# FRANCHISE DISCLOSURE DOCUMENT

**Nature's Table Franchise Company**
a Florida corporation
545 Delaney Avenue, Building 2
Orlando, Florida 32801
(407) 481-2544
www.naturestable.com.
swagner@naturestable.com

The franchise offered is for a quick serve restaurant operating under the name "Nature's Table Café" offering a variety of flavorful protein bowls, gourmet paninis and wraps, classic sandwiches, nutritional smoothies and acai bowls, signature salads, pasta salads, soups, vegetarian chili, breakfast items, fresh fruit, soft drinks, and other "sensible" foods..

The total investment necessary to begin operation of a Nature's Table Café franchised business is $62,200 and $294,600 for an office building location; $162,200 and $282,100 for a shopping mall location, and $194,600 to $464,100 for a strip center location. This includes $30,000-$30,700 that must be paid to the franchisor and/or its affiliate, as appropriate.

We may sell rights to individuals or entities to develop a number of Restaurants within a specified area. If you are a multi-unit operator, you will pay a development fee equal to 100% of the initial franchise fee for the first Restaurant plus 50% of the initial franchise fee for each additional Restaurant to be developed under the Multi-Unit Operator Agreement. The development fee is applied pro rata to the initial franchise fees due for each Restaurant to be developed. The total investment necessary will vary based on the number of Restaurants to be developed.

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 the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Sandra Wagner at 545 Delaney Avenue, Building 2, Orlando, Florida 32801and 407-481-2544 x5.

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

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

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

**Issuance Date: March 27, 2025**

## How to Use this Franchise Disclosure Document

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

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

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

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

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

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

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

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

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

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

## Some States Require Registration

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

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 and multi-unit operator agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.

2. **Spousal Liability.** Your spouse must a sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place your spouse's marital and personal assets, perhaps including your house at risk if your franchise fails.

3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

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

### The Franchisor

Nature's Table Franchise Company (referred to in this Disclosure Document as "Nature's Table," "we," "us," or "our") was formed as a Florida corporation on January 28, 1987. Our principal place of business is 545 Delaney Avenue, Building 2, Orlando, Florida 32801 and we do business under our corporate name and the Marks as described below. In this Disclosure Document, we refer to the person or entity that will be signing the Franchise Agreement (defined below) as "you," "your," or "franchisee," which includes all franchise owners and partners, if you are a corporation, partnership or other entity.

We are a franchising company which promotes and sells franchises for the operation of restaurants known as "Nature's Table®" ("Restaurants" or "Franchised Business"). We have offered franchises since 1986 and do not offer franchises in any other line of business. We currently own and operate six Nature's Table Restaurants in Florida which we have operated since our inception in 1987. Until December 31, 2014 we offered area representative opportunities. We suspended this program from January 2015 to April 2018, and in April 2018, we again offered area representative opportunities. The area representative business is offered through a separate Disclosure Document.

Our agents for service of process are listed in Exhibit G.

### Our Parents, Predecessors and Affiliates

Nature's Table Restaurants have been in operation since 1977. Starting in 1977, the Vine and Harvest restaurant was operated in Orlando, Florida. In 1983, the owners began operating as Nature's Table and continued until they incorporated in 1987. In 1983 the Nature's Table began operations in Melbourne, Florida. In 1985, Vine and Harvest restaurant switched to Nature's Table Restaurant and was later sold to a franchisee.

We maintain exclusive rights to the trademarks "Nature's Table", "Nature's Table Café" and "Sensible Food That Tastes Great" (the "Marks" or "Proprietary Marks"). In 1994, we conveyed to Nature's Table Systems, Inc. ("NTS") all rights to franchise under the trademark "Nature's Table" and "Nature's Table and Design" in all states except for Florida. In September 1997, we completed an agreement with The Venture Group, Inc. ("VGI") and NTS which returned the exclusive rights to the Marks and exclusive rights to franchise to us.

Our parent company is Fast Fresh Brands, LLC, an Oklahoma limited liability company, with a principal place of business at 204 N. Robinson Ave, Suite 1240, Oklahoma City, Oklahoma 73102.

Nature's Table is affiliated with the following Florida entities, whose principal place of business is located at 545 Delaney Avenue, Building 2, Orlando, Florida 32801. The sole business of these corporations is the ownership and operation of corporate Nature's Table Restaurants within the State of Florida:

a. Nature's Table, Inc. was formed on January 10, 1983
b. Office Relief System, Inc. (formerly known as Office Relief, Inc.) was formed on April 20, 1995
c. Office Relief Maingate, Inc. (formerly known as Office Relief II, Inc.) was formed on November 20,1996
d BerrieTart'e, LLC was formed on August 27, 2009
e. BarrieTarte II, LLC was formed on February 3, 2011

We have another affiliate, Bee Healthy Café Franchising, LLC, an Oklahoma limited liability company established on May 27, 2021, and its principal business address at 204 N Robinson Avenue, Suite 2305, Oklahoma City, Oklahoma 73102. Bee Healthy Café Franchising, LLC began offering franchises on June 12, 2022. Their business is operating the Bee Healthy Cafe franchise system and granting franchises to third parties to develop and operate a Cafe. Other than as discussed above, they are not in any other business, they have not conducted business in any other line of business, they do not conduct or operate a Franchised Business of the type to be operated by a franchisee, and they have not offered or sold franchises in any other line of business.

Except as described above, none of our affiliates have offered franchises in this or any other line of business.

**Description of Franchise**

The franchise offered is for a quick serve restaurant operating under the name "Nature's Table Café" offering a variety of flavorful protein bowls, gourmet paninis and wraps, classic sandwiches, nutritional smoothies and acai bowls, signature salads, pasta salads, soups, vegetarian chili, breakfast items, fresh fruit, soft drinks, and other "sensible" foods.

The Restaurants operate under the trade name and mark "Nature's Table", and the additional principal service marks, trademarks, trade names, logos, emblems and indicia of origin identified in Item 13. These principal marks and all other marks which may be designated by us in the future in writing for use with the System (defined below) are referred to in this Disclosure Document as the "Marks" or "Proprietary Marks".

Nature's Table Restaurants are operated under the Marks and the System in accordance with the terms of the Franchise Agreement. The Restaurants are generally located within shopping centers, multi use developments, lifestyle centers, mega centers, entertainment centers, office buildings, hospitals, universities and urban locations. Restaurants will typically be approximately 500 to 2,500 square feet in size. Each Restaurant will offer dine-in and take out.

The Restaurants are established and operated under a comprehensive and unique system (the "System"). The System includes distinctive signage, interior and exterior design, décor and color scheme; special recipes and menu items, including proprietary products and ingredients; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; inventory, management and financial control procedures (including point of sale and tracking systems); training and assistance; and advertising and promotional programs; all of which we may change, improve, and further develop, in our discretion. Certain aspects of the System are more fully described in this Disclosure Document and the Manuals, which you should expect to evolve over time, that are provided to you as a franchisee (described in Item 11).

**Franchise Agreement**

We offer the right to establish and operate a Restaurant under the terms of a single unit franchise agreement within a Designated Territory (the "Franchise Agreement"), Exhibit B to this Disclosure Document. You may be an individual, corporation, partnership or other form of legal entity. Under the Franchise Agreement, certain parties are characterized as Franchisee's Principals (referred to in this Disclosure Document as "your Principals"). The Franchise Agreement is signed by us, and by you and your Principals. By signing the Franchise Agreement, your Controlling Principals agree to be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and non-competition, and to personally guarantee your performance under the Franchise Agreement (see

Item 15). Depending on the type of business activities in which you or your Principals may be involved, we may require you or your Principals to sign additional confidentiality and non-competition agreements.

You must also designate a "General Manager" who will be the main individual responsible for operating your Restaurant. We recommend that you act as the General Manager.

**Multi-Unit Operator Agreement**

In certain circumstances, we will offer to you the right to sign a Multi-Unit Operator Agreement in the form attached as Exhibit C to this Disclosure Document (the "Multi-Unit Operator Agreement") to develop multiple franchised Restaurants to be located within a specifically described geographic territory (the "Exclusive Area"). We will determine the Exclusive Area before you sign the Multi-Unit Operator Agreement and it will be included in the Multi-Unit Operator Agreement. Under the Multi-Unit Operator Agreement, you must establish a certain number of Nature's Table Restaurants (at least three Restaurants) within the Exclusive Area according to a development schedule and sign a separate Franchise Agreement for each Restaurant established under the Multi-Unit Operator Agreement. The Franchise Agreement for the first Restaurant developed under the Multi-Unit Operator Agreement will be in the form attached as Exhibit C to this Disclosure Document. For each additional Restaurant developed under the Multi-Unit Operator Agreement, you must sign the form of Franchise Agreement that we are then offering to new franchisees. The size of the Exclusive Area will vary depending upon local market conditions and the number of Restaurants to be developed (see Item 12).

The person or entity signing the Multi-Unit Operator Agreement is referred to as the "Multi-Unit Operator." The Multi-Unit Operator Agreement contains concepts similar to the Franchise Agreement involving the "Multi-Unit Operator's Principals."

**Market and Competition**

The market for quick serve restaurants in general is well developed and intensely competitive. You will serve the general public and will compete with a variety of businesses, including locally owned to regional, national and chain restaurants, some of which may be franchise systems. There are also market conditions that effect all businesses generally, including a poor economy and rising gas prices, that will also have an effect on your Restaurant's sales. We may establish other Restaurants in your area (if permitted under the Franchise Agreement) and/or sell or license others to sell products in your area. Also we may sell products through the Internet, toll-free telephone numbers, catalogs, or other similar means of distribution to customers at any location, which may be located in your area. See Items 12 and 16 for a description of your permitted activities and your rights, and our permitted and restricted activities and rights.

**Industry Regulations**

Many of the laws, rules and regulations that apply to business generally have particular applicability to Nature's Table Restaurants. All Restaurants must comply with federal, state and local laws applicable to the operation and licensing of a food service business, including obtaining all applicable health permits and/or inspections and approvals by municipal, county or state health departments that regulate food service operations. If applicable to your Restaurant, the Americans with Disability Act of 1990 requires readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, bathrooms, drinking facilities, etc. You may also have to post nutritional information for menu offerings on the menu boards. You should consider these laws and regulations when evaluating your purchase of a franchise.

Among the licenses and permits you may need are: Zoning or Land Use Approvals, Sunday Sale Permits, Sales and Use Tax Permits, Special Tax Stamps, Fire Department Permits, Food Establishment Permits, Health Permits, Alarm Permits, County Occupational Permits, Retail Sales Licenses, and Wastewater Discharge Permits. There may be other laws, rules or regulations which affect your Restaurant, including minimum wage and labor laws along with ADA, OSHA and EPA considerations. We recommend that you consult with your attorney for an understanding of them.

Each of your managers and other employees we designate must be ServSafe Certified Professional Food Managers or other similar requirements.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce regulations that govern food preparation and service and sanitary conditions. State and local agencies inspect Restaurants to ensure that they comply with these laws and regulations.

The federal Clean Air Act and various state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particulate matters, including caps on emissions from commercial food preparation. Some state and local governments have also adopted, or are considering proposals, that would regulate indoor air quality, including the limitation of smoking tobacco products in public places such as Nature's Table Restaurants. All Nature's Table Restaurants are smoke-free, regardless of whether state law permits smoking in restaurants.

The Nutrition Labeling and Education Act (NLEA) sets regulations for food labeling, including nutritional label standards, nutrient content claims, and health claims. NLEA applies to virtually all foods in the food supply, including food served and sold in restaurants. While NLEA specifies a number of exemptions for restaurants, there are many instances where a nutritional label is required. The Food and Drug Administration's *Nutritional Labeling Guide for Restaurants and Other Retail Establishments* provides answers to commonly asked questions regarding the application of NLEA.

## ITEM 2: BUSINESS EXPERIENCE

### Cody Pepper, Chief Executive Officer

Cody Pepper is the CEO of Fast Fresh Brands, parent company of Nature's Table. Before this he served as CEO of Bee Healthy Cafe, sister brand of Nature's Table since May 27, 2021. Prior to his role as CEO, beginning in 2019, he served as an executive consultant to Bee Healthy Cafe and its affiliated cafes in Oklahoma. He came to Bee Healthy Cafe in 2019 from a Global NGO where he served as a global project lead for system change initiatives.

### Amir Alavi, Senior Vice President, Development

Amir Alavi is the SVP of development for Fast Fresh Brands, parent company of Nature's Table. Prior to this role he served as the Chief Operating Officer for Bee Healthy Cafe. He served in this role since 2021. Amir, together with his wife Cindy, cofounded the concept of Bee Healthy Cafe in 2007 and operated our affiliate owned Bee Healthy Cafes located in Oklahoma.

### President, Director and Co-Founder – Richard Wagner

Mr. Wagner has been our President and Director since January 1987 and is one of our founders. Mr. Wagner has also been the operator of the Nature's Table restaurant at the Melbourne Square Shopping Mall, Melbourne, Florida since 1983. Mr. Wagner has served as an officer of ours since 1983.

**Senior Vice President and Director – Bryan Buffalo**

Mr. Buffalo has been a shareholder, Senior Vice President of Operations and our General Manager since 1984. He continues to be involved in franchise relations, unit operations and price negotiations and procurement for us. Mr. Buffalo is also the owner of NAVAIR NT franchise located in Orlando, Florida since 1993.

**Director of Strategic Development - Sandra Wagner**

Ms. Wagner has been our Director of Strategic Development since November 2011. From November 2008 to October 2011 Ms. Wagner was not employed. Ms**.** Wagner was an owner of a Natures Table Café in Melbourne, Florida from February 2002 to October 2008.

**Julie Porter Scott, Director of Marketing and Communications**

Julie Porter Scott is the Director of Marketing and Communications for Fast Fresh Brands, parent company of Nature's Table. Prior to serving in this role, she was the associate regional director of community for Yelp. She filled that role since 2020. Proceeding this role, she served as Marketing Director for Yelp beginning in 2012.

**Director of Operations – Steve Place**

Mr. Place joined the Franchise Company in March 2023. Prior to joining us, Mr. Place was a District Manager for Subway/Dipsqua Enterprises from August 2008 until January 2023 in Winter Park, Florida. He brings 30 years of experience specializing in business relations and brand excellence by focusing on driving consistent results through diligent processes and follow up.

**Operations Manager – Caleb Gould**

Mr. Gould has been an employee of our affiliated company, Nature’s Table Inc., since 2011 and he has been our Operations Manager since 2018. During his employment with us, he has managed various corporate stores and has provided support for franchisees and corporate stores in staffing, technical support and training.

**Laura Fiallos, Franchise Operations Manager**

Laura Fiallos is the franchise operations manager for Fast Fresh Brands, parent company of Nature's Table. She is a lead trainer and systems manager for Fast Fresh Brands and it's affiliate brands. She has served in this role since 2024. Prior to this she was the franchise operations coordinator for Bee Healthy Cafe, a sister brand of Nature's Table. She joined the corporate team after four years of working in the field, beginning in 2019, in roles ranging from teammate to cafe manager.

## 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

**Franchise Agreement**: You must pay a uniform initial franchise fee of $30,000 ("Initial Franchise Fee"). The Initial Franchise Fee is paid in a lump sum when you sign the Franchise Agreement and is partially refundable, as stated below. The sum of $30,000 is payable by all franchisees who buy a franchise.

The Initial Franchise Fee is used in part for working capital and in part for profit. If you and/or your General Manager are unable to complete our initial training program to our satisfaction (after giving you an opportunity to designate a replacement General Manager), we reserve the right to terminate your Franchise Agreement and refund $5,000 of the Initial Franchise Fee to you. We will retain the balance of the Initial Franchise Fee to compensate us for our efforts. You must sign the documents we require, including a general release and a confidentiality and non-competition agreement before we will refund any money. The Initial Franchise Fee is not refundable under any other circumstances.

How the Initial Franchise Fee is Applied:

- Real Estate Location Services - $6,000.00
- Location Design and Footprints -$7,500.00
- Training -$6,500.00

In certain instances, and in our discretion, we may charge a lower initial franchise fee.

**Initial Inventory**: If your location is other than Florida, you must purchase from us your initial inventory of smoothie mixes and proprietary syrups. We estimate that your initial inventory of these items will cost approximately $700. This amount is not refundable.

**Multi-Unit Operator Agreement**: When you sign the Multi-Unit Operator Agreement, you must pay us a development fee equal to 100% of the initial franchise fee for the first Restaurant, plus a deposit equal to 50% of the Initial Franchise Fee for each additional Restaurant to be developed under the Multi-Unit Operator Agreement. For example, if you commit to develop four Restaurants, the development fee is calculated as $30,000 + (3 x $15,000 = $45,000) = $75,000.

For the first Restaurant, we will apply a portion of the development fee in full satisfaction of the Initial Franchise Fee. For each additional Restaurant developed, we will apply $15,000 of the development fee toward the Initial Franchise Fee due under the Franchise Agreement. The balance of the Initial Franchise Fee due, or $15,000, is payable when the Franchise Agreement for that Restaurant is signed. The development fee must be paid in a lump sum and is non-refundable.

There are no other purchases from or payments to us or any affiliate of ours that you must make before your Restaurant opens.

## ITEM 6: OTHER FEES

| Column 1<br>Type of fee[(1)] | Column 2<br>Amount | Column 3<br>Due Date | Column 4<br>Remarks |
|---|---|---|---|
| Royalty [(2, 3)] | 5% of Gross Sales | Due on the 10th day of each month (the "Payment Day")[(3)] | Based on Gross Sales during the previous calendar month. We may require payments by electronic funds transfer |

| Column 1<br>Type of fee[1] | Column 2<br>Amount | Column 3<br>Due Date | Column 4<br>Remarks |
|---|---|---|---|
| Marketing Fund | 1% of Gross Sales | Payable at the same time and in the same manner as the Royalty | See Item 11 for a detailed discussion about the Marketing Fund. We have not yet begun collecting Marketing Fund contributions and may do so on 30 days' notice. Currently the Marketing Fund is operated using rebates from approved suppliers |
| Local Advertising | 2% of Gross Sales | Must be spent each calendar quarter | Payable directly to your local advertising vendors. Any advertising that you propose to use must first be approved by us |
| Advertising Cooperative [4] | As determined by the members | As determined by the members | See Item 11 for a discussion of advertising cooperatives |
| Interest | Lesser of 10% APR of balance due or highest commercial contract interest rate law allows | With payment of past due amount | Due on all overdue amounts. Interest accrues from the original due date until payment is received in full |
| Insufficient Funds Fee | 10% of the amount of the insufficient funds check, bank draft or wire transfer | When the insufficient funds instrument is redeemed | |
| Prohibited Product or Service Fine | $250 per day of use of unauthorized products or services | If incurred | In addition to other remedies available to us. This may not be enforceable under California law. |
| Transfer | $10,000 for single unit franchises<br><br>$15,000 for multi-unit operators | Upon transfer | Due only upon transfer of agreement or controlling ownership interest in you |
| Transfer/ Training | $5,000 | Due when training is scheduled | Transferee must train at training facility in Orlando, Florida. Training fee includes one week site and staff training at franchise location |
| Insurance | Premiums and our costs and expenses | When billed | Due only if you fail to maintain insurance and we (at our option) obtain insurance on your behalf |
| Ongoing training and special assistance | Currently up to $300 per day plus out-of-pocket costs and expenses, but could increase if our costs increase | As incurred | We may charge you for supplemental training courses, programs and conventions we provide and for additional or special assistance or training you need or request (See Item 11) |

| Column 1<br>Type of fee[1] | Column 2<br>Amount | Column 3<br>Due Date | Column 4<br>Remarks |
|---|---|---|---|
| Additional Required or Optional Training[5] | $0 to $1,000 | Before training session | Training is held at the training facility in Orlando, FL. Additional required training; although mandatory, has never been imposed. If imposed, it would not be more frequently than twice per calendar year. Optional training is charged at $200 per day, not to exceed 5 days |
| Relocation Inspection Fees | $300 per day plus actual expenses | Upon receipt of bill | You must pay this fee related to your request to relocate your Restaurant |
| Relocation Fee | Up to $10,000 | Upon receipt of bill | You must pay this fee related to your request to relocate your Restaurant |
| Audit | Amount of underpayment, plus interest at highest legal rate, not more than 10%. If underpayment is 2% or more, You must reimburse us for the audit costs (estimated to be between $1,000 and $5,000) | Upon receipt of bill | Payable only if audit shows an understatement of at least 2% of Gross Sales for any month |
| Successor Agreement Fee | $7,000 | Upon signing our Franchise Agreement | Payable if we approve your renewal request and upon signing our then-current Franchise Agreement |
| Management Fee | Maximum of $500 per day plus actual expenses | 30 days after billing | We may step in and operate your Restaurant in certain circumstances |
| Maintenance and Renovation[6] | Actual cost of ongoing maintenance and renovation | Upon billing and payment terms established with vendor | If you fail to maintain your Restaurant and its equipment in good repair and first class appearance, we may do so at your expense after 30 days' notice. We may require you to renovate your Restaurant to meet our then-current image for Nature's Table Restaurants, but we will not make this request more frequently than every five years |
| Indemnification | Will vary under circumstances | As incurred | You must reimburse us if we are held liable for claims from your Restaurant's operation or your business or breach of agreement |
| Costs and attorneys' fees | Will vary under circumstances | As incurred | Due only if we prevail in legal proceeding |

| Column 1<br>Type of fee[1] | Column 2<br>Amount | Column 3<br>Due Date | Column 4<br>Remarks |
|---|---|---|---|
| National/ Regional Meetings | Actual costs of travel, hotel, meals incurred at meeting site | Upon billing and payment terms established with vendor | |
| New product/ supplier testing | Actual costs of testing – may range from $0 to $3,500 | 30 days after date of billing | Covers costs of testing new products or inspecting new suppliers you propose |
| Liquidated damages | Will vary under the circumstances | 15 days after termination | See note 7 |

Notes:

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

(2) Gross Sales includes all revenues, less refunds and sales taxes.

