain from the Designated Operator, each of Your Outlet's managers, and other employees an agreement to keep and respect all such confidences. Your Outlet must at all times have an on-site manager approved by Us and certified as designated in the Manual.

If You are an entity, We do not require that Your Designated Operator own an equity interest in such entity. Neither You nor Your Designated Operator may have an interest or business relationship with any of Our business competitors, unless otherwise approved by Us in advance and in writing. We may require Your officers, directors, executives, members, managers, shareholders, partners, employees and owners to sign a non-competition agreement provided by Us.

If You are a legal entity such as a corporation, partnership or limited liability company, one of Your owners must be approved by Us to be Your full-time representative. All of Your owner(s) must personally guarantee the Franchise Agreement and, if applicable, the Area Development Agreement. We have the right to approve all owners and any future owners. The ADA requires You to designate an **"Authorized Agent"** who will have full authority to act on Your behalf in performing, administering or amending the ADA.

You must take steps necessary to ensure that Your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and are properly trained. You and Your employees must handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from Our name and goodwill. You will be solely responsible for all employment decisions and functions of the franchised location, including those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer and sell only those services and products that We have approved for sale in the Outlets. You must offer all products and services that We designate as required for all franchisees. These required products and services are described in the Manual. You must obtain Our prior written approval for any other products and services to be sold by Your Outlet. If We implement customer satisfaction programs for all franchisees, You must participate fully with their requirements as stated in the Manual.

We may change the types of authorized products and services that you must offer from Your Outlet. There are no limits on Our right to make such changes. If You propose an additional product or service, You must submit it to Us for approval before offering it in Your Outlet. We may approve it initially for testing only. All proposals approved by Us will become Our property.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section	Summary
a. Initial Term	FA: §3.1	Initial term of Franchise is 10 years.
b. Renewal or extension of the term.	FA: §3.2	You may renew the franchise for two additional 5-year terms if certain conditions are met. “Renewal” may require You to sign a contract with materially different terms and conditions than Your original contract.

c. Requirements for renewal or extension.	FA: §3.2	6-12 months notice, no defaults during last 12 months, material and timely compliance with Franchise and other agreements during initial term, satisfied all monetary obligations owed to Us and Your suppliers, completed all required additional training, made all requested changes in operating personnel, modernized the Outlet and other equipment, payment of renewal fee, and signing of the then-current Franchise Agreement and general release.
d. Termination by Franchisee.	Not applicable	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause.	FA: §15.1	We can terminate only if You default.
g. "Cause" defined as defaults which can be cured.	FA: §15.1	You have 30 days after notice to cure defaults (except defaults in payment to Us, in which case You only have 5 days to cure after notice). Includes defaults in other Franchise Agreements with Us. No cure period for default repeated twice within any twelve-month period.
h. "Cause" defined as defaults which cannot be cured.	FA: §15.1	Non-curable defaults: Failure to open in a specified time period, failure to complete training or allow inspection, bankruptcy or similar action, loss of possession, material misrepresentation in obtaining franchise, violation of health and safety laws, conviction of crime involving moral turpitude, failure to obtain consent to transfer rights or failure to offer first right of refusal.
i. Obligations on termination.	FA: §15.3	Immediate obligations include no more use of telephone numbers, trademarks or proprietary information; remove all Marks; return Our manuals and all other confidential materials; pay all amounts due to Us; and de-identify the Outlet.
j. Assignment of contract by Us.	FA: §13.8	No restriction on Our right to assign.
k. "Transfer" by You-definition	FA: §13.5	Includes transfer of rights under Franchise Agreement and ownership change.
l. Our approval of transfer by franchisee.	FA: §13.3	We have the right to approve all third party transfers, but will not unreasonably withhold approval.

m. Conditions for Our approval of transfer.	FA: §§13.4, 13.5, 13.6	No default, assets of the Outlet in standard condition, payment of all amounts owed to Us and Affiliates, payment of transfer fee, transferee qualifies and passes training, current Franchise Agreement signed by transferee, and release and non-competition agreement signed by You.
n. Our right of first refusal to acquire your business.	FA: §13.7	We can match any offer for the franchised business.
o. Our option to purchase your business	None	
p. Your death or disability.	FA: §13.6	Approval by Us of heir or sale within six months to an approved buyer.
q. Non-competition covenants during the term of the franchise.	FA: §4.9	No interest in an Outlet or similar business offering the same or similar services to those sold in a JOJO'S GRILL-A-DOG business (" Similar Business ").
r. Non-competition covenants after the franchise is terminated, transferred or expires.	FA: §4.9	No interest in any Similar Business for 2 years within 10 miles of any Outlet in the U.S. or Canada.
s. Modification of the agreement.	FA: §16.12	Only written and signed modifications, but Manual subject to change.
t. Integration/ merger clause.	FA: §16.11	The agreement between the parties is limited to the agreement and other documents referred to therein. Any representations or promises outside of the disclosure document, Franchise Agreement and Area Development Agreement may not be enforceable. This provision is subject to applicable state law.
u. Dispute resolution by arbitration or mediation.	FA: §16.5	Except for certain claims, all disputes must be arbitrated in the county where Our headquarters are located (" Home County "), currently San Bernardino County, California.
v. Choice of forum	FA: §16.5	Except for injunctions, any arbitration or litigation must be in Home County.
w. Choice of Law.	FA: §16.7	Law where the Outlet is located.

This table lists important provisions of the Area Development Agreement (“ADA”). You should read these provisions in the ADA attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provision	Section	Summary
a. Initial Term	ADA: §6	Initial term is mutually agreed between You and Us.
b. Renewal or extension of the term.	ADA: §6	
c. Requirements for renewal or extension.	None	
d. Termination by Franchisee.	Not applicable	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause.	ADA: §§1.5, 7	We can terminate only if You default or fail to meet the Development Schedule, or if You are in default under any Franchise Agreement with Us and fail to cure such defaults. The termination of the ADA will have no effect on any franchises previously issued to You.
g. "Cause" defined as defaults which can be cured.	ADA: §7	You have 30 days after notice to cure defaults. Such cause includes defaults in other Franchise Agreements with Us.
h. "Cause" defined as defaults which cannot be cured.	ADA: §7.2	Non-curable defaults: Failure to meet deadlines in Development Schedule.
i. Obligations on termination.	ADA: §1.4	No further rights or obligations.
j. Assignment of contract by Us.	None	
k. "Transfer" by You-definition	None	
l. Our approval of transfer by franchisee.	ADA: §1.7	No transfers allowed.

Provision	Section	Summary
m. Conditions for Our approval of transfer.	None	
n. Our right of first refusal to acquire your business.	None	
o. Our option to purchase your business	None	
p. Your death or disability.	None	
q. Non-competition covenants during the term of the franchise.	ADA: §8.3	No Competitive Interest in a business similar to or competitive with a JOJO'S GRILL-A-DOG business.
r. Non-competition covenants after the franchise is terminated, transferred or expires.	None	
s. Modification of the agreement.	ADA: §9.1	Only written and signed modifications.
t. Integration/ merger clause.	ADA: §9.1	The agreement between the parties is limited to the agreement and other documents referred to therein. Any representations or promises outside of the disclosure document, Franchise Agreement and Area Development Agreement may not be enforceable. This provision is subject to applicable state law.
u. Dispute resolution by arbitration or mediation.	ADA: §9.1	Except for certain claims, all disputes must be arbitrated in the county where Our headquarters are located (" Home County "), currently San Bernardino County, California. This provision is subject to applicable state law.
v. Choice of forum	ADA: §9.1	Except for certain claims, all disputes must be arbitrated in the Home County.
w. Choice of Law.	ADA: §9	Law where most of the Territory is located.

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote Our franchises, but We may do so in the future.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not furnish or authorize our franchise sellers to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a JOJO'S GRILL-A-DOG Business. We also do not authorize Our employees or representatives to make any such representation 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 Jason Tang at 27471 San Bernardino Ave #210, Redlands, CA 92374; (909) 797-2444, the Federal Trade Commission and the appropriate state regulatory agencies.

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ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEM WIDE OUTLETS SUMMARY
For Fiscal Years 2021-2023

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets of the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	0	0	0
	2022	0	1	+1
	2023	1	1	0
Company - Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	1	1	0
	2022	1	2	+1
	2023	2	2	0

Note: Our Fiscal Year ends December 31. The “Company-owned Outlet” shown in these tables is operated by an entity which Our owners control. The Company also operates an Approved Vehicle, which is not included in the above table.

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) For Fiscal Years 2021-2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Totals	2021	0
	2022	0
	2023	0

Table No. 3

**STATUS OF FRANCHISED OUTLETS
For Fiscal Years 2021-2023**

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non- Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
California	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Total	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1

Table No. 4

**STATUS OF COMPANY OUTLETS
For Fiscal Years 2021-2023**

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
California	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Total	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

**Table No. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2023**

STATE	FRANCHISE AGREEMENTS SIGNED BUT BUSINESS NOT OPENED	PROJECTED FRANCHISED NEW BUSINESSES IN THE NEXT FISCAL YEAR	PROJECTED COMPANY OWNED BUSINESSES OPENINGS IN NEXT FISCAL YEAR
California	0	1	0
Totals	0	1	0

As December 31, 2023, We have one franchisee who is listed below and no former franchisees. During the last three fiscal years, We have signed no settlement agreements containing confidentiality clauses with current or former franchisees.

You should be aware that We are required by law to disclose Your contact information to other franchise purchasers if You become a franchisee or leave Our franchise system. We have not created, sponsored or endorsed any trademark-specific franchisee organization associated with Our System and no such association has asked to be included in this disclosure document.

Ryland Dogs, LLC
Shelley Miller
5101 W Walnut Ave, Suite B
Visalia, CA 92377
(559) 816-1041

ITEM 21. FINANCIAL STATEMENTS

Our audited financial statements are attached as **Exhibit F**.

ITEM 22. CONTRACTS

Copies of the following agreements are attached:

- A. Preliminary Agreement
- B. Franchise Agreement with Exhibits and State Addenda
- C. Area Development Agreement
- D. Confidentiality Agreement

ITEM 23. RECEIPTS

You will find copies of a detachable receipt in **Exhibit G** at the very end of this disclosure document.

It is important that you sign, date and return a Receipt to Us. As noted on the cover page, this Disclosure Document is available in electronic format, in which case You must print a copy of the Receipt and send a signed and dated copy to Us. Thank you.

Exhibit

A



PRELIMINARY AGREEMENT

DATE: _____, 202__

TO: _____ ("You" or "Your")

FROM: Grill-A-Dog Franchise LLC. ("Us", "We" or "Our")

1. Franchise Approval. (a) You have requested Us to approve and grant one JOJO'S GRILL-A-DOG® franchise for an Outlet to be located within the area or at the address described below:

Street Address or Area: _____

City: _____, State: _____ (the "Outlet")

(b) This Preliminary Agreement is binding upon both parties.

(c) We have approved Your franchise request and commit to You that We will issue a Franchise Agreement for the Outlet subject to fulfillment of and compliance with all of the terms and conditions specified within this Preliminary Agreement.

2. Franchise Disclosure Document. You hereby acknowledge receipt of Our current franchise disclosure document (dated _____, 202__) at least fourteen (14) business days prior to Your submission of this Preliminary Agreement.

3. Deposit; Refunds. You are delivering to Us upon execution of this Preliminary Agreement Your check in the amount of \$10,000 as a deposit against the initial franchise fee. You understand and agree that this deposit and the initial franchise fee are NOT REFUNDABLE in whole or part under any circumstances.

4. Financial Terms of the Franchise. Your Franchise Agreement will contain the following financial terms:

Initial Franchise Fee	\$35,000
Royalty Fee	6% of Gross Sales
Local Marketing	Up to 2% of Gross Sales (currently 1%)
System Marketing Fund Fee	(In future) up to 3% of Gross Sales
Renewal Fee	None
Transfer Fee	\$15,000

5. Authorized Vehicle(s). This grant includes the right to own and operate an Approved Vehicle in connection with the Outlet.

6. Conditions. You agree that issuance of a JOJO'S GRILL-A-DOG franchise is subject to the satisfaction of each of the conditions set forth below:

- (a) Our Approval of any legal entity You intend to form for the business;
 - (b) Your selection of a site for the Outlet and Our written approval of the site;
 - (c) Your lease or other acquisition of the site and Our review and written approval of the Lease or Purchase Agreement;
 - (d) Your construction of the Outlet pursuant to plans reviewed and approved in advance by Us;
 - (e) Your receipt of all approvals permits and licenses from third parties necessary to construct and operate the Outlet at the approved site;
 - (f) Your payment of the balance of the Initial Franchise Fee and execution by the parties of the then-current form of franchise agreement;
 - (g) Successful completion of JOJO'S GRILL-A-DOG training by You and the Outlet's Designated Operator to Our sole satisfaction;
 - (h) Your satisfactory performance and cooperation pursuant to this Agreement; and
 - (i) Satisfaction of any other conditions of approval specified below:
-
-

7. Information Questionnaire. Your approval by Us is materially based on the information submitted by You in the Information Questionnaire, which is attached hereto and incorporated herein by reference. You hereby represent and warrant that all such information and other information furnished by You to Us is true, correct and accurate in all material respects and that there have been no material omissions in such information. You agree to notify Us in writing immediately of any material change in the financial or other information furnished by You to Us. You further agree that We may terminate this Preliminary Agreement and may refuse to issue the franchise provided for by this Preliminary Agreement in the event that any material adverse change occurs in Your financial, business or personal circumstances.

8. Confidential Information and Trade Secrets. You agree on behalf of Yourself and Your employees and other representatives to maintain strict confidentiality with regard to all confidential information and trade secrets which are disclosed to You in connection with the sale of a JOJO'S GRILL-A-DOG franchise and in training You or Your employees to operate the Outlet. You further agree to sign and have each of Your employees who will receive training to sign a Confidentiality Agreement in the form attached to this Agreement and to deliver the same to Us before training commences.

9. Site Selection. (a) You acknowledge and agree that it is Your sole responsibility to select and acquire a site that meets Our criteria for site approval and to follow Our procedures in obtaining site approval for the Outlet. In the event that We do assist in the site selection process, You agree and acknowledge that any such assistance or any recommendation, approval or advice must not be considered as any assurance or guarantee of success for the Outlet at such site.

(b) You agree to submit at least one site for Our written approval within ninety (90) days of Our approval of this Agreement and to proceed diligently to take all actions necessary to acquire the site and construct the Outlet following Our site approval.

(c) Any lease or purchase agreement for an Outlet Site signed by You must be subject to Our prior approval, and any lease must contain the provisions required by Your JOJO'S GRILL-A-DOG Franchise Agreement, Sections 6.3 and 15.5.

10. Legal Entities; Personal Guaranty. (a) If Your Franchise Agreement is to be signed by or assigned to a corporation or other legal entity, all record and beneficial owners of the legal entity must be approved by Us and must execute a personal guaranty of the Franchise Agreement. Any exceptions to this requirement must be in writing signed by Our president.

(b) You agree to notify Us in writing of any intention to transfer the franchise to a legal entity at least thirty (30) days in advance of any such proposed transfer and to furnish Us with the necessary documents required by the Franchise Agreement and Our procedures.

11. Specific Understandings by You. You specifically acknowledge and agree as follows:

(a) Execution of this Agreement does not constitute the grant of a franchise, and You will be entitled to execute the JOJO'S GRILL-A-DOG Franchise Agreement hereunder only if and when all conditions of this Agreement have been met.

(b) Only Our Franchise Development Committee may agree to grant a franchise or make any other commitment with regard to a JOJO'S GRILL-A-DOG franchise, and any such agreement or commitment must be in writing signed by one of Our corporate officers.

(c) We have authorized no one to make or agree to any oral modifications to the terms of a JOJO'S GRILL-A-DOG franchise agreement or to make any projections or estimates about the future earnings, sales or profits of any JOJO'S GRILL-A-DOG Outlet. Any such statements are acknowledged to be unreliable and have not been considered in connection with this Agreement or the purchase of any JOJO'S GRILL-A-DOG franchise.

* * * * *

IN WITNESS WHEREOF, the parties have executed this Preliminary Agreement on the date set forth above.

You:

Name of Entity: _____

By: _____
Authorized Officer

Name: _____

US:

GRILL-A-DOG FRANCHISE LLC.

By: _____
President

Name: _____

CONFIDENTIALITY AGREEMENT

The undersigned Employee of _____ ("**Employer**"), which has applied for a JOJO'S GRILL-A-DOG franchise from hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of a JOJO'S GRILL-A-DOG Outlet; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives ("Innovations") at any time during, and for a period of one year after employment in a JOJO'S GRILL-A-DOG Outlet. All such Innovations will be deemed the sole and exclusive property and works made-for-hire for GRILL-A-DOG FRANCHISE LLC (the "**Franchisor**"). The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

The Employee acknowledges that any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Employer, including without limitation JOJO'S GRILL-A-DOG Confidential Manual.

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Employer.

DATED: _____, 202__

Print Name: _____

Signature: _____

("Employee")

Exhibit B



JOJO'S GRILL-A-DOG®

FRANCHISE AGREEMENT

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JOJO'S GRILL-A-DOG® FRANCHISE AGREEMENT

THIS AGREEMENT is dated as of _____ 202__ ("**Effective Date**") is between GRILL-A-DOG FRANCHISE LLC, a California limited liability company ("**We**", "**Us**" or "**Our**"), and _____, a _____ organized under the laws of the State of _____ ("**You**" or "**Your**"), and the Principals identified on the signature page of this Agreement ("**Principals**"). Terms in bold face in this Agreement are for ease of reference only.

RECITALS:

A. We own the exclusive rights to offer and sell franchises ("**Franchises**") for the operation of retail Outlets and vehicles using the name and trademark JOJO'S GRILL-DOG® and other trademarks (the "**Marks**") and following a system of operation ("**System**") to operate a chain of these Outlets ("**Outlets**") which was developed and used by Us and Our commonly owned companies which operate Outlets (collectively, the "**Company**").

B. You either desire (i) to purchase a JOJO'S GRILL-A-DOG franchise ("**Franchise**") and own and operate an Outlet and We have approved You for a Franchise or (ii) to renew an existing Franchise, in which case the attached Renewal Addendum will become part of this Agreement.

THEREFORE, in consideration of the mutual promises contained in this Agreement, the parties hereby agree as follows:

ARTICLE 1: GRANT OF FRANCHISE

1.1 Grant

Subject to the following terms and conditions, We grant to You a franchise to use the System and the Marks solely in direct connection with the sale of beverage, food and other products from a JOJO'S GRILL-A-DOG Outlet to be operated by You at or from the following location (referred to in this Agreement as "**Your Outlet**"):

Address: _____

JOJO'S GRILL-A-DOG Outlet No. _____

1.2 Territorial Rights

(a) We agree that unless Your Outlet is in a “high density area” (as defined below), We will not operate and will not authorize any other person to operate a JOJO'S GRILL-A-DOG Outlet within three (3) mile radius from the front door of Your Outlet (the “**Territory**”) except one or more “Non-traditional Venue” Outlets defined in subsection (iii) below.

(b) Except for the foregoing, You and We agree that this franchise is non-exclusive and We reserve all other rights, including the right, directly or indirectly:

- (i) To operate and authorize others to operate JOJO'S GRILL-A-DOG Outlets at any location and of any type or category whatsoever that is not within the Territory;
- (ii) To operate, and authorize others to operate a business under any name *other than* JOJO'S GRILL-A-DOG at any location and of any type or category whatsoever;
- (iii) To authorize and allow other Franchise owners to operate within Your Territory one or more vehicles selling products under the JOJO'S GRILL-A-DOG Mark so long as the vehicle has been approved by Us and which has received Our prior written consent to sell food, beverages and related items at one or more specific locations within the Territory (“**Approved Vehicle**”) and is operated in full compliance with the Manual;

Your Initials: _____

- (iv) To produce, license, distribute and market products using the Marks or other marks (such as pre-packaged sauces, spices and spice blends, soup broths, snacks and beverages; books; clothing, souvenirs and novelty items) through any business and through any distribution channel, at wholesale or retail, including by means of the Internet (or any other existing or future form of electronic commerce), mail order catalogs, direct mail advertising and other distribution methods. Other distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, military installations, or industry locations (e.g. manufacturing site, office building). We are not required to pay You for soliciting or accepting orders from inside the Territory;
- (v) To operate, and to authorize others to operate, a JOJO'S GRILL-A-DOG Outlet at a Non-Traditional Venue within the Territory. “**Non-Traditional Venue**” means a site or location for which the lessor, owner or operator thereof shall have indicated its intent to limit the operation of its food service facilities to itself or a master concessionaire or contract food service provider and which site or location is either (i) within another primary business or (ii) at an institutional setting such as a school, college and university, military and other

governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant food facility, sports arena and stadium, supermarket, grocery store or convenience store.

(c) A “**high density area**”, to be determined by Us in Our full discretion, is typically an area with a high degree of pedestrian traffic such as a downtown portion of an urban area with high-rise commercial buildings or a densely populated residential area with primarily multi-family or apartment units. If We determine that Your Outlet is located within a “high density area”, any territorial rights will be stated in **Attachment 1** to this Agreement.

1.3 Site Selection and Relocation

(a) You must select a site that meets Our approval and follow the procedures set forth in Our Manual. Our Manual is described in Section 4 below. We will provide You with site selection guidelines and assistance that We consider necessary and appropriate. You agree (i) that although We may have been involved in the site selection process for Your Outlet and approved its location, You have sole responsibility for selecting the above location for Your Outlet and (ii) that We make no warranty, representation or guaranty of any kind with respect to Your Outlet's location, success or profitability. After approval of the site, You agree to employ an architect, designer and other necessary persons to revise the plans as needed for Your site. Except as may be expressly provided in the Manual, no changes of any kind in design, equipment or decor will be made in, on or about Your Outlet premises without Our prior written approval in each instance. In any event, You must obtain Our prior approval of the final plans and specifications for Your Outlet before submitting them to any landlord, property owner, or governmental agency and/or before beginning the construction or remodel.

(b) You will not relocate Your Outlet without Our prior written consent. We will consent to a relocation to an alternative, pre-approved location under limited circumstances only, such as loss of the location due to condemnation, eminent domain destruction, loss of Your right of possession for reasons not caused by You, or a very substantial and detrimental change in the business potential and character of the location. If We consent to the relocation of Your Outlet, You must comply with such reasonable site selection and construction procedures as We may require and following relocation, You must conduct a Grand Opening Promotion as required by Section 7.8 below. You will be solely responsible for the expense of any such relocation and will pay Us a reasonable fee for Our services in connection with such relocation. You will be fully responsible for closing the prior location and must comply with Section 15.3 below regarding de-identification.

1.4 Opening Date

You must open Your Outlet and commence business within seven (7) months following the Effective Date of this Agreement. You may not open Your Outlet without Our prior written consent and satisfaction of all pre-opening obligations stated in the Manual and the installation of all equipment, fixtures, furnishings and signs included in the plans and

specifications approved by Us. Your failure to open the Outlet in full compliance with these provisions will be a material event of default under this Agreement, and We may prevent You from opening the Outlet.

1.5 Approved Vehicle(s)

We authorize You to operate one or more Approved Vehicles under the JOJO'S GRILL-A-DOG Mark within Your Territory and elsewhere so long as (a) You have received Our prior written approval of such Approved Vehicle, (b) You have received Our prior written consent to operate the Approved Vehicle at such location and (c) You are operating such Approved Vehicle in full compliance with the Manual.

1.6 Construction

You agree to construct and equip Your Outlet in accordance with all of Our standards, policies, and procedures at such time, and be in strict compliance with Our deadlines as stated in the Manual or other written communications from Us.

ARTICLE 2: FEES

2.1 Fees

You agree to pay Us:

(a) A non-refundable "**Initial Franchise Fee**" of \$35,000, as payment for services rendered prior to the opening of the Outlet and fully earned. You must pay the initial franchise fee in full upon execution of this Agreement;

(b) A "**Royalty Fee**" equal to six percent (6%) of the Gross Revenues per month from Your Outlet and any Approved Vehicles as payment for the continuing right to use the System and Marks; and

(c) In the future when We determine that the System has grown to an appropriate size, a "**System Marketing Fund Fee**" designated by Us and to be applied as described in Section 7.3 below.

2.2 No Fees Refundable

You agree that these Fees are not refundable in whole or part under any circumstances and have been fully earned by Us by the grant of this franchise.

2.3 Payment of Fees

(a) You agree to pay Us the Royalty Fee and System Marketing Fund Fee no later than three business days following each calendar month or at such other time as may be designated in the Manual, such as without limitation weekly or daily transfers. If this deadline is a legal holiday where Your Outlet is located, payment must be made on the next business day. You must make payments in strict accordance with Our requirements, including EFT payments as described below. TIME IS OF THE ESSENCE regarding payment of such Fees.

(b) You agree to pay all such Fees to Us by direct transfer of funds ("**EFT**") or other method of payment designated by Us. Such method of payment will be determined by Us in Our sole discretion, and may be changed from time to time.

(c) You agree at Our request to furnish the information, execute forms, make arrangements and complete procedures as are reasonably necessary to establish direct EFT payments automatically from Your account(s) to the account(s) We may designate in order to pay directly such Fees within each payment period. Without limiting the foregoing, You specifically agree to obtain the necessary equipment used by the System to transmit sales and other polling information which will allow Us to cause such transfers to be made. You further agree to maintain sufficient funds in Your account(s) to allow timely honoring of each payment to Us by Your bank or other financial institution. You hereby specifically authorize Us to make such direct transfers of the Fees so long as such transfers are limited to amounts computed with reference to sales information furnished by You, or if You fail to furnish such information, with reference to good faith estimates by Us.

(d) All fees due under this Agreement which are not paid when due will bear interest from and after their respective due dates at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less. Any late payment of such Fees will be accompanied by a late payment administrative charge of \$250.00.

2.4 Gross Revenues

The term "**Gross Revenues**" as used in this Agreement will mean the total of all cash or other form of payment received for the sale of products and services in or from the Outlet, including food, drinks, clothing and other tangible property of every kind, or for catering services, delivery services or entertainment charges, made or sold at, in, upon or from Your Outlet and any Approved Vehicle(s) and from any vending, game or other type of machine or similar device located at Your Outlet, and any and all other amounts which are received as compensation for any services rendered from Your Outlet or Approved Vehicle(s). All amounts collected and paid out for sales taxes levied on the sale of such food, drinks, property, services and receipts, selling or issuing system gift or loyalty cards, and the proceeds from the sale of any furniture, fixtures or equipment previously used at Your Outlet or the sale of any Approved Vehicle(s) are excluded from Gross Revenues.

ARTICLE 3: TERM; RENEWAL

3.1 Initial Term

Subject to earlier termination, this Agreement has an Initial Term of ten (10) years ("**Initial Term**") or the length of Your lease, whichever is less. The Initial Term will commence on the date on which You first operate Your Outlet as a JOJO'S GRILL-A-DOG Outlet. You agree to send Us written notice of Your Outlet's opening date. You must during the Initial Term have the right to operate Your Outlet at the location specified in Section 1.1 or at an alternative location approved by Us in writing.

3.2 Renewal

You may renew this Agreement for two additional consecutive five (5) year terms, so long as all of the following conditions have been met before the end of the then current term:

(a) You must give Us written notice of renewal not less than six (6) months or more than twelve (12) months before the end of the current term;

(b) You must not default in any material provision of this Agreement, Area Development Agreement, or any other agreement with Us at any time during the last twelve months of the prior term and must have complied with all material terms and conditions of this Agreement during the current Term;

(c) You must be in good standing as a JOJO'S GRILL-A-DOG Franchisee and be approved by Us operationally and financially;

(d) You must have paid all amounts owed to Us and our affiliated companies ("**Affiliates**"), and Our approved suppliers (as defined in Section 4.8) and have timely paid all such amounts throughout the current term;

(e) We may send You a written notice of required changes to be made at Your Outlet, such as (i) additional training requirements, (ii) personnel changes and (iii) modernization of Your Outlet and its equipment, and/or redecorating Your Outlet and installing new signs and equipment to reflect the then current JOJO'S GRILL-A-DOG standards and image, in which case You must make all of such changes as and when requested by Us;

(f) You must have obtained an extension or renewal of Your Lease for the Outlet to cover the renewal term and delivered to Us a fully executed of such Lease.

(g) You must execute and deliver to Us Our then-current form of Franchise Agreement to apply to the renewal term, but in no event shall the term be longer than Your right to occupy the Outlet, which Franchise Agreement will contain the then-current Royalty Fee rate and System Marketing Fund Fee amounts required of new franchisees;

(h) You understand and agree that the form You execute may contain different financial terms and a revised description of Your Territory from the prior Franchise Agreement(s); and

(i) You must pay Us a Renewal Fee equal to twenty-five percent (25%) of Our then current initial franchise fee in effect at the time renewal begins; and

(j) You must execute Our form of a general release of any and all claims against Us, the Company and Our Affiliates, and Our and their officers, directors, agents and employees.

3.3 Interim Period

If You do not exercise Your right to renew this Agreement prior to the expiration of the Agreement, and continue to accept the benefits of this Agreement after the expiration of this Agreement, then at Our option, this Agreement may be treated either as (i) expired as of the date of expiration with You then operating a franchise without the right to do so and in violation of Our rights, or (ii) continued as a month-to-month basis ("Interim Period") until one party provides the other with written notice of its intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate. In the latter case, all of Your obligations and restrictions shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on You upon expiration of this Agreement will be deemed to take effect upon termination of the Interim Period.

ARTICLE 4: OPERATING SYSTEM AND PROCEDURES

4.1 Operating Assistance

We will at no additional cost to You advise and assist You in opening Your Outlet, including periodic visits by Our representative(s), to the extent We deem necessary. We may charge Our then current per diem per employee (currently, \$500 per day), plus reasonable travel-related expenses, for on-site training and assistance.

4.2 Designated Operator

The individual named in this Section must be an experienced food professional with multi-unit Outlet supervisory experience, who will devote his or her full time, best efforts and constant personal attention to the day to day operation of Your Outlet, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Outlet: _____ (the "**Designated Operator**"), who must be at all times approved by Us and certified by Us as fully trained for operations. Certification and approval of the Designated Operator includes both satisfactory completion of our Outlet Manager and Designated Operator Training Programs, and also working sufficient additional time in a Company-operated Outlet, as we deem necessary

in our sole discretion, to successfully develop and operate a JOJO'S GRILL-A-DOG Outlet. Any change in the identity of Your Designated Operator must be approved by Us in writing. Any failure to comply with this Section 4.2 will be a material breach of this Agreement

4.3 Operation of Your Outlet

Unless You have received Our prior written approval to the contrary, You will:

- (a) Keep Your Outlet open for business during the hours We specify;
- (b) Operate Your Outlet and/or Approved Vehicle(s) in a clean, safe and orderly manner, providing courteous, first-class service;
- (c) Construct, equip, and operate Your Outlet and Approved Vehicles(s) in accordance with all JOJO'S GRILL-A-DOG standards, policies, and procedures as may be established from time by Us, as stated in the Manual or other written communications from Us;
- (d) Comply with all health, safety and other laws applicable to the operation of Your Outlet and Approved Vehicle(s), maintain at least a 90%, "A" or better health inspection score, cure any deficiencies immediately after a governmental inspection and request another inspection as soon as possible thereafter;
- (e) Maintain a competent, conscientious, trained staff and take any and all steps necessary to ensure that Your employees preserve good customer relations and comply with any dress code as may be established from time by Us, as stated in the Manual or other written communications from Us;
- (f) Diligently promote and make every reasonable effort to increase the business of Your Outlet;
- (g) Diligently participate in all promotional campaigns, special offers, and other programs, which are prescribed from time to time by Us;
- (h) Advertise and operate Your Outlet by the use of the Marks and any other insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or established from time to time by Us as stated in the Manual or other written communication from Us;
- (i) Not establish or use any Internet or website for Your Outlet or otherwise using the Marks without Our prior written consent. Adhere to any social media policies that We establish require all of Your employees to do so as well;
- (j) Diligently participate in all promotional campaigns, special offers, and other programs, which are prescribed from time to time by Us;

(k) Prevent the use of Your Outlet or Approved Vehicle(s) for any immoral or illegal purpose, or for any other purpose, business activity, use or function which is not expressly authorized by this Agreement or in the Manual;

(l) Obtain and use only the equipment required by the Manual, such as without limitation, a computerized point of sale cash collection system ("**POS System**") which among other things will allow us to poll information about Your Outlet, credit card and/or debit card system, computer equipment and related software and communications systems;

(m) Never manipulate or tamper with the POS System software without Our prior written approval. Maintain Our full and complete independent access to Your Point of Sales System or other accounting or CRM systems designated by Us; and

(n) Consistently maintain Your Outlet and conduct Your Outlet operations in compliance with all applicable laws, regulations, codes, insurance requirements and ordinances. You must secure and maintain in force all required licenses, permits and certificates relating to Your Outlet.

4.4 Confidential Manual

(a) We will loan You for Your Outlet one copy of Our Confidential Manual (the "**Manual**"). You agree to comply strictly with and perform all things required by the Manual, such as those dealing with the selection, purchase, storage, preparation, packaging, service and sale (including menu content and presentation) of all food and beverage products, maintenance and repair of Your Outlet's buildings, grounds, furnishings, fixtures and equipment, operating hours and days, employee uniforms and dress, accounting, bookkeeping, record retention and other business systems, procedures and operations. You must at all time treat the Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information as secret and confidential.

(b) The Manual, as presently written and as We may in the future amend and supplement them from time to time, is incorporated into and made part of this Agreement by reference. All references to the Manual in this Agreement are to the Manual as most recently revised as of the relevant date and may be in the form of several manuals. The Manual may be in paper form or available in electronic form or a combination of both media.

(c) You agree that the purpose of the Manual is to provide a means of communicating to all Franchisees specific details of Our System which will enhance uniformity and conformity among all Outlets. You specifically agree that the Manual is an integral, necessary and material element of the System and that it will be necessary for Us, in order to maintain the high quality of the System and maximize its competitive position, to revise and update the Manual from time to time. We have the right at any time and from time to time, in the good faith exercise of Our reasonable business judgment, to revise, delete from and add to the materials contained in the Manual. You expressly agree to comply promptly with all obligations and changes to the Manual.

4.5 Confidentiality; Our Property

(a) You agree that We own all rights in and to the System, including the information and materials described or contained in the Manual, and that the System and Manual contain trade secrets and themselves constitute Our trade secrets which have been or will be revealed to You in confidence. You agree not to disclose, duplicate, license, sell or reveal any portion thereof to any other person, except an employee of Yours required by his or her work to be familiar with such information. You agree to promptly disclose to Us all innovations whether or not protectable and whether created by or for You or Your owners or employees. All such innovations will be deemed our sole and exclusive property, and works made-for-hire for Us. We have the right to incorporate such innovations into the System. You agree to keep and respect all confidential information received from Us, to obtain from each of Your Outlet's managers and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached hereto as **Attachment 2**.

(b) The Manual and all other confidential materials furnished to You are on loan only, will remain Our property, and You will return all copies of such documents to Us immediately upon the expiration or termination of this Agreement. The Manual may be in hard copy or electronic form and may include more than one volume.

4.6 Uniformity and Conformity

You agree that strict conformity by You with this Agreement, the System and the Manual, is vitally important to the collective success of all JOJO'S GRILL-A-DOG Outlets, including Your Outlet, because of the benefits You and other JOJO'S GRILL-A-DOG operators will derive from uniformity in menu items, identity, quality, appearance, facilities and service among all JOJO'S GRILL-A-DOG Outlets. Any material failure to adhere to the requirements contained in this Agreement or in the Manual will be considered a material breach of this Agreement.

4.7 Products and Services

You agree to offer for sale from Your Outlet, at all times when Your Outlet is open for business, all of the food, beverages and other products expressly described in the Manual, unless You have received Our prior written consent to any exception. No other product, brand or service other than those identified in the Manual will be offered or sold at or from Your Outlet without Our prior written consent in each case. You agree to submit to Us in writing any additional product, brand or service proposed by You for Us for Our consideration and final determination before You implement any such change. We may approve it initially for testing only. You understand and agree that at Our discretion any such proposal may be utilized on a test basis only, subject to the terms of a written test agreement. All proposals approved by Us will become Our property upon submission.

4.8 Approved Suppliers: Proprietary Ingredients

(a) In order to assure uniformity and conformity among Outlets in the System, You agree to purchase all equipment, supplies, and products for sale at Your Outlet only from suppliers who are at that time approved in writing by Us as an approved supplier ("**Approved Supplier**"), which may include one of our Affiliates.

(b) If You want to purchase any items from a supplier who is not an Approved Supplier, You will notify Us of such supplier, pay an approval fee and instruct the proposed supplier to contact Us and follow Our procedures for becoming an Approved Supplier. We may charge a reasonable fee for the costs involved in these approval procedures. You understand and agree that at Our discretion any such proposals may be utilized on a test basis only subject to the terms of a written test agreement. You agree to buy to the extent required by the Manual any designated proprietary products, ingredients or equipment from Us or a designated supplier (which may be an Affiliate). You agree that such ingredients are prepared pursuant to secret, proprietary recipes and/or procedures belonging to Us.

4.9 Your Covenants

(a) You agree that JOJO'S GRILL-A-DOG Outlets, including Your Outlet, must compete against similar businesses (as defined below) which may have far greater financial resources and may be better established in the food service industry. For purposes hereof, a "**Similar Business**" is any food service outlet or similar business which primarily offers for sale the same products as offered and sold by JOJO'S GRILL-A-DOG Outlets at that time.

(b) Therefore, You agree on behalf of Yourself and each and every person with an ownership interest in Your Outlet ("**Owner**") to take all necessary action to assure compliance throughout the term of this Agreement with the requirements of this Section 4.9 and the other Sections in this ARTICLE 4, including obtaining and delivering to Us a written agreement from each such person that he or she agrees to each of the covenants set forth in this Section 4.9.

(c) Neither You nor any Owner will, directly or indirectly, engage in or have any interest whatsoever in any Similar Business without Our prior express written consent.

(d) Neither You nor any Owner will perform any services for or become a landlord of any Similar Business without Our prior express written consent.

(e) Neither You nor any Owner will divert or attempt to divert any business or customer of Your Outlet, or of any other JOJO'S GRILL-A-DOG Outlet, to any Similar Business by direct or indirect inducement, advertising or otherwise do or perform, directly or indirectly, any other act which is injurious or prejudicial to the goodwill associated with the System or the value of the Marks.

(f) For a period of two (2) years following the expiration or termination of this Agreement, or after the expiration of any Interim Period, neither You nor any Owner will,

directly or indirectly, engage in or have any interest whatsoever in any Similar Business which is located within ten (10) miles of any JOJO'S GRILL-A-DOG Outlet without Our prior express written consent.