(3) You must sign and deliver to us the documents that we periodically require to authorize us to debit your business checking account automatically for the Royalty, Marketing Fund Contribution and other amounts due under the Franchise Agreement or any related agreement between us (or our affiliates) and you. If we institute an automatic debit program for the Restaurant, we will debit your account for the Royalty, Marketing Fund Contribution and other amounts on or after the Payment Day, based on the Gross Sales for the previous calendar month. You must make the funds available for withdrawal by electronic transfer before each due date. In our automatic debit program, we may require you to obtain, at your expense, overdraft protection for your business checking account in an amount that we specify.

If you fail to report the Restaurant's Gross Sales for any month, we may debit your account for 120% of the Royalty and/or Marketing Fund contribution that we debited for the previous month. If the amount we debit from your account is less than the amount you actually owe us (once we have determined the true and correct Gross Sales of the Restaurant), we will debit your account for the balance due on the day that we specify. If the amount we debit from your account is greater than the amount you actually owe us (once we have determined the true and correct Gross Sales of the Restaurant), we will credit the excess, without interest, against the amount that we otherwise would debit from your account during the following month.

We have the right, at our sole option upon notice to you, to change periodically the timing and terms for payment of Royalties and other amounts payable to us under the Franchise Agreement. For example, we may change the frequency at which we calculate payments to bi-weekly or monthly.

If any state imposes a sales or other tax on the royalty fees, then we have the right to collect this tax from you.

(4) Cooperatives will include all Restaurants in a designated geographic area, whether owned by us, our affiliates or our franchisees. Each Restaurant has one vote in the cooperative. No Cooperatives have been established as of the date of this Disclosure Document.

(5) These amounts are estimates and approximate the average charge to you for services. Charges may vary based upon the actual time spent by our staff and the duration of the training or assistance provided.

(6) "Maintenance" includes items as replacement of worn out or obsolete equipment, fixtures, and signs, repair of the exterior and interior of the Restaurant, and any redecorating or renovation reasonably required by us. Maintenance and renovation costs may range from $0 to $25,000, depending on the type of equipment, fixtures, signs and repairs that are resultant from your use of the premises.

(7) If we terminate your Franchise Agreement for cause, you must pay us within 15 days after the effective date of termination liquidated damages equal to the average monthly Royalty Fees you paid or owed to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is lower.

## ITEM 7: ESTIMATED INITIAL INVESTMENT

| YOUR ESTIMATED INITIAL INVESTMENT FOR A SHOPPING MALL FOOD COURT LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| Initial Franchise Fee[1] | $30,000 | Lump Sum | At Signing of Franchise Agreement | Us |
| Travel and Living Expenses While Training[8] | $2,500 to $5,000 | As Incurred | During Training/ Before Opening | Airlines, hotels, Restaurants, Car Rental Companies, etc. |
| Real Estate/ Rent Deposit[2] (Three months) | $8,000 to $24,000 | As Arranged | Before Opening and Monthly | Your Landlord |
| Leasehold Improvements[4] | $30,000 to $90,000 | As Arranged | Before Opening | Us, Landlord, Contractors, and Vendors |
| Site Inspection and Review | $0 to $5,000 | As Arranged | Before Opening | Us, Contractors and Vendors |
| Utility and Miscellaneous Security Deposits[3] | $2,000 to $3,000 | As Arranged | Before Opening | Landlord and Utility Companies |

| YOUR ESTIMATED INITIAL INVESTMENT FOR A SHOPPING MALL FOOD COURT LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| Furniture, Fixtures and Equipment[5] | $50,000 to $65,000 | As Arranged | Before Opening | Approved Suppliers and Vendors |
| Opening Inventory[6] | $10,000 to $12,000 | As Arranged | Before Opening | Us,Approved Suppliers and Vendors |
| Insurance[7] | $1,200 to $2,100 | Installment/ As Arranged | Monthly/As Arranged, A Portion Before Opening | Insurance Company |
| Additional Funds[9] (Three Months) | $15,000 to $25,000 | As Incurred | As Incurred | Operating Capital |
| Grand Opening Advertising | $5,000 | As Arranged | As Arranged | Approved Suppliers |
| Signage/ Menu Board | $5,000 to $10,000 | As Arranged | As Arranged | Approved Suppliers |
| Miscellaneous[10] | $3,500 to $6,000 | As Arranged | As Incurred | Approved Suppliers, Governmental Agencies, Accountants, Attorneys |
| **TOTAL[11]** | **$162,200 to $282,100** | | | |

| YOUR ESTIMATED INITIAL INVESTMENT FOR A STRIP MALL LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| Initial Franchise Fee[1] | $30,000 | Lump Sum | At Signing of Franchise Agreement | Us |
| Travel and Living Expenses While Training[8] | $2,500 to $5,000 | As Incurred | During Training/ Before Opening | Airlines, hotels, Restaurants, Car Rental Companies, etc. |

| YOUR ESTIMATED INITIAL INVESTMENT FOR A STRIP MALL LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| Real Estate/ Rent Deposit[2] (Three months) | $5,000 to $15,000 | As Arranged | Before Opening and Monthly | Your Landlord |
| Leasehold Improvements/New Construction[4] | $50,000 to $250,000 | As Arranged | Before Opening | Us, Landlord, Contractors, and Vendors |
| Site Inspection and Review | $0 to $5,000 | As Arranged | Before Opening | Us, Contractors and Vendors |
| Utility and Miscellaneous Security Deposits[3] | $1,400 to $3,000 | As Arranged | Before Opening | Landlord and Utility Companies |
| Furniture, Fixtures and Equipment[5] | $65,000 to $90,000 | As Arranged | Before Opening | Approved Suppliers and Vendors |
| Opening Inventory[6] | $10,000 to $12,000 | As Arranged | Before Opening | Us, Approved Suppliers and Vendors |
| Insurance[7] | $1,200 to $2,100 | Installment/ As Arranged | Monthly/As Arranged, A Portion Before Opening | Insurance Company |
| Additional Funds[9] (Three Months) | $15,000 to $25,000 | As Incurred | As Incurred | Operating Capital |
| Grand Opening Advertising | $5,000 | As Arranged | As Arranged | Approved Suppliers |
| Impact Fees[10] | $1,000 to $6,000 | As Assessed | Before Opening | Your Landlord or Government Authority |
| Signage/Menu Boards | $5,000-$10,000 | As Arranged | As Arranged | Approved Suppliers |
| Miscellaneous[10] | $3,500 to $6,000 | As Arranged | As Incurred | Approved Suppliers, Governmental Agencies, Accountants, Attorneys |

| YOUR ESTIMATED INITIAL INVESTMENT FOR A STRIP MALL LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| **TOTAL[11]** | **$194,600 to $464,100** | | | |

| YOUR ESTIMATED INITIAL INVESTMENT FOR A OFFICE BUILDING LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| Initial Franchise Fee[1] | $30,000 | Lump Sum | At Signing of Franchise Agreement | Us |
| Travel and Living Expenses While Training[8] | $2,500 to $5,000 | As Incurred | During Training/ Before Opening | Airlines, hotels, Restaurants, Car Rental Companies, etc. |
| Real Estate/ Rent Deposit[2] (Three months) | $3,000 to $9,000 | As Arranged | Before Opening and Monthly | Your Landlord |
| Leasehold Improvements[4] | $0 to $150,000 | As Arranged | Before Opening | Us, Landlord, Contractors, and Vendors |
| Site Inspection and Review | $0 to $3,000 | As Arranged | Before Opening | Us, Contractors and Vendors |
| Utility and Miscellaneous Security Deposits[3] | $0 to $2,500 | As Arranged | Before Opening | Landlord and Utility Companies |
| Furniture, Fixtures and Equipment[5] | $0 to $50,000 | As Arranged | Before Opening | Approved Suppliers and Vendors |
| Opening Inventory[6] | $10,000 to $12,000 | As Arranged | Before Opening | Approved Suppliers and Vendors |
| Insurance[7] | $1,200 to $2,100 | Installment/ As Arranged | Monthly/As Arranged, A Portion Before Opening | Insurance Company |

| YOUR ESTIMATED INITIAL INVESTMENT FOR A OFFICE BUILDING LOCATION (Single Unit) | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |
| Additional Funds[9] (Three Months) | $5,000 to $15,000 | As Incurred | As Incurred | Operating Capital |
| Grand Opening Advertising | $5,000 | As Arranged | As Arranged | Approved Suppliers |
| Signage/Menu Boards | $2,000-$5,000 | As Arranged | As Arranged | Approved Suppliers |
| Miscellaneous[10] | $3,500 to $6,000 | As Arranged | As Incurred | Approved Suppliers, Governmental Agencies, Accountants, Attorneys |
| **TOTAL[11]** | **$62,200 to $294,600** | | | |

Above are the estimates of your initial investment to open a Single Unit Franchise. They do not provide for your cash requirements to cover operating losses after the initial phase or personal living expenses. You must have additional sums available, whether in cash or through unsecured credit lines, or have other assets that you may liquidate or that you may borrow against, to cover your personal living expenses and any operating losses after the initial phase of your Restaurant. We urge you to retain the services of an experienced accountant or financial advisor to develop a business plan and financial projections for your Restaurant. Your actual investment will vary depending upon local conditions particular to your geographic area or market. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable and the initial franchise fee is partially refundable in certain circumstances (see Item 5). We do not finance any portion of your initial investment.

**Explanatory Notes**:

***1.*** ***Initial Franchise Fee***. The initial franchise fee is discussed in detail in Item 5.

***2.*** ***Real Estate/Rent***. Rent expense (sometimes first month's rent required in advance) for the Restaurant will vary based on location and square footage, and other similar factors. We anticipate that you will need approximately) 500 to 1,900 square feet of usable floor space located in a regional mall, strip center, office building, hospital or university.

A projected investment as to leasing space in a shopping mall or downtown business district is difficult to determine due to the many variables which must be taken into consideration, such as geographic location, square footage, site dimensions, and other relevant factors peculiar to each acquisition. These considerations would also be difficult to determine for a strip shopping center location. Office building

location real estate costs are somewhat easier to determine as they are usually directly associated with the particular office building's prevailing rental rates.

***3. Lease, Utility and Miscellaneous Security Deposits***. You may have to pay a lease deposit (typically the last month's rent) before you can enter the premises. Utility companies may require you to place a deposit and/or pay an installation fee before occupying the premises or installing telephone, gas, electricity and related utility services. These deposits may be refundable under agreements made with the Landlord and utility companies.

***4. Leasehold Improvements***. The cost of construction and leasehold improvements depends upon the size and condition of the premises, the local cost of contract work and the location of the Restaurant. In some cases for the construction of a new location from a "vanilla shell" state is available which can be used without requiring extensive demolition or renovation. In other cases, the space may require extensive renovation, construction of ceilings, walls, plumbing, flooring and lighting, as well as HVAC, mill work and equipment installation before finishes can be installed. The range of figures for a Restaurant is for the cost of reasonable renovation or leasehold improvements. This figure also includes all signage necessary for the franchise location.

You must acquire interior and exterior signage bearing the Marks as prescribed by us. The cost of signage will vary based upon the supplier of the signage, size, number of signs, and requirements of your lease. You must use at least those signs shown on the standard list of internal signs we require for every Nature's Table Restaurant. Some franchisees choose to have more than the standard internal and external signage quantities.

Signage includes interior and exterior signs that bear the Marks. The cost of signage may vary depending on the type, size, and location of the signs, and may also be affected by applicable municipal code and zoning restrictions.

***5. Furniture, Fixtures and Equipment***. The equipment estimate does not include freight or unique design alterations requested by you or as may be required by any unusual configuration of the designated site.

The equipment necessary for the operation of a Nature's Table Restaurant is listed in the Operations Manual. You may purchase or lease approved brands and models from approved suppliers. The cost of the equipment will depend on financing terms available, the size of the Restaurant, brands purchased, and other relevant factors.

Fixtures may include counters, shelving, signs, wall coverings, and decorations. The cost of fixtures will vary, depending on the layout of the Restaurant, and other relevant factors.

You are not required to purchase any equipment, fixtures, etc. from us or any specified source, unless we designate an approved supplier. However, all equipment, fixtures, construction, leasehold improvements and interior decor (if applicable) must meet our standards and specifications and must be approved by us. Local ordinances may result in variances in the type of required equipment, which may affect the total price.

***6. Opening Inventory***. You must purchase your initial inventory from our designated suppliers or any supplier approved according to the Franchise Agreement. Initial inventory consists of various products, proprietary products, paper products, cleaning supplies, and other supplies utilized, sold, and consumed in the operation of the Restaurant, and other merchandise or products sold by the Restaurant. The initial inventory expenditure will vary according to anticipated sales volume and current market prices

for supplies. If your location is other than Florida you must purchase from us your initial inventory of smoothie mixes and proprietary syrups. We estimate that your initial inventory of these items will cost approximately $700. This amount is not refundable.

***7.*** ***Insurance***. You must obtain and maintain the required insurance coverage as required by us. The cost of insurance will vary based on types and limits of insurance purchased, location of the Restaurant, terms available and other related factors. The estimate provided is for your insurance deposit.

***8.*** ***Training***. You must participate in our training programs. You must involve the Restaurant's manager in all of our training programs as stated in Item 11 of this Disclosure Document. The fee for the initial training program is included in the initial franchise fee. However, you must make arrangements for and pay for the expenses of any persons attending the training program on your behalf, including transportation, lodging, meals and wages. The amount will depend, in part, on the distance you must travel and the type of accommodation you choose. The estimate is for attendance of three people.

***9.*** ***Additional Funds***. An amount of working capital is projected as sufficient to cover operating expenses for three months, including Royalty Fees, employee salaries and overhead, but excluding salary for an owner-operator. However, we cannot guarantee that this amount will be sufficient or that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level reached during the initial period.

***10.*** ***Miscellaneous***. We cannot guarantee that an amount of miscellaneous expense will be sufficient. This range would include any consulting costs or any other outside professional fees, such as accounting or legal expenses, incorporation expenses, and similar expenditures you may incur. Other miscellaneous costs might include special use permits, additional impact or use fees, credit card machine set-up costs, training costs and other "soft" costs incurred by you, as applicable.

You may have to pay business license fees and other similar fees before beginning operations. These fees will vary depending upon local government requirements. Impact fees are also paid before beginning operations. An impact fee is a one time fee paid to your local government for the use of the infrastructure (development) within your area and are normally based on a per feet basis; therefore, the size of your location will affect the amount of impact fees you will pay before opening.

There are no other fees to be paid by you to us to begin operation of the Restaurant. Any fees paid to us are not refundable; fees paid to any third party may be refundable, depending upon the contracts, if any, between the third party and you.

***11.*** ***Total***. We relied upon our actual experience and the experience of our affiliates and franchisees to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the Nature's Table franchise.

We cannot guarantee that this amount will be sufficient or that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level reached during the initial period. We do not offer, either directly or indirectly, financing to you for any items. However, we may provide assistance to you in obtaining financing. Our estimates do not include any revenue your Restaurant may generate during the initial period.

**Multi-Unit Operator Agreement**

We have not included a separate chart for a Multi-Unit Operator. We anticipate that a Multi-Unit Operator will incur the estimates described above for each Restaurant developed under the Multi-Unit Operator Agreement, subject to inflation and other increases over time. If you sign a Multi-Unit Operator Agreement, your professional fees, such as legal and financial fees, may be higher.

## ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase or lease and install all fixtures, furnishings, equipment, décor items, signs and related items we require, all of which must conform to the standards and specifications in our Manual (as defined in Item 11) or otherwise in writing. You may not install or permit to be installed on the Restaurant premises any fixtures, furnishings, equipment, décor items, signs, games, vending machines or other items without our written consent or that do not comply with our specifications.

To make sure that the highest degree of quality and service is maintained, you must operate the Restaurant in strict conformity with the methods, standards and specifications that we prescribe in the Manual or otherwise in writing. You must maintain in sufficient supply and use and sell at all times only those food and beverage items, ingredients, products, materials, supplies and paper goods that meet our standards and specifications. All menu items must be prepared in accordance with the recipes and procedures specified in the Manual or other written materials. You must not deviate from these standards and specifications by the use or offer of non-conforming items, or differing amounts of any items, without obtaining our written consent first. You must sell and offer for sale only those menu items, products and services that we have expressly approved for sale in writing. You must offer for sale all products and services required by us in the manner and style we require, including dine-in and carry-out services. You must not deviate from our standards and specifications without obtaining our written consent first. You must discontinue offering for sale any items, products and services we may disapprove in writing at any time. We can, and expect to, modify our standards and specifications as we deem necessary. We will provide you notice in the Manual or other methods (such as by e-mail) of any changes in the standards and specifications.

You must permit us or our agents, at any reasonable time, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant free of charge for testing by us or by an independent laboratory to determine whether the samples meet our then-current standards and specifications. In addition to any other remedies we may have, we may require you to pay for the testing if we have not previously approved the supplier of the item or if the sample fails to conform to our specifications (see Item 6).

You must obtain all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including point of sale, computer hardware and software), and other products used or offered for sale at the Restaurant solely from suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current standards or in accordance with our standards and specifications. We do not make our supplier evaluation criteria available to you or any supplier.

Currently we are one source of supply (but not the only source of supply) for the smoothie mixes and syrups used by franchisees. During the fiscal year ended December 31, 2024, we had total revenue of $1,084,509 of which $4,105.50 (or less than 1%) was from our direct sale of smoothie mixes and syrups to franchisees outside Florida.

The following officers listed in Item 2 have an ownership interest in us, and we are an approved supplier: Bryan Buffalo and Richard Wagner. There are no other approved suppliers in which any of our officers owns an interest.

If you wish to purchase, lease or use any products or other items from an unapproved supplier, you must submit a written request for approval, or must request the supplier to do so. We must approve any product or supplier in writing before you make any purchases of that product or from that supplier. We can require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered, either to us or to an independent laboratory, for testing. There is no stated fee for processing a request, but you may be asked to pay the cost of reviewing any proposed changes in, or deviations from, approved products or suppliers. We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier fails to continue to meet any of our then-current standards. Our supplier approval procedure does not obligate us to approve any particular supplier. However, we will notify you within 45 days after we complete the inspection and evaluation process of our approval or disapproval of any proposed supplier. We are not required to make available to you or to any supplier our criteria for product or supplier approval.

We have and may continue to develop for use in the System certain products which are prepared from confidential proprietary recipes and other proprietary products which bear the Marks. Because of the importance of quality and uniformity of production and the significance of those products in the System, it is to your and our benefit that we closely control the production and distribution of those products. Therefore, you will use only our proprietary recipes and other proprietary products and will purchase those items solely from us or from a source designated by us all of your requirements for those products.

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System. As of the date of this Disclosure Document, there are no purchasing or distribution cooperatives for any of the items described above in which you must participate.

We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Restaurants in our System. If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products, equipment and services, and we may refuse to approve proposals from franchisees to add new suppliers if we believe that approval would not be in the best interests of the System or the franchised network of Restaurants.

We and/or our affiliates may receive payments or other compensation from approved suppliers on account of the suppliers' dealings with us, you, or other Restaurants in the System, such as rebates, commissions or other forms of compensation. We and our affiliates may use all amounts received from suppliers, whether or not based on your and other franchisees' prospective or actual dealings with them, without restriction for any purposes that we and our affiliates deem appropriate. As of December 31, 2024, we received $144,287 from required purchases or 13.3% of our total revenue of $1,084,509.

The rebate breakdown includes: Coke Fountain Marketing fund earned $0.70 per gallon, Coke Service Fund earned $1.00 per gallon, Coke Freestyle Fund-Fin earned $0.11per ounce, Coke Bottleing (Florida) earned $1.00 per case, Chef Creation Kettle Cuisine – rebate 1%, Florida Natural Flavors – rebate-proprietary mix NSA $1.15 per ½ gallon, proprietary mix $1.15 per ½ gallon, pomegranate, and mango syrup rebate $1.15 per gallon and berry syrup $1.15 per ½ gallon, Sambazon rebate $1.00 per gallon. USFoodservice/Premier-OMNIA – National Account Pricing / Rebate 2% total purchase.

Additional NT Corporate Incentives through USF/Premier Value Four (not earned 2024):

Direct Parent Incentive – 60% CMA purchases plus 85% Affirmed Spend equates to an additional 1% from USF/Premier Team Four.

Nature's Table has introduced the premier Corporate Managed Agreement Rebate (CMAR) program which allows the Franchisees to receive rebates on items purchased.

Franchisee Incentives through USF/Premier Value Four:
CMAR – all items labeled CMAR Committed Manufacturers Agreements Rebate reflect additional rebate monies paid by check on a bi-yearly basis.
New Business Incentive – 2% rebate for first 6 months of new business.
Drop Size – locations maximizing their drop size by averaging orders of $2500-$2999 will earn an additional .7% of sales back on a quarterly basis. Payments issued through a credit.
DSO/Prompt Pay – pay invoices 17 days or less, you will earn quarterly incentives paid directly to your location of 0.10%. Paying within 10-15 days earns .20% and 0 to 10 days payment will earn as additional 0.35%. Payments issued through a credit.
Earned Tier Adjustment – USF purchases over $3000 per delivery earns a Tier Pricing Adjustment to "A" pricing. This equates to an adjustment of 1.15% lower pricing.

Since 1992, our franchisees have benefitted from these payments because we use these funds exclusively to offset the collection of the 1% Marketing Fund Contribution as described in Item 6. We reserve the right to begin collecting the Marketing Fund Contribution in addition to these revenues at any time we deem the collection of additional marketing fees advisable and necessary.

We estimate that your purchases from US Foodservice, us or approved suppliers, or that must conform to our specifications, will represent approximately 60% to 70% of your total purchases in establishing the Restaurant, and approximately 80% to 85% of your total purchases in the continuing operation of the Restaurant.

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

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Restaurant) and other items we designate must bear the Marks (see Item 13) in the form, color, location and manner we prescribe. In addition, all your advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements in the Manual or otherwise. You must obtain our approval before you use any advertising and promotional materials and plans if we have not prepared or approved them during the 12 months before their proposed use. Any advertising and promotional materials you submit to us for our review will become our property.

You must obtain our approval of the site for the Restaurant before you acquire the site. You must also obtain our approval of any contract of sale or lease for the Restaurant before you sign the contract or lease. At our request, you and your landlord must sign a Conditional Assignment of Lease with us (Attachment 2 to the Franchise Agreement) which permits that your lease can be assigned to us on expiration or termination of your Franchise Agreement.

Before you open your Restaurant, you must obtain the insurance coverages we require. Our current insurance requirements are described below. We may modify our insurance requirements during the term of your Franchise Agreement, and any modifications will be communicated to you in our Manual or otherwise in writing. This insurance coverage must be maintained during the term of the Franchise

Agreement and must be obtained from a responsible, duly licensed carrier or carriers acceptable to us. All insurance must be on an "occurrence" basis.

We currently require our franchisees to have the following insurance coverages:

**General Liability coverage**:
You are required to secure and maintain General Aggregate insurance in the amount of $2,000,000; Products and Completed Aggregate in the amount of $2,000,000, with a $1,000,000 limit per occurrence. A waiver of subrogation in favor of Nature's Table Franchise Company is required.

**Property coverage requirements are as follows**:
You are required to secure coverage on all property; including fixtures, equipment, supplies, inventory, improvements and betterments written on replacement cost basis, on special form.
You must also secure business interruption coverage written on an actual loss sustained basis or 12 months of business interruption coverage.

**Workers' Compensation requirements as follows**:
Statutory coverage and Employer's Liability limits of $500,000/$500,000/$500,000. A waiver of subrogation is required for worker's compensation in favor of Nature's Table Franchise Company.

**Additional insured requirement on General liability**:
You are required to name Nature's Table Franchise Company as an additional insured for General Liability. The coverage certificate must state that Nature's Table Franchise Company is added as an additional insured including products and completed operations.

**Endorsements are required**: We require you attach the additional insured endorsement to the certificate. The actual endorsement form is required and should be the 2010 07 04 and 2037 07 04 (or equivalent).

**Automobile Insurance:**
You are required to carry $1,000,000 of automobile liability insurance, including Hired and Non-Owned Automobile Liability. Nature's Table Franchise Company should be named as an additional insured.

In addition, related to any construction, renovation or remodeling of the Restaurant, you must maintain builders risks insurance and performance and completion bonds in forms and amounts, and written by a carrier or carriers, satisfactory to us. All of the policies must name us, those of our affiliates that we specify, and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds and must include a waiver of subrogation in favor of all those parties.

We have the right to require that you obtain from your insurance company a report of claims made and reserves set against your insurance. We reserve the right to change our insurance requirements during the term of your Franchise Agreement, including the types of coverage and the amounts of coverage, and you must comply with those changes.

## ITEM 9: FRANCHISEE'S OBLIGATIONS

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

In the table below, the following abbreviations have these meanings: FA means the Franchise Agreement, and MUOA means the Multi-Unit Operator Agreement.

| Obligation | Section in Agreement | Item in Disclosure Document |
|---|---|---|
| a. Site selection and acquisition/ lease | FA – Section 2<br>MUOA – Section 3 | Items 8 and 11 |
| b. Pre-opening purchases/leases | FA – Sections 6, 7 and 8 | Items 5, 6, 7, 8 and 11 |
| c. Site development and other pre-opening requirements | FA – Section 2 | Items 1, 8 and 11 |
| d. Initial and ongoing training | FA – Section 6 | Items 5, 6 and 11 |
| e. Opening | FA – Section 6 | Items 5, 6 and 11 |
| f. Fees | FA – Sections 3, 4, 5, 7, 8, 11, 14 and 18<br>MUOA – Sections 2 and 3 | Items 5 and 6 |
| g. Compliance with standards and policies/operating manual | FA – Sections 2, 3, 6, 8, 9, 10, 11 and 12 | Items 11 and 14 |
| h. Trademarks and proprietary information | FA – Sections 9 and 10 and Attachment 4<br>MUOA – Section 7 | Items 11, 13 and 14 |
| i. Restrictions on products/services offered | FA – Section 7<br>MUOA – Section 7 | Items 8 and 16 |
| j. Warranty and customer service requirements | FA – Section 7 | Item 8 |
| k. Territorial development and sales quotas | MUOA – Section 3 | Item 12 |
| l. Ongoing product/service purchases | FA – Section 7 | Items 6 and 8 |
| m. Maintenance, appearance and remodeling requirements | FA – Sections 2, 7 and 14 | Items 8 and 11 |
| n. Insurance | FA – Section 12 | Items 7 and 8 |
| o. Advertising | FA – Section 8 | Items 6, 8 and 11 |
| p. Indemnification | FA – Section 15<br>MUOA – Section 14 | Item 6 |
| q. Owner's participation/ management/staffing | FA – Sections 6, 14, 15 and 19<br>MUOA – Section 7 | Items 1, 11 and 15 |
| r. Records and reports | FA – Sections 4, 7 and 11 | Item 6 |
| s. Inspections and audits | FA – Sections 2, 7 and 11<br>MUOA – Section 12 | Items 6, 8 and 11 |

| Obligation | Section in Agreement | Item in Disclosure Document |
|---|---|---|
| t. Transfer | FA – Section 14<br>MUOA – Section 11 | Items 6 and 17 |
| u. Renewal | FA – Section 3<br>MUOA – Section 5 | Items 6 and 17 |
| v. Post-termination obligations | FA – Section 18<br>MUOA – Section 10 | Items 6 and 17 |
| w. Non-competition covenants | FA – Section 10 and Attachment 4<br>MUOA – Section 12 | Item 17 |
| x. Dispute resolution | FA – Section 19<br>MUOA – Section 19 | Items 6 and 17 |
| y. Liquidated damages | FA –Section 18 | Item 6 |
| z. Guaranty | FA Article 6 and Attachment 7 | Item 15 |

## ITEM 10: FINANCING

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your notes, leases or other obligations.

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

**Except as listed below, Nature's Table Franchise Company is not required to provide you with any assistance**.

**Pre-Opening Obligations**

**Multi-Unit Operator Agreement**: Under the Multi-Unit Operator Agreement we or our area representative, if there is one for your area, will provide you with the following assistance:

1. We will grant to you exclusive rights to an Exclusive Area within which you will assume the responsibility to establish and operate an agreed-upon number of Nature's Table Restaurants under separate Franchise Agreements (Multi-Unit Operator Agreement – Section 1.1).

2. We will review site survey information on sites you select for conformity to our standards and criteria for potential sites and, if the site meets our criteria, approve the site for a Restaurant (Multi-Unit Operator Agreement – Section 8.1).

3. We will provide you with standard specifications and layouts for building and furnishing the Restaurant (Multi-Unit Operator Agreement – Section 8.2).

4. We will review your site plan and final build-out plans and specifications for conformity to our standards and specifications (Multi-Unit Operator Agreement – Section 8.3).

5. We may conduct on-site evaluations, as we deem advisable, as part of our evaluation of the site for a Restaurant (Multi-Unit Operator Agreement – Section 8.4).

6. We will provide other resources and assistance as may be developed and offered to our Multi-Unit Operators (Multi-Unit Operator Agreement – Section 8.5).

**Franchise Agreement**: Before the opening of a Restaurant we or our area representative, if there is one for your area, will provide the following assistance and services:

1. Our written site selection guidelines and the site selection assistance we deem advisable. (Franchise Agreement, Section 5.1.) We will also determine the boundaries of your Designated Territory (see Item 12).

2. Site location assistance, if you request that we provide this, which will be at your cost. (Franchise Agreement, Section 5.2.)

3. On loan, one set of prototypical architectural and design plans and specifications for a Restaurant for adaptation by you, at your expense. (Franchise Agreement, Section 5.3.)

4. On loan, our Confidential Operations Manual, which we may revise during the term of your Franchise Agreement. (Franchise Agreement, Sections 5.4 and 10.1.)

5. A list of our approved suppliers, which is subject to change during the term of your Franchise Agreement. (Franchise Agreement, Sections 5.9 and 7.4.)

6. An initial training program at our headquarters and at your Restaurant, as described below. (Franchise Agreement, Sections 5.10 and 6.4.)

7. Review of and assistance with your grand opening advertising campaign to promote the opening of your Restaurant. (Franchise Agreement, Section 8.8)

**Post-Opening Obligations**

**Franchise Agreement**: During the operation of a Restaurant we or our area representative, if there is one for your area, will provide the following assistance and services:

1. As we reasonably determine necessary, visits to and evaluations of the Restaurant and the products and services provided to make sure that our high standards of quality, appearance and service of the System are maintained. (Franchise Agreement, Sections 5.5 and 7.5.6.)

2. Advertising and promotional materials for in-store marketing and Local Advertising for the Restaurant at a reasonable cost to you. (Franchise Agreement, Section 5.6.)

3. Advice and written materials (including updates to the Manual) concerning techniques of managing and operating the Restaurant, including new developments and improvements in equipment, food products, recipes, packaging and preparation. (Franchise Agreement, Section 5.7.)

4. Training programs and seminars and other related activities regarding the operation of the Restaurant as we may conduct for you or Restaurant personnel generally, which may be mandatory for you, your General Manager and other Restaurant personnel. (Franchise Agreement, Section 6.4.2.)

5. At your request, additional on-site training at your Restaurant. You must pay our per diem fee for each trainer providing the training as well as reimburse our expenses (see Item 6). (Franchise Agreement, Section 6.4.4.)

6. Administration of the marketing fund. (Franchise Agreement, Section 8.3.)

7. Indemnification against and reimbursement for all damages for which you are held liable in any proceeding arising out of your use of any of the Marks (including settlement amounts), if you and your Principals have fully complied with the terms of the Franchise Agreement. (Franchise Agreement, Section 9.4.)

8. Provide suggestions regarding the maximum prices you may charge, as permitted by applicable law. (Franchise Agreement – Section 7.13)

**Grand Opening Advertising**: You must spend at least $5,000 on a grand opening advertising campaign to promote the opening of your Restaurant. This amount must be spent in the 30 days before and 30 days after the Restaurant opens. Your grand opening advertising campaign must be approved by us before you may begin it, and we may require that your campaign include promotional give-aways. At our request, you must give the money for your grand opening advertising campaign to us and we will conduct your grand opening advertising campaign for you.

**Marketing Fund**: Recognizing the value of advertising and marketing to the goodwill and public image of Nature's Table Restaurants, we reserve the right to establish and administer and control a Marketing Fund. If we require, you must contribute 1% of your Restaurant's Gross Sales to the Marketing Fund. Nature's Table Restaurants that we and our affiliates own will contribute to the Marketing Fund on the same basis as franchisees. As described in Item 8, we use rebates that we receive from approved suppliers to conduct Marketing Fund activities and as of December 31, 2024, we have not collected Marketing Fund contribution from our franchisees. No money was spent by the Marketing Fund in 2024.

The Marketing Fund is maintained and administered by us or our designee as follows:

1. We direct all advertising programs and have sole discretion to approve the creative concepts, materials and media used in the programs and their placement and allocation. The Marketing Fund is intended to maximize general public recognition and acceptance of the Marks and improve the collective success of all Restaurants operating under the System. We may use monies from the Marketing Fund to present refresher training programs or to present an annual meeting of our franchisees. Any Restaurants operated by us or our affiliates will contribute to the Marketing Fund generally on the same basis as you. In administering the Marketing Fund, we and our designees are not required to make expenditures for you that are equivalent or proportionate to your contribution or to make sure that any particular franchisee benefits directly or *pro rata* from the placement of advertising.

2. The Marketing Fund may be used to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; employing advertising agencies; development and maintenance of our Website; and costs of our personnel and other departmental costs for advertising that we administer or prepare internally. All sums you pay to the Marketing Fund will be maintained in a separate account. We may reimburse ourselves out of the Marketing Fund for our reasonable administrative costs and expenses that we may incur in the administration or direction of the Marketing Fund and advertising programs for you and the System. The Marketing Fund and its earnings will not otherwise benefit us. The Marketing Fund is operated solely as a conduit for collecting and expending the Marketing Fund Contributions as outlined above. Any sums

paid to the Marketing Fund that are not spent in the year they are collected will be carried over to the following year.

3. We will prepare an annual statement of the operations of the Marketing Fund that will be made available to you if you request it. We are not required to have the Marketing Fund statements audited.

4. Although the Marketing Fund is intended to be perpetual, we may terminate the Marketing Fund at any time. The Marketing Fund will not be terminated until all monies in the Marketing Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the Marketing Fund, we have the right to reinstate it at any time and you must again contribute to the Marketing Fund.

We currently advertise the Restaurants and the products offered by the Restaurants primarily using point of purchase advertising materials, direct mail, electronic and internet marketing, public relations and promotions, and print media. As the number of Restaurants in the System expands, we envision using other forms of media, including television, radio, internet, magazine and newspaper advertising campaigns; and direct mail and outdoor billboard advertising. The majority of our advertising is developed by members of our staff or third-party consultants. No money will be spent from the Marketing Fund for advertising that is primarily a solicitation of franchise sales.

**Local Advertising**: You must conduct Local Advertising in your Designated Territory and you must spend at least 2% of your Restaurant's Gross Sales each calendar quarter for local advertising. If your landlord requires you to participate in any marketing or promotion fund, the amounts you pay may be applied towards satisfying your Local Advertising obligations, if first approved in writing by us. We must approve all advertising before you use it. You must provide us with a marketing expenditure report within 30 days of our request to show that you have complied with the Local Advertising requirements.

Any advertising that you propose to use that has either not been prepared by us or has not been approved by us in the immediately preceding 12 month period must be submitted to us for our approval before you may use it. We will have 15 days after receipt of all materials to approve or disapprove of the proposed advertising materials. Unless we provide our specific approval of the proposed advertising materials, the materials are deemed not approved. Any materials you submit to us for our review will become our property, and there will be no restriction on our use or distribution of these materials.

We reserve the right to require you to include certain language in your local advertising, such as "Franchises Available" and our website address and telephone number.

**Cooperative Advertising**: We may designate any geographic area in which two or more Restaurants are located as a region for purposes of establishing a marketing Cooperative, or we may approve of the formation of a marketing Cooperative by our franchisees. The members of the Cooperative for any area will consist of all Restaurants, whether operated by us, our affiliates or our franchisees. We have the right to dissolve, merge or change the structure of the Cooperatives. Each Cooperative will be organized for the exclusive purposes of administering advertising programs and developing, subject to our approval as described above, promotional materials for use by the members in Local Advertising. If a Cooperative has been established for a geographic area where your Restaurant is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative. If the Cooperative will operate according to written documents, we must approve of these documents, and a copy of the Cooperative documents applicable to the geographic area in which your Restaurant will be located will be provided to you if you request it.

The payments you make to a Cooperative may be applied by you toward satisfaction of your Local Advertising requirement, but if the amount you contribute to a Cooperative is less than the amount you must spend on Local Advertising, you must still spend the difference locally. All contributions to the Cooperative will be maintained and administered in accordance with the documents governing the Cooperative, if any. The Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining our approval. Currently there are no Cooperatives in the System. The Cooperative is not required prepare an annual financial statement.

Neither the Marketing Fund nor any Cooperative will use any funds for advertising that is principally a solicitation for the sale of franchises for Restaurants. We are not obligated to spend any amount on advertising in your Designated Territory.

**Website**: We or one or more of our designees may establish the System Website. If we include information about the Restaurant on the System Website, you must give us the information and materials that we periodically request concerning the Restaurant and otherwise participate in the System Website in the manner that we periodically specify. By posting or submitting to us information or materials for the System Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party's rights.

We own all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL for the System Website, the log of "hits" by visitors, and any personal or business data that visitors (including you and your personnel) supply. We may use the Marketing Fund's assets to develop, maintain and update the System Website. We may implement and periodically modify System Standards relating to the System Website and, at our option, may discontinue the System Website, or any services offered through the System Website, at any time.

All advertising, marketing and promotional materials that you develop for the Restaurant must contain notices of the System Website's URL in the manner we periodically designate. We do not restrict the use of internet or web page advertising within or outside of your Designated Territory, but the advertising content must be approved by us before it is used. Nothing limits our right to maintain websites other than the System Website or to offer and sell products and services under the Marks from the System Website, another website or otherwise over the Internet without payment or other obligation.

You are strictly prohibited from promoting your Restaurant and/or using the Proprietary Marks in any manner on social and/or networking websites, such as Facebook, Instagram, Foursquare, LinkedIn, TikTok and Twitter, without our prior written consent. We will control all social media initiatives. You must comply with our System standards regarding the use of social media in your Restaurant's operation, including prohibitions on your and the Restaurant's employees posting or blogging comments about the Restaurant or the System, other than on a website established or authorized by us ("social media" includes personal blogs, common social networks like Facebook, Instagram and Foursquare , professional networks like LinkedIn, live-blogging tools like Twitter and TikTok, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf.

**Advisory Council**: We reserve the right to establish an advisory council to work with us to improve various aspects of our System, including advertising, merchandising, food products, and other items. If we choose to establish an advisory council, its members will include franchisee representatives and our representatives. The franchisee representatives may be chosen by us or elected by other franchisees

in the System. If established, the advisory council will act in an advisory capacity only and will not have decision making authority. We have the right to form, change, merge or dissolve any advisory council at any time. If you participate on an advisory council, you will pay any expenses related to your participation, such as travel, lodging and meals expenses while attending council meetings.