(g) You agree that any violation of this Section 4.9 would result in irreparable injury to Us and the System, and that We would be without an adequate remedy at law. You agree that in the event of a breach or threatened breach of any such covenant, We will not be required to prove actual or threatened damage from such breach in order to obtain a temporary and/or permanent injunction and a decree for specific performance of the terms of this Section 4.9. In addition to injunctive relief, We shall be entitled to any other remedies which We may have under this Agreement, at law or in equity.

(h) The parties agree that each of these covenants will be construed as independent of each other and of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 4.9 is held unenforceable by a court having valid jurisdiction in a final decision between the parties hereto and from which no appeal has or may be taken, You expressly agree to be bound by the remaining portion of such covenant.

4.10 Employees

You acknowledge that You are an independent business and responsible for control and management of Your Outlet, including but not limited to, employment decisions and related matters. You and You alone will be solely responsible for all hiring and employment decisions and functions relating to Your Outlet, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision and discipline of employees, regardless of whether you have received advice from Us on these subjects or not. Any guidance We may give You regarding employment policies should be considered merely examples. You acknowledge that We have no power, responsibility, or liability in respect to the hiring, discharging employees, setting work schedules, maintaining all employment records, and setting and paying of wages or related matters. You will be responsible for establishing and implementing your own employment policies, and should do so in consultation with local legal counsel experienced in employment law.

4.11 Software

You agree to use in Your Outlet the software designated by Us in the Manual for Franchisees to use in making estimates, preparing invoices, keeping accounting records and other aspects of the operations of the Business. The computer software package developed for use in Your Outlet may include proprietary software. You may be required to license the proprietary software from Us or a third party and You also may be required to pay a software licensing or user fee in connection with Your use of the proprietary software. You agree to use in Your Outlet an approved online ordering system as designated by Us in the Manual and pay the then current fee.

4.12 Online Management and Communication System; Website

(a) We may establish an online management and communication system for JOJO'S GRILL-A-DOG Outlet Operations and You agree to participate and perform all things necessary to set up and connect to the online communication system and comply strictly with its requirements.

(b) We may require You, at Your expense, to participate in Our JOJO'S GRILL-A-DOG website, Our intranet system or extranet system or other online communications. We have the right to determine the content and use of Our website and intranet or extranet system and will establish the rules under which franchisees may or must participate.

(c) You may not separately register any domain name containing any of the Marks, participate in any website or social media platform that markets goods and services similar to a JOJO'S GRILL-A-DOG Outlet, or operate a website for Your Outlet that does not link to Our website. We retain all rights relating to Our website and intranet system and may alter or terminate Our website, extranet system, or intranet system. You acknowledge that certain information related to your participation in our website or intranet system may be considered Confidential Information, including access codes and identification codes.

4.13 Data Security

You acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Marks and System. You agree that Your Outlet will comply at all times, with all applicable security standards developed by the Payment Card Industry Data Security Standards (“**PCI DSS**”) council, or its successor, and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including but not limited to the Fair and Accurate Credit Transaction Act (“**FACTA**”) and all other successor or additional laws, and all other data security requirements We prescribe. You will be responsible for any costs and expenses related to compliance with such standards and/or related audits. You must provide Us with evidence of such compliance at Our request. You also must provide notice to Us of any potential or actual data security breach relating to cardholder data.

4.14 Pricing

To the fullest extent permitted by applicable law at such time, We reserve the right to establish maximum, minimum or other pricing requirements with respect to the prices You may charge for products or services, and You agree to comply with any such requirements.

4.15 Crisis Management.

“Crisis Management Event” means any event that occurs at or about Your Outlet premises or in connection with the operation of Your Outlet that has or may cause harm or injury to customers or employees, such as food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings or other acts of violence, data breaches, real or threatened, or any other circumstance which may materially and adversely affect the System or the goodwill symbolized by the Marks. Upon the occurrence of a Crisis Management Event, You agree to immediately inform Us of such event and to cooperate fully with Us, Our designated representatives, and the appropriate authorities with respect to the investigation and resolution of the Crisis Management Event. In an effort to mitigate possible damages to the Marks and System, You must cooperate fully with Us with respect to management statements and other responses to the Crisis Management Event.

ARTICLE 5: TRAINING

5.1 Initial Training

We will provide without charge at a place or places designated by Us Our JOJO'S GRILL-A-DOG Certified Management Training Program for Your Designated Operator (as identified in this Agreement), Your General Manager (if different person) and any Assistant Manager(s) designated by Us. Initial Training is without charge for up to three people. Additional people may attend if You pay Our then current training charge for each additional person (currently \$1,500).

5.2 Training Required

Your Designated Operator and General Manager must each attend and complete Our Certified Management Training Program to Our reasonable satisfaction and prior to opening Your Outlet. All Managers of Your Outlet must either attend and successfully complete Our training or become certified as required by the Manual. You must always have a properly certified Manager on duty at Your Outlet whenever it is open to the public. In Our sole discretion, We may also provide training for successor and replacement personnel. You must pay for the expenses of attendance, such as lodging, meals, transportation, and wages of attendees

5.3 Training Employees

You will be responsible for full compliance at Your Outlet with the requirements taught at Our Initial Training and will cause Your Outlet's employees to be trained in those requirements which are relevant to the performance of their respective duties. We may require Your employees to be trained and certified in the performance of their duties, and with Our consent You may have employees approved as certified trainers for the other

employees. No employee of Yours will be deemed to be an employee of Ours for any purpose whatsoever.

5.4 Pre-Opening Parties; Supervision

Prior to opening Your Outlet Premises for business, You agree at your own expense to conduct mock service and pre-opening operations following the requirements of the Manual ("**Pre-Opening Parties**"). We may provide a representative for at least five days beginning with the Pre-Opening (the "**Pre-Opening Supervision**") and for such longer consecutive or intermittent period or periods as We deem necessary or appropriate. If We deem it necessary to provide more than five days Pre-Opening Supervision, You agree to pay Us for the additional Pre-Opening Supervision fees and charges at the then current amounts set by Us.

5.5 Continuing Training

You and such employees as We may designate will, from time to time, personally attend and complete refresher courses in Outlet operations and food and drink preparation and any training sessions held for the purpose of introducing new products or procedures.

5.6 Fees; Expenses

We reserve the right to charge a reasonable fee for training successor or replacement personnel, and for any additional training programs and course materials, at Our discretion. Current fees are designated in the Manual.

5.7 Attendance at Meetings

You and the Designated Operator (if different person) must attend, at Your expense, all annual franchise conventions We may hold or sponsor and all meetings relating to new products or product preparation procedures, new operational procedures or programs, training, restaurant management, sales or sales promotion, or similar topics. If You or the Designated Operator are not able to attend a meeting or convention, You must notify prior to the meeting and must have a substitute person acceptable to Us attend the meeting. We reserve the right to require that You and/or Your Designated Operator attend any additional meetings that We deem appropriate under special circumstances, provided however, that We will not require more than one additional meeting every year and We will use Our best efforts to give You written notice of any such meeting at least 10 days prior to the meeting.

ARTICLE 6: MAINTENANCE; LEASE PROVISIONS

6.1 Repairs and Maintenance

(a) You agree to maintain Your Outlet (interior and exterior) and its grounds and its parking area in a “like new” condition and in conformity with the requirements set forth in the Manual or other writings issued by Us. You agree to replace Outlet equipment, fixtures, furnishings, trade dress and signage as necessary or or required by Us and to obtain any new or additional equipment as may be reasonably required by Us for new products or procedures. . After receipt of Our written notice, You agree to promptly take all such action as requested by Us within the period of time set forth in such written request. If You fail to take action within the period of time set forth in Our notice, We may, in addition to all other remedies, enter Your Outlet and effect the corrective action contained in the notice, and You shall immediately pay the costs incurred by Us in taking such action.

(b) Except as may be expressly provided in the Manual, no changes of any kind in design, signs, equipment or decor will be made in, on or about Your Outlet premises without prior written approval of in each instance. You will obtain, repair, maintain and replace all equipment, signs and other Outlet items at Your sole cost.

6.2 Modernization

In order to compete effectively and to assure the continued success of Your Outlet, You agree, from time to time, as reasonably required by Us in writing (taking into consideration the cost and then remaining term of this Agreement), to modernize Your Outlet premises, parking area and equipment to Our then current standards and specifications. You understand and agree that this obligation is in addition to other obligations under this Agreement, such as repair, maintenance and purchase of new equipment. No such modernization will be required by Us unless and until the Company has at that time implemented such standards and specifications in at least twenty-five percent (25%) of its Outlets located in the continental United States. You acknowledge and agree that the requirements of Article 6 are reasonable and necessary to ensure continued public acceptance and patronage of JOJO'S GRILL-A-DOG Outlets and to avoid deterioration or obsolescence in connection with the operation of Your Outlet. If You fail to make the repairs, maintenance or modernization as required by this Article 6, We may, in addition to Our other rights in this Agreement, effect such repairs, maintenance or modernization and You must reimburse Us for the costs We incur.

6.3 Lease Provisions

(a) If You are or become a lessee of Your Outlet premises, You must provide Us a copy of the proposed lease for Our review and comment at least 15 days prior to its being finalized and executed. After execution, You must furnish Us with a true, correct, and complete copy of the lease.

(b) As a condition of approving the lease (or an amendment to an existing lease), We will require that the lease include the Lease Provisions listed in **Attachment 3**. We will not unreasonably withhold Our approval of any proposed lease that includes all the Lease Provisions. You must provide Us a copy of the executed lease and Lease Addendum within five (5) days of execution.

ARTICLE 7: MARKETING AND ADVERTISING

7.1 Marketing, Promotion and Advertising Programs

The parties recognize the value of marketing, advertising and promotions to enhance the goodwill and public image of the System. We agree that We will develop marketing, promotion and advertising programs designed to promote and enhance the collective success of all JOJO'S GRILL-A-DOG businesses. It is expressly agreed that in all respects of such marketing, promotion and advertising (such as type, quantity, timing, placement and choice of media, market areas and advertising agencies), Our decisions made in good faith will be final and binding. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as We may have established. You must use and honor only system-wide gift cards and certificates that We designate, and You must obtain all certificates and cards from an Approved Supplier

7.2 Local Advertising

(a) You agree that during the term of this Agreement, you will spend monthly 2% of Your Outlet's Gross Revenues for conducting advertising and sales promotion programs for Your Outlet ("**Local Marketing**"). We may require You to provide proof of all such marketing, promotion and advertising expenditures. You acknowledge and agree that You must obtain Our prior written approval for all of Your local programs in order for them to qualify for required spending. This obligation is in addition to Your obligation for grand opening promotion. Payments to an approved Advertising Cooperative ("**Ad Co-op**") will be applied to this Local Advertising obligation.

(b) You will not make any contributions or donations of items, services or money to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any such organization) in the name of Your Outlet or otherwise associate with the Marks, without our prior express written consent.

(c) You will not establish Your own "eclub" marketing campaigns, Gift Card programs, Loyal Customer programs, any website, social media accounts, or other such programs as designated in the Manual without Our prior written approval. You agree to diligently participate in all promotional campaigns, customer loyalty programs, special offers, and other programs, which are prescribed from time to time by Us.

(d) You will not issue any press release without Our prior express written approval.

7.3 System Marketing Fund

(a) In order to maximize the general public recognition and acceptance of JOJO'S GRILL-A-DOG Outlets, We may at such time as We believe is appropriate for the System establish a System Marketing Fund. You agree that We may require that You contribute up to three percent (3%) of Your Outlet's Gross Revenues to this Fund. We will also set the initial contribution rate at that time, which may be less than the maximum rate.

(b) We will use monies from the System Marketing Fund for pay for the and production and development costs of materials to be used in marketing all Outlets and for advertising, marketing and promotion of JOJO'S GRILL-A-DOG Outlets generally, including without limitation, costs and expenses related to the employment of advertising agencies, payment of talent and residuals, research and development, design and development of trademarks and logos, promotions, public relations market research, reimbursement to Us, Our Affiliates or the Company of general and administrative expenses and allowances directly related to marketing of JOJO'S GRILL-A-DOG Outlets and clearance of marketing, advertising and promotional programs.

(c) You agree that We may reimburse Ourselves for administrative expenses with respect to the System Marketing Fund (i) the direct costs and expenses incurred by Us or our Affiliates in administering the System Marketing Fund and (ii) up to fifteen (15%) of System Marketing Fund contributions for each of Our fiscal years to cover (A) Our administrative costs and overhead incurred by Us in connection with activities related to the administration of the System Marketing Fund and its programs and (B) a pro rata portion of the compensation paid by Us or Our Affiliates to persons for their work on System Marketing Fund related matters.

(d) The Company will also contribute to the System Marketing Fund the same percentages of the Gross Revenues from its operation of JOJO'S GRILL-A-DOG Outlets in the continental United States.

(e) We will deposit the System Marketing Fund Fees in one or more separate accounts, which will not be considered one of Our assets.

(f) We agree to cause an annual accounting of the System Marketing Fund and to make the results of such accounting available to You upon request. If such accounting is made by an independent accounting firm, the expenses thereof shall be paid from the System Marketing Fund.

(g) We and Our Affiliates reserve the right to receive advertising promotional allowances and/or advertising rebates from suppliers or distributors which relate directly to purchases by JOJO'S GRILL-A-DOG Outlets operated by franchisees, We will cause such monies to be paid into the System Marketing Fund, with the understanding that You and We may retain all such payments paid directly to You or Us, respectively.

(h) You agree that We have no obligation in administering the System Marketing Fund to make expenditures for You or others which are equivalent or proportionate to the contribution(s) made or to ensure that any particular franchisee benefits directly or pro rata from any marketing program or advertising.

(i) You agree that We may reimburse Ourselves from the System Marketing Fund for (i) the direct costs and expenses incurred by Us or our Affiliates in administering the System Marketing Fund and (ii) up to fifteen (15%) of System Marketing Fund contributions for each of Our fiscal years to cover (A) Our administrative costs and overhead incurred by Us in connection with activities related to the administration of the System Marketing Fund and its programs and (B) a pro rata portion of the compensation paid by Us or Our Affiliates to persons for their work on System Marketing Fund related matters.

7.4 System Marketing Fund Policy

(a) We will develop and modify from time to time as necessary a Marketing Fund Policy which will include procedures and guidelines for disbursements and expenditures from the System Marketing Fund.

(b) All monies in the System Marketing Fund, including any interest or other income earned from the investment of such monies, must be spent and disbursed only in accordance with this Agreement and the System Marketing Fund Policy, which may be modified from time to time at Our discretion so long as all monies are used to pay for marketing, promotion and advertising programs for JOJO'S GRILL-A-DOG Outlets in the United States of America.

7.5 Temporary Investment

We may temporarily invest any or all of the monies held in the System Marketing Fund from time to time at Our sole discretion in accordance with the System Marketing Fund Policies. We will use any interest or other income received from such investments to pay for the expenses of administering the System Marketing Fund pursuant to the System Marketing Fund Policy. Interest or income received from temporary investments that exceed the reasonable expenses of administering the fund will be considered part of the System Marketing Fund.

7.6 Ad Co-ops

(a) We may at Our discretion designate any geographical area as a basis for an Ad Co-op for the purpose of marketing, advertising and promoting JOJO'S GRILL-A-DOG Outlets in that area, including the Company Outlets. The Ad Co-op will also serve as means of exchanging ideas, sharing information and problem solving.

(b) You agree to become a member of an Ad Co-op at any time the Outlet is located within the designated area for such Ad Co-op.

(c) You agree to execute and deliver any such Ad Co-op agreements or undertakings required by such Ad Co-op, to make contributions as required of its members, and to maintain Your status as a member in good standing of such Ad Co-op at all times.

(d) We may establish and revise the requirements for approval of Ad Co-ops, the amount of contribution by members to each such Ad Co-op, and exemptions from membership or temporary suspensions of contributions.

(e) The mandatory contribution to an Ad Co-op may exceed Your Local Advertising spend if the Ad Co-op members agree to additional funding in accordance with established Bylaws. All such contributions will be credited toward your Local Advertising Spend.

7.7 Approval of Advertising

(a) You must use only advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise. All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and the promotion policies.

(b) If You wish to use other or modified materials, You must submit to Us, in each instance and at least thirty (30) days prior to first use, the proposed advertising copy and materials for approval in advance of publication. You may use only advertising materials which have been approved in writing by Us.

(c) In no event will Your advertising contain any statement or material which may be considered (i) in bad taste or offensive to the public or to any group of persons or (ii) defamatory of any person or an attack on any competitor, (iii) will not be misleading and (iv) will conform to the highest standards of ethical marketing and the promotion policies that we prescribe from time to time.

7.8 Grand Opening

You agree to conduct an approved grand opening promotion for the Outlet shortly after its opening, and to spend at least \$2,000.00 to \$6,000.00 in approved expenditures in regard to such promotion. We will assist You in planning for Your grand opening. All advertising, methods and media You use in connection with such Grand Opening Event must have Our prior approval. At Our request, You must submit to Us expenditure reports accurately reflecting Your Grand Opening Event expenditures. Grand Opening Event expenditures will not be credited toward any of Your other obligations under this Section 7.8.

7.9 Websites and Internet Advertising

You shall not, indirectly or directly, register, establish or operate any website, Internet directory listing, domain name, social networking site, or other digital presence in any media or platform as defined in the Manual, relating in any way to Your Outlet, or which uses the Marks without Our prior written consent. Except email communications, You may not conduct any aspect of Your Outlet business through the Internet without Our prior consent. You will adhere to any social media policies that We establish from time to time and will require all of Your employees to do so as well. We will include information about Your Outlet on Our Web site and follow our System procedures on referring potential customers to You.

7.10 Promotional Programs

You shall participate in all promotional programs We develop for the System. You will be responsible for the costs of such participation. You shall purchase or lease, and install, all required fixtures, furniture, furnishings, signs and equipment (including required computer, point-of-sale, and other electronic information system and all equipment components and software necessary to accept and process gift cards [and loyalty cards] and participate in our gift card [customer loyalty], and similar programs) for Your Outlet.

7.11 Social Media

We have sole discretion and control over any profiles using or relating to the Marks, or that display the Marks, that are maintained on social media outlets, including without limitation Facebook, Twitter, Instagram, Pinterest or other similar outlets that may exist in the future. We may use part of the Marketing Fund monies We collect under this Agreement to pay or reimburse the costs associated with the development, maintenance and update of such profiles. We may (but need not) establish a social media policy and guidelines pursuant to which You may establish profiles or otherwise establish a presence on such social media outlets. In that event, You shall comply with the standards, protocols and restrictions that We impose from time to time on such use.

ARTICLE 8: ACCOUNTING AND RECORD KEEPING

8.1 Point of Sales System/Accounting System

(a) Before the opening of Your Outlet and at Your own expense, You agree to procure and install the computer hardware, software, Internet connections and service, required dedicated telephone and other computer-related accessories, peripherals and equipment that are required in the Manual (the “**Point of Sales System**”). You must record all transactions on a computer-base system that is fully compatible with Our computer system, or the computer system of Our designated POS supplier and/or other third-party vendors.

(b) You agree to accurately, consistently and completely record and provide through the Point of Sales System or other systems designated by Us, all information concerning the operation of Your Outlet that We require, in the form and at the intervals that We require, as set forth in the Manual.

(c) You acknowledge and agree that We will have full and complete independent access to Your Point of Sales System, and We may retrieve from Your Point of Sales System all information that We consider necessary, desirable or appropriate.

8.2 Accounting Information

You understand and agree that We may under Section 8.1 require You to use software which will generate accounting information which will be accessible to Us electronically. You also agree that We may require You, following written notice or as part of the Manual, to send to Us in the form and within the time schedules set forth in the Manual, hard copy or other form of reports and information. These may include Profit and Loss Statements, Balance Sheets and Statements of Cash Flow, sales tax returns, and income tax returns.

8.3 Accounting Records

You agree to maintain and preserve for a minimum of seven (7) years from the date of preparation full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by the Manual.

8.4 Sales Tax Returns; Other Reports

You agree to deliver to Us on or before the dates specified in the Manual a copy of all sales tax returns, occupation tax reports, and other similar returns or reports prepared by or on behalf of the Outlet according to the form and timing that We prescribe.

ARTICLE 9: AUDITS AND INSPECTIONS

9.1 Audit Rights

You agree that We will at all times have the following audit rights:

(a) Our representatives may on a reasonable basis review, inspect and copy any and all accounting records, income and sales tax records and other such documents, as they determine, in their sole discretion as being necessary to audit Your compliance with this Agreement.

(b) If any inspection or audit reveals that the Gross Revenues reported in any report or statement are less than the actual Gross Revenues calculated during such inspection, and/or fees owing are otherwise miscalculated, then You will immediately pay Us the additional amount of fees owing by reason of the understatement of Gross Revenues previously reported and/or other miscalculation, together with interest as provided in Section 2.3. In the event that any report or statement by You understated Gross Revenues and/or fees owing by more than two percent (2%) as calculated during Our inspection, You will, in addition to paying for the additional fees and interest, pay and reimburse Us for any and all expenses incurred in connection with its inspection, including, but not limited to, reasonable accounting and legal fees. Such payments will be without prejudice to any other rights or remedies We may have under this Agreement or otherwise. In addition, We may at Our sole discretion require a complete and full audit in accordance with generally accepted accounting principles and by a certified public accountant acceptable to Us, at Your expense.

9.2 Inspection

(a) You agree to, at Your expense, participate in Our approved inspections and surveys regarding guest satisfaction and Outlet inspections as stated in the Manual. In addition, You will cause the reports of all such inspections or surveys be sent to Us.

(b) We will make periodic visits or calls to Your Outlet as We deem advisable. You agree that Our representatives will have the right at any time, and from time to time, without notice to enter Your Outlet for the purpose of inspecting its condition and its operations for compliance with Our requirements contained in this Agreement and in the Manual, and for any other reasonable purpose connected with the operation of Your Outlet.

(c) You agree to incorporate into Your Outlet any reasonable corrections and modifications We require to maintain Our standards of quality and uniformity, as quickly as is reasonably possible and using all resources at Your disposal.

9.3 Books and Records

(a) Without limiting the generality of Section 9.2, Our representatives will have the right at all times during normal business hours to confer with Your Outlet's employees and customers, and to inspect Your books, records and tax returns, or such portions thereof as pertain to the operation of Your Outlet. All of Your books, records and tax returns will be kept and maintained at Your Outlet, at Your primary office or such other place as may be agreed to from time to time in writing by the parties.

9.4 Ownership Records

If You are not an individual or sole proprietorship, You must maintain an accurate ownership register or other list of names, addresses and interests of all Your record and beneficial owners. Upon ten days written notice from Us, You will deliver to Us a copy of such register and/or list of owners, certified by Your chief executive officer to be correct.

During any audit or other inspection under this Section 9, You will allow Our representatives to inspect and copy such register and/or list.

ARTICLE 10: RELATIONSHIP OF PARTIES AND INDEMNIFICATION

10.1 Relationship

You acknowledge that You are an independent business and solely responsible for control and management of Your Outlet. You are not, and will not represent or hold Yourself out as being an agent, legal representative, joint venture, partner, employee or servant of Us for any purpose whatsoever and, where permitted by law to do so, will file a business certificate to such effect with the proper recording authorities. You are an independent contractor and are not authorized to make any statement or commitment on behalf of Us, or to create any obligation, express or implied, on behalf of Us. You agree that We are not in any way a "fiduciary" in regards to You. You will not use the name JOJO'S GRILL-A-DOG, or any similar words as part of the name of a corporation or other business entity directly or indirectly associated with You, unless otherwise authorized by Us in writing.

10.2 Indemnification

(a) You must immediately notify Us in writing of any claim; litigation or proceeding that arises from or affects the operation or financial condition of Your JOJO'S GRILL-A-DOG business or Outlet.

(b) You will indemnify Us, the Company, Our Affiliates and their officers, directors, employees, agents, affiliates, successors and assigns from and against (i) any and all claims based upon, arising out of, or in any way related to the operation or condition of any part of Your Outlet or Outlet premises, the conduct of Your Outlet's business, the ownership or possession of real or personal property, any negligent act, misfeasance or nonfeasance by You or any of Your agents, contractors, servants, employees or licensees, (ii) Your failure to perform any of Your obligations under this Agreement, and (iii) any and all fees (including reasonable attorneys' fees), costs and other expenses incurred by Us or on Our behalf in the investigation of or defense against any and all such claims. We indemnify and hold You harmless from all direct expenses and liabilities arising solely from any third-party claim that Your use of Our Marks or Our intellectual property in connection with Your operation of Your Outlet, so long as You were operating the Outlet in strict compliance with this Agreement, infringes upon the trademarks or intellectual property of such third-party claimant. We will not indemnify You against such third-party claims unless Your use of the Marks complies with the requirements of this Agreement and the System. If You are made a party to a legal proceeding solely pursuant to a claim of Your alleged infringement upon the trademarks or intellectual property of a third party, and provided You cooperate with Us fully and timely (which may include You signing a waiver of conflict of interest for any counsel representing both You and Us), We will hire counsel to protect Our interests and will defend You at Our own expense. Any settlement We negotiate will bind You, but

We will reimburse You for Your direct cost of compliance with the settlement agreement. We reserve the right to control all aspects of any such legal proceeding.

(c) Notwithstanding the foregoing provisions in Section 10.2(c), if We determine in Our sole discretion that it is necessary or appropriate to add, delete or modify any of Our Marks or other intellectual property, whether Our determination is made in connection with a dispute, or otherwise, You will be solely responsible for all expenses associated with adding, deleting, or modifying all signs and other materials that display Our Marks.

ARTICLE 11: INSURANCE

11.1 Insurance

You will obtain before beginning construction or remodeling of Your Outlet and will maintain in full force and effect during the entire term of this Agreement, at Your sole cost and expense, an insurance policy or policies protecting You and Us against any and all loss, liability or occurrence, arising out of or in connection with the construction, condition, operation, use or occupancy of Your Outlet or Your Outlet premises. We will be named as an additional insured in all such policies, workers' compensation excepted.

11.2 Policies

In all events, the insurance policy or policies will include at least the following:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate, or higher if Your state law requires.

(b) Liquor liability coverage (if any alcoholic beverages are offered for sale from the Outlet) with minimum coverage of \$1,000,000 and \$2,000,000 in the aggregate.

(c) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.

(d) Liability for owned, non-owned and hired vehicles with minimum coverage of \$1,000,000 per occurrence and \$3,000,000 in the aggregate.

(e) Umbrella liability insurance policy providing a minimum of \$5,000,000 coverage including the above limits.

(f) Course of construction insurance at replacement cost.

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

- (h) Business interruption insurance (reasonable coverage and time limit).
- (i) Employment practices liability insurance with a minimum coverage of \$1,000,000 per occurrence and in aggregate. The minimum retention/deductible shall not exceed \$50,000.
- (j) Any other such insurance coverages or amounts as required by law or other agreement related to the Outlet.

Your obligation to maintain this insurance will not be limited in any way by reason of any insurance maintained by Us.

11.3 Qualified Insurance Carrier

All insurance policies required by this Agreement must be written by a responsible insurance company or companies satisfactory to Us, and in accordance with the minimum limits set forth in Section 11.2 above, which may be changed from time to time by Us at Our discretion to reflect changed conditions. Each insurance company must be rated no less than A VII by A.M. Best and Company. You must maintain such additional insurance coverage and increased limits that We may reasonably consider advisable for an Outlet business in the area where Your Outlet is located.

11.4 Certificates

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, You will deliver to Us for Our approval certificates of insurance showing compliance with the requirements of Section 11. We require You to provide full and complete copies of all insurance policies. Such certificates must state that the policy or policies will not be canceled or altered without at least thirty (30) days' prior written notice to Us. Maintenance of such insurance and the performance by You of Your obligations under this Section 11 will not relieve You under the indemnity provisions of this Agreement or limit such liability.

11.5 Changes in Insurance Requirements

You agree that to meet then current needs and situations We may in the Manual revise and add to the above requirements.

11.6 Failure to Insure

If You, for any reason, fail to obtain and maintain the insurance coverage required by this Section, We will have the right and authority to obtain immediately such insurance coverage, and to charge the cost thereof plus a ten percent (10%) processing fee to You, which charges will be paid immediately upon notice and will be subject to charges for late payments in the manner set forth in Section 2.3 hereof.

ARTICLE 12: DEBTS AND TAXES

12.1 Debts and Taxes

You will pay promptly when due all debts and other obligations incurred directly or indirectly in connection with Your Outlet and its operation; including, without limitation, all taxes and assessments that may be assessed against Your Outlet land, building and other improvements, equipment, fixtures, signs, furnishings and other property, and all liens and encumbrances of every kind and character incurred by or on behalf of You in conducting Your Outlet business. You may protest or contest any of such amounts so long as such protest or contest does not adversely affect the continued business of Your Outlet or possession of Your Outlet premises.

ARTICLE 13: PRINCIPALS, SALE AND ASSIGNMENT, RESTRICTIONS

13.1 Definition of Principals; Personal Guarantees

For purposes of this ARTICLE 13, the term "**Principals**" will include the persons signing this Agreement as Principals, any of Your future owners and the spouses, minor children or any trust for the benefit of any such Principal. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement. We have unrestricted right to approve all owners and any future owners. Future owners will be required to execute and deliver to Us a Personal Guaranty in the form attached hereto as **Attachment 4**.

13.2 Authorized Agent

You and the Principals appoint the following person with full authority (the "**Authorized Agent**") to act on behalf of You and the Principals in regard to performing, administering or amending this Agreement: _____. We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You and the Principals of the appointment of a successor to the Authorized Agent.

13.3 Personal Contract; Consent Mandatory

You agree that a material part of the consideration for Our entering into this Agreement is the personal confidence We have in You and the Principals. No person will succeed to any of Your rights under this Agreement by virtue of any voluntary or involuntary proceeding in bankruptcy, receivership, attachment, execution, assignment for the benefit of creditors, other legal process or transfer not expressly authorized and consented to by Us. Except as expressly provided for in this Agreement, any attempt by You to transfer any of Your rights or interest under this Agreement will constitute a material breach of this

Agreement, and in such event We will have the right to terminate this Agreement upon written notice to You. We will not be bound by any attempted transfer in any manner whatsoever, by law or otherwise, of any of Your rights or interests under this Agreement except as permitted by this ARTICLE 13.

13.4 Form of Legal Entity

(a) If You have been organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**") or if Your interests in this Agreement are to be transferred to a Legal Entity, such Legal Entity must be expressly approved in advance and in writing by Us. We will not charge a transfer fee for forming such a Legal Entity or transferring ownership to such Legal Entity.

(b) You must comply with this Section 13.4 and any other condition which We may require, including a limitation on the number of owners of the Legal Entity and to require a Personal Guaranty. We have unrestricted right to approve all equity owners and any future. The organization documents must be promptly submitted for Our review.

(c) Unless We provide Our prior written consent to the contrary, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

- (i) The Legal Entity must be closely held with the single purpose of operating JOJO'S GRILL-A-DOG Outlets.
- (ii) The Principals will own and control not less than fifty and one-tenth percent (50.1%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.
- (iii) There will not be more than ten (10) owners of the Legal Entity in addition to the Principals.

(d) You must notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity, and We will have thirty (30) days after its receipt of such notice to disapprove such intended issuance or transfer. Such disapproval must be reasonable and based on the transferee's being involved with other parties in competition with JOJO'S GRILL-A-DOG Outlets or having a known history, reputation or character which is adverse to the interests of JOJO'S GRILL-A-DOG Outlets. A failure by Us to respond timely to such notice will be deemed an approval of the proposed transfer. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(e) Notwithstanding anything to the contrary contained in this Section 13.4, a transfer of ownership interest in the Legal Entity which involves only a transfer between or among the Principals, entities wholly owned and controlled by the Principals or any of them or entities controlled by any Principal for the benefit of members of his or her immediate

family shall not require Our prior written approval so long as the other requirements of this Section 13.4 are satisfied and We receive prior written notice of such transfer together with complete details regarding the ownership and legal structure of the transferee(s). We will not unreasonably withhold Our approval of any transfer so long as the Principals maintain operational control over You.

(f) The organization documents of the Legal Entity will contain the restrictions set forth in Subsections 13.4(b) and (c) above and this Subsection 13.4(e). You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

"The transfer of ownership in this company is subject to the terms and conditions of a JOJO'S GRILL-A-DOG Franchise Agreement. Reference is made to such Franchise Agreement and to the restrictive provisions contained in the organization documents of this company."

13.5 Written Consent

(a) Except as otherwise expressly set forth in this ARTICLE 13, neither Your rights and interests under this Agreement nor any ownership interests in You (if You are a Legal Entity) may be sold, assigned, encumbered or otherwise transferred (all of which are hereinafter included within the term "**transfer**") in whole or in part in any manner whatsoever without Our prior express written consent.

(b) We will not unreasonably withhold Our consent to a transfer. In considering a request for transfer, We will consider, among other things, the qualifications, apparent ability and credit standing of the proposed transferee as if he or she were a prospective direct purchaser of a franchise from Us. In addition, but without limitation, We will require as conditions to the granting of Our consent all of the following:

- (i) There must be no existing default in the performance or observance of any of Your obligations under this Agreement or any other agreement with Us, and Your Outlet will be in condition and appearance satisfactory to Us and in accordance with Our System standards at that time;
- (ii) You must settle all outstanding accounts with Us and our Affiliate(s);
- (iii) You must pay Us Our Transfer Fee of \$15,000.00 to compensate Us for Our expenses incurred in connection with investigating the qualifications of the proposed transferee, training the proposed transferee and the direct administrative costs of effectuating the transfer;
- (iv) The proposed transferee must appoint a Designated Operator acceptable to Us; Designated Operator and the proposed transferee (at its option, if different) must, prior to the transfer, personally attend and satisfactorily complete Our initial training program;

- (v) The owner's of the proposed transferee (with 10% or more of the outstanding voting interests) who have not attended Our initial training program, must attend and satisfactorily complete Our Franchise Principal Orientation;
- (vi) The proposed transferee or other person(s) designated by Us must execute Our then current form of Franchise Agreement for the remaining term of this franchise.
- (vii) The transfer documents must contain a non-competition agreement by You similar to that set forth in this Agreement at subsection 4.9(f);
- (viii) If You or Your Principals finance any part of the sale price of the transferred interest, You and Your Principals must agree that all of the proposed transferee's obligations are subordinate to the transferee's obligations to pay amounts due to Us and Our Affiliate(s); and
- (ix) Such other requirements as We may in Our discretion deem reasonably necessary, including a general release of any claims against Us.

(c) Neither this Agreement, any of the rights conferred on You hereunder nor any ownership interests in the purchasing franchisee may be retained by You as the transferring franchisee as security for the payment of any obligation that may arise by reason of any such transfer.

13.6 Death and Disability

(a) Except as provided for herein to the contrary, the death or disability of an owner of a Legal Entity shall have the legal results of applicable law. In the event of the death or legal incapacity of one of the Principals, the decedent's estate or You must immediately notify Us of such death, and within thirty (30) days after such notice further notify Us of a proposed successor to the decedent's interests (the "**Successor**"). If We approve the Successor, he or she will replace the decedent as a Principal hereunder.

(b) In the event We do not approve the Successor, We will so notify You, and You or the decedent's estate will use Your best efforts within the six (6) months from the date of such written notice from Us to sell the interests in this Agreement and Your Outlet to a bona fide purchaser in accordance with and subject to all of the provisions of this ARTICLE 13. If by the end of such six-month period, You have not consummated a transfer of such interest or stock in a transaction which meets the requirements of this ARTICLE 13, We will have the option to purchase all of such interest in Your Outlet and franchise or in the ownership of the Legal Entity at the fair market value thereof as determined in good faith by an independent appraiser selected as set forth in subsection (c) below.

(c) The procedure for determining the fair market value or other terms of purchase shall be that We and You shall each select one appraiser and such two appraisers shall select a third appraiser, and the third appraiser shall make the necessary determination, with the costs of appraisal to be borne equally by You and Us.

(d) If We in Our discretion decide that the death or disability of an individual, a Principal or a Successor will result in unsatisfactory operation of Your Outlet, We may take over operation of Your Outlet temporarily, and You will reimburse Us for all of Our costs and compensate Us for Our efforts at an amount equal to 5% of Gross Revenues during such time.

13.7 Right of First Refusal

(a) You must give written notice to Us of any planned, attempted transfer or offer to transfer by You in any manner whatsoever of any interest in or under this Agreement or of any transfer of the controlling ownership interest in You if You are a Legal Entity.

(b) Excepting a transfer described in Section 13.4(e), You grant Us the right of first refusal in regard to any such offer or transfer to purchase such interest on the same terms and conditions (or on terms and conditions determined by Us which will result in the same net financial benefits to You as transferor). In exercising Our right of first refusal, We may pay the transferor cash at closing in the same amount as the principal amount of any promissory note(s) otherwise required by the transferee or in the amount of the fair market value of any other non-cash purchase price, and if stock is provided for, may substitute stock of ourself or an affiliated corporation in an equivalent value to the stock contained in the offer of first refusal. Any determination of fair market value, equivalent value or net financial benefits made by Us in good faith shall be deemed an acceptance of the offer. Until We have accepted or rejected the offer of first refusal from You, You will neither consider nor accept any other offer and will keep confidential all of the terms of such transfer.

(c) The first refusal offer to Us must be in writing and must include complete details of all of the terms, conditions and provisions of the proposed transfer, including copies of all agreements which may be assumed by or assigned to the transferee. After receipt of all of such information, We will have thirty (30) days after actual receipt of all of such documents within which to accept or reject it. Our failure to accept within such thirty (30) days will constitute a rejection. If rejected, You may consummate the transfer to a third party if all other provisions of this Agreement are satisfied, but the transfer must be consummated within six (6) months and only upon the terms, conditions and provisions previously offered to Us.

(d) After any rejection by Us, You must in all events submit a fully executed copy of all final transfer documents to Us at least three (3) days in advance of any proposed consummation or closing date for Our review and comparison with the first refusal offer previously submitted to it. Any variation will require an offer of first refusal to Us on the varying terms following the same procedures set forth above. Our right of first refusal will be unrestricted and absolute, and We will in all cases have at least thirty (30) days to consider and act on each offer or any change in the terms and conditions of offer.

(e) Nothing contained in this Section 13.7 will in any way be deemed to limit Our discretion in considering, approving or disapproving any request to transfer any interest under this Agreement.

13.8 Assumption

This Agreement and Our rights, interests and obligations hereunder may be transferred to the benefit of any entity in whole or part which succeeds to Our business and assumes Our obligations hereunder.

ARTICLE 14: TRADEMARKS

14.1 Ownership

You agree that We have the sole and exclusive right (except for rights granted under existing and future franchise agreements) to use the Marks in connection with the products and services to which they are or may be applied by Us. You represent, warrant and agree that neither during the term of this Agreement nor after its expiration or other termination will You directly or indirectly contest or aid in contesting the validity, ownership or use of the Marks by Us or take any action whatsoever in derogation of the rights claimed therein by Us.