**Training**: No later than 60 days before the date the Restaurant begins operation, you or your General Manager and two additional employees (for a maximum of three people) must attend and complete, to our satisfaction, our initial training program. We will conduct this training at our corporate headquarters in Orlando, Florida, at one of our Nature's Table Restaurants, and on-site at your Restaurant. Initial training programs will be offered at various times during the year depending on the number of new franchisees entering the System, replacement general managers and other personnel needing training, the number of new Restaurants being opened and the timing of the scheduled openings of Restaurants.

We will provide instructors and training materials for the initial training of you or your General Manager and one additional employee for no additional fee, but you must pay the expenses incurred by you and your trainees while attending training. You may also have additional personnel trained by us for the Restaurant, at your expense (see Item 6). We will determine whether the General Manager has satisfactorily completed initial training. If the General Manager does not satisfactorily complete the initial training program or if we determine that this person cannot satisfactorily complete the training program, you must designate a replacement to satisfactorily complete the training before you will be permitted to open your Restaurant. Any General Manager subsequently designated by you must also receive and complete the initial training to our satisfaction, even if this requires sending that manager to the headquarters training program, at your expense. We reserve the right to charge a reasonable fee for the initial training we provide to a replacement or successor employee if we have not approved you to provide the training (see Item 6). You must also pay for all expenses you and your General Manager and other personnel incur for any training program, including costs of travel, lodging, meals and wages.

If, during the term of your Franchise Agreement, you request that we provide additional training on-site at your Restaurant, you must pay our then-current per diem fee for each trainer we provide, and you must reimburse us for any expenses our trainers incur, such as costs of travel, lodging, and meals (see Item 6).

Our formal training program will be directed by Steve Place, our Director of Operations. Mr. Place will be assisted in training by Caleb Gould, Operations Manager or a corporate trainer, who are members of our staff. Other members of our staff and our officers may provide some aspects of training. The biographical information for Mr. Place and Mr. Gould is included in Item 2 of this Disclosure Document. Steve Place has trained Nature's Table franchisees since 2023. He has over 30 years of food industry training experience Caleb Gould s has trained Nature's Table franchisees since 2018, and has over 14 years of food industry training experience. We reserve the right to make changes in our training staff as we deem necessary and advisable without prior notice.

The instructional materials used in the initial training consist of our Operations Manual, marketing and promotion materials, and any other materials that we believe will be beneficial to our franchisees in the training process.

The training schedule and activities of the initial training program are described below:

**TRAINING PROGRAM**

| Column 1<br><br>Subject | Column 2<br><br>Hours of Classroom Training | Column 3<br><br>Hours of On-The-Job Training | Column 4<br><br>Location |
|---|---|---|---|
| ORIENTATION, OUTLINE AND STORE TOUR | 1 | 0 | Our headquarters in Orlando, Florida |
| ON THE JOB TRAINING- All menu items, Register, End of Day Paperwork, Ordering, Opening and Closing of Store, General Operations | 4 | 35 | Nature's Table Restaurant in Orlando, Florida |
| CLASSROOM TRAINING- Food Costs, Labor Costs, Fixed Costs, Sales Tax, Royalties, Profit and Loss Statements, Employee Management, Accounting and Cash Systems | 2 | 0 | Our headquarters in Orlando, Florida |
| ON THE JOB TRAINING- Mastering preparation of all menu items, Mastering frontline serving (sandwich bar, smoothies, register, soups, salads, and hot foods) | 0 | 35 | Nature's Table Restaurant in Orlando, Florida |
| REVIEW & EVALUATION | 3 | 0 | Our headquarters in Orlando, Florida |
| ON-SITE STORE ASSISTANCE | 0 | 40 | Your Restaurant |
| **Total Hours** | **10** | **110** | |

The entire training program is subject to change due to updates in materials, methods, manuals and personnel without notice to you. The subjects and time periods allocated to the subjects actually taught to a specific franchisee and its personnel may vary based on the experience of those persons being trained.

In addition to the initial training program and any additional on-site assistance or training you request, as described above, we may offer refresher training programs or an annual meeting of our franchisees. We may designate that attendance at any refresher training program or annual meeting is mandatory for you and/or your General Manager. We will choose the location for any refresher training or annual meeting, which may be our headquarters, a conference center or resort close to our headquarters or a hotel. We expect that refresher training and/or annual meetings will be held in Florida and will last for up to 7 days for refresher training and up to 3 days for an annual meeting. Refresher training programs generally include training in new methods and techniques, as well as an overview of basic concepts for operating a Nature's Table Restaurant. Annual meetings may include some training, but generally give our

franchisees the opportunity to meet each other and exchange ideas. The annual meeting also give us an opportunity to discuss with our franchisees ideas to improve the System, menu items, marketing and other items of general interest. We do not charge you a fee for presenting any refresher training program or annual meeting, or we may use money from the Marketing fund to pay these costs. You must pay for the expenses of your trainees/attendees, including travel, lodging, meals and wages, which will depend on the distance you must travel and the accommodations you choose.

**Brand Standard Manual**: The Table of Contents for our Operations Manual is attached to this Disclosure Document as Exhibit E. Our Operations Manual contains approximately 126 pages. The subjects of the Manual and pages of each subject are: Preface, 2; Chapter 1 The Brand, 9 pages; Chapter 2 Th e Franchise, 18 pages; Chapter 3 Brand Operating Standards, 17 pages; Chapter 4 Marketing, 11 pages; Chapter 5 Staffing, 8 pages; Chapter 6 Café Operation Best Practices, 15 pages, Chapter 7 Food Safety, 16 pages; Chapter 8 Emergencies, Accident and Security, 19 pages; Chapter 9 Administration, 10 pages

**Site Selection and Opening**: You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Restaurant and for constructing and equipping the Restaurant at the accepted site. You will select the site for the Restaurant subject to our approval and using our site submittal forms and/or criteria. The Restaurant may not be relocated without first obtaining our written consent. Before you lease or purchase the site for the Restaurant, you must locate a site that satisfies our site selection guidelines. If you request that we conduct an on-site evaluation, then before we conduct the on-site evaluation, you must submit to us in the form we specify a description of the site, including evidence that the site satisfies our site selection guidelines, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site. For any on-site evaluation or other location assistance, you must pay our then-current per diem fee and reimburse our costs related to the evaluation.

You must submit information and materials for the proposed site to us for approval no later than 90 days after you have signed the Franchise Agreement. We will have 30 days after we receive this information and materials from you to approve or disapprove the proposed site as the location for the Restaurant. If we do not provide our specific approval of a proposed site, the site is deemed not approved. We do not warrant or guarantee that your Restaurant will be successful at any site that we approve. Our approval only means that the site meets our minimum requirements for a Restaurant.

We will provide you with our current written site selection guidelines and any other site selection counseling and assistance we think is advisable. Our guidelines for site selection may require that you conduct, at your expense, an evaluation of the demographics of the market area for the location (including the population and income level of residents in the market area), aerial photography, size and other physical attributes of the location, proximity to residential neighborhoods and proximity to schools, shopping centers, entertainment facilities and other businesses that attract consumers and generate traffic. We may use these and other factors, including general location and neighborhood, traffic patterns, availability of parking, and ease of access to the location, in our review of your proposed site.

We estimate that the time from when the Franchise Agreement is signed to the opening of the Restaurant will be approximately five months. This time may be shorter or longer depending on the time necessary to obtain an accepted site, to obtain financing, to obtain the permits and licenses for the construction and operation of the Restaurant, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Restaurant, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the Restaurant, including purchasing inventory and supplies. You must open the Restaurant and begin business within 90 days after you sign the lease, sublease or purchase agreement for the approved site, unless you obtain a written extension of this time period from us. If you

are unable to find a suitable location for your Restaurant within 90 days after you sign the Franchise Agreement, we reserve the right to terminate your Franchise Agreement.

If you are a Multi-Unit Operator, you must sign your first Franchise Agreement at the same time you sign the Multi-Unit Operator Agreement. The typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant is the same as for an individual franchisee.

**Computer and Point of Sale Systems**: We do not require you to purchase a particular brand of computer systems. We do require a computer, as well as a printer, so that you can place food orders online, run the online order monitor software and create documents for daily specials. We encourage the use of Word and Excel. We utilize a weekly food and labor cost worksheet and advise you to do the same.

We require the use of a computer based POS system. We do not require you to purchase any particular brand. We encourage the use of Square POS. It is user friendly and provides all the necessary data needed to run your business. We estimate the initial cost of one Square bundle to be approximately $1000. That includes the square stand, Ipad, chip card reader and dock, printer and cash drawer.

We estimate that the initial cost of your system, depending upon the grade of the system you choose, will range from $6,000 to $10,000. We also make recommendations in the Manual for computer systems and certain brands of software to be used in the Restaurant. None of these systems are mandatory, and none of these recommendations are proprietary to us. We will, upon request, assist you in the selection of your electronic cash register, computer hardware or software acquisitions for the Restaurant. The maintenance, repairs and or updates to the computer system are also not governed by us. Neither we nor any affiliate of ours will provide you with any maintenance, repairs or updates. Once you have purchased one of the recommended brands, that purchase is sufficient. You must maintain an electronic cash register or computer system in working order for your Restaurant.

We have the right under the Franchise Agreement to have access to and independently examine and copy your books and records, including the data recorded by your electronic cash register and computer systems. We do not currently have independent access to the information stored in the cash registers, but we reserve the right to do this at any time and you must provide us electronic access to your systems when we request it.

We may periodically modify specifications for and components of the computer system. These modification and/or other technological developments or events may require you to purchase, lease and/or license new or modified computer hardware, software and other components and to obtain service and support for the computer system. There is no contractual limitation on our right to modify our specifications or your cost to comply with our modifications.

## ITEM 12: TERRITORY

**Franchise Agreement**: Your Franchise Agreement will specify the site that will be the Approved Location for your Restaurant. Your Franchise Agreement may also specify a Designated Territory. The Designated Territory is not the same area as, and will be smaller than, the trade area in which you will be looking for a site. If your Restaurant is located in a free-standing building or strip center, the Designated Territory will be a three-mile radius from the location. If your Restaurant is located within a food court, mall, or other similar non-traditional setting (such as an office building, airport terminal or college campus), the Designated Territory will be limited to the building, terminal or campus, as applicable. If you do not yet have an Accepted Location at the signing of the Franchise Agreement, you will receive a non-exclusive site search area listed in Attachment 1 instead.

During the term of the Franchise Agreement, we will not establish or operate, nor license any other person to establish or operate, a Restaurant in the Designated Territory, except as may be permitted under the Franchise Agreement and those exceptions are described below. There are no circumstances under which the Designated Territory may be altered before your Franchise Agreement expires or is terminated. Your territorial protection does not depend on your achieving a certain sales volume, market penetration, or other factor, other than compliance with the Franchise Agreement.

If, during the term of the Franchise Agreement, you wish to relocate your Restaurant, or if the Restaurant is damaged or destroyed and cannot be repaired within 60 days, you must submit to us in writing the materials we require to consider your request, including information concerning the proposed new location for the Restaurant. You must also meet certain other requirements, such as being in compliance with the Franchise Agreement, the location meets our then-current requirements for a Nature's Table Restaurant and is located within your Designated Territory, payment of our relocation fee, and you must sign our then-current form of Franchise Agreement. If we permit you to relocate, you will not pay a new initial franchise fee when you sign the new Franchise Agreement.

Except as expressly limited by the Franchise Agreement, we and our affiliates retain all rights with respect to Restaurants, the Marks, and any products and services anywhere in the world including the right: (a) to produce, offer and sell and to grant other the right to produce, offer and sell the products offered at Restaurants and any other goods through similar or dissimilar channels of distribution, both within and outside the Designated Territory, under the Marks or other trade and service marks and under any terms and conditions we deem appropriate; (b) to operate and to grant others the right to operate Restaurants located outside the Designated Territory under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants; and (c) the right to acquire and operate a business operating one or more restaurants or food service businesses located or operating in your Designated Territory, but any acquired restaurants or food service businesses will not operate in your Designated Territory using the Marks.

You may sell our products to retail customers and prospective retail customers who live anywhere but who choose to dine at or from your Restaurant. While you may place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located within your Designated Territory, and you will not be deemed to be in violation of the Franchise Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective customers outside of your Designated Territory, you may not make any sales or deliver any products to customers located outside of your Designated Territory, unless the customer is located in an area where there is not another Nature's Table Restaurant in operation. You have no options, rights of first refusal, or similar rights to acquire additional franchises. You may not sell any products to any business or other customer at wholesale.

Neither we nor our affiliates are restricted from soliciting or accepting orders from consumers inside the Designated Territory without compensation to you. We and our affiliates may use other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing, to make sales in your Designated Territory under the Marks and other trademarks. You are not restricted from soliciting or accepting orders from consumers outside of the Designated Territory (if we approve the solicitation materials and programs). (See Item 11) You may not use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales (as opposed to advertising and marketing) outside of the Designated Territory, because you may only make sales at the Restaurant.

We have not yet established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark. We describe earlier in this Item 12 what we may do anywhere and at any time.

Neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned Restaurant which sell our products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent.

**Multi-Unit Operator Agreement**: Under the Multi-Unit Operator Agreement we grant you the right to develop and operate the number of Nature's Table Restaurants in the Exclusive Area that is specified in the Development Schedule, which is an exhibit to the Multi-Unit Operator Agreement. The Exclusive Area is typically described in terms of municipal or county boundaries but may be defined as a specified trade area in a municipality. The actual size of the Exclusive Area will vary depending upon the availability of contiguous markets, our long range development plans, your financial and operational resources, population and market conditions. Our designation of a particular Exclusive Area is not an assurance or warranty that there are a sufficient number of suitable sites for Restaurants in the Exclusive Area for you to meet your Development Schedule. The responsibility to locate and prepare a sufficient number of suitable sites is solely yours and we have no obligation to approve sites which do not meet our criteria so you can meet the Development Schedule.

Except as described below, during the term of the Multi-Unit Operator Agreement, we and our affiliates will not operate or grant a franchise for the operation of Restaurants to be located within the Exclusive Area. However, we have the right to terminate this exclusivity if you are not in full compliance with all of the terms and conditions of the Multi-Unit Operator Agreement and all of the Franchise Agreements signed under it.

Except as expressly limited by the Multi-Unit Operator Agreement, we and our affiliates retain all rights with respect to Nature's Table Restaurants, the Marks, and any products and services anywhere in the world including the right: (a) to produce, offer and sell and to grant other the right to produce, offer and sell the products offered at Restaurants and any other goods through similar or dissimilar channels of distribution, both within and outside the Exclusive Area, under the Marks and other trade and service marks and under any terms and conditions we deem appropriate; (b) to operate and to grant others the right to operate Restaurants located outside the Exclusive Area under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants; and (c) the right to acquire and operate a business operating one or more Restaurants or food service businesses located or operating in your Exclusive Area.

After you have completed the Development Schedule, which is when the last Restaurant to be developed has opened for business, if we believe that it is desirable to establish additional Restaurants within the Exclusive Area, and if you are in compliance with your Multi-Unit Operator Agreement, we will offer you the right to develop these additional Restaurants. You must exercise this option, in full, within 60 days after our notice to you. If you do not exercise or you decline this right of first refusal, we shall have the right to sell these development rights to another multi-unit operator or to develop the Restaurants ourselves.

To maintain your rights under the Multi-Unit Operator Agreement you must have open and in operation the cumulative number of Nature's Table Restaurants stated on the Development Schedule by the dates agreed upon in the Development Schedule. Failure to do so will be grounds for either a loss of territorial exclusivity or a termination of the Multi-Unit Operator Agreement.

In addition, upon the opening of the last Nature's Table Restaurant to be developed within the Exclusive Area, your exclusive rights under the Multi-Unit Operator Agreement with respect to the Exclusive Area will terminate and we and our affiliates will have the right to operate and to grant to others development rights and franchises to develop and operate Restaurants within the Exclusive Area. This right

will be subject only to the territorial rights under the franchise agreements signed by you for Restaurants in the Exclusive Area and subject to the right of first refusal described above. The Exclusive Area may not be altered unless we and you mutually agree to do so. There are no minimum sales goals, market penetration or other contingency that you must meet to keep the exclusivity of your Exclusive Area, except that you must meet your Development Schedule.

## ITEM 13: TRADEMARKS

The Franchise Agreement grants you the right to use certain trademarks, trade names, service marks, symbols, emblems, logos and indicia of origin designated by us, including the Marks described in Item 1. These Marks may be used only in the manner we authorize and only for the operation of your Franchised Restaurant. The Multi-Unit Operator Agreement does not give you the right to use the Marks or our System.

You may not use the Marks as a part of your corporate or other legal name, and you must comply with our instructions in filing and maintaining trade name or fictitious name registrations. You must sign any documents we require to protect the Marks or to maintain their continued validity and enforceability. In addition, you may not directly or indirectly contest the validity of our ownership of or our rights in and to the Marks.

We own the following principal Marks, which are on the Principal Register with the U.S. Patent and Trademark Office ("USPTO"). We intend to file all required affidavits and to renew our registrations for the Marks when they become due.

| Mark | Registration No. | Registration Date | Register |
|---|---|---|---|
| Nature's Table (and design) | 1,446,888 | July 7, 1987 | Principal |
| Nature's Table (and design) | 4,140,020 | May 8, 2012 | Principal |
| Chili-Cado | 4,918,458 | March 15, 2016 | Principal |
| Survival Kit | 5,410,349 | February 27, 2018 | Principal |
| Siesta Cooler | 5,289,819 | September 19, 2017 | Principal |

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above.

We also license you the following Principal Mark:

| Mark | Serial No. | Filing Date | Register |
|---|---|---|---|
| Swaptions | 97,374,263 | April 21, 2022 | Principal |

With regard to the above mark only, we do not have a federal registration for this principal trademark. Therefore, this trademark does not have many legal benefits and rights as federally registered trademarks. If our right to use this trademark is challenged, you may have to change to an alternative trademark which may increase your expenses.

There are no agreements currently in effect which limit our right to use or to license others to use the Marks. As of the date of this disclosure document, we know of no superior prior rights or infringing uses that could materially affect your use of the Marks.

You must immediately notify us of any apparent infringement of the Marks or challenge to your use of any of the Marks or claim by any person of any rights in any of the Marks. You and your Controlling Principals are not permitted to communicate with any person other than us, or any designated affiliate, our counsel and your counsel involving any infringement, challenge or claim. We can take action and have the right to exclusively control any litigation or USPTO or other administrative or agency proceeding caused by any infringement, challenge or claim or otherwise relating to any of the Marks. You must sign any and all documents, and do what may, in our counsel's opinion, be necessary or advisable to protect our interests in any litigation or USPTO or other administrative or agency proceeding or to otherwise protect and maintain our interests and the interests of any other person or entity (including any affiliate) having an interest in the Marks.

We will indemnify you against and reimburse you for all damages for which you are held liable for your use of any of the Marks, provided that the conduct of you and your Controlling Principals in the proceeding and use of the Marks is in full compliance with the terms of the Franchise Agreement.

Except as provided above, we are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or to protect you against claims of infringement or unfair competition with respect to them. Although we are not contractually obligated to protect the Marks or your right to use them, as a matter of corporate policy we intend to defend the Marks vigorously.

We may require you to discontinue or modify your use of any of the Marks or to use one or more additional or substitute trade names, service marks, trademarks, symbols, logos, emblems and indicia of origin if we determine that an addition or substitution will benefit the System. We will reimburse you for your reasonable direct expenses of changing the Restaurant's signage, but we will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Proprietary Marks or for any expenditures you make to promote a modified or substitute trademark or service mark.

The license to use the Marks granted in the Franchise Agreement is non-exclusive to you. We have and retain certain rights in the Marks including the following:

1. To grant other licenses for the use of the Marks in addition to those licenses already granted or to be granted to franchisees and area representatives;

2. To develop and establish other systems using the Marks or other names or marks, and to grant licenses or franchises in those systems without providing any rights to you; and

3. To engage, directly or indirectly, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services and (b) the use of the Marks and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics we may develop for that purpose.

## ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

**Patents and Copyrights**: We have no patents or registered copyrights or any pending patents that are material to the franchise.

**Confidential Manuals**: You must operate the Restaurant in accordance with the standards and procedures specified in the Manual. One copy of the Manual will be loaned to you by us for the term of the Franchise Agreement.