14.2 Nonexclusive License

The license granted under this Agreement to use the Marks is nonexclusive except to the extent otherwise specified herein, and We, in Our sole and absolute discretion, may grant other licenses in, to and under the Marks in addition to those licensees already granted, both within and outside Your Outlet's trading area, and to develop and license other names and marks on any such terms and conditions as We deem appropriate.

14.3 Other Uses

You expressly agree that We have the exclusive, unrestricted right to engage directly and indirectly, at wholesale, retail, catering and otherwise, within Your Outlet trading area and elsewhere, in (a) the production, distribution and sale of food products and beverages under the Marks licensed hereunder or other marks; and (b) the use, in connection with such production, distribution and sale, of any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Us. The license granted to You under this Agreement does not include any right or authority of any kind whatsoever to pre-package or sell prepackaged food or drink products under the Marks. We have the sole and exclusive right to such rights at all times and at all locations.

14.4 Goodwill

Nothing contained in this Agreement will be construed to vest in You any right, title or interest in or to the Marks, the goodwill now or hereafter associated therewith or any right in the design or any Outlet building, other than the rights and license expressly granted herein of the term hereof. Any and all goodwill associated with or identified by the Marks

will inure directly and exclusively to Our benefit, including without limitation any goodwill resulting from operation and promotion of Your Outlet.

14.5 Use of Marks

You may use the Marks only in association with products and services approved by Us and that meet Our standards and requirements. You may not use any Mark as part of any domain name, homepage, electronic address, or otherwise in connection with a Web site. You must follow Our rules when You use the Marks, including giving proper notices of trademark registration and obtaining fictitious or assumed name registrations required by law, and may not make any changes or substitutions to the Marks unless We direct in writing. You will not use the Marks in connection with any statement or material which may, in Our judgment, be in bad taste or inconsistent with the JOJO'S GRILL-A-DOG public image, or tend to bring disparagement, ridicule or scorn upon Us, the Marks or the goodwill associated therewith. You, whether doing business as a proprietorship or Legal Entity, will not adopt, use or register (by filing a certificate or articles of incorporation, a fictitious business name statement, or otherwise) any trade name or business name, style or design which includes, or is similar to, any of JOJO'S GRILL-A-DOG identifying characteristics. Your Outlet must prominently display a sign identifying the Outlet as a franchised location in a format We deem acceptable.

14.6 Changes in Marks; Protection

We will have the right at any time and from time to time upon notice to You to make additions to, deletions from, and changes in the Marks, or any of them, all of which additions, deletions and changes will be as effective as if they were incorporated in this Agreement. All such additions, deletions and changes will be made in good faith, on a reasonable basis and with a view toward the overall best interest of JOJO'S GRILL-A-DOG Outlets generally. You must promptly comply with any required changes, revisions and/or substitutions, and You will pay all the costs of modifying Your signs, advertising materials, interior graphics and any other items which bear the Marks. We will protect and preserve the integrity and validity of the Marks by taking the actions deemed by Us in Our discretion to be appropriate in the event of any apparent infringement of the Marks.

14.7 Infringements

You must notify Us promptly of any claims or charges of trademark infringement against Us or You, as well as any information You may have of any suspected infringement of the Marks. You will take no action with regard to any such matters without Our prior written approval, and will cooperate fully with Us in dealing with any infringement or claim of infringement. We will defend You (using legal counsel chosen by Us) and indemnify You from any claims of infringement regarding use by You of the Marks so long as You were using the Marks properly and as authorized by this Agreement.

ARTICLE 15: EXPIRATION AND TERMINATION

15.1 Events of Default; Liquidated Damages

(a) We will have the right to terminate this Agreement immediately upon written notice to You if any of the following events occur:

- (i) In the event of any breach or default under Sections 1.4 (opening date), 4.3(c) (failure to comply with applicable laws), 5.2 (mandatory training), 9.2 (inspection), 13.3 and 13.5 (unauthorized transfer) or 13.7 (right of first refusal);
- (ii) If a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization is filed by or against You, or if You make any assignment for the benefit of creditors, or if a receiver or trustee is appointed for Your Outlet, unless remedied to Our satisfaction within twenty (20) days;
- (iii) If You for any reason lose Your right to possession of Your Outlet premises;
- (iv) If We discover that You have made any material misrepresentation or omitted any material fact in the information furnished by You in connection with the grant of this franchise;
- (v) If You (or any Principal) are convicted of any felony or other criminal conduct which is relevant to operation of Your Outlet or if You engage in conduct which reflects materially and unfavorably upon the operation and reputation of the JOJO'S GRILL-A-DOG business or System.
- (vi) If You abandon Your Outlet by failing to operate it for five consecutive days or lesser period if the facts and circumstances indicate that You do not intend to continue to operate Your Outlet (except as a result of fire, flood, earthquake or similar causes beyond Your control);
- (vii) If You repeatedly fail to comply with one or more requirements of this Agreement, whether or not corrected after notice; or
- (viii) If We make a reasonable determination that continued operation of Your Outlet by You will result in an imminent danger to any of its customers or to public health or safety.

(b) If You default in any other requirement of this Agreement, We will have the right to terminate this Agreement immediately following thirty (30) days written notice to You (except in the case of a default in payment to Us, in which case only five (5) days written notice is required). If a non-monetary default cannot by its nature reasonably be cured within such thirty-day period, and so long as You are diligently taking all action reasonably necessary to effect such cure, the cure period will be extended to a reasonable amount of time to effect such cure. A default in any other JOJO'S GRILL-A-DOG franchise agreement in which You or anyone holding an interest in You also has an interest will be considered a default under this Agreement, which if not cured will result in termination of this Agreement.

(c) We may terminate this Agreement upon written notice to You without any curative period if a default is repeated within any 12-month time period.

(d) The provisions of this Section 15.1 are subject to the provisions of any local statutes or regulations which may prohibit Us from terminating this Agreement without good cause or without giving You additional prior written notice of termination and opportunity to cure any default.

(e) Liquidated Damages

(i) Upon termination of this Agreement due to Your action or failure to take action according to its terms and conditions, You agree to pay Us within fifteen (15) days after termination, in addition to any amounts owed Us or Our Affiliates, liquidated damages equal to the average monthly Royalty Fees owed or paid during the 12 full calendar months of operation preceding the effective date of termination multiplied by (A) 24 (being the number of months in two (2) full years), or (B) the number of months remaining in the Agreement had it not been terminated, whichever is less.

(ii) The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages We would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, We might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's current remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

15.2 Termination by You

You may terminate this Agreement following ninety (90) days written notice to Us if We materially breach this Agreement and fail to cure such breach within such ninety-day period.

15.3 Requirements Upon Termination

Upon the expiration or earlier termination of this Agreement for any reason, You must:

(a) immediately discontinue the use of the Marks and the System, including all JOJO'S GRILL-A-DOG recipes and proprietary procedures;

(b) unless We consent to the contrary, remove the Marks from Your Outlet building and its signs, fixtures and furnishings, eliminate entirely JOJO'S GRILL-A-DOG trade dress and alter and paint Your Outlet building and other improvements a design and color which is basically different from the JOJO'S GRILL-A-DOG image and design so that there will no longer be any indication to the public that Your Outlet was a JOJO'S GRILL-A-DOG Outlet. If You fail to make or cause to be made any such change within thirty (30) days after written notice, We will have the right to enter upon Your Outlet premises, without being deemed guilty of trespass or any other tort, and make or cause to be made such

changes and You will reimburse Us for all of Our reasonable expenses immediately following demand;

(c) not thereafter use any identifying characteristic that is in any way associated with Us or similar to those associated with Us, or operate or do business under any name or in any manner that might tend to give the public the impression that You are or were a franchisee or otherwise associated with Us;

(d) immediately deliver to Us all copies of the Manual and any items bearing the Marks or which are confidential; and

(d) pay all sums due Us or to become due to Us pursuant to this Agreement.

15.4 Trademark Infringement

If You refuse to comply with a written notice of termination sent by Us and a court later upholds such termination of this Agreement, any operation of Your Outlet by You from and after the date of termination stated in such notice will constitute trademark infringement by You and You will be liable to Us for damages resulting from such infringement in addition to any royalties paid or payable hereunder, including, without limitation, Your profits.

15.5 Option

If Your Outlet premises are leased by You from a third party, You will have included in such lease and any subsequent lease of the premises the right by You to assign such lease to Us without further consent by the lessor. We may elect to have the lease automatically assigned to Us under such provision if this Agreement is terminated, whether it is terminated by Us or by You. If We so elect, You will immediately vacate the premises, and We will be entitled to take possession of said premises, including all fixtures and leasehold improvements, and We will pay to You the fair market value of the interests owned by You in Your Outlet's furnishings and equipment. Fair market value will be determined by mutual agreement or an appraiser selected by Us or the American Arbitration Association if We cannot agree.

ARTICLE 16: MISCELLANEOUS

16.1 No Effect

The waiver by Us of any breach or default, or series of breaches or defaults, of any term, covenant or condition herein or of any same or similar term, covenant or condition in any other agreement between Us and any franchisee will not be deemed a waiver of any subsequent or continuing breach or default of the same or any other terms, covenants or conditions contained in this Agreement, or in any other agreement between Us and any franchisee.

16.2 Right and Remedies

All of Our rights and remedies will be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. Our rights and remedies will be continuing and not exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration or earlier termination of this Agreement will not discharge or release You from any liability or obligation then accrued or any liability or obligation continuing beyond or arising out of the expiration or earlier termination of this Agreement.

16.3 Consents

Whenever the consent of a party is sought or required hereunder, such consent will not be unreasonably withheld.

16.4 Partial Invalidity

If any part of this Agreement will for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid; provided, however, that in the event any part hereof relating to the payment of fees to Us, or the preservation of the Marks, trade secrets or secret formulae licensed or disclosed hereunder is for any reason declared invalid or unenforceable, then We will have the option of terminating this Agreement upon written notice to You.

16.5 Arbitration; Jurisdiction

(a) Except as set forth in Subsection 16.5(b), any unresolved dispute between the parties arising out of this Agreement shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association applicable to commercial arbitrations and the Federal Arbitration Act. Such arbitration shall be held within the county in which Our corporate headquarters are located (the "**Home County**") (currently San Bernardino County, California). At the conclusion of the arbitration, the arbitrator must deliver to the parties a written statement of conclusions of fact and conclusions of law supporting the final award of the arbitrator. Any party may move for judicial confirmation, modification or correction of the final award of the arbitrator within 60 days after receipt thereof. Alternatively, judgment upon such decision may be entered in any court having jurisdiction over the matter. Arbitrators shall apply the law of the state where Your Outlet is located (without giving effect to any conflict of law principles) as set forth in section 16.7 below.

(b) Notwithstanding the foregoing, any action by Us which involves Your continued usage of any of the Marks or the System or an issue involving injunctive relief, may be submitted to a court in the Home County having jurisdiction over the issue involved. You and We expressly consent to personal jurisdiction in the Home County and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration.

(c) Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts.

16.6 Attorneys Fees

If either party initiates any legal proceeding which involves issues arising out of this Agreement, the prevailing party in such action will be paid its reasonable attorneys' fees and costs by the other party.

16.7 Governing Law

Subject to Our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 16.5, the parties agree that the law of the State where the Outlet is located (without giving effect to any conflict of laws principles) will apply to the construction and enforcement of this Agreement and govern all questions which arise with reference hereto.

16.8 Notices

All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, sent by telefax to such person's telefax number with copy by regular mail, sent by an established overnight delivery service or mailed by certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days after mailing, and if sent by overnight delivery, such notice shall be deemed to have been received the day following sending.

Us: Grill-A-Dog Franchise LLC
27471 San Bernardino Ave #210
Redlands, CA 92374
Attn: The President

You: _____

16.9 Terms and Headings

All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Definitions are presented in bold face solely for ease of reference.

16.10 Compliance with Laws

You will at Your own cost and expense promptly comply with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof. Without limiting the generality of the foregoing, You will abide by all applicable rules and regulations of any Public Health Department.

16.11 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document.

16.12 Amendment or Modification

Except as expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both Us and You.

16.13 Acknowledgment

BY INITIALING WHERE INDICATED, YOU EXPRESSLY ACKNOWLEDGE THAT:

(a) YOU HAVE ENTERED INTO THIS AGREEMENT AS A RESULT OF YOUR OWN INDEPENDENT INVESTIGATION, AND AFTER CONSULTATION WITH AN ATTORNEY OR OTHER ADVISOR(S) OF YOUR CHOICE.

YOUR INITIALS: _____

(b) THE SUCCESS OF THE FRANCHISED BUSINESS WILL BE LARGELY DEPENDENT UPON YOUR ABILITIES AND EFFORTS, AND WE HAVE MADE NO WARRANTY OR GUARANTEE TO YOU THAT THE FRANCHISED BUSINESS WILL BE SUCCESSFUL OR PROFITABLE.

YOUR INITIALS:_____

(c) A COMPLETE COPY OF THIS AGREEMENT AS SIGNED BY YOU WAS RECEIVED BY YOU AT LEAST SEVEN CALENDAR DAYS PRIOR TO ITS EXECUTION BY YOU AND A COMPLETE COPY OF OUR FRANCHISE DISCLOSURE DOCUMENT WAS RECEIVED AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR EXECUTION OF THIS AGREEMENT.

YOUR INITIALS:_____

* * * * *

[Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

You:

Us:

GRILL-A-DOG FRANCHISE LLC

By: _____
LLC Manager

Principals:

Printed Name: _____ %Ownership: _____

Signature: _____

Printed Name: _____ %Ownership: _____

Signature: _____

Printed Name: _____ %Ownership: _____

Signature: _____

Attachment 1 (If Applicable)

PROTECTED TERRITORY

The geographic area described below is the **Territory** referred to in Section 1.2(b) of the Franchise Agreement because the Business has been determined by Us to be located within a “**high density area**”:

You: _____

By: _____

Title: _____

Us: GRILL-A-DOG FRANCHISE LLC

By: _____
LLC Manager

CONFIDENTIALITY AGREEMENT

The undersigned Employee of _____ ("**Employer**"), which has applied for a JOJO'S GRILL-A-DOG franchise or is currently a franchisee hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of an JOJO'S GRILL-A-DOG Outlet; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others. Nothing in this agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employ has reason to believe is unlawful.

The Employee acknowledges and agrees that Employer alone will be solely responsible for all hiring and employment decisions and functions relating to Employer's JOJO'S GRILL-A-DOG Outlet, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether Employer has received advice from Franchisor on these subjects or not. Employee is not employed by Franchisor.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives ("Innovations") at any time during, and for a period of one year after employment in a JOJO'S GRILL-A-DOG Outlet. All such Innovations will be deemed the sole and exclusive property of GRILL-A-DOG FRANCHISE LLC (the "**Franchisor**"). The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

The Employee acknowledges that any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Franchisee, including without limitation the JOJO'S GRILL-A-DOG Confidential Manual(s).

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Employer.

DATED: _____

Print Name: _____

LEASE PROVISIONS

Please give this page to your prospective Landlord and ask that it be added to the terms of the Lease. Under the Franchise Agreement, any lease for the location of a JOJO'S GRILL-A-DOG Outlet is subject to Brooks Burgers Franchising, Inc.'s approval.

Grill-A-Dog Franchise, LLC will not approve leases that do not include substantially similar provisions:

1. Landlord shall deliver to Grill-A-Dog Franchise, LLC ("Company") a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee. Company shall have the right, but not the obligation to cure any breach of the Lease.
2. If Franchisee does not cure any curable default during the time allowed by the Lease, upon Company's written notice of election to Landlord, Company may have an additional 15 days within which to cure the default. In such case, Company will indemnify Landlord against only the loss of rent caused by the additional cure period.
3. Notwithstanding anything to the contrary contained in the Lease, Franchisee shall have the absolute right to sublet, assign or otherwise transfer its interest in the Lease to Company or to a corporation or other entity with which Company may merge or consolidate, without Landlord's approval, written or otherwise.
4. Franchisee shall, if requested by Company, assign to Company, and Landlord hereby irrevocably and unconditionally consents to such assignment, all of Franchisee's rights, title and interest to and under the Lease upon any termination or non-renewal of the Franchise Agreement, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without the granting of successor rights; and (b) Company notifies the Franchisee and Landlord in writing that Company assumes Franchisee's obligations under the Lease.
5. Franchisee and Landlord acknowledge and agree that Company shall have no liability or obligation whatsoever under the Lease unless and until Company assumes the Lease in writing pursuant to Sections 2, 3 or 4 above.
6. Company shall assume all of Franchisee's obligations under the lease from and after the date of assignment but shall have no obligation to pay any delinquent rent or to cure any other default under the lease that occurred or existed prior to the date of the assignment.

7. If Company assumes the Lease, as above provided, Company may further assign the Lease to another person or entity to operate the JOJO'S GRILL-A-DOG Outlet at the Location, subject to Landlord's consent, which consent shall not be unreasonably withheld or delayed. Landlord agrees to execute such further documentation to confirm its consent to the assignments permitted under this Addendum as Company may reasonably request.

8. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Company and its personnel or agents shall have the right to enter the Location for certain purposes. Landlord hereby agrees not to interfere with or prevent such entry by Company, its personnel, or agents. Landlord and Franchisee hereby further acknowledge that in the event the Franchise Agreement expires (without the granting of successor rights) or is terminated, Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the location as a JOJO'S GRILL-A-DOG Outlet. Landlord agrees to permit Company, its personnel, or agents, to enter the Location and remove signs, decor and materials displaying any marks, designs or logos owned by Company, provided Company shall bear the expense of repairing any damage to the Location as a result thereof.

9. The Lease may not be modified, amended, renewed, or extended in any manner or assigned by Franchisee without Company's prior consent.

10. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Company at 27471 San Bernardino Ave #210, Redlands, CA 92374, Attn: LLC Manager or such other address as Company shall specify by written notice to Landlord.

11. The Location may be used by Franchisee only for the operations of a JOJO'S GRILL-A-DOG franchised Outlet.

12. A provision which precludes any other food or beverage service vendor selling predominantly products similar to the JOJO'S GRILL-A-DOG Outlets from operating in the same business center.

PERSONAL GUARANTY

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of the franchisee ("**Franchisee**") under the foregoing JOJO'S GRILL-A-DOG Franchise Agreement dated _____, 202____ by and between the Franchisee and GRILL-A-DOG FRANCHISE, LLC, the franchisor ("**Franchisor**") and hereby individually undertakes to be bound by all of the terms of such Franchise Agreement.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require the Franchisor or its assignee to proceed against Franchisee or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. The Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty as of the date set forth below.

("Guarantors")

Dated: _____

Signature: _____

("Employee")

California Appendix

**APPENDIX TO
GRILL-A-DOG FRANCHISE LLC
CALIFORNIA FRANCHISE DISCLOSURE DOCUMENT**

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.

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

ITEM 2:

None of the persons identified in Item 2 of the franchise disclosure document ("FDD") is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

ITEM 17:

In connection with Item 17 of the franchise disclosure document, the following paragraphs are included pursuant to California law:

1. The franchise agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Franchisees may not hire any person employed by franchisor, by its affiliates or by another franchisee without obtaining the franchisor's written consent. In the event of such breach, franchisee agrees to pay the prior employer of such person liquidated damages equal to the greater of such person's prior annual salary or one-half of the annual salary and of any bonus paid or to be paid by You to such person during the first year of employment.

2. 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.

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

4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

5. The franchise requires a franchisee to execute a general release of claims upon renewal or transfer of the agreement. 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).

6. The Agreements require application of the laws of the state where Your Outlet is located. This provision may not be enforceable under California law.