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

We may revise the contents of the Manual and you must comply with each new or changed standard. You must also make sure that the Manual is kept current at all times. If there is a dispute regarding the contents of the Manual, the terms of the master copy maintained by us at our home office will be controlling.

**Confidential Information**: We claim proprietary rights in certain of our recipes which are included in the Manual and which are our trade secrets. You and each of your Principals are prohibited, during and after the term of your Agreement, from communicating, or using for the benefit of any other person or entity, and, after the term of your Agreement, from using for your or their own benefit, any confidential information, knowledge or know-how concerning the methods of operation of the Restaurant that may be communicated to you or any of your Principals or that you may learn about, including these trade secrets. You and each of your Principals may divulge this confidential information only to your employees who must have access to it to operate the Restaurant. Neither you nor your Principals are permitted at any time, without first obtaining our written consent, to copy, record or otherwise reproduce the materials or information nor make them available to any unauthorized person. Any and all information, knowledge, know-how and techniques related to the System that we communicate to you, including the Manual, recipes, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, are considered confidential.

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

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

When you sign your agreement, you must designate and retain at all times an individual to serve as the "General Manager". If you are an individual, we recommend that you be the General Manager. You must also retain other personnel as are needed to operate and manage the Restaurant. The General Manager must satisfy our educational and business criteria as provided to you in the Manual or other written instructions, and must be individually acceptable to us. In addition, the General Manager must be responsible for the supervision and management of the Restaurant, and must devote full time and best efforts to this activity. The General Manager also must satisfy our applicable training requirements. If the General Manager cannot serve in the position or does not meet the requirements, he or she must be replaced within 60 days after the General Manager stops serving or no longer meets the requirements. Your General Manager is not required to have an ownership interest in you.

Your General Manager and all other personnel who will have access to our proprietary and confidential information and training must sign our Confidentiality Non-Disclosure and Non-Competition

Agreement, which is attached to our Franchise Agreement as Attachment 4. We will be a third-party beneficiary of each agreement with the independent right to enforce the agreement's terms. If your Franchised Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Spousal Guaranty, which is attached to our Franchise Agreement as Attachment 7.

## ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale all menu items, food products, and other products and services we require, in the manner and style we require. You must sell and offer for sale only the menu items and other products and services that we have expressly approved in writing. You must not deviate from our standards and specifications without first obtaining our written consent. You must discontinue selling and offering for sale any menu items, products or services that we may disapprove in writing at any time. We have the right to change the types of menu items, products and services offered by you at the Restaurant at any time, and there are no limits on our right to make those changes.

You must maintain in sufficient supply and use and sell only the food and beverage items, ingredients, products, materials, supplies, and paper goods that conform to our standards and specifications. You must prepare all menu items with our recipes and procedures for preparation contained in the Manual or other written instructions, including the measurements of ingredients. You must not deviate from our standards and specifications by the use or offer of nonconforming items or differing amounts of any items, without first obtaining our written consent.

We may suggest to you the minimum and/or maximum prices for the goods, products and services offered from your Restaurant, as permitted by applicable law. You may choose to set your own prices, or you may choose to follow the prices we suggest, but we make no guarantees or warranties that offering the products or merchandise at the suggested price will enhance your sales or profits.

We do not impose any other restrictions in the Franchise Agreement or otherwise, as to the goods or services that you may offer or sell or as to the customers to whom you may offer or sell.

## ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

### THE FRANCHISE RELATIONSHIP

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

| Provision | Section in Franchise Agreement | Summary |
|---|---|---|
| a. Length of the franchise term | 3.1 | 10 years |
| b. Renewal or extension of the term | 3.2 | If you are in good standing, and subject to contractual requirements, you may sign a successor agreement for an additional term of ten years unless we have determined, in our sole discretion, to withdraw from the |

| Provision | Section in Franchise Agreement | Summary |
|---|---|---|
| | | geographical area where your Restaurant is located. |
| c. Requirements for franchisee to renew or extend | 3.2 | You must provide notice that you wish to sign a successor agreement, be in compliance with the terms of your Franchise Agreement; be current in all payments and not in default of your Franchise Agreement; if we require, you must renovate and/or upgrade equipment; you must sign release, sign Successor Franchise Agreement and pay Successor Agreement fee<br><br>You may be asked to sign a contract with materially different terms and conditions than your original contract, but the fees in the successor agreement will not be greater than the fees that we then impose on similarly situated franchisees with successor agreements. |
| d. Termination by franchisee | None | You may seek termination upon any grounds available by law. |
| e. Termination by franchisor without cause | Not applicable | The Franchise Agreement will terminate upon your death or permanent disability and the Franchised Business must be transferred within six months to a replacement franchisee that we approve. |
| f. Termination by franchisor with "cause" | 17.1.1 | Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination. |
| g. "Cause" defined – curable defaults | 17.1.3 and 17.2 | We may terminate you for cause if you fail to cure certain defaults, including: if you or any of your affiliates fail to pay any monies owed to us, or our affiliates or vendors, and do not cure within five days after notice (or longer period required), fail to obtain signed copies of the confidentiality and non-competition covenants contained in the Franchise Agreement within five days after a request, fail to procure and maintain required insurance within seven days after notice, use the Marks in an unauthorized manner and fail to cure within 24 hours after notice, fail to cure any other default that is susceptible of cure within 30 days after notice |

| Provision | Section in Franchise Agreement | Summary |
|---|---|---|
| h. "Cause" defined – non-curable defaults | 17.1.2 and 17.1.3 | We may terminate you for cause if you fail to cure certain defaults, including: if you become insolvent, make a general assignment for benefit of creditors, file a petition or have a petition initiated against you under federal bankruptcy laws, have outstanding judgments against you for over 30 days, sell unauthorized products or services, fail to acquire an accepted location within time required, fail to remodel when required, fail to open Restaurant when required, fail to comply with any term and condition of any sublease or related agreement and have not cured the default within the given cure period, abandon or lose right to the Restaurant premises, are convicted of a felony or other crime that may have an adverse affect on the System or Marks, transfer any interest without our consent or maintain false books or records. In addition, a default under one agreement with us may result in a termination of all of your other agreements with us. This is known as a cross-default provision. |
| i. Franchisee's obligations on termination/non-renewal | 18 | Obligations include: You must stop operating the Restaurant and using the Marks and System and completely de-identify the business, pay all amounts due to us or our affiliates, return the Manual and all other proprietary materials, comply with confidentiality requirements, pay liquidated damages (if applicable), and at our option, sell or assign to us your rights in the Restaurant premises and the equipment and fixtures used in the business |
| j. Assignment of contract by franchisor | 14.1 | We have the right to transfer or assign the Franchise Agreement to any person or entity without restriction. However, no assignment will be granted except to an assignee who, in our good faith judgment, is willing and able to assume our obligations |
| k. "Transfer" by franchisee – defined | 14.2.1 | Includes sale, assignment, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Restaurant or you (if you are not a natural person) |
| l. Franchisor approval of transfer by franchisee | 14.2.2 | You must obtain our consent before transferring any interest. We will not unreasonably withhold our consent |

| Provision | Section in Franchise Agreement | Summary |
|---|---|---|
| m. Conditions for franchisor approval of transfer | 14.2.2 | Conditions include: You must pay all amounts due us or our affiliates, not otherwise be in default, sign a general release, and pay a transfer fee. Transferee must meet our criteria, complete training to our satisfaction and sign current Franchise Agreement |
| n. Franchisor's right of first refusal to acquire franchisee's business | 14.4 | Within 30 days after notice, we have the option to purchase the transferred interest on the same terms and conditions |
| o. Franchisor's option to purchase franchisee's business | 18.12 | On termination or expiration of the Franchise Agreement, we may purchase all or a portion of the assets of your Restaurant |
| p. Death or disability of franchisee | 14.5 | The Franchise Agreement will terminate upon your death or permanent disability, and the Franchised Business must be transferred within six months to a replacement franchisee that we approve. |
| q. Non-competition covenants during the term of the franchise | 10.3.1 | You are prohibited from operating or having an interest in a similar business |
| r. Non-competition covenants after the franchise is terminated or expires | 10.3.2 | You and your Controlling Principals are prohibited for two years from expiration, termination or transfer of the franchise from operating or having an interest in a similar business within three miles of any Restaurant in the System |
| s. Modification of the agreement | 10.1.5 and 19.2 | Franchise Agreement may not be modified unless mutually agreed to in writing. You must comply with our Manual, as it may be amended |
| t. Integration/merger clause | 19.2 | Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promise outside of the Franchise Disclosure Document and other agreements may not be enforceable |
| u. Dispute resolution by arbitration or mediation | 19.7 | Except for actions brought by us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes must be arbitrated in Florida |
| v. Choice of forum | 19.8 | Orange County, Florida (see Disclosure Document Addendum and State Amendments to Agreements) |

| Provision | Section in Franchise Agreement | Summary |
|---|---|---|
| w. Choice of Law | 19.8 | The Franchise Agreement is to be interpreted, governed and construed under Florida law (see Disclosure Document Addendum and State Amendments to Agreement) |

**THE MULTI-UNIT OPERATOR RELATIONSHIP**

| Provision | Section in Multi-Unit Operator Agreement | Summary |
|---|---|---|
| a. Length of the franchise term | 6 | Length of the Development Schedule |
| b. Renewal or extension of the term | 5 | After all Restaurants have been developed, we will negotiate in good faith another Multi-Unit Operator Agreement |
| c. Requirements for multi-unit operator to renew or extend | Not applicable | |
| d. Termination by multi-unit operator | Not applicable | The Agreement does not provide for this. But you may seek to terminate on any grounds available to you at law |
| e. Termination by franchisor without cause | Not applicable | |
| f. Termination by franchisor with cause | 9 | We can terminate if you commit any one of several listed violations |
| g. "Cause" defined – curable defaults | 9 | If you use the Marks or System without our consent; participating in a competing business; failure to pay money to us when due; you begin developing a Restaurant before all of your pre-development obligations are met; failure to obtain our consent when required; you open any Restaurant before a Franchise Agreement for that Restaurant has been signed |
| h. "Cause" defined – non-curable defaults | 9 | Failure to meet your Development Schedule; failure to comply with applicable laws; if all of your Restaurants stop operating; unauthorized transfer; you make a material misrepresentation to us; conviction by you or your owners of an indictable offense; bankruptcy or insolvency; if a Franchise Agreement with us is terminated |

| Provision | Section in Multi-Unit Operator Agreement | Summary |
|---|---|---|
| | | according to its terms (this is a cross-default provision) |
| i. Multi-unit operator's obligations on termination/non-renewal | 10 | You must stop selecting sites for Restaurants, and you may not open any more Restaurants |
| j. Assignment of contract by franchisor | 11 | No restriction on our right to assign. However, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Multi-Unit Operator Agreement |
| k. "Transfer" by multi-unit operator – defined | 11 | Includes transfer of any interest in the Multi-Unit Operator Agreement |
| l. Franchisor approval of transfer by multi-unit operator | 11 | We have the right to approve all transfers, our consent not to be unreasonably withheld |
| m. Conditions for franchisor approval of transfer | 11 | Conditions for transfer include not being in default, at least 25% of all Restaurants required to be developed are open or under construction, all debts are paid, the buyer meets our current criteria for new Multi-Unit Operators, execution of a general release (where legal), payment of transfer fee, buyer personally guarantees all obligations |
| n. Franchisor's right of first refusal to acquire multi-unit operator's business | 11 | We have the right to match the offer to purchase your Business |
| o. Franchisor's option to purchase multi-unit operator's business | Not applicable | |
| p. Death or disability of multi-unit operator | 11 | The rights granted under the Multi-Unit Development Agreement will terminate upon your death or permanent disability, unless transferred to a third-party approved by us within 12 months after death or permanent disability. |
| q. Non-competition covenants during the term of the franchise | 12 | Can't divert business or operate a competing business anywhere |
| r. Non-competition covenants after the franchise is terminated or expires | 12 | No competing business for two years and within three miles of any Restaurant in the System |

| Provision | Section in Multi-Unit Operator Agreement | Summary |
|---|---|---|
| s. Modification of the agreement | 18 | No modifications except by mutual agreement of the parties |
| t. Integration/merger clause | 18 | Only the terms of the Multi-Unit Operator Agreement are binding (subject to state law). Any representations or promise outside of the Franchise Disclosure Document and other agreements may not be enforceable. |
| u. Dispute resolution by arbitration or mediation | 19 | Except for certain claims, all disputes must be arbitrated in Florida (subject to state law) |
| v. Choice of forum | 19 | Orange County, Florida (subject to state law) |
| w. Choice of law | 18 | Florida applies (subject to state law) |

## ITEM 18: PUBLIC FIGURES

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

## ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Sandra Wagner, 545 Delaney Avenue, Building 2, Orlando, Florida 32801, (407) 481-2544 x5, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1**
**Systemwide Outlet Summary**
**For years 2022, 2023 and 2024**

| Column 1<br>Outlet Type | Column 2<br>Year | Column 3<br>Outlets at the Start of the Year | Column 4<br>Outlets at the End of the Year | Column 5<br>Net Change |
|---|---|---|---|---|
| Franchised | 2022 | 51 | 47 | -4 |
| | 2023 | 47 | 46 | -1 |
| | 2024 | 46 | 40 | -6 |
| Company-Owned | 2022 | 4 | 4 | 0 |
| | 2023 | 4 | 3 | -1 |
| | 2024 | 3 | 3 | 0 |
| **Total Outlets** | **2022** | **55** | **51** | **-4** |
| | **2023** | **51** | **49** | **-2** |
| | **2024** | **49** | **43** | **-6** |

**Table No. 2**
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**
**For years 2022, 2023 and 2024**

| Column 1<br>State | Column 2<br>Year | Column 3<br>Number of Transfers |
|---|---|---|
| Florida | 2022 | 2 |
| | 2023 | 2 |
| | 2024 | 2 |
| Georgia | 2022 | 0 |
| | 2023 | 1 |
| | 2024 | 0 |
| **Total** | **2022** | **2** |
| | **2023** | **3** |
| | **2024** | **2** |

**Table No. 3**
**Status of Franchised Outlets**
**For years 2022, 2023 and 2024**

| Col 1<br>State | Col 2<br>Year | Col 3<br>Outlets at Start of Year | Col 4<br>Outlets Opened | Col 5<br>Termina-tions | Col 6<br>Non-Renewals | Col 7<br>Reacquired by Franchisor | Col 8<br>Ceased Operations – Other Reasons | Col 9<br>Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| Alabama | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Florida | 2022 | 40 | 2 | 0 | 0 | 0 | 2 | 40 |
| | 2023 | 40 | 2 | 0 | 0 | 0 | 4 | 38 |
| | 2024 | 38 | 2 | 0 | 0 | 0 | 6 | 34 |
| Georgia | 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | 3 | 0 | 0 | 0 | 0 | 2 | 1 |
| Indiana | 2022 | 5 | 0 | 0 | 0 | 0 | 1 | 4 |
| | 2023 | 4 | 0 | 0 | 0 | 0 | 0 | 4 |
| | 2024 | 4 | 0 | 0 | 0 | 0 | 0 | 4 |
| Oklahoma | 2022 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| South Carolina | 2022 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Texas | 2022 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **2022** | **51** | **2** | **0** | **0** | **0** | **6** | **47** |
| | **2023** | **47** | **3** | **0** | **0** | **0** | **4** | **46** |
| | **2024** | **46** | **2** | **0** | **0** | **0** | **8** | **40** |

**Table No. 4**
**Status of Company-Owned Outlets**
**For years 2022, 2023 and 2024**

| Col 1<br>State | Col 2<br>Year | Col 3<br>Outlets at Start of Year | Col 4<br>Outlets Opened | Col 5<br>Outlets Reacquired from Franchisee | Col 6<br>Outlets Closed | Col 7<br>Outlets Sold to Franchisee | Col 8<br>Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| Florida | 2022 | 4 | 0 | 0 | 0 | 0 | 4 |
| | 2023 | 4 | 0 | 0 | 0 | 1 | 3 |
| | 2024 | 3 | 0 | 0 | 0 | 0 | 3 |
| **Total** | **2022** | **4** | **0** | **0** | **0** | **0** | **4** |
| | **2023** | **4** | **0** | **0** | **0** | **1** | **3** |
| | **2024** | **3** | **0** | **0** | **0** | **0** | **3** |

**Table No. 5**
**Projected Openings as of December 31, 2024**

| Column 1<br>State | Column 2<br>Franchise Agreements Signed But Outlet Not Open | Column 3<br>Projected New Franchised Outlets In The Next Fiscal Year | Column 4<br>Projected New Company-Owned Outlets In The Next Fiscal Year |
|---|---|---|---|
| Florida | 1 | 1 | 0 |
| **Total** | **1** | **1** | **0** |

A list of the names of all franchisees and multi-unit operators and the addresses and telephones numbers of their franchises are provided in Exhibit D to this disclosure document.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee or multi-unit operator who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the applicable Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit D to this disclosure document when applicable. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Nature's Table System.

There are no trademark-specific organizations formed by our franchisees that are associated with the Nature's Table System.

## ITEM 21: FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit A are our audited financial statements for the fiscal years ended December 31, 2022, December 31, 2023, and December 31, 2024.

Our fiscal year end is December 31st.

## ITEM 22: CONTRACTS

Attached as Exhibits to this Disclosure Document are the following contracts and their attachments:

| | | |
|---|---|---|
| 1. | Franchise Agreement | Exhibit B |
| 2. | Multi-Unit Operator Agreement | Exhibit C |
| 3. | Form of General Release | Exhibit H |
| 4. | Nature's Table Acknowledgement Statement | Exhibit I |

## ITEM 23: RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document. Please return one signed copy to us and retain the other for your records.

**EXHIBIT A TO THE DISCLOSURE DOCUMENT**
**FINANCIAL STATEMENTS**

# NATURE'S TABLE
# FRANCHISE COMPANY, LLC

## FINANCIAL STATEMENTS

**December 31, 2024**

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MKA
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nature's Table Franchise Company, LLC
Orlando, Florida

### Opinion

We have audited the accompanying financial statements of Nature's Table Franchise Company, LLC (a Florida S Corporation), which comprise the balance sheet as of December 31, 2024, and the related statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nature's Table Franchise Company, LLC as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

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

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

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida
March 26, 2025

**NATURE'S TABLE FRANCHISE COMPANY, LLC**

**BALANCE SHEET**

**December 31, 2024**

## ASSETS

| | |
|---|---|
| **CURRENT ASSETS** | |
| Cash and equivalents | $ 72,538 |
| Royalty fees and other receivables | 177,741 |
| Prepaid expenses | 1,433 |
| Due from related parties | 3,563 |
| Total current assets | 255,275 |
| Operating lease right-of-use asset | 209,843 |
| Security deposit | 3,800 |
| Total assets | $ 468,918 |

## LIABILITIES AND MEMBERS' EQUITY

| | |
|---|---|
| **CURRENT LIABILITIES** | |
| Accrued payroll | $ 13,261 |
| Accounts payable | 6,273 |
| Deferred franchise revenue - current | 5,183 |
| Profit sharing contributions payable | 25,000 |
| Operating lease liability | 39,156 |
| Total current liabilities | 88,873 |
| Non-current operating lease liability | 170,400 |
| Deferred franchise revenue - long term | 18,310 |
| Total liabilities | 277,583 |
| **MEMBERS' EQUITY** | |
| Capital stock, no par value; 5,000 shares authorized, 3,965.5 shares issued and outstanding | 3,966 |
| Retained earnings | 312,335 |
| | 316,301 |
| Less: Treasury stock, 1,034.5 shares | (124,966) |
| Total members' equity | 191,335 |
| Total liabilities and members' equity | $ 468,918 |

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

**NATURE'S TABLE FRANCHISE COMPANY, LLC**

**STATEMENT OF INCOME**

**Year Ended December 31, 2024**

| | | |
|---|---|---|
| **REVENUES** | | |
| Royalties | $ | 777,108 |
| Vendor rebates | | 144,287 |
| Management fees | | 60,000 |
| Other income | | 43,041 |
| Franchise fees | | 40,073 |
| Transfer income | | 20,000 |
| Total revenues | | 1,084,509 |
| **OPERATING EXPENSES** | | |
| Payroll | | 572,585 |
| Professional fees | | 82,424 |
| Rent | | 49,926 |
| Profit sharing | | 25,000 |
| Office expense | | 22,573 |
| Advertising | | 22,098 |
| Travel and entertainment | | 14,402 |
| Insurance | | 13,292 |
| Restaurant supplies | | 12,454 |
| Telephone | | 9,525 |
| Automobile expense | | 4,451 |
| Computer expense | | 4,282 |
| Licenses and membership fees | | 2,986 |
| Repairs and maintenance | | 1,245 |
| Bank charges | | 2,557 |
| Gas and electric | | 2,045 |
| Total operating expenses | | 841,845 |
| Net income | $ | 242,664 |

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

**NATURE'S TABLE FRANCHISE COMPANY, LLC**

**STATEMENT OF CHANGES IN MEMBERS' EQUITY**

**Year Ended December 31, 2024**

| | Capital Stock | Retained Earnings | Treasury Stock | Stockholders'/ Members' Equity |
|---|---|---|---|---|
| **Balance at December 31, 2023** | $ 3,966 | $ 786,010 | $ (124,966) | $ 665,010 |
| Net income | - | 242,664 | - | 242,664 |
| Distributions | - | (716,339) | - | (716,339) |
| **Balance at December 31, 2024** | $ 3,966 | $ 312,335 | $ (124,966) | $ 191,335 |

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

**NATURE'S TABLE FRANCHISE COMPANY, LLC**

**STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2024**

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net income | $ | 242,664 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Non-cash rent | | (1,614) |
| Changes in operating assets and liabilities: | | |
| Increase in royalty fees and other receivables | | (76) |
| Decrease in prepaid expenses | | 1,193 |
| Increase in accrued payroll | | 2,582 |
| Decrease in accounts payable | | (1,307) |
| Decrease in deferred franchise revenue | | (30,073) |
| Decrease in profit sharing contributions payable | | (25,000) |
| Net cash provided by operating activities | | 188,369 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Distributions | | (716,339) |
| Payments on behalf of related parties | | (29) |
| Net cash used in financing activities | | (716,368) |
| Net decrease in cash and equivalents | | (527,999) |
| Cash and equivalents, beginning of year | | 600,537 |
| Cash and equivalents, end of year | $ | 72,538 |
| **SUPPLEMENTAL CASHFLOW INFORMATION** | | |
| Cash paid for interest | $ | 90 |

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

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization and Nature of Business

   Nature's Table Franchise Company was incorporated on January 28, 1987, under the laws of the State of Florida and was formed for the purpose of selling franchises to operate fast casual serving restaurants under the trade name Nature's Table. On December 27, 2024 the Company converted to Nature's Table Franchise Company, LLC (the "Company"). The Company has 43 locations in the United States, of which 3 locations are owned and operated by related companies and 40 locations are owned and operated by third-party franchisees. One store opened and eight stores closed during the year.