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

8. Re: Website: www.jojosgrilladog.com

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION, ANY COMPLAINTS CONCERNING THE CONTENT OF THESE WEBSITES MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

9. You will not receive an “exclusive” territory because we can establish “Non-Traditional Venues” (defined in Item 12 of the FDD and Section 1.2 of the franchise agreement). You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

10. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee’s investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee’s understanding of the law and facts as of the time of the franchisee’s investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

GRILL-A-DOG FRANCHISE LLC

Exhibit C



JOJO'S GRILL-A-DOG®

AREA DEVELOPMENT AGREEMENT

JOJO'S GRILL-A-DOG
AREA DEVELOPMENT AGREEMENT
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JOJO'S GRILL-A-DOG®

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT dated _____, 202__, is between GRILL-A-DOG FRANCHISE LLC, a California limited liability company ("**We**", "**Us**" or "**Our**", on the one hand, and _____, a _____ organized under the laws of the State of _____ ("**You**" or "**Your**"), and the person(s) executing this Agreement as "**PRINCIPALS**" (the "**Principals**"), on the other hand.

In consideration of the mutual promises set forth herein, the parties agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1 Development of Territory. We hereby grant to You the right to open and operate JOJO'S GRILL-A-DOG franchise Outlets ("**Outlets**") and vehicles approved by Us in the geographic area which is specified in **Exhibit A** attached hereto and incorporated herein by reference (the "**Territory**").

1.2 Your Territorial Rights. (a) During the term and any extension or renewal of this Agreement, We will not (i) license or allow any other party to operate an Outlet within the Territory except one or more "**Non-traditional Venue**" Outlets defined in subsection 2.1(c) below, (ii) open or operate, directly or indirectly, any Outlets within the Territory (except pursuant to any first refusal rights contained in any Franchise Agreement between You and Us, or as otherwise provided in Article 5 below).

(b) We reserve the right to authorize and allow other Franchise owners to operate within Your Territory one or more vehicles selling products under the JOJO'S GRILL-A-DOG Mark so long as the vehicle has been approved by Us and which has received Our prior written consent to sell food, beverages and related items at one or more specific locations within the Territory ("**Approved Vehicle**") and is operated in full compliance with the Manual.

(c) Notwithstanding the foregoing, if You have opened the minimum number of Outlets referred to in Section 2.1 below and We determine in Our discretion that one or more additional Outlets should be developed within the Territory, We will notify You in writing of such determination and offer You the right of first refusal to develop such Outlet(s). If after 30 days following mailing of such notice, We have not received Your written acceptance of such right of first refusal, We may develop such Outlets within the Territory or authorize other(s) to do so.

1.3 Termination. If this Agreement is terminated as a result of a material breach by You, We will have the full and absolute right to operate or franchise or license other parties to operate JOJO'S GRILL-A-DOG Outlets within the Territory.

1.4 Other Products and Outlets. You agree that We retain the unrestricted right within the Territory and elsewhere to use, or license others to use, Our trademarks as follows to distribute pre-packaged food and other products.

1.5 Not Transferable. This Agreement is a personal, non-transferable commitment by You to Us based on the personal confidence reposed by Us in the Principals. Accordingly, both parties agree that any attempt without the prior express written consent of Us to transfer, encumber or assign this Agreement by You or by the Principals in any manner whatsoever will cause the immediate and automatic termination of this Agreement, and We will have no further liability or obligation to You or the Principals pursuant to this Agreement.

2. DEVELOPMENT OF TERRITORY

2.1 Development Schedule. (a) You agree to develop at least a total of _____ (____) JOJO'S GRILL-A-DOG Outlets (the "**Required Outlets**") within the Territory during the term of this Agreement in strict accordance with the Development Schedule set forth in **Exhibit B** attached hereto and incorporated herein by reference (the "**Development Schedule**").

(b) The Development Schedule contains a specific number of Required Outlets to be opened and operated by You within the Territory during certain time periods. If any Outlets within the Territory are closed for business (except for authorized holidays or temporarily for major repairs or otherwise with Our prior written consent), such Outlets will not be included in computing the number of open and operating Required Outlets and in satisfying the deadlines set forth in the Development Schedule.

(c) The number of Required Outlets for purposes of the Development Schedule will not without Our prior written consent include a Outlet located at a "**Non-Traditional Venue**", which means a site or location for which the lessor, owner or operator thereof shall have indicated its intent to limit the operation of its food service facilities to itself or a master concessionaire or contract food service provider and which site or location is either (i) within another primary business or (ii) at an institutional setting such as a school, college and university, military and other governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant food facility, sports arena and stadium, supermarket, grocery store or convenience store.

2.2 Deadlines. The parties acknowledge and agree that the deadlines set forth in the Development Schedule are of the essence of this Agreement. No modification or amendment to the Development Schedule or any consent to or waiver of any deadline or other obligation of this Agreement will either (a) create any obligation to grant additional modifications, amendments, consents or waivers or (b) be effective unless made by written mutual agreement of the parties.

3. DEVELOPMENT FEE

3.1 Development Fee.

(a) In consideration of Our grant to You of the right to develop JOJO'S GRILL-A-DOG Outlets in the Territory as provided for herein, You agree to pay to Us upon execution of this Agreement the Initial Franchise Fee for the first Required Outlet plus \$10,000 for each additional Required Outlet (the "**Development Fee**").

(b) The Development Fee is non-refundable and is fully earned by Us upon Our execution hereof as a result of the grant of rights to You and Our forbearance from developing the Territory Ourselves or through other parties. You will not be entitled to a refund of such fee under any circumstances.

3.2 Amount of Fee. The total Development Fee to be paid by You upon execution of this Agreement is \$_____.

4. DEVELOPMENT PROCEDURES

4.1 Mandatory Compliance. You must at all times remain in compliance with this Agreement and all Franchise Agreements issued for Outlets developed hereunder. We will not approve any pending franchise application or site approval request by You for additional Outlet(s) if You are in material breach of any Franchise Agreement.

4.2 Site Approval. You will utilize Your own financial, real estate, construction and any other resources required to develop Outlets using architects, contractors, and vendors previously approved by Us. You agree to comply with the requirements of the Franchise Agreement and any additional requirements provided for in the Manual.

4.3 Franchise Agreements and Fees. You will receive \$10,000.00 credit from the Development Fee toward the Initial Franchise Fee for each Required Outlet, except that the total Initial Franchise Fee for the first Required Outlet will be included in the Development Fee. You must pay the balance of the Initial Franchise Fee and execute Our then-current form of JOJO'S GRILL-A-DOG Franchise Agreement for each other Required Outlet. For the second and each of the other Required Outlets opened pursuant to Your Development Schedule, the Outlet's Initial Franchise Fee and Royalties will be the same as those contained in Your first Required Outlet. You must sign Our then current Franchise Agreement for each Outlet opened pursuant to this Development Agreement.

4.4 Confidentiality Agreements. You agree to obtain from each of the Principals and any other of Your representatives a Confidentiality Agreement in the form attached hereto as **Exhibit C** and incorporated herein by reference. You further to comply fully with the terms of such Confidentiality Agreement. A copy of all such signed agreements shall be delivered to Us within one week of their execution.

4.5 Designated Operator. (a) The individual named in this Section must be an experienced professional with multi-unit Outlet supervisory experience who, will devote his or her full time, best efforts and constant personal attention to the operation and development of the Required Outlets, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Outlets: (the "**Designated Operator**"), who must be at all times approved by Us and certified by Us as fully trained for development and Outlet operations.

(b) Certification and approval of the Designated Operator includes both satisfactory completion of Our Outlet Manager and Designated Operator Training Program, and also working sufficient additional time in a company-operated Outlet, as we deem necessary in our sole discretion, to successfully develop and operate a JOJO'S GRILL-A-DOG Outlet. Failure of the Designated Operator to successfully complete this training and the additional in-store requirement to Our satisfaction constitutes a material breach of this Agreement.

(c) Any change in the identity of Your Designated Operator must be approved by Us in writing.

5. EXISTING OUTLETS; ACQUISITIONS

5.1 Company Outlets. If We or another entity under common control with Us ("**Affiliate**") currently operate JOJO'S GRILL-A-DOG Outlets within the Territory, such Outlets are specified on **Exhibit A** attached hereto and incorporated herein by reference ("**Company Outlets**") and any present or proposed franchised Outlets in the Territory are specified on **Exhibit A** as "**Franchised Outlets**". Unless You are purchasing the Company Outlets or Franchised Outlets pursuant to separate agreement, You agree that Company Outlets and Franchise Outlets may continue to be operated as JOJO'S GRILL-A-DOG Outlets notwithstanding their location in the Territory. In any event, such Outlets will not be included under any circumstances toward meeting Your development obligations hereunder.

5.2 Acquisitions; First Right of Refusal.

(a) We may during the term hereof acquire a chain of Outlets from a third party with the intention of converting some or all of such Outlets to JOJO'S GRILL-A-DOG Outlets, in which event You agree that We may so convert any of such Outlets located within the Territory so long as We satisfy the following conditions:

- (i) We will first send You a written offer to purchase all such Outlets within the Territory at Our total acquisition cost (including without limitation "soft" costs as defined below) for such Outlets.

- (ii) You will have thirty days from the date such offer is sent to accept such offer, and until You have either rejected such offer or such thirty day period has lapsed, no conversion or other offer to third parties will be made by Us.
- (iii) Your failure to accept such offer within such thirty day period will constitute a rejection.

(b) If You have accepted the above offer and converted such Outlet(s) to Our satisfaction, such Outlets(s) will apply toward meeting Your development obligations under the Development Schedule. If We convert or franchise another party to convert such Outlets, such Outlets will not have any effect on Your obligations under the Development Schedule.

(c) For purposes herein, "**soft costs**" will mean all internal and external costs incurred by Us in connection with the acquisition. These will include, without limitation, cost of funds, personnel time (e.g., in analyzing, negotiating, approving and permitting the acquisition, etc.), and out-of-pocket expenses (e.g., travel, lodging, meals, professional fees to attorneys, architects, engineers, etc.) in connection with the acquisition as applied pro rata to each Outlet being offered to You.

6. TERM; RENEWAL

6.1 Term; Renewal. (a) The initial term of this Agreement ends _____(____) from the date set forth above **or if initialed**, until the following date:

_____, 202____. _____

6.2 Renewal

You may renew this Agreement for one or more additional five (5) year terms so long as all of the following conditions have been met before the end of the current term:

(a) You must give Us written notice of renewal not less than six (6) months or more than twelve (12) months before the end of the current term;

(b) You must not default in any material provision of this Agreement or any other agreement with Us at any time during the last twelve months of the prior term and must have complied with all material terms and conditions of this Agreement during the current Term;

(c) You must have paid all amounts owed to Us and our affiliated companies ("**Affiliates**") and have timely paid all such amounts throughout the current term;

(d) You and We must have agreed upon a new Development Schedule to apply during the next term;

(e) You must pay Our then current "**Renewal Development Fee**" times the number of the additional Required Outlets specified in the new Development Schedule; and

(f) You must execute Our form of a general release of any and all claims against Us, the Company and other Affiliates, and Our and their officers, directors, agents and employees.

7. DEFAULT

7.1 Default by You. We will have the right to terminate this Agreement upon thirty (30) days written notice to You if You fail to perform any of Your material obligations contained in this Agreement and fail to cure such failure within thirty (30) days of Your receipt of such notice.

7.2 Deadlines Missed by You.

(a) TIME IS OF THE ESSENCE of this Agreement. Your failure to meet any deadline set forth in the Development Schedule will constitute a material default under this Agreement without any opportunity to cure such default or notice under Section 7.1 hereof. If You fail to meet such a deadline, We may at any time thereafter immediately terminate this Agreement effective upon written notice from Us.

(b) The termination of this Agreement will have no effect on any franchises previously issued to You or on franchises to be issued for sites where We have already approved the site and the franchise.

7.3 Other Defaults. A default by You under any JOJO'S GRILL-A-DOG Franchise Agreement developed under this Agreement will constitute a material default under this Agreement, in which event We may terminate this Agreement unless such default is timely cured in accordance with the term of the pertinent Franchise Agreement or applicable law.

8. PRINCIPALS; LEGAL ENTITY; COVENANTS

8.1 Definition of Principals. For purposes of this Article 8, the term "**Principals**" will include the persons executing this Agreement as Principals, their spouses, minor children or any trust for the benefit of such persons. We have unrestricted right to approve all owners and any future owners.

8.2 Personal Guarantees. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement and under each and every Franchise Agreement to be entered into pursuant hereto.

8.3 Conflicts of Interest. During the term of this Agreement, neither You nor any Principal will, without Our prior express written consent of, directly or indirectly, engage in, or acquire any financial or beneficial interest in, any Outlet which is similar to or competitive with the business of JOJO'S GRILL-A-DOG Outlets ("**Similar Business**")

8.4 Authorized Agent. You and the Principals appoint the following person with full authority (the "**Authorized Agent**") to act on Your behalf and on behalf of the Principals in regard to performing, administering or amending this Agreement and any and all Franchise Agreements related to it: _____

We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You of the appointment of a successor to the Authorized Agent;

YOUR INITIALS: _____

8.5 Form of Legal Entity.

(a) If You are organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**"), the Principals must notify Us of the form of such Legal Entity and have received Our written approval and You must comply with this Subsection 8.5 and any other condition which We may require. We have unrestricted right to approve all equity owners and any future owners. We will not charge a transfer fee for forming such a Legal Entity. The organization documents must be promptly submitted for Our review.

(b) Unless We provide its prior written consent to the contrary, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

- (i) The Legal Entity must be closely held with the single purpose of developing and operating JOJO'S GRILL-A-DOG Outlets.
- (ii) The Principal(s) (as defined in Section 8.1 above) will collectively own and control not less than fifty-one percent (51%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.
- (iii) Not more than twenty percent (20%) in the aggregate of the voting rights of the Legal Entity will be owned beneficially or of record by institutional firms or publicly held corporations.
- (iv) There will be no public offerings of debt or equity ownership by or in the Legal Entity without Our prior written consent and approval.
- (v) Prior to the end of ____ days after the date of this Agreement, at least \$100,000 times the number of Required Outlets (\$_____) cash will be invested in Your Legal Entity, which will be its minimum start up capitalization. You agree to furnish Us with written evidence of such investment on or before the above date.

Your Initials: _____

- (vi) You must at all times maintain in the Legal Entity (A) positive working capital and (B) a net worth of at least \$100,000 multiplied by the number of Required Outlets developed hereunder.
- (vii) All persons with a 10% or greater interest in You must execute this Agreement and the Personal Guaranty in the form attached hereto as Exhibit D.
- (viii) You have provided Us with such documentation as We have requested to evidence the foregoing.

(c) Throughout the term of this Agreement, the Legal Entity will not make any transfer of value to any of its beneficial or record owners or any affiliate of such owner ("**Owner**") which would create negative working capital or would cause the net worth of the Legal Entity to be less than \$100,000.00 multiplied by the number of Required Outlets to be developed hereunder. Similarly, there will at no time be any transfer of value to any Owner unless You are fully current in all payments to Us and Our Affiliates and all Advertising Cooperatives in the Territory. For purposes herein, "**transfer of value**" will include but not be limited to gifts, bonuses, salaries, benefits or other compensation, dividends of any nature, loans, cancellation of debt, purchases or sales, or similar transfers.

(d) You agree to notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity, and We will have thirty (30) days after receipt of such notice to disapprove such intended issuance or transfer. Such disapproval must be reasonable and based on the transferee's being involved with other parties in competition with JOJO'S GRILL-A-DOG Outlets, or having a known history, reputation or character which is adverse to the interests of JOJO'S GRILL-A-DOG Outlets. Our failure to respond timely to such notice will be deemed an approval of the proposed transfer. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(e) Notwithstanding anything to the contrary contained in this Section 8.5, a transfer of ownership interest in the Legal Entity which involves only a transfer between or among the Principals, entities wholly owned and controlled by the Principals or any of them or entities controlled by any Principal for the benefit of members of his or her immediate family shall not require Our prior written approval so long as the other requirements of this Section 8.5 are satisfied and We receive prior written notice of such transfer together with complete details regarding the ownership and legal structure of the transferee(s). We will not unreasonably withhold approval of any transfer so long as the Principals maintain operational control of Your Legal Entity.

(f) The organization documents of the Legal Entity will contain the restrictions set forth in this Section 8.5. You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

"Transfer of ownership in this company is subject to the terms and conditions of a JOJO'S GRILL-A-DOG Area Development Agreement and Franchise Agreement. Reference is made to such Agreements and to the restrictive provisions contained in this company's organization documents."

8.6 Financial Statements. You and the Principals agree that each will furnish Us every year during the term hereof a certified copy of the same form of annual financial statements required of the Franchisee in the Franchise Agreements provided for herein. Such financial statements must be received by Us not later than one hundred twenty (120) days after the last day of each fiscal year. Any amendments to such information will be sent to us promptly. TIME IS OF THE ESSENCE with respect to completion and submission of each such document.

9. MISCELLANEOUS

9.1 Miscellaneous.

(a) Each of the parties hereto agrees that the terms and conditions of this Agreement are confidential and restricted to the knowledge of the parties and their respective attorneys, accountants, advisors and only other persons whose knowledge of this Agreement are necessary for the implementation of the transaction contemplated hereby.

(b) The terms hereof are intended only to benefit the parties to this Agreement, and no one else is entitled to any benefits as a result of this Agreement or its terms and conditions.

(c) If any part of this Agreement will for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid.

(d) The parties agree that except for conflict of laws issues, the law of the State where most of the Territory is located will apply to the construction and enforcement of this Agreement and govern all questions which arise with reference hereto with the following exceptions: (a) the arbitration clause will be exclusively governed by and construed according to the Federal Arbitration Act; and (b) trademark rights will be governed by and construed according to the Lanham Act. You and We expressly consent to personal jurisdiction in the county in which Our corporate headquarters are located (the "**Home County**") and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration. As of the date of this Agreement, the Home County is San Bernardino County, California.

(e) Except as set forth in Section 8.1(f), any unresolved dispute between the parties arising out of or in connection with Agreement shall be determined by binding arbitration pursuant to the rules of the American Arbitration Association applicable to commercial arbitrations and the Federal Arbitration Act. Such arbitration shall be held within the Home County. At the conclusion of the arbitration, the arbitrator must deliver to the parties a written statement of conclusions of fact and conclusions of law supporting the final award of the arbitrator. Any party may move for judicial confirmation, modification or correction of the final award of the arbitrator within 60 days after receipt thereof. Alternatively, judgment upon such decision may be entered in any court having jurisdiction over the matter.

(f) Notwithstanding the foregoing, any action by Us which involves Your continued usage of any of the Marks or the System or an issue involving injunctive relief, may be submitted to a court in the Home County having jurisdiction over the issues involved.

(g) If either party initiates any legal proceeding which involves issues arising out of this Agreement, the prevailing party in such action will be paid its reasonable attorneys' fees and costs by the other party.

(h) All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, , sent by an established overnight delivery service or mailed by registered or certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days after mailing, and if sent by overnight delivery, such notice shall be deemed to have been received the day following sending.

Us: Grill-A-Dog Franchise LLC
27471 San Bernardino Ave #210
Redlands, CA 92374
Attn: President

FAX: _____

You: _____

FAX: _____

(i) All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. All terms used herein shall have their customary meanings unless specified to the contrary. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the

generality of any of its provisions. Words in bold face are done so for easier of reference only.

(j) Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document. This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Except as may be expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both parties.