   On December 30, 2024, Fast Fresh Brands, LLC, obtained majority control of the Company in a transaction recorded at the member level. Push down accounting was not applied to the transaction.

2. Accounting Estimates

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

3. Cash and Equivalents

   For purposes of the statement of cash flows, the Company considers all investments purchased with a maturity of three months or less to be cash equivalents.

4. Revenue Recognition

   The Company follows Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

   The Company licenses franchised locations to operate under its trade name throughout the United States. Franchise fees are allocated between distinct and non-distinct elements of the franchise agreement. Franchise fees allocated to distinct elements such as training, location design and footprint, and real estate location services are recognized as income when the distinct goods and services have been provided, and fees allocated to non-distinct elements such as trademarks and IP are deferred and recognized as income over the term of the franchise agreement which is generally 10 years.

   Deferred franchise revenue of $23,493 at December 31, 2024 represents franchise fees received but not yet earned and are calculated to be earned over the following years: 2025 - $5,183; 2026 - $4,225; 2027 - $3,017; 2028 - $2,545; 2029 - $2,433 and thereafter $6,090.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Revenue Recognition (continued)

Franchise fees are not charged to franchised restaurants operated by related companies.

Royalty fees are received for ongoing services such as management training and use of the Company's trade name. The fees are calculated as approximately 5% of licensees' total sales, recognized as earned, and are usually collected in the following month. Royalty fees are only charged to franchised locations owned by independent unrelated party companies. For related party company owned locations, a management fee is charged by the Company in lieu of royalties with the amount calculated based on the owners' discretions. Royalty fees receivable represent royalty fees earned but not received from licensees at December 31, 2024.

Vendor rebates are recognized when earned and collectability is assured, which is generally when the rebates are received.

Transfer fees represent fees paid when stores are transferred to a new or existing franchisee. They are recognized as revenue when earned and collectability is assured, which is generally when the fees are received.

Other income primarily includes reimbursements from franchised restaurants which are recognized as earned based on various purchase agreements.

5. Allowance for Doubtful Accounts

The Company assesses the collectability of royalty fees receivable and amounts due from related parties on a periodic basis. No allowance is provided since all receivables are deemed fully collectible based on the Company's evaluation of historical experience, current conditions, and reasonable forecasts.

6. Property and Equipment

Property and equipment is stated at cost. Depreciation is calculated using the double-declining method over the estimated useful life of the respective assets. Repairs and maintenance costs are expensed as incurred. Significant betterments are capitalized. As of December 31, 2024, all property and equipment was fully depreciated.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Fair Value Measurement

The Company accounts for financial assets in accordance with ASC No. 820, *Fair Value Measurement,* which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value. The fair value measurement disclosures are grouped into three levels based on valuation factors: Level 1 - quoted prices in active markets for identical assets or liabilities, Level 2 - significant other observable inputs, and Level 3 – significant unobservable inputs. At December 31, 2024, the Company has no instruments that require additional disclosure. The carrying amounts of the Company's financial instruments, including cash, receivables and payables, and bank line of credit approximate fair value because of the short period to maturity for these instruments and/or market interest rates.

8. Income Taxes

The Company has elected under the Internal Revenue Code and comparable state regulations to be taxed as an S Corporation. In lieu of corporate income taxes, the stockholders of an S Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provisions of liability for federal income taxes have been included in these financial statements. Various states and localities tax S Corporation income, and, accordingly, the appropriate income tax has been recorded.

Management has concluded that as of December 31, 2024, there are no uncertain tax positions taken or expected to be taken by the Company that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

9. Advertising

Advertising and sales promotion costs are expensed when incurred.

10. Subsequent Events

Management has evaluated subsequent events through March 26, 2025, the date which the financial statements were issued or available to be issued.

## NOTE B – CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains its cash in various banks in accounts which are insured by the Federal Deposit Insurance Corporation up to $250,000, per institution. At times, the balances in these accounts may be in excess of federally insured limits. As of December 31, 2024, the Company did not have cash in excess of federally insured limits. The Company has never experienced any losses on uninsured holdings.

The Company conducts its business in the fast food market. Most franchisee or licensee owned restaurants are operated as tenants in office buildings and strip malls throughout the United States, which are subject to closure or cancellation of the lease with or without cause. Some franchised restaurants are located in corporate office break rooms with contracts subject to renewal or cancellation.

## NOTE C – RELATED PARTY TRANSACTIONS

The Company occasionally offers advances and loans to related companies which operate restaurant locations and must acquire equipment and incur other costs related to store openings. The advances and loans are interest free and due on demand. Management fees charged to related companies for administrative support totaled $60,000 for 2024. As of December 31, 2024, due from related parties totaled $3,563, and consists of the following:

| | |
|---|---|
| Due from franchisees for expenses incurred | $ 3,563 |
| Total due from related parties | $ 3,563 |

## NOTE D – PROPERTY AND EQUIPMENT

At December 31, 2024, property and equipment consisted of the following:

| | Cost | Estimated Life |
|---|---|---|
| Furniture and equipment | $ 11,677 | 5-7 years |
| | 11,677 | |
| Less accumulated depreciation | 11,677 | |
| | $ - | |

## NOTE E – PROFIT SHARING PLAN

The Company has a non-contributory defined contribution profit sharing plan that covers all eligible employees. Contributions to the profit sharing plan are made at the discretion of the Board of Directors of the Company. The profit sharing contribution to the plan for 2024 was $20,000, which was accrued at December 31, 2024.

## NOTE F – TREASURY STOCK

On June 1, 1992, the Company repurchased 500 shares of its outstanding capital stock to be held in treasury. The stock was repurchased for $50,000, the amount at which it was issued. An installment note was executed in repayment. As a result, outstanding stock was reduced by 500 shares and additional paid-in-capital was reduced by $49,500. The note has been repaid in full.

On June 1, 2017, the Company repurchased 534.5 shares of its outstanding capital stock to be held in treasury. The stock was repurchased for $125,000, which was paid at closing. As a result, outstanding shares were reduced by 534.5 shares.

In conjunction with the 2017 stock repurchase, Company management entered into promissory notes totaling $650,000 to pay the former stockholders. The Company is the guarantor on the notes, which were paid off in 2024.

## NOTE G – LEASES

The Company follows ASC 842, *Leases,* which requires lessees to put most leases on its balance sheets and recognize expenses on its statement of income. The Company is a lessee on an operating lease for office space for approximately $4,200 per month, expiring July 2024. The Company renewed the lease in August 2024 for two years, with a 3-year option. The Company also has two operating leases for restaurant spaces expiring December 2025 for approximately $2,000 per month. However, these leases were assumed by franchisees who operate Nature's Tables in the restaurant spaces. The franchisees pay the monthly rent directly to the landlord.

The office lease is the only lease required to be included on the balance sheet under ASC 842. The Company has elected to apply the short-term lease exception to all leases with a term of one year or less. As of December 31, 2024, the Company does not have any short-term leases.

As of December 31, 2024, the right-of-use (ROU) asset had a balance of $209,843, as shown in non-current assets on the balance sheet and the lease liability in other current liabilities of $39,156 and in other long-term liabilities of $170,400. The lease asset and liability were calculated utilizing the risk-free discount rate (6.4%), according to the Company's elected policy. There is a 3-year option to renew the office lease, which was considered when assessing the value of the ROU asset because the Company is reasonably certain that it will exercise the option to renew the lease.

## NOTE G – LEASES (continued)

Additional information about the Company's lease for 2024 is as follows:

| | | |
|---|---|---|
| Lease Costs: | | |
| Operating lease cost | $ | 50,313 |
| Total lease cost | $ | 50,313 |
| Other Information: | | |
| Cash paid for amounts included in measuring operating lease liability: | | |
| Operating cash flows from operating lease | $ | 48,699 |
| Total cash paid for amounts included in measuring operating lease liability | $ | 48,699 |

The difference between the lease cost and the lease cash flows of $1,614 relates to the escalating rents over the term of the lease.

Maturities of operating lease liabilities as of December 31, 2024:

| | | |
|---|---|---|
| Year ending December 31: | | |
| 2025 | $ | 49,713 |
| 2026 | | 50,955 |
| 2027 | | 52,229 |
| 2028 | | 53,535 |
| 2029 | | 31,679 |
| Total lease payments | | 238,111 |
| Less: interest | | (28,555) |
| Present value of lease liability | $ | 209,556 |

## NOTE H – CONTINGENCIES

In the normal course of conducting its operations, the Company occasionally becomes party to various legal actions and proceedings. As of December 31, 2024, management is not aware of any claims or legal action or any pending or threatened litigation, claims or assessments against the Company.

## NOTE I – EMPLOYEE RETENTION CREDIT

In 2021, under the provisions of the CARES Act, the Company determined it was eligible for a refundable employee retention tax credit (ERTC) totaling $35,821 subject to certain criteria. The Company has not received the ERTC and has an outstanding receivable of $35,821 at December 31, 2024, which was netted against royalty fees and other receivables in the accompanying balance sheet.

# NATURE'S TABLE
# FRANCHISE COMPANY

## FINANCIAL STATEMENTS

**December 31, 2023**

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American Institute of Certified Public Accountants

Florida Institute of Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nature's Table Franchise Company
Orlando, Florida

## Opinion

We have audited the accompanying financial statements of Nature's Table Franchise Company (a Florida S Corporation), which comprise the balance sheet as of December 31, 2023, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nature's Table Franchise Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Nature's Table Franchise 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 Nature's Table Franchise Company's ability to continue as a going concern for a reasonable period of time.

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida
March 1, 2024

**NATURE'S TABLE FRANCHISE COMPANY**

**BALANCE SHEET**

**December 31, 2023**

## ASSETS

| | |
|---|---|
| **CURRENT ASSETS** | |
| Cash and equivalents | $ 600,537 |
| Royalty fees and other receivables | 177,665 |
| Prepaid expenses | 2,626 |
| Due from related parties | 3,534 |
| Total current assets | 784,362 |
| Operating lease right-of-use asset | 216,174 |
| Security deposit | 3,800 |
| Total assets | $ 1,004,336 |

## LIABILITIES AND STOCKHOLDERS' EQUITY

| | |
|---|---|
| **CURRENT LIABILITIES** | |
| Accrued payroll | $ 10,679 |
| Accounts payable | 7,580 |
| Deferred franchise revenue - current | 9,225 |
| Profit sharing contributions payable | 50,000 |
| Operating lease liability | 41,086 |
| Total current liabilities | 118,570 |
| Non-current operating lease liability | 176,415 |
| Deferred franchise revenue - long term | 44,341 |
| Total liabilities | 339,326 |
| **STOCKHOLDERS' EQUITY** | |
| Capital stock, no par value; 5,000 shares authorized, 3,965.5 shares issued and outstanding | 3,966 |
| Retained earnings | 786,010 |
| | 789,976 |
| Less: Treasury stock, 1,034.5 shares | 124,966 |
| Total stockholders' equity | 665,010 |
| Total liabilities and stockholders' equity | $ 1,004,336 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**STATEMENT OF INCOME**

**Year Ended December 31, 2023**

| | | |
|---|---|---|
| **REVENUES** | | |
| Royalties | $ | 814,381 |
| Vendor rebates | | 136,293 |
| Management fees | | 47,500 |
| Franchise fees | | 57,992 |
| Transfer income | | 20,000 |
| Other income | | 23,347 |
| Total revenues | | 1,099,513 |
| **OPERATING EXPENSES** | | |
| Payroll | | 546,745 |
| Professional fees | | 80,103 |
| Rent | | 50,836 |
| Profit sharing | | 50,000 |
| Travel and entertainment | | 37,712 |
| Restaurant supplies | | 13,797 |
| Office expense | | 13,782 |
| Insurance | | 11,275 |
| Advertising | | 11,047 |
| Telephone | | 9,124 |
| Automobile expense | | 5,678 |
| Computer expense | | 5,617 |
| Repairs and maintenance | | 5,505 |
| Licenses and membership fees | | 4,015 |
| Gas and electric | | 2,185 |
| Bank charges | | 1,972 |
| Total operating expenses | | 849,393 |
| Net income | $ | 250,120 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

**Year Ended December 31, 2023**

| | Capital Stock | Retained Earnings | Treasury Stock | Equity |
|---|---|---|---|---|
| **Balance at December 31, 2022** | $ 3,966 | $ 667,590 | $ (124,966) | $ 546,590 |
| Net income | - | 250,120 | - | 250,120 |
| Distributions | - | (131,700) | - | (131,700) |
| **Balance at December 31, 2023** | $ 3,966 | $ 786,010 | $ (124,966) | $ 665,010 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2023**

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net income | $ | 250,120 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Non-cash rent | | 167 |
| Changes in operating assets and liabilities: | | |
| Decrease in royalty fees and other receivable | | 17,362 |
| Increase in prepaid expense | | (1,825) |
| Increase in accrued payroll | | 2,014 |
| Increase in accounts payable | | 3,223 |
| Decrease in deferred franchise revenue | | (57,992) |
| Net cash provided by operating activities | | 213,069 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Payments on PPP loan | | (14,026) |
| Distributions | | (131,700) |
| Payments on behalf of related parties | | (4,325) |
| Net cash used in financing activities | | (150,051) |
| Net increase in cash and equivalents | | 63,018 |
| Cash and equivalents, beginning of year | | 537,519 |
| Cash and equivalents, end of year | $ | 600,537 |
| **SUPPLEMENTAL CASHFLOW INFORMATION** | | |
| Cash paid for interest | $ | 97 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2023**

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization and Nature of Business

   Nature's Table Franchise Company (the "Company") was incorporated on January 28, 1987, under the laws of the State of Florida and was formed for the purpose of selling franchises to operate fast casual serving restaurants under the trade name Nature's Table. The Company has 50 locations in the United States, of which 3 locations are owned and operated by related companies and 47 locations are owned and operated by third-party franchisees. One store opened and four stores closed during the year.

2. Accounting Estimates

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

3. Cash and Equivalents

   For purposes of the statement of cash flows, the Company considers all investments purchased with a maturity of three months or less to be cash equivalents.

4. Revenue Recognition

   The Company follows Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

   The Company licenses franchised locations to operate under its trade name throughout the United States. Franchise fees are allocated between distinct and non-distinct elements of the franchise agreement. Franchise fees allocated to distinct elements such as training, location design and footprint, and real estate location services are recognized as income when the distinct goods and services have been provided, and fees allocated to non-distinct elements such as trademarks and IP are deferred and recognized as income over the term of the franchise agreement which is generally 10 years.

   Deferred franchise revenue of $53,566 at December 31, 2023 represents franchise fees received but not yet earned and are calculated to be earned over the following years: 2024 - $9,225; 2025 - $8,350; 2026 - $7,392; 2027 - $5,572; 2028 - $5,045 and thereafter $17,981.

   Franchise fees are not charged to franchised restaurants operated by related companies.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Revenue Recognition (continued)

Royalty fees are received for ongoing services such as management training and use of the Company's trade name. The fees are calculated as approximately 5% of licensees' total sales, recognized as earned, and are usually collected in the following month. Royalty fees are only charged to franchised locations owned by independent unrelated party companies. For related party company owned locations, a management fee is charged by the Company in lieu of royalties with the amount calculated based on the owners' discretions. Royalty fees receivable represent royalty fees earned but not received from licensees at December 31, 2023.

Vendor rebates are recognized when earned and collectability is assured, which is generally when the rebates are received.

Transfer fees represent fees paid when stores are transferred to a new or existing franchisee. They are recognized as revenue when earned and collectability is assured, which is generally when the fees are received.

Other income primarily includes reimbursements from franchised restaurants which are recognized as earned based on various purchase agreements.

5. Allowance for Doubtful Accounts

The Company assesses the collectability of royalty fees receivable and amounts due from related parties on a periodic basis. No allowance for doubtful accounts was deemed necessary at December 31, 2023.

6. Property and Equipment

Property and equipment is stated at cost. Depreciation is calculated using the double-declining method over the estimated useful life of the respective assets. Repairs and maintenance costs are expensed as incurred. Significant betterments are capitalized. As of December 31, 2023, all property and equipment was fully depreciated.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Fair Value Measurement

The Company accounts for financial assets in accordance with ASC No. 820, *Fair Value Measurement,* which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value. The fair value measurement disclosures are grouped into three levels based on valuation factors: Level 1 - quoted prices in active markets for identical assets or liabilities, Level 2 - significant other observable inputs, and Level 3 – significant unobservable inputs. At December 31, 2023, the Company has no instruments that require additional disclosure. The carrying amounts of the Company's financial instruments, including cash, receivables and payables, and bank line of credit approximate fair value because of the short period to maturity for these instruments and/or market interest rates.

8. Income Taxes

The Company has elected under the Internal Revenue Code and comparable state regulations to be taxed as an S Corporation. In lieu of corporate income taxes, the stockholders of an S Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provisions of liability for federal income taxes have been included in these financial statements. Various states and localities tax S Corporation income, and, accordingly, the appropriate income tax has been recorded.

Management has concluded that as of December 31, 2023, there are no uncertain tax positions taken or expected to be taken by the Company that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

9. Advertising

Advertising and sales promotion costs are expensed when incurred.

10. Subsequent Events

Management has evaluated subsequent events through March 1, 2024, the date which the financial statements were issued or available to be issued.

## NOTE B – CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains its cash in various banks in accounts which are insured by the Federal Deposit Insurance Corporation up to $250,000, per institution. At times, the balances in these accounts may be in excess of federally insured limits. As of December 31, 2023, the Company held $343,893 in excess of federally insured limits. The Company has never experienced any losses on uninsured holdings.

The Company conducts its business in the fast food market. Most franchisee or licensee owned restaurants are operated as tenants in office buildings and strip malls throughout the United States, which are subject to closure or cancellation of the lease with or without cause. Some franchised restaurants are located in corporate office break rooms with contracts subject to renewal or cancellation.