9.2 Acknowledgment. BY INITIALING WHERE INDICATED, YOU EXPRESSLY ACKNOWLEDGE THAT:

(a) YOU HAVE ENTERED INTO THIS AGREEMENT AS A RESULT OF YOUR OWN INDEPENDENT INVESTIGATION, AFTER CONSULTATION WITH AN ATTORNEY OR OTHER ADVISOR(S) OF YOUR CHOICE.

YOUR INITIALS:_____

(b) THE SUCCESS OF THE FRANCHISED OUTLETS WILL BE LARGELY DEPENDENT UPON THE ABILITIES AND EFFORTS OF YOU AND THE PRINCIPALS, AND WE HAVE MADE NO WARRANTY OR GUARANTEE TO YOU THAT THE FRANCHISED OUTLETS WILL BE SUCCESSFUL OR PROFITABLE.

YOUR INITIALS:_____

(c) A COMPLETE COPY OF THIS AGREEMENT AS SIGNED BY YOU WAS RECEIVED BY YOU AT LEAST 7 CALENDAR DAYS PRIOR TO ITS EXECUTION BY YOU, AND A COMPLETE COPY OF OUR FRANCHISE DISCLOSURE DOCUMENT WAS RECEIVED AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR EXECUTION OF THIS AGREEMENT.

YOUR INITIALS:_____

Signatures on Next Page

IN WITNESS WHEREOF, the parties have executed the Agreement as of the day, month and year first above written.

Sign here if the Area Developer is/are individual(s):

“You”

Print Name: _____ Print Name: _____

Signature: _____ Signature: _____

Print Name: _____ Print Name: _____

Signature: _____ Signature: _____

Sign here if the Area Developer is a company and/or legal entity:

You: _____

By: _____

Title: _____

Principals:

Printed Name: _____ %Ownership: _____

Signature: _____

Printed Name: _____ %Ownership: _____

Signature: _____

Printed Name: _____ %Ownership: _____

Signature: _____

GRILL-A-DOG FRANCHISE LLC

By: _____
President

TERRITORY

Your Name:

Description of Territory:

Existing Outlets (if any):

We reserve the right to authorize and allow other Franchise owners to operate within Your Territory one or more vehicles selling products under the JOJO'S GRILL-A-DOG Mark, so long as the vehicle has been approved by Us and which has received Our prior written consent to sell food, beverages and related items at one or more specific locations within the Territory ("**Approved Vehicle**") and is operated in full compliance with the Manual.

Your Approved Vehicles that may operate within Your Territory and elsewhere.

APPROVED:

YOU _____

US: _____

DEVELOPMENT SCHEDULE

1. JOJO'S GRILL-A-DOG Outlets Development. We have granted to you the right to develop and operate and you agree to develop and operate a minimum number of _____ (__) JOJO'S GRILL-A-DOG franchise Outlets in accordance with the terms of the Agreement.

2. Development Obligations. You agree to have the minimum number of JOJO'S GRILL-A-DOG Outlets ("**Outlets**") open in the Development Area during the Development Periods and in operation at the end of each of the Development Periods listed below:

DEVELOPMENT PERIOD	DEVELOPMENT REQUIREMENTS	
ENDING ON:	TO BE OPENED DURING DEVELOPMENT PERIOD	CUMULATIVE NUMBER OF CENTERS OPEN AND IN OPERATION AT END OF DEVELOPMENT PERIOD

APPROVED:

YOU: _____

US: _____

CONFIDENTIALITY AGREEMENT

In consideration of receiving information regarding the operation of JOJO'S GRILL-A-DOG Outlets (the "**Outlets**") the undersigned ("**Recipient**") agrees that:

1. Recipient will not (a) make unauthorized copies of, (b) disclose to any unauthorized person or (c) use for Recipient's benefit or a JOJO'S GRILL-A-DOG competitor's benefit any trade secrets or confidential information, knowledge or know-how about the methods of operating the Outlets ("**Confidential Information**") except only for information which Recipient can show was known by him or her before receiving such information from GRILL-A-DOG FRANCHISE LLC or information which has become a part of the public domain through publication or communication by others.

2. Recipient agrees that any breach of this Confidentiality Agreement will cause JOJO'S GRILL-A-DOG operators irreparable injury, and agrees that in addition to any other right or remedy provided for by law or equity, GRILL-A-DOG FRANCHISE LLC shall be entitled to specific performance of, or an injunction against violation of, this Confidentiality Agreement.

3. Recipient agrees that upon request he or she will return immediately all copies of any JOJO'S GRILL-A-DOG Manuals and other documents containing Confidential Information to GRILL-A-DOG FRANCHISE LLC.

IN WITNESS WHEREOF, the undersigned has executed this document as of the date set forth below.

DATED: _____

Print Name: _____

Signature: _____

EXHIBIT D

PERSONAL GUARANTY

This Personal Guaranty is given to induce GRILL-A-DOG FRANCHISE LLC (the "**Franchisor**") to enter into that certain JOJO'S GRILL-A-DOG Area Development Agreement, dated _____, 20____ with _____ ("**Area Developer**").

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of Area Developer, including, without limitation, all obligations arising out of the Area Development Agreement and any other agreement; including, without limitation, all JOJO'S GRILL-A-DOG Franchise Agreements, and hereby individually undertakes to be bound by all of the terms of such agreements.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require Franchisor or its assignee to proceed against Area Developer or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. The Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

In connection with any litigation or arbitration to determine Guarantors liability under this Personal Guaranty, Guarantors expressly waive Guarantors' right to trial by jury, if any, and agree to pay costs and reasonable attorney's fees as fixed by the court or arbitrator.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty on _____ [date].

"Guarantors"

Print Name: _____

Print Name: _____

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Signature: _____

Signature: _____

Exhibit D

EXHIBIT D

CONFIDENTIALITY AGREEMENT **(OPERATIONS MANUAL)**

This Confidentiality Agreement dated as of _____, 202____ by and between the undersigned ("You" and "Your") and Grill-A-Dog Franchise LLC ("Franchisor"), with respect to Your request to review its Operations Manual ("Manual") prior to purchasing a franchise.

1. Franchisor agrees to allow You to review the Manual in consideration of Your execution of this Agreement.

2. You agree that the Franchisor considers the Manual to be confidential and proprietary information which may not be disclosed to other parties. Accordingly, You agree that You will not disclose its contents in whole or part to any other person without the prior written consent of the Franchisor. You will not make retain any copies or reproductions of any nature of the Manual.

3. You acknowledge that the restrictions contained in this Agreement are reasonable and necessary to protect Franchisor's legitimate interests in the Manual and that any breach by You of this Agreement will result in irreparable injury to Franchisor for which a remedy at law would be inadequate. Accordingly, You agree that Franchisor shall be entitled to temporary, preliminary and permanent injunctive relief against You, without the necessity of posting bond, in the event of any breach or threatened breach by You of this Agreement, in addition to any other remedy that may be available to Franchisor whether at law or in equity.

AGREED:

_____ Printed Name: _____

GRILL-A-DOG FRANCHISE LLC

By: _____

Title: _____

Exhibit

E

**NAMES AND ADDRESSES OF AGENTS FOR SERVICE OF PROCESS
AND STATE REGULATORY AUTHORITIES**

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
CALIFORNIA	Ryan Molnar 33694 Yucaipa Blvd. Suite 1 Yucaipa, CA 92399 (909) 797-2444	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 or (866) 275-2677
HAWAII	Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Securities Compliance Branch Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Chief, Franchise Bureau Illinois Attorney General 500 South Second Street Springfield, IL 62706 (312) 814-3892
INDIANA	Secretary of State Administrative Offices 201 State House Indianapolis, IN 46204	Securities Commissioner Securities Division, Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
MARYLAND	Maryland Securities Commissioner Securities Division 200 St. Paul Place Baltimore, MD 21202-2020	Maryland Attorney General Office of the Attorney General 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottawa 670 Law Building Lansing, MI 48913	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W. Ottawa P.O. Box 30213 Lansing, MI 48909

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
		(517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101-2198	Deputy Commissioner Minnesota Department of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328
NEW YORK	Secretary of State of the State of New York 41 State Street Albany, NY 11231	Assistant Attorney General Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211
NORTH DAKOTA	North Dakota Securities Commissioner Fifth Floor 600 East Boulevard Bismarck, ND 58505	Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
RHODE ISLAND	Director of Rhode Island Department of Business Regulation Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903	Associate Director and Superintendent of Securities Division of Securities Bldg 69, 1 st Floor, 1511 Pontiac Ave. Cranston, RI 02920 (401) 462-9527
SOUTH DAKOTA	Division of Securities South Dakota Department of Revenue and Regulation 445 E. Capitol Avenue Pierre, SD 57501	Franchise Administrator Division of Securities 445 E. Capitol Avenue Pierre, SD 57501 (605) 773-4013
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street Richmond, VA 23219 (804) 371-9733	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
WASHINGTON	Director of Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, WA 98501	Administrator Dept. of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98501 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities 345 W. Washington Avenue, 4 th Floor Madison, WI 53703	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 266-3432

Exhibit

F

GRILL-A-DOG FRANCHISE LLC

Financial Statements For The Years Ended December 31, 2023 & December 31, 2022

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

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INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of GRILL-A-DOG FRANCHISE LLC

Opinion

We have audited the financial statements of GRILL-A-DOG FRANCHISE LLC (the “Company”), which comprise the Balance Sheet as of December 31, 2023 & December 31, 2022, the related Profit & Loss Statements, the related Statements of Cashflows, the related Statements of Shareholders’ Equity, and the related notes for the twelve-month periods then ended. (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 & December 31, 2022, and the results of its operations and its cash flows for the twelve-month periods then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

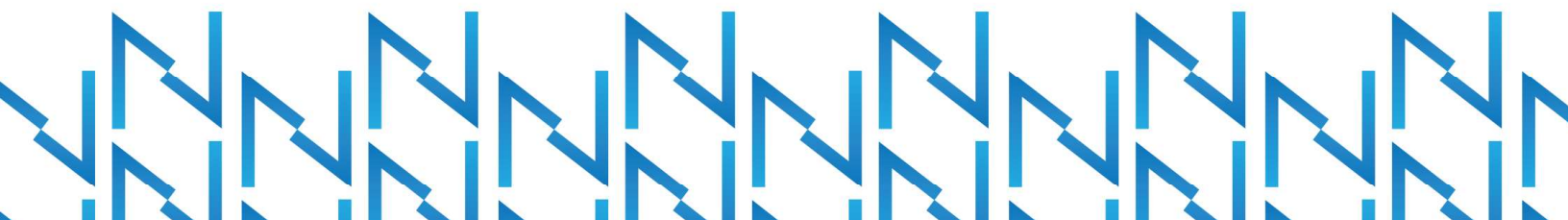
In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date that the financial statements are available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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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



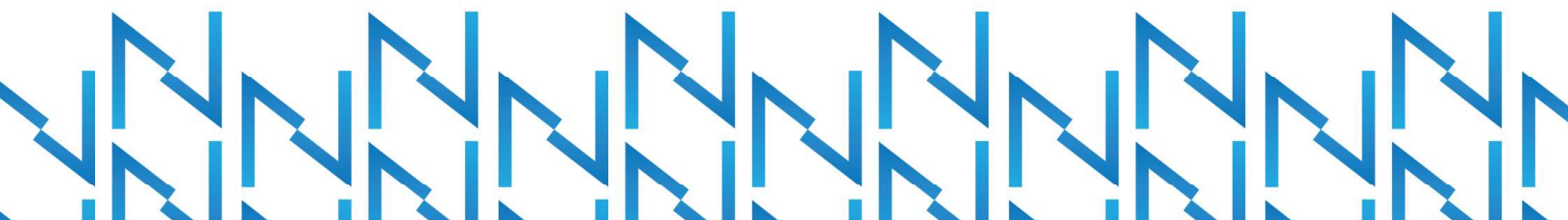
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

A handwritten signature in black ink, appearing to read 'Omar Alnuaimi', with a stylized flourish at the end.

Omar Alnuaimi, CPA

Naperville, IL
March 5, 2024



GRILL-A-DOG FRANCHISE LLC
PROFIT & LOSS STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2023 & DECEMBER 31, 2022

	<u>2023</u>	<u>2022</u>
Revenue		
Royalty Revenue	27,345	12,295
Total Revenue	27,345	12,295
Cost of Sales	-	8,774
Gross Profit	27,345	3,521
Operating Expense		
Salaries & Wages Expenses	5,412	22,606
Professional Services	2,081	4,989
Advertising & Promotional Expense	1,459	6,360
General & Administrative Expense	2,450	14,815
Total Operating Expenses	11,402	48,770
Net Income From Operations	15,943	(45,249)
Other Income (Expense)		
Total Other Income (Expense)	-	-
Net Income Before Provision for Income Tax	15,943	(45,249)
Provision for Income Taxes	-	-
Net Income (Loss)	<u>\$15,943</u>	<u>\$ (45,249)</u>

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
BALANCE SHEET
AS OF DECEMBER 31, 2023 & DECEMBER 31, 2022

	<u>12/31/23</u>	<u>12/31/22</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 89,051	\$82,130
Other	525	500
TOTAL CURRENT ASSETS	89,576	82,630
NON-CURRENT ASSETS		
TOTAL NON-CURRENT ASSETS		-
TOTAL ASSETS	89,576	82,630
<u>LIABILITIES AND OWNER'S EQUITY</u>		
CURRENT LIABILITIES		
TOTAL CURRENT LIABILITIES	-	-
NON-CURRENT LIABILITIES		
SBA Loan	42,784	50,700
Due to Related Party	69,638	69,613
TOTAL NON-CURRENT LIABILITIES	112,422	120,313
TOTAL LIABILITIES	112,422	120,313
OWNER'S EQUITY		
Retained Earnings (Deficit)	(38,789)	7,567
Net Income (Loss)	15,943	(45,249)
TOTAL SHAREHOLDERS' EQUITY	(22,846)	(37,682)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 89,576	\$82,630

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
STATEMENT OF CASHFLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 & DECEMBER 31, 2022

	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES		
Net Income	\$ 15,943	\$ (45,249)
Non-Cash Adjustments		
Changes in Current Assets	(25)	(500)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>15,918</u>	<u>(45,749)</u>
INVESTING ACTIVITIES		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
FINANCING ACTIVITIES		
Owner's Contribution (net)	(1,107)	-
Due to Related Party	25	69,613
SBA Loan Proceeds (repayments)	(7,916)	-
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(8,998)</u>	<u>69,613</u>
NET INCREASE (DECREASE) IN CASH	6,920	23,864
CASH AT BEGINNING OF PERIOD	<u>82,130</u>	<u>58,267</u>
CASH AT END OF PERIOD	\$ 89,051	\$ 82,130

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
STATEMENT OF SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2023 & DECEMBER 31, 2022

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	\$ 7,567	\$ -	\$ 7,567
Net Income for the period ending December 31, 2022	-	(45,249)	(45,249)
Equity Contributions (Distributions)	-	-	-
Balance, December 31, 2022	\$ 7,567	\$ (45,249)	\$ (37,682)

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	\$ (37,682)	\$ -	\$ (37,682)
Net Income for the period ending December 31, 2023	-	15,943	15,943
Equity Contributions (Distributions)	-	(1,107)	(1,107)
Balance, December 31, 2023	\$ (37,682)	\$ 14,836	\$ (22,846)

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 & DECEMBER 31, 2022

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

GRILL-A-DOG FRANCHISE LLC (the “Company”) was incorporated under the laws of the California for the purpose of offering franchise opportunities to entrepreneurs who want to own their own Grill-A-Dog location, as a franchise.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Franchisee Receivables

The Company’s franchisee receivables primarily result from initial franchise fees, royalty fees, brand development contributions and training fees charged to franchisees. Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. The Company reports these receivables at net realizable value.

Management determines the allowance for doubtful accounts based on historical losses, current expectations, and economic conditions. On a continuing basis, management analyzes delinquent accounts receivable and, once these accounts receivable are determined to be uncollectible, they are written off through a charge against an existing allowance account. The allowance account is reviewed regularly and adjusted against earnings as appropriate. The Company determined that an allowance on outstanding franchisee receivables of \$0 was necessary as of December 31, 2023 & December 31, 2022. Franchisee bad debt expense was \$0 for the year ended December 31, 2023 & December 31, 2022. Franchisee amounts written off were \$0 for the year ended December 31, 2023 & December 31, 2022.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 & DECEMBER 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fixed Assets and Depreciation

Property and Equipment is stated at cost. Accounting principles generally accepted in the United States of America require that property and equipment be depreciated using the straight-line method. Depreciation in these financial statements reflects accelerated depreciation methods used for the tax return. The effects of these departures from accounting principles generally accepted in the United States of America on financial position, results of operations, and cash flows have not been determined. Expenditures for normal repairs and maintenance are charged to operations as incurred.

The Company reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is present when the sum of the undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. As of December 31, 2023 & December 31, 2022, no impairment loss has been recognized for long-lived assets.

Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2023 & December 31, 2022, the carrying amounts of the Company’s financial assets and liabilities reported in the balance sheets approximate their fair value.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 & DECEMBER 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller's price to the buyer is fixed or determinable, and collectability is reasonably assured. The determination of whether fees are fixed or determinable and collection is reasonably assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

Unearned Revenue

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the stand-alone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' is recognized when the related services have been rendered.

The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 & DECEMBER 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Income Taxes

The Company, with the consent of its shareholders, intends to elect to be a Partnership (for tax purposes). In lieu of corporate income taxes, the partners of a partnership are taxed based on its proportionate share of The Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2023, & December 31, 2022, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

NOTE C – SBA LOAN

During 2020, the Company entered into a loan agreement with the SBA in the amount of \$5,000. A modification was made to the loan during 2021 increasing the loan to a total of \$50,700. This loan is secured by all assets of the company and in compliance with all applicable covenants.

NOTE D - TRANSACTIONS WITH RELATED PARTY

The Due to Related Party account represents a loan due to a related affiliate. This loan is unsecured, has no stated interest rate, and any repayments are deferred with no stated repayment date. The proceeds of this loan were used to fund various operating expenses of the Company.

NOTE E – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE F – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 5, 2024, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

GRILL-A-DOG FRANCHISE LLC

Financial Statements For The Year Ended December 31, 2022

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

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INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of GRILL-A-DOG FRANCHISE LLC

We have audited the accompanying financial statements of GRILL-A-DOG FRANCHISE LLC, which comprise the Balance Sheet as of December 31, 2022, the related Profit & Loss Statement, the related Statement of Cashflows, and the related Statement of Shareholders' Equity for the twelve-month period then ended.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GRILL-A-DOG FRANCHISE LLC as of December 31, 2022, and the results of its operations and its cash flows for the twelve-month period then ended in accordance with accounting principles generally accepted in the United States of America.

Management's Responsibility for the Financial Statements

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

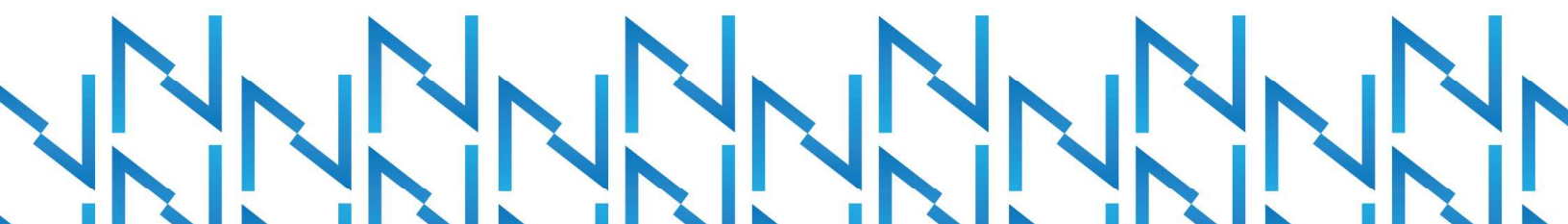
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

A handwritten signature in blue ink, appearing to read 'Omar Alnuaimi', followed by a small blue checkmark.