## NOTE C – RELATED PARTY TRANSACTIONS

The Company occasionally offers advances and loans to related companies which operate restaurant locations and must acquire equipment and incur other costs related to store openings. The advances and loans are interest free and due on demand. Management fees charged to related companies for administrative support totaled $47,500 for 2023. As of December 31, 2023, due from related parties totaled $3,534, and consists of the following:

| | |
|---|---|
| Due from franchisees for expenses incurred | $ 3,534 |
| Total due from related parties | $ 3,534 |

## NOTE D – PROPERTY AND EQUIPMENT

At December 31, 2023, property and equipment consisted of the following:

| | Cost | Estimated Life |
|---|---|---|
| Furniture and equipment | $ 11,677 | 5-7 years |
| | 11,677 | |
| Less accumulated depreciation | 11,677 | |
| | $ - | |

## NOTE E – PROFIT SHARING PLAN

The Company has a non-contributory defined contribution profit sharing plan that covers all eligible employees. Contributions to the profit sharing plan are made at the discretion of the Board of Directors of the Company. The profit sharing contribution to the plan for 2023 was $50,000, which was accrued at December 31, 2023.

## NOTE F – TREASURY STOCK

On June 1, 1992, the Company repurchased 500 shares of its outstanding capital stock to be held in treasury. The stock was repurchased for $50,000, the amount at which it was issued. An installment note was executed in repayment. As a result, outstanding stock was reduced by 500 shares and additional paid-in-capital was reduced by $49,500. The note has been repaid in full.

On June 1, 2017, the Company repurchased 534.5 shares of its outstanding capital stock to be held in treasury. The stock was repurchased for $125,000, which was paid at closing. As a result, outstanding shares were reduced by 534.5 shares.

In conjunction with the 2017 stock repurchase, Company management entered into promissory notes totaling $650,000 to pay the former stockholders. The Company is the guarantor on the notes, which totaled approximately $75,000 as of December 31, 2023.

## NOTE G – LEASES

The Company follows ASC 842, *Leases,* which requires lessees to put most leases on its balance sheets and recognize expenses on its income statements. The Company is a lessee on an operating lease for office space for approximately $4,265 per month, expiring July 2024 with a 4-year option. The Company also has two operating leases for restaurant spaces expiring December 2024 for approximately $2,000 per month. However, these leases were assumed by franchisees who operate Nature's Tables in the restaurant spaces. The franchisees pay the monthly rent directly to the landlord.

The office lease is the only lease required to be included on the balance sheet under ASC 842. The Company has elected to apply the short-term lease exception to all leases with a term of one year or less. As of December 31, 2023, the Company does not have any short-term leases.

As of December 31, 2023, the right-of-use (ROU) asset had a balance of $216,174, as shown in non-current assets on the balance sheet and the lease liability in other current liabilities of $41,086 and in other long-term liabilities of $176,415. The lease asset and liability were calculated utilizing the risk-free discount rate (5.5%), according to the Company's elected policy. There is a 4-year option to renew the office lease, which was considered when assessing the value of the ROU asset because the Company is reasonably certain that it will exercise the option to renew the lease.

## NOTE G – LEASES (continued)

Additional information about the Company's lease for 2023 is as follows:

| | | |
|---|---|---|
| Lease Costs: | | |
| Operating lease cost | $ | 50,836 |
| Total lease cost | $ | 50,836 |
| Other Information: | | |
| Cash paid for amounts included in measuring operating lease liability: | | |
| Operating cash flows from operating lease | $ | 50,669 |
| Total cash paid for amounts included in measuring operating lease liability | $ | 50,669 |

The difference between the lease cost and the lease cash flows of $167 relates to the escalating rents over the term of the lease.

Maturities of operating lease liabilities as of December 31, 2023:

| | | |
|---|---|---|
| Year ending December 31: | | |
| 2024 | $ | 52,030 |
| 2025 | | 53,072 |
| 2026 | | 54,133 |
| 2027 | | 55,211 |
| 2028 | | 32,578 |
| Total lease payments | | 247,024 |
| Less: interest | | (29,523) |
| Present value of lease liability | $ | 217,501 |

## NOTE H – CONTINGENCIES

In the normal course of conducting its operations, the Company occasionally becomes party to various legal actions and proceedings. As of December 31, 2023, management is not aware of any claims or legal action or any pending or threatened litigation, claims or assessments against the Company.

## NOTE I – PPP LOANS

On March 27, 2020, the Coronavirus Aid Relief, and Economic Security Act ("CARES Act") was enacted in response to the COVID-19 pandemic. Under the CARES Act, the Paycheck Protection Program (PPP) was established to provide assistance to small businesses with resources needed to maintain payroll and cover applicable overhead. On March 31, 2021, the Company, through a financial institution, was approved for and received $209,564, under this program. During 2022, $188,445 of this amount was forgiven. The Company fully repaid the unforgiven portion of the loan in 2023.

## NOTE J – EMPLOYEE RETENTION CREDIT

In 2021, under the provisions of the CARES Act, the Company determined it was eligible for a refundable employee retention tax credit (ERTC) totaling $35,821 subject to certain criteria. The Company has not received the ERTC and has an outstanding receivable of $35,821 at December 31, 2023, which was netted against royalty fees and other receivables in the accompanying balance sheet.

# NATURE'S TABLE
# FRANCHISE COMPANY

## FINANCIAL STATEMENTS

**December 31, 2022**

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American Institute of Certified Public Accountants

Florida Institute of Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nature's Table Franchise Company
Orlando, Florida

### Opinion

We have audited the accompanying financial statements of Nature's Table Franchise Company (a Florida S Corporation), which comprise the balance sheet as of December 31, 2022, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nature's Table Franchise Company as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Nature's Table Franchise 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 Nature's Table Franchise Company's ability to continue as a going concern for a reasonable period of time.

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida
March 3, 2023

**NATURE'S TABLE FRANCHISE COMPANY**

**BALANCE SHEET**

**December 31, 2022**

## ASSETS

| | | |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and equivalents | $ | 537,519 |
| Royalty fees and other receivables | | 195,027 |
| Prepaid expenses | | 801 |
| Total current assets | | 733,347 |
| Operating lease right-of-use asset | | 254,245 |
| Security deposit | | 3,800 |
| Total assets | $ | 991,392 |

## LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|---|---|---|
| **CURRENT LIABILITIES** | | |
| Accrued payroll | $ | 8,665 |
| Accounts payable | | 4,357 |
| Deferred franchise revenue - current | | 36,326 |
| PPP loan | | 14,026 |
| Due to related parties | | 791 |
| Profit sharing contributions payable | | 50,000 |
| Operating lease liability | | 37,904 |
| Total current liabilities | | 152,069 |
| Non-current operating lease liability | | 217,501 |
| Deferred franchise revenue - long term | | 75,232 |
| Total liabilities | | 444,802 |
| **STOCKHOLDERS' EQUITY** | | |
| Capital stock, no par value; 5,000 shares authorized, 3,965.5 shares issued and outstanding | | 3,966 |
| Retained earnings | | 667,590 |
| | | 671,556 |
| Less: Treasury stock, 1,034.5 shares | | 124,966 |
| Total stockholders' equity | | 546,590 |
| Total liabilities and stockholders' equity | $ | 991,392 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**STATEMENT OF INCOME**

**Year Ended December 31, 2022**

| | | |
|---|---|---|
| **REVENUES** | | |
| Royalties | $ | 653,935 |
| Debt forgiveness | | 188,445 |
| Vendor rebates | | 133,976 |
| Management fees | | 115,000 |
| Franchise fees | | 55,008 |
| Transfer income | | 10,000 |
| Other income | | 5,542 |
| Total revenues | | 1,161,906 |
| **OPERATING EXPENSES** | | |
| Payroll | | 516,374 |
| Professional fees | | 86,535 |
| Rent | | 51,176 |
| Profit sharing | | 50,000 |
| Insurance | | 23,514 |
| Travel and entertainment | | 23,345 |
| Advertising | | 19,628 |
| Telephone | | 8,348 |
| Licenses and membership fees | | 4,910 |
| Computer expense | | 4,414 |
| Restaurant supplies | | 4,230 |
| Office expense | | 4,008 |
| Gas and electric | | 1,999 |
| Bank charges | | 1,708 |
| Repairs and maintenance | | 1,196 |
| Automobile expense | | 1,086 |
| Total operating expenses | | 802,471 |
| Net income | $ | 359,435 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

**Year Ended December 31, 2022**

| | Capital Stock | Retained Earnings | Treasury Stock | Equity |
|---|---|---|---|---|
| **Balance at December 31, 2021** | $ 3,966 | $ 448,922 | $ (124,966) | $ 327,922 |
| Net income | - | 359,435 | - | 359,435 |
| Distributions | - | (140,767) | - | (140,767) |
| **Balance at December 31, 2022** | $ 3,966 | $ 667,590 | $ (124,966) | $ 546,590 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2022**

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net income | $ | 359,435 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Debt forgiveness | | (188,445) |
| Non-cash rent | | 1,160 |
| Changes in operating assets and liabilities: | | |
| Increase in royalty fees and other receivable | | (61,126) |
| Decrease in prepaid expense | | 7,223 |
| Decrease in accrued payroll | | (518) |
| Decrease in accounts payable | | (3,545) |
| Increase in deferred franchise revenue | | 61,992 |
| Net cash provided by operating activities | | 176,176 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Payments on PPP loan | | (7,093) |
| Distributions | | (140,767) |
| Proceeds from related parties | | 29,317 |
| Net cash used in financing activities | | (118,543) |
| Net increase in cash and equivalents | | 57,633 |
| Cash and equivalents, beginning of year | | 479,886 |
| Cash and equivalents, end of year | $ | 537,519 |
| **SIGNIFICANT NON-CASH TRANSACTIONS - OPERATING LEASE** | | |
| Operating lease right-of-use asset | $ | 290,321 |
| Operating lease liability | | (290,321) |
| **SUPPLEMENTAL CASHFLOW INFORMATION** | | |
| Cash paid for interest | $ | 438 |

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

**NATURE'S TABLE FRANCHISE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2022**

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization and Nature of Business

   Nature's Table Franchise Company (the "Company") was incorporated on January 28, 1987, under the laws of the State of Florida and was formed for the purpose of selling franchises to operate fast casual serving restaurants under the trade name Nature's Table. The Company has 53 locations in the United States, of which 5 locations are owned and operated by related companies and 48 locations are owned and operated by third party franchisees. Two stores opened and four stores closed during the year.

2. Accounting Estimates

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

3. Cash and Equivalents

   For purposes of the statement of cash flows, the Company considers all investments purchased with a maturity of three months or less to be cash equivalents.

4. Revenue Recognition

   The Company follows Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

   The Company licenses franchised locations to operate under its trade name throughout the United States. Franchise fees are allocated between distinct and non-distinct elements of the franchise agreement. Franchise fees allocated to distinct elements such as training, location design and footprint, and real estate location services are recognized as income when the distinct goods and services have been provided, and fees allocated to non-distinct elements such as trademarks and IP are deferred and recognized as income over the term of the franchise agreement which is generally 10 years.

   Deferred franchise revenue of $111,558 at December 31, 2022 represents franchise fees received but not yet earned and are calculated to be earned over the following years: 2023 - $36,326; 2024 - $18,850; 2025 - $18,475; 2026 - $7,642; 2027 - $5,822; and thereafter $24,443.

   Franchise fees are not charged to franchised restaurants operated by related companies.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Revenue Recognition (continued)

Royalty fees are received for ongoing services such as management training and use of the Company's trade name. The fees are calculated as approximately 5% of licensees' total sales, recognized as earned, and are usually collected in the following month. Royalty fees are only charged to franchised locations owned by independent unrelated party companies. For related party company owned locations, a management fee is charged by the Company in lieu of royalties with the amount calculated based on the owners' discretions. Royalty fees receivable represent royalty fees earned but not received from licensees at December 31, 2022.

Vendor rebates are recognized when earned and collectability is assured, which is generally when the rebates are received.

Transfer fees represent fees paid when stores are transferred to a new or existing franchisee. They are recognized as revenue when earned and collectability is assured, which is generally when the fees are received.

Other income primarily includes reimbursements from franchised restaurants which are recognized as earned based on various purchase agreements.

5. Allowance for Doubtful Accounts

The Company assesses the collectability of royalty fees receivable and amounts due from related parties on a periodic basis. No allowance for doubtful accounts was deemed necessary at December 31, 2022.

6. Property and Equipment

Property and equipment is stated at cost. Depreciation is calculated using the double-declining method over the estimated useful life of the respective assets. Repairs and maintenance costs are expensed as incurred. Significant betterments are capitalized. As of December 31, 2022, all property and equipment was fully depreciated.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Fair Value Measurement

The Company accounts for financial assets in accordance with ASC No. 820, *Fair Value Measurement,* which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value. The fair value measurement disclosures are grouped into three levels based on valuation factors: Level 1 - quoted prices in active markets for identical assets or liabilities, Level 2 - significant other observable inputs, and Level 3 – significant unobservable inputs. At December 31, 2022, the Company has no instruments that require additional disclosure. The carrying amounts of the Company's financial instruments, including cash, receivables and payables, and bank line of credit approximate fair value because of the short period to maturity for these instruments and/or market interest rates.

8. Income Taxes

The Company has elected under the Internal Revenue Code and comparable state regulations to be taxed as an S Corporation. In lieu of corporate income taxes, the stockholders of an S Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provisions of liability for federal income taxes have been included in these financial statements. Various states and localities tax S Corporation income, and, accordingly, the appropriate income tax has been recorded.

Management has concluded that as of December 31, 2022, there are no uncertain tax positions taken or expected to be taken by the Company that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

9. Advertising

Advertising and sales promotion costs are expensed when incurred.

10. Recently Adopted Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (ASC 842), that requires lessees to put most leases on its balance sheets and recognize expenses on its income statements in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The Company adopted the lease standard effective January 1, 2022 using the optional transition method, which applies the provisions of the standard at the effective date without adjusting the prior period.

## NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

11. Subsequent Events

Management has evaluated subsequent events through March 3, 2023, the date which the financial statements were issued or available to be issued.

## NOTE B – CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains its cash in various banks in accounts which are insured by the Federal Deposit Insurance Corporation up to $250,000, per institution. At times, the balances in these accounts may be in excess of federally insured limits. As of December 31, 2022, the Company held $286,910 in excess of federally insured limits. The Company has never experienced any losses on uninsured holdings.

The Company conducts its business in the fast food market. Most franchisee or licensee owned restaurants are operated as tenants in office buildings and strip malls throughout the United States, which are subject to closure or cancellation of the lease with or without cause. Some franchised restaurants are located in corporate office break rooms with contracts subject to renewal or cancellation.

## NOTE C – RELATED PARTY TRANSACTIONS

The Company occasionally offers advances and loans to related companies which operate restaurant locations and must acquire equipment and incur other costs related to store openings. The advances and loans are interest free and due on demand. Management fees charged to related companies for administrative support totaled $115,000 for 2022. As of December 31, 2022, due to related parties totaled $791, and consists of the following:

| | |
|---|---|
| Due from stockholder | $ 3,950 |
| Due from franchisees for expenses incurred | 3,379 |
| Refund to CNL franchisee | (8,120) |
| Total due to related parties | $ (791) |

## NOTE D – PROPERTY AND EQUIPMENT

At December 31, 2022, property and equipment consisted of the following:

| | Cost | Estimated Life |
|---|---|---|
| Computer equipment | $ 3,210 | 5 years |
| Furniture and equipment | 13,249 | 5-7 years |
| | 16,459 | |
| Less accumulated depreciation | 16,459 | |
| | $ - | |

## NOTE E – BANK LINE OF CREDIT

The Company had a $250,000 line of credit loan from CenterState Bank. The interest rate on the loan was 6%. It was due on demand and expired in August 2022. It was not renewed. During 2022, the Company made payments of $0 on the line and the outstanding balance of the loan at December 31, 2022 was $0. The loan was collateralized by substantially all assets of the Company and guaranteed by the stockholders.

## NOTE F – PROFIT SHARING PLAN

The Company has a non-contributory defined contribution profit sharing plan that covers all eligible employees. Contributions to the profit sharing plan are made at the discretion of the Board of Directors of the Company. The profit sharing contribution to the plan for 2022 was $50,000, which was accrued at December 31, 2022.

## NOTE G – TREASURY STOCK

On June 1, 1992, the Company repurchased 500 shares of its outstanding capital stock to be held in treasury. The stock was repurchased for $50,000, the amount at which it was issued. An installment note was executed in repayment. As a result, outstanding stock was reduced by 500 shares and additional paid-in-capital was reduced by $49,500. The note has been repaid in full.

On June 1, 2017, the Company repurchased 534.5 shares of its outstanding capital stock to be held in treasury. The stock was repurchased for $125,000, which was paid at closing. As a result, outstanding shares were reduced by 534.5 shares.

In conjunction with the 2017 stock repurchase, Company management entered into promissory notes totaling $650,000 to pay the former stockholders. The Company is the guarantor on the notes, which totaled approximately $184,000 as of December 31, 2022.

## NOTE H – LEASES

The Company is a lessee on an operating lease for office space for approximately $4,000 per month, expiring August 2023 with a 5-year option. The Company also has an operating lease for restaurant space expiring December 2023 for approximately $1,300 per month. However, this lease was assumed by a franchisee who operates a Nature's Table in the restaurant space. The franchisee pays the monthly rent directly to the landlord.

As disclosed in Note A, the Company adopted FASB ASC 842 effective January 1, 2022 using the transition method. The office lease is the only lease required to be included on the balance sheet under ASC 842. The adoption of ASC 842 had no impact to the prior year balance sheet, and because the lease is an operating lease, it had no impact on the results of operations.

The Company has elected to apply the short-term lease exception to all leases with a term of one year or less. As of December 31, 2022, the Company does not have any short-term leases.

As of January 1, 2022, the right-of-use (ROU) asset had a balance of $290,321 ($254,245 as of December 31, 2022), as shown in non-current assets on the balance sheet and the lease liability in other current liabilities of $34,916 ($37,904 as of December 31, 2022) and in other long-term liabilities of $255,405 ($217,501 at December 31, 2022). The lease asset and liability were calculated utilizing the risk-free discount rate (5.5%), according to the Company's elected policy. There is a five-year option to renew the office lease, which was considered when assessing the value of the ROU asset because the Company is reasonably certain that it will exercise the option to renew the lease.

Additional information about the Company's lease is as follows:

| Lease Costs (included in office expense): | | |
|---|---|---|
| Operating lease cost | $ | 51,176 |
| Total lease cost | $ | 51,176 |

| Other Information: | | |
|---|---|---|
| Cash paid for amounts included in measuring operating lease liability: | | |
| Operating cash flows from operating lease | $ | 50,016 |
| Total cash paid for amounts included in measuring operating lease liability | $ | 50,016 |

The difference between the lease cost and the lease cash flows of $1,160 relates to the escalating rents over the term of the lease.

## NOTE H – LEASES (continued)

Maturities of operating lease liabilities as of December 31, 2022:

| Year ending December 31: | | |
|---|---|---|
| 2023 | $ | 51,012 |
| 2024 | | 52,030 |
| 2025 | | 53,072 |
| 2026 | | 54,133 |
| 2027 | | 55,211 |
| Thereafter | | 32,578 |
| Total lease payments | | 298,036 |
| Less: interest | | (42,631) |
| Present value of lease liability | $ | 255,405 |

## NOTE I – CONTINGENCIES

In the normal course of conducting its operations, the Company occasionally becomes party to various legal actions and proceedings. As of December 31, 2022, management is not aware of any claims or legal action or any pending or threatened litigation, claims or assessments against the Company.

## NOTE J – PPP LOANS

On March 27, 2020, the Coronavirus Aid Relief, and Economic Security Act ("CARES Act") was enacted in response to the COVID-19 pandemic. Under the CARES Act, the Paycheck Protection Program (PPP) was established to provide assistance to small businesses with resources needed to maintain payroll and cover applicable overhead. On March 31, 2021, the Company, through a financial institution, was approved for and received $209,564, under this program. During 2022, $188,445 of this amount was forgiven and is reflected as debt forgiveness in the financial statements. The unforgiven portion totaling $21,120 is payable over two years at an interest rate of 1%. As of the date of the financials, the loan has an outstanding balance of $14,026 and it is reflected as a loan on the balance sheet. The Company expects to fully repay the loan in 2023.

## NOTE K – EMPLOYEE RETENTION CREDIT

Under the provisions of the CARES Act, the Company was eligible for a refundable employee retention credit subject to certain criteria. The Company recognized $22,588 of employee retention credit during the fiscal year ended December 31, 2022, which is netted against payroll in the accompanying statement of income.

**EXHIBIT B TO THE DISCLOSURE DOCUMENT**
**FRANCHISE AGREEMENT**

**NATURE'S TABLE FRANCHISE COMPANY**

**FRANCHISE AGREEMENT**

_____

**FRANCHISEE**

_____

**DATE**

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ATTACHMENTS

1 - Accepted Location and Territory
2 - Collateral Assignment of Lease
3 - Statement of Ownership Interests in Franchisee/Entity
4 - Confidentiality and Non-Competition Agreement
5 - Electronic Transfer Authorization
6 - Internet Websites and Listings Agreement; Telephone Listing Agreement
7 - Spousal Guaranty
8 - SBA Addendum

**NATURE'S TABLE FRANCHISE COMPANY**

**FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT (the "Agreement') is made and entered into on_____by and between Nature's Table Franchise Company, a Florida corporation having its principal place of business at 545 Delaney Avenue, Building 2, Orlando, Florida 32801 ("we", "us" or "our") and _____ whose principal address is_____ and_____'s principal(s) _____, an individual residing at _____, and _____, an individual residing at _____ ("Principal(s)"), who will act as the franchisee under this Agreement. and Principal(s) shall be collectively referred to in this Agreement as "you" or "your" or "Franchisee".

**W I T N E S S E T H:**

**WHEREAS**, as the result of the expenditure of time, skill, effort and money, we and our affiliate have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment and operation of quick-serve restaurants operating under the name "Nature's Table Café®" offering a variety of flavorful protein bowls, gourmet paninis and wraps, classic sandwiches, nutritional smoothies and acai bowls, signature salads, pasta salads, soups, vegetarian chili, breakfast items, fresh fruit, soft drinks, and other "sensible" foods;

**WHEREAS**, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

**WHEREAS**, we identify the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Nature's Table®" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks");

**WHEREAS**, we and our affiliate continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service;

**WHEREAS**, you understand and acknowledge the importance of our high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications; and

**WHEREAS**, you desire to use the System in connection with the operation of a Restaurant at the location accepted by us as herein provided, as well as to receive the training and other assistance provided by us in connection therewith.

**NOW, THEREFORE**, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

## ARTICLE 1: GRANT

### 1.1 Grant of Franchise

In reliance on the representations and warranties of you and your Principal(s) (as defined in Section 19.18) hereunder, we hereby grant to you, upon the terms and conditions in this Agreement, the right and license, and you hereby accept the right and obligation, to operate a Nature's Table Restaurant under the Marks and the System in accordance with this Agreement ("Restaurant" or "Franchised Business"). You and Principal (s) have represented to us that you have entered into this Agreement with the intention to comply fully with the obligations to construct a Restaurant hereunder and not for the purpose of reselling the rights to develop the Restaurant hereunder. You and the Principal (s) understand and acknowledge that we have granted such rights in reliance on the business skill, financial capacity, personal character of, and expectations of performance hereunder by, you and Principal (s) and that this Agreement and the rights and obligations hereunder may not be transferred until after the Restaurant is open for business to the public in accordance with Section 2.6, and then only in accordance with Article 16 hereof.

### 1.2 Accepted Location

The specific street address of the Restaurant location accepted by us shall be set forth in Attachment 1 ("Location" or "Accepted Location"). You shall not relocate the Restaurant without our express prior written consent, which consent shall not be unreasonably withheld. This Agreement does not grant to you the right or license to operate the Restaurant or to offer or sell any products or services described under this Agreement at or from any other location.

### 1.3 Relocation

If you are unable to continue the operation of the Restaurant at the Accepted Location because of the occurrence of a force majeure event (as described in Section 17.1.3(e)), then you may request our approval to relocate the Restaurant to another location in the Territory, as that term is defined below, which approval shall not be unreasonably withheld. Any other relocation outside the Territory or a relocation of the Restaurant not caused by force majeure shall also be subject to our prior approval. If we elect to grant you the right to relocate the Restaurant, then you shall comply with the site selection and construction procedures set forth in Article 2. We may Charge you a relocation fee of up to $10,000 and we shall issue a revised Attachment 1, in accordance with Section 1.2, to reflect the new address of the Accepted Location.

### 1.4 Territory

Upon the execution of this Agreement, you will be assigned an exclusive territory (the "Territory") that will also be described in Attachment 1. Except as provided in this Agreement, and subject to your and the you and Principal (s) material compliance with this Agreement, any other agreement among you or any of your affiliates (defined for the purposes hereof as any entity that is controlled by, controlling or under common control with such other entity) and us, we shall not establish or authorize any other person or entity, other than you, to establish a Restaurant in the Territory during the term of this Agreement and any extensions hereof, so long as you are not in default under this Agreement or this Agreement has not been terminated. You acknowledge and understand that the rights granted hereunder pertain only to the establishment of a Restaurant. You acknowledge and agree that our affiliates currently operate, or may in the future operate, restaurants under different marks and with operating systems that are the same as or similar to the System, and that any such restaurants might compete with your Restaurant. You further agree and acknowledge that the license granted hereby is only for the operation of one (1) Restaurant and only at a location approved by us and from within the Designated Territory. Except as set forth in this Agreement, you are prohibited from serving and soliciting customers outside of the Designated Territory and from using alternative methods of distribution as more fully specified herein.

### 1.5 Our Reserved Rights

Except as expressly limited by Section 1.4, we and our affiliates retain all rights with respect to Restaurants, the Marks and the sale of any products and services outside of your Territory, including, without limitation, the right:

1.5.1 to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, both within and outside the Territory, and under any terms and conditions we deem appropriate. "Alternative distribution channels" include, but are not limited to, the Internet, catalog sales, grocery stores, club stores, telemarketing or other direct marketing sales;

1.5.2 to operate and to grant others the right to operate Restaurants located outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to your Restaurant; and

1.5.3 the right to acquire and operate a business operating one or more restaurants or food service businesses located or operating in the Territory.

## ARTICLE 2: SITE SELECTION, PLANS AND CONSTRUCTION

### 2.1 Your Responsibility to Locate a Site

You assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for the Restaurant within the Territory, and for constructing and equipping the Restaurant at such site. You shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Restaurant unless the site is accepted by us as set forth below. You acknowledge that the location, selection, procurement and development of a site for the Restaurant is your responsibility; that in discharging such responsibility you shall consult with real estate and other professionals of your choosing; and that our approval of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by us that the Restaurant operated at that site will be profitable or otherwise successful.

### 2.2 Site Selection

2.2.1 Prior to acquiring by lease or purchase a site for the Restaurant, but within ninety (90) days of the date this Agreement is executed, you shall locate a site for the Restaurant that satisfies the site selection guidelines provided to you by us pursuant to Section 5.1 and shall submit to us in the form specified by us a description of the site, including evidence reasonably satisfactory to us demonstrating that the site satisfies our site selection guidelines, together with such other information and materials as we may reasonably require, including, but not limited to, a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. We shall have thirty (30) days after receipt of this information and materials to approve or disapprove, in our sole discretion, the proposed site as the location for the Restaurant. We shall, in accordance with Section 5.2, provide location assistance, at your expense. No site may be used for the location of the Restaurant unless it is first accepted in writing by us. You acknowledge and agree that our approval of a location for the Restaurant is not a warranty or guaranty, express or implied, that you will achieve any particular level of success at the location or that your Restaurant will be profitable. Our approval of a location for the Restaurant only signifies that the location meets our then-current minimum criteria for a Nature's Table Restaurant.

2.2.2 If you elect to purchase the premises for the Restaurant, you shall submit a copy of the proposed contract of sale to us for our written approval prior to its execution and shall furnish to us a copy of the executed contract of sale within ten (10) days after execution. If you will occupy the premises of the Restaurant under a lease or sublease, you shall submit a copy of the lease or sublease to us for written approval prior to its execution and shall furnish to us a copy of the executed lease or sublease within ten (10) days after execution. No lease or sublease for the Restaurant premises shall be accepted by us unless a Collateral Assignment of Lease, prepared by us and executed by us, you and the lessor or sublessor, in substantially the form attached as Attachment 2, is attached to the lease and incorporated therein. We shall have ten (10) days after receipt of the lease, sublease or the proposed contract of sale to either approve or disapprove such documentation prior to its execution.

2.2.3 After we have accepted the location for your Restaurant, we shall set forth the Accepted Location and Designated Territory on Attachment 1 of this Agreement and shall provide a copy thereof to you. Attachment 1, as completed by us, shall be incorporated herein and made a part thereof. You shall notify us withing fifteen (15) days of any error or rejection of Attachment 1; otherwise Attachment 1 provided to you shall be deemed final.

### 2.3 Zoning Clearances, Permits and Licenses

You shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary as a result of any restrictive covenants relating to the Restaurant premises. Prior to beginning the construction of the Restaurant, you shall (i) obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Restaurant, and (ii) certify in writing to us that the insurance coverage specified in Article 12 is in full force and effect and that all required approvals, clearances, permits and certifications have been obtained. Upon written request, you shall provide to us additional copies of your insurance policies or certificates of insurance and copies of all such approvals, clearances, permits and certifications.

### 2.4 Design of Restaurant

You must obtain any architectural, engineering and design services you deem necessary for the construction of the Restaurant at your own expense from an architectural design firm approved by us, which approval shall not be unreasonably withheld. You shall adapt the prototypical architectural and design plans and specifications for construction of the Restaurant provided to you by us in accordance with Section 5.3 as necessary for the construction of the Restaurant and shall submit such adapted plans to us for our review. If we determine, in our reasonable discretion, that any such plans are not consistent with the best interests of the System, we may prohibit the implementation of such plans, and in this event will notify you of any objection(s) within ten (10) days of receiving such plans. If we fail to notify you of an objection to the plans within this time period, you may use such plans. If we object to any such plans, we shall provide you with a reasonably detailed list of changes necessary to make the plans acceptable. We shall, upon a re-submission of the plans with such changes, notify you within ten (10) days of receiving the resubmitted plans whether the plans are acceptable. If we fail to notify you in writing of any objection within such time period, you may use the resubmitted plans. You acknowledge that our review of such plans relates only to compliance with the System and that acceptance by us of such plans does not constitute a representation, warranty, or guarantee, express or implied, by us that such plans are accurate or free of error concerning their design or structural application.

### 2.5 Build-Out of Restaurant

You shall commence and diligently pursue construction or remodeling (as applicable) of the Restaurant. Commencement of construction shall be defined as the time at which any site work is initiated

by you or on your behalf at the location accepted for the Restaurant. Site work includes, without limitation, paving of parking areas, installing outdoor lighting and sidewalks, extending utilities, demising of interior walls and demolishing of any existing premises. During the time of construction or remodeling, you shall provide us with such periodic reports regarding the progress of the construction or remodeling as may be reasonably requested by us. In addition, we may make such on-site inspections as we may deem reasonably necessary to evaluate such progress. You shall notify us of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Within a reasonable time after the date of completion of construction or remodeling, we may, at our option, conduct an inspection of the completed Restaurant. You acknowledge and agree that you will not open the Restaurant for business without our written authorization and that authorization to open shall be conditioned upon your strict compliance with this Agreement.

### 2.6 Opening Date; Time is of the Essence

You acknowledge that time is of the essence. Subject to your compliance with the conditions stated below, you shall open the Restaurant and commence business within ninety (90) days after you secure the approved location for the Restaurant, unless you obtain an extension of such time period from us in writing. The date the Restaurant actually opens for business to the public is herein called the "Opening Date". Prior to opening, you shall complete all exterior and interior preparations for the Restaurant, including installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications reasonably approved by us, and shall comply with all of your other pre-opening obligations, including, but not limited to, those obligations described in Sections 6.2 through 6.7, to our reasonable satisfaction. If you fail to reasonably comply with any of such obligations, except for delay caused by a force majeure act as described in Section 17.1.3(e), we shall have the right to prohibit you from commencing business. Your failure to open the Restaurant and commence business in accordance with the foregoing shall be deemed an event of material default under this Agreement.

## ARTICLE 3: TERM AND SUCCESSOR OPTION

### 3.1 Term

Unless sooner terminated as provided in Article 17 hereof, the term of this Agreement shall continue from the date stated on the first page hereof for a period of ten (10) years.

### 3.2 Successor Option

Subject to the provisions of this Section, you shall have an option (exercisable only by written notice delivered to us less than nine (9) months, but more than six (6) months, prior to the end of the Initial Term of this Agreement) to enter into a new franchise agreement and other agreements and legal instruments and documents customarily employed by us in the for then generally being offered to prospective franchisees in the state in which the Franchise business is located (the "Successor Franchise Agreement") for one (1) additional term of ten (10) years.

3.2.1 You shall have been, throughout the Initial Term, in substantial compliance, and at the expiration of such Initial Term are in full compliance, with this Agreement, the lease and all other agreements between you and us or companies associated or affiliated with us;

3.2.2 You enter into our then-current Franchise Agreement and all other ancillary agreements, instruments and documents then customarily used by us in the granting of franchises (which then-current Franchise Agreement may materially differ from this Agreement, including a higher rate of fees, different methods of calculating fees due, and different payment methods, which shall be the same as those set out in the franchise agreements being executed at the time of signing the Successor Agreement);

3.2.3 you are able to maintain possession of the Premises for the Franchised Business (or at relocated Premises pursuant to Section 1.3 hereof) pursuant to a lease reasonably acceptable to us;

3.2.4 you refurbish, upgrade, and/or renovate your Restaurant as we require in order that your Restaurant will meet our then-current standards and image for Nature's Table Restaurants;

3.2.5 the landlord of the Premises consents to a renewal or extension of the lease;

3.2.6 at the time the Successor option is exercised and at the time such Successor term commences, all monetary obligations to us and any affiliate of ours must be current and must have been current at all times during the preceding twelve (12) months; and

3.2.7 you execute a general release running in favor of us, our affiliates and our respective officers, directors and shareholders releasing all claims against us, our officers, directors and shareholders.

### 3.3 Refusal to Successor Franchise Agreement

We can refuse to enter into a Successor Franchise Agreement with your franchise in certain circumstances, including, but not limited to, if you fail to substantially comply with the terms of this Agreement, you fail to pay amounts owed to us when due, or you fail to cure of any defaults incurred during the initial term of this Agreement, if applicable. Notwithstanding anything herein to the contrary, we reserve the right not to enter into a successor franchise agreement for your franchise as a result of a decision to withdraw from a marketing area or the Designated Territory in which your Franchised Business is located.

### 3.4 Successor Term Under Law

Even though we decline the to grant you a successor term for your franchise, it is possible that we can be required to grant you a successor term it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time. If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your successor term will be subject to the conditions of the Franchise Agreement we are using for new franchisees at the time the successor term begins. If we are not then offering new franchises, your successor term will be subject to the terms in the Franchise Agreement that we indicate. If for any reason that is not allowed, the successor term will be governed by the terms of this Agreement.

### 3.5 Your Election Not to Sign a Successor Franchise Agreement

For the purposes hereof, you shall be deemed to have irrevocably elected not to sign a Successor Franchise Agreement hereunder (and the option to do so shall thereupon terminate) if you fail to execute and return any of the Successor Franchise Documents required by us for a Successor franchise within thirty (30) days after we have delivered them to you.

## ARTICLE 4: FEES

### 4.1 Initial Franchise Fee

You shall pay to us an initial franchise fee of Thirty Thousand Dollars ($30,000) which shall be paid upon the execution of this Agreement. The amount of the initial franchise fee when so paid shall be deemed fully earned in consideration of the administrative and other expenses incurred by us in granting the franchise hereunder and for our lost or deferred opportunity to grant such franchise to any other party. If you or your General Manager is/are unable to complete the initial training program to our Franchisor's

satisfaction (after having provided you an opportunity to designate a replacement General Manager), then we shall have the option, to be exercised in our discretion, to terminate this Agreement, in which event we shall refund to you the sum of Five Thousand Dollars ($5,000). The initial franchise fee is not refundable, in whole or in part, under any other circumstances. You agree to execute and deliver any documents that we require before receiving such refund, including, but not limited to, a general release and a confidentiality and non-competition agreement.

### 4.2 Royalty Fees

4.2.1 During the term of this Agreement, you shall pay to us, in partial consideration for the rights herein granted, a continuing monthly royalty fee of five percent (5%) of Gross Sales. Such royalty fee shall be due and payable each month based on the Gross Sales for the preceding calendar month so that it is received by us by electronic funds transfer on or before the tenth ($10^{th}$) day of each month, provided that such day is a business day. If the date on which such payments would otherwise be due is not a business day, then payment shall be due on the next business day.

4.2.2 Each such royalty fee shall be preceded by a royalty report itemizing the Gross Sales for the preceding calendar month ("Royalty Report") and any other reports required hereunder. Notwithstanding the foregoing, you shall provide us with such Gross Sales information by the fifth ($5^{th}$) day of each month (or next business day if such day is not a business day) by modem or, if not reasonably available, by facsimile transmission or such other method of delivery as we may reasonably direct.

4.2.3 If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

### 4.3 Marketing Fee

In addition to the royalty fee described in Section 4.2 above, you agree to pay to us a marketing fee in an amount equal to one percent (1%) of the Restaurant's Gross Sales. Such marketing fee shall be contributed to a Marketing Fund maintained by us, as described in Section 8.3 below. The marketing fee is payable to us at the same time and in the same manner as the royalty fee.

### 4.4 Internal Systems Fee.

Franchisor reserves the right to impose an internal systems fee upon Franchisee, in an amount that Franchisor reasonably determines, for the development, adoption and/or use of new or improved internal systems technology for the benefit of the System and Franchised Business, including but not limited to, assigned phone numbers and email addresses required for use in the Franchised Business, a franchise portal, benchmarking platform or other operations or communications systems ("Internal Systems Fee"). In Franchisor's sole discretion, Franchisor may (i) increase the amount of the internal systems fees or (ii) replace the technology with different technology, developed by Franchisor or a third-party, and Franchisee shall pay the then-current fees for the replacement technology and for continuous access thereto. Franchisee shall pay the Internal Systems Fee in the manner and frequency as reasonably determined by Franchisor

### 4.5 Payments to Us

By executing this Agreement, you agree that we shall have the right to withdraw funds from your designated bank account each month by electronic funds transfer ("EFT") in the amount of the royalty fee, marketing fee and any other payments due to us and/or our affiliates. If you do not report the Restaurant's Gross Sales, we may debit your account for one hundred twenty percent (120%) of the last royalty fee and marketing fee that we debited. If the royalty fee and marketing fee we debit are less than the royalty fee and marketing fee you actually owe to us, once we have been able to determine the Restaurant's true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the royalty fee and

marketing fee we debit are greater than the royalty fee and marketing fee you actually owe, we will credit the excess against the amount we otherwise would debit from your account during the following month. You shall, upon execution of this Agreement or at any time thereafter at our request, execute such documents or forms as we or your bank determine are necessary for us to process EFTs from your designated bank account for the payments due hereunder. If payments are not received when due, interest may be charged by us in accordance with Section 4.5 below. Upon written notice to you, you may be required to pay such fees directly to us in lieu of EFT, at our sole discretion.

### 4.6 Taxes

If any withholding, sales, excise, use, privilege or other tax (excepting Our income tax obligation) ("Tax Charge") is imposed or levied by any government or governmental agency on Us or You for any fee due and payable under this Agreement, including but not limited to, the Royalty Fee and Brand Fund Contribution (for the purpose of this Section 4.6, such fee shall be referred to as a "Taxable Payment"), then You shall pay Us a sum equal to the amount of the Tax Charge, together with the Taxable Payment, such that the net sum received by Us equals the amount of the Taxable Payment without deduction, withholding, payment or application of the Tax Charge. You shall submit a copy of all tax filings sent to federal, state and local tax authorities to Us within ten (10) business days after such filing has been made with the appropriate taxing authority.

### 4.7 Interest on Overdue Amounts

You shall not be entitled to withhold payments due us under this Agreement on grounds of alleged non-performance by us hereunder. Any payment or report not actually received by us on or before its due date shall be deemed overdue. Time is of the essence with respect to all payments to be made by you to us. All unpaid obligations under this Agreement shall bear interest from the date due until paid at the lesser of (i) ten percent (10%) per annum; or (ii) the maximum rate allowed by applicable law. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall require the payment or permit the collection of interest in excess of the maximum rate allowed by applicable law. If any excess of interest is provided for herein, or shall be adjudicated to be so provided in this Agreement, the provisions of this paragraph shall govern and prevail, and