Omar Alnuaimi, CPA

Naperville, IL
March 1, 2023



GRILL-A-DOG FRANCHISE LLC
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

Revenue	
Royalty Revenue	\$ 12,295
Cost of Sales	8,774
Gross Profit	<u>3,521</u>
 Operating Expense	
Salaries & Wages Expenses	22,606
Professional Services	4,989
Advertising & Promotional Expense	6,360
General & Administrative Expense	14,815
Total Operating Expenses	<u>48,770</u>
 Net Income From Operations	(45,249)
 Other Income (Expense)	
Total Other Income (Expense)	<u>-</u>
 Net Income Before Provision for Income Tax	(45,249)
 Provision for Income Taxes	-
 Net Income (Loss)	<u><u>\$ (45,249)</u></u>

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
BALANCE SHEET
DECEMBER 31, 2022

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 82,130
Other	<u>500</u>
TOTAL CURRENT ASSETS	82,630

NON-CURRENT ASSETS

TOTAL NON-CURRENT ASSETS	<u>-</u>
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TOTAL ASSETS	<u><u>82,630</u></u>
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LIABILITIES AND OWNER'S EQUITY

CURRENT LIABILITIES

TOTAL CURRENT LIABILITIES	<u>-</u>
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NON-CURRENT LIABILITIES

SBA Loan	50,700
Due to Related Party	<u>69,613</u>
TOTAL NON-CURRENT LIABILITIES	120,313

TOTAL LIABILITIES	<u>120,313</u>
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OWNER'S EQUITY

Retained Earnings	7,567
Net Income (Loss)	<u>(45,249)</u>
TOTAL SHAREHOLDERS' EQUITY	(37,682)

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$ 82,630</u></u>
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See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

OPERATING ACTIVITIES

Net Income	\$ (45,249)
Non-Cash Adjustments	
Changes in Current Assets	(500)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(45,749)

INVESTING ACTIVITIES

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-
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FINANCING ACTIVITIES

Due to Related Party	69,613
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	69,613

NET INCREASE (DECREASE) IN CASH	23,863
CASH AT BEGINNING OF PERIOD	58,267
CASH AT END OF PERIOD	\$ 82,130

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
STATEMENT OF SHAREHOLDERS' EQUITY
DECEMBER 31, 2022

	Opening Equity Balance	Yearly Changes	Total
Balance, December 31, 2021	\$ 7,567	\$ -	\$ 7,567
Net Income For The Period Ended December 31, 2022	-	(45,249)	(45,249)
Equity Contributions (Distributions)	-	-	-
Balance, December 31, 2022	\$ 7,567	\$ (45,249)	\$ (37,682)

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2022

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

GRILL-A-DOG FRANCHISE LLC (the “Company”) was incorporated under the laws of the California for the purpose of offering franchise opportunities to entrepreneurs who want to own their own Grill-A-Dog location, as a franchise.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Franchisee Receivables

The Company’s franchisee receivables primarily result from initial franchise fees, royalty fees, brand development contributions and training fees charged to franchisees. Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. The Company reports these receivables at net realizable value.

Management determines the allowance for doubtful accounts based on historical losses, current expectations, and economic conditions. On a continuing basis, management analyzes delinquent accounts receivable and, once these accounts receivable are determined to be uncollectible, they are written off through a charge against an existing allowance account. The allowance account is reviewed regularly and adjusted against earnings as appropriate. The Company determined that an allowance on outstanding franchisee receivables of \$0 was necessary as of December 31, 2022. Franchisee bad debt expense was \$0 for the year ended December 31, 2022. Franchisee amounts written off were \$0 for the year ended December 31, 2022.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2022, the carrying amounts of the Company’s financial assets and liabilities reported in the balance sheets approximate their fair value.

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller’s price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees are fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—‘Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient’ in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2022

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Unearned Revenue

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the stand-alone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' is recognized when the related services have been rendered.

The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2022, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

GRILL-A-DOG FRANCHISE LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2022

NOTE C – SBA LOAN

During 2020, the Company entered into a loan agreement with the SBA in the amount of \$5,000. A modification was made to the loan during 2021 increasing the loan to a total of \$50,700. This loan is secured by all assets of the company and in compliance with all applicable covenants.

NOTE D - TRANSACTIONS WITH RELATED PARTY

The Due to Related Party account represents a loan due to a related affiliate. This loan is unsecured, has no stated interest rate, and any repayments are deferred with no stated repayment date. The proceeds of this loan were used to fund various operating expenses of the Company.

NOTE E – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE F – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 1, 2023, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

GRILL-A-DOG FRANCHISE, LLC

REPORT ON AUDIT OF
FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

John F. Coggin, CPA PLLC
Certified Public Accountant

GRILL-A-DOG FRANCHISE, LLC

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Financial Statements

GRILL-A-DOG FRANCHISE, LLC
BALANCE SHEET
December 31, 2021, and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets		
Checking/Savings		
Wells Fargo 4510	58,267	57,640
Total Checking/Savings	58,267	57,640
Total Current Assets	58,267	57,640
TOTAL ASSETS	<u>58,267</u>	<u>57,640</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Accounts Payable	-	493
SBA 2020 - Current Maturity	-	300
SBA 2021 - Current Maturity	3,072	-
Total Other Current Liabilities	3,072	793
Total Current Liabilities	3,072	793
Long Term Liabilities		
SBA Long Term	47,628	4,700
Total Long Term Liabilities	47,628	4,700
Total Liabilities	50,700	5,493
Equity		
Equity	7,567	52,147
Total Equity	7,567	52,147
TOTAL LIABILITIES & EQUITY	<u>58,267</u>	<u>57,640</u>

The accompanying notes are an integral part of these financial statements

GRILL-A-DOG FRANCHISE, LLC
Statement of Income
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Ordinary Income/Expense		
Income		
Franchise Fees	30,000	-
Total Income	<u>30,000</u>	<u>-</u>
Gross Profit	30,000	-
Expense		
Advertising and Promotion	5,840	-
Bank Service Charges	31	-
Fees		
Franchise Direct	870	-
Fees - Other	<u>100</u>	<u>-</u>
Total Fees	970	-
Professional Fees	10,484	-
Travel Expense	<u>4,129</u>	<u>-</u>
Total Expense	<u>21,454</u>	<u>-</u>
Net Ordinary Income	<u>8,546</u>	<u>-</u>
Net Income	<u><u>8,546</u></u>	<u><u>-</u></u>

GRILL-A-DOG FRANCHISE, LLC
Statement of Member's Equity
For the Years Ended December 31, 2021, and 2020

	Members' Equity	Net Income	Draws	Total Members' Equity
Balance at December 31, 2020		-	-	\$ 52,147
Draws			(53,126)	(53,126)
Net Income		8,546		8,546
Balance at December 31, 2021				<u>\$ 7,567</u>

The accompanying notes are an integral part of these financial statements

GRILL-A-DOG FRANCHISE, LLC
Statement of Cash Flows
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Net Income	8,546	-
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities:		
Accounts Payable	(493)	493
SBA Loan 2020	(300)	300
SBA TREAS 310 Loan	3,072	-
Net Cash Provided by (Used in) Operating Activities	10,825	793
Net Cash Provided by Loans (Used in) Financing Activities - Loans		
Loan SBA L/T	42,928	4,700
Equity Draw	(53,126)	52,147
Total Provided by Financing Activities	(10,198)	56,847
Net Increase (Decrease) in Cash and Cash Equivalents	627	57,640
Cash and Cash Equivalents, beginning of year	57,640	-
Cash and Cash Equivalents, end of year	58,267	57,640
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	-	-
Cash Paid for Taxes	6,727	-

The accompanying notes are an integral part of these financial statements

GRILL-A-DOG FRANCHISE, LLC
Notes to Financial Statements
December 31, 2021 and 2020

1 – Nature of Organization

Grill-A-Dog Franchise LLC (The "Company") presently serves as the Franchisor for the Grill -A-Dog Franchise LLC. The Company was organized and has been in existence since March 08, 2017.

2 – Significant Accounting Policies

The Company maintains its books and records, and corresponding financial statements, on the accrual method of accounting in compliance with generally accepted accounting principles recognized in the United States of America.

Revenue Recognition

Initial franchise fees will be recorded as income when the company provides substantially all the initial services agreed upon in the franchise agreement or when the franchise has commenced operations, whichever comes first. If the fee is received over a period of time and the Company has no reasonable basis for estimating the collectability of the fee, the Company will use the installment method of recognition of the initial fee as revenue. Monthly royalty fees will be recognized when paid by the franchisees.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services. The Company enters into contracts that can include various combinations of products and services, which are generally capable of being distinct and accounted for as separate performance obligations. Revenue is recognized net of allowances for returns and any taxes collected from customers, which are subsequently remitted to governmental authorities.

Cash and Cash Equivalents

Cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital nature. Also, certificates of deposit are considered a current asset as they can be converted immediately into cash despite a penalty for early withdrawal.

Contract Asset and Contract Liability Disclosures

Contract assets — Contract assets include unbilled amounts typically resulting from sales under contracts when revenue recognition is utilized and revenue recognized exceeds the amount billed to the customer. The amounts may not exceed their estimated net realizable value. Contract assets are classified as current based on our contract operating cycle.

Contract liabilities — Contract liabilities (formerly referred to as customer advances and amounts in excess of costs incurred) include advance payments and billings in excess of revenue recognized. Contract liabilities are classified as current based on our contract operating cycle and reported on a contract-by-contract basis, net of revenue recognized, at the end of each reporting period.

2. Significant Accounting Policies, Continued***Significant Judgments***

Judgment is required to determine the Stand-alone Selling Prices (SSP) for each distinct performance obligation. The Company use a single amount to estimate SSP for items that are not sold separately.

In instances where SSP is not directly observable, such as when The Company do not sell the product or service separately, The Company determine the SSP using information that may include market conditions and other observable inputs.

Practical Expedient - Preopening Services

The FASB issued ASU 2021-02, allows a franchisor that is not a public business entity (“private-company franchisor”) to use a practical expedient when identifying performance obligations in its contracts with customers (i.e., franchisees) under ASC 606. When using the practical expedient, a private-company franchisor that has entered into a franchise agreement would treat certain preopening services provided to its franchisee as distinct from the franchise license. Under legacy industry guidance in ASC 952-605-25-1, the initial franchise fee is generally recognized “when all material services or conditions relating to the sale have been substantially performed or satisfied by the franchisor” (typically, upon the opening of the franchise location). ASU 2021-02 adds a new Codification subtopic, ASC 952-606, to provide a practical expedient that allows a private-company franchisor that has entered into a franchise agreement to treat certain preopening services provided to a franchisee as distinct from the franchise license. Those preopening services consist of the following activities:

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

If a private-company franchisor applies the practical expedient, it must disclose that fact. In addition, a private-company franchisor that applies the practical expedient must make a policy election to either (1) apply the guidance in ASC 606 to determine whether the preopening services that are subject to the practical expedient are distinct from one another or (2) account for those.

2. Significant Accounting Policies, Continued

preopening services as a single performance obligation. A private-company franchisor that elects to account for those preopening services as a single performance obligation is required to disclose this accounting policy. Further, an entity that applies the guidance in ASU 2021-02 should apply it consistently to contracts with similar characteristics and in similar circumstances. Required to apply (1) identifying other performance obligations (e.g. equipment sales) (2) determining the stand-alone selling prices of the performance obligations, (3) allocating the transaction price to the performance obligations, and (4) determining the timing of revenue recognition. As the company has already adopted ASC 606, the amendments are effective for fiscal years beginning after December 15, 2020.

Process

The process for achieving the core revenue recognition principle can be broken down into five steps:

1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the entity satisfies the performance obligation.
- 6.

Balance Sheet Classifications

A one-year time period is used in classifying all assets and liabilities.

Programs

The Company offers its clients the complete range of professional consulting services for the formation of Franchise operation.

Concentration of Credit Risk

Financial instruments that potentially subject The Company to credit risk include cash on deposit with a financial institution if they exceed \$250,000, the FDIC insured limits.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses

GRILL-A-DOG FRANCHISE, LLC

Notes to Financial Statements

December 31, 2021 and 2020

during the reporting period. Actual results could differ from those estimates. Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based upon such periodic evaluation. It is reasonably possible that changes may occur in the near term that would affect management's estimates with respect these estimates. Estimates include the stability in the marketplace, availability of franchise operations and continued favorable economic conditions.

Concentrations

There are concentrations on revenue for the company. The company is located in California and is accordingly impacted by the economic environment.

3 – Income Tax

The company is an LLC formed in the state of California.

The company reports annually to the Internal Revenue Service on form 1065 – Membership. Accordingly, the company is a pass thru entity, no federal taxes are reflected on the financial such.

The Federal IRD filed returns remain open to potential examinations by the IRS for a period of three years after the returns are filed. The current open year is 2021. Any penalties or interest resulting from Federal Taxes are reflected in other expenses.

If it is probable that an uncertain tax position will result in a material liability and the amount of the liability can be estimated, then the estimated liability is accrued. If the Company were to incur any income tax liability in the future, interest on any income tax liability would be reported as interest expense, and penalties on any income tax would be reported as income taxes. The Company's federal and state income tax returns are open for years including and after December 2021. As of December 31, 2021, there were no uncertain tax positions.

4 – Related Party Loan Payable

The Company presently has no related party loan.

5 – Equity – Related Party

Member draws for the year end December 31, 2021 were \$53,126.

6 – Subsequent Events

Subsequent events have been evaluated through January 31, 2021, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

7 – Commitments and Contingencies

The company is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution on these type matters will not have material effect on the financial.

GRILL-A-DOG FRANCHISE, LLC

Notes to Financial Statements

December 31, 2021 and 2020

7 – Commitments and Contingencies, Continued

condition or results of operations of the Company. Presently management is of the opinion that there are not pending legal or claim matters.

8 – Employee Benefit Plans

There are currently no employees of the Company. There are no benefits plans currently in place.

9 – Members' Equity

The Company is structured as a limited liability company. Each member owns their respective shares per the operating agreement.

10 – Leases

The Company has no leases in place as December 31, 2021

11 – Loans

Type	Term	Payment	Interest	Balance 12/31/21	Original Loan	Balance 12/31/20
Loan #5903428209 SBA EIDL 2020 - Original Note	360	-	3.75%	5,000	5,000	5,000
Loan #5903428209 SBA TREAS 310 - 1st Modification	360	256	3.75%	45,700	45,700	-
Total Notes Payable				50,700		5,000
			Long Term	47,628		
			Short Term	3,072		
			Total Debt	50,700		

The 2020 loan has no collateral. The 2021 SBA loan was a modification of the original loan and increased by \$45,700, the total for the note changes from \$5,000, to \$50,700, the current loan is secured by all assets with the company in compliance with the covenants.

12 – Disclosure About Fair Value of Financial Instruments

The Company estimates that the fair value of all financial instruments at December 31, 2021 values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

13 – Franchise Agreement

The Company's franchise agreement will be as follows:

- A. The Company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- B. The franchisee is obligated to pay a non-refundable initial franchise fee.

GRILL-A-DOG FRANCHISE, LLC

Notes to Financial Statements

December 31, 2021 and 2020

- C. The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

14 –Accounting Procurements

Revenue

The Company adopted ASC 606 using the modify retrospective method applied to all contracts not completed for annual reporting periods beginning after December 15, 2019. Results for reporting periods beginning after December 15, 2019 are presented under ASC 606 while prior period amounts continue to be reported in accordance with legacy GAAP. The adoption of ASC 606 did not result in a change to the accounting for any of the in-scope revenue streams; as such, no cumulative effect adjustment was recorded.

The Company elects not to provide specific disclosures related to the following:

- Quantitative disaggregation disclosures.
- Contract balances
- Transaction price allocated to remain performing obligations
- Information related to significant judgements
- Use of practical expedients
- Certain information related to cost incurred to obtain or fulfill a contract with a customer

Also, performance obligations disclosures components are:

- When the entity typically satisfies its performance obligations (for example, upon shipment, upon delivery, as services are rendered, or upon completion of service)
- The significant payment terms
- The nature of the goods or services
- Obligations for returns, refunds, and
- Types of warranties and related obligations

Concerning the disclosure of significant judgments, there has been no changes in judgments, that significantly affect the determination of the amount and timing of the revenue from contracts with customers.

In addition, data used to determine revenue recognition are:

- The timing of the satisfaction of performance obligations, and
- The transaction price and the amounts allocated to performance obligations

The company elects to use the practical expedient regarding the following:

- The existence of significant financing component
- The incremental cost of obtaining a contract

Revenue has not been impacted by economic factors and are consistently recognized as stated above.

The company applies a practical expedient to expense cost as incurred for cost to obtain a contract with a customer when the amortization period would have been one year or less. These costs include our internal sales force compensation program and certain partner sales incentive.

GRILL-A-DOG FRANCHISE, LLC
Notes to Financial Statements
December 31, 2021 and 2020

programs as The Company has determined annual compensation is commensurate with annual sales activities.

Leases

In February 2016, the FASB issue ASU 2016-02, Leases. This update requires lessees to recognize at the lease commencement date a lease liability which is the lessee's obligation to make lease payments arising from a lease, measured on a discontinued basis, and a right of use assets, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. In June 2020, the FASB issue ASU 2020-05, which allowed The Company certain entities that have not yet issue financial statements to defer application of the of the new recognition guidance by one additional year, making these changes effective for the Company for annual reporting periods beginning after December 15, 2021. The company elected to defer application and is currently evaluating the impact of the adoption of this standard on its financial statements.

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

State	Effective Date
California	_____, 2024

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

Exhibit G

**ITEM 23. RECEIPT FOR FRANCHISE DISCLOSURE DOCUMENT
(RETURN TO US)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

The franchisor is Grill-A-Dog Franchise LLC, located at 27471 San Bernardino Ave #210, Redlands, CA 92374. Its telephone number is (909) 797-2444. If Grill-A-Dog Franchise LLC offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require 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. Michigan require 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. Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Grill-A-Dog Franchise LLC does not deliver this disclosure document on time or if it contains a false or misleading misstatement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on Exhibit E.

The franchise sellers for this offering are Ryan Molnar and Jason Tang 27471 San Bernardino Ave #210, Redlands, CA 92374. Any additional individuals franchise sellers involved in offering the franchise are:

Grill-A-Dog Franchise LLC authorizes the respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

Issuance Date: March 5, 2024

I have received a disclosure document dated March 5, 2024 that included the following Exhibits:

- A. Preliminary Agreement
- B. Franchise Agreement and Related
- C. Area Development Agreement
- D. Confidentially Agreement
- E. State Agents and State Administrators
- F. Financial Statements
- G. Receipts

Date

Franchisee

Printed Name:_____

You may return the signed receipt either by signing, dating, and mailing it to Grill-A-Dog Franchise LLC at 27471 San Bernardino Ave #210, Redlands, CA 92374, or by faxing a copy of the signed and dated receipt to Grill-A-Dog Franchise LLC at (909) 797-2444

**ITEM 23. RECEIPT FOR FRANCHISE DISCLOSURE DOCUMENT
(YOUR COPY)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

The franchisor is Grill-A-Dog Franchise LLC, located at 27471 San Bernardino Ave #210, Redlands, CA 92374. Its telephone number is (909) 797-2444. If Grill-A-Dog Franchise LLC offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

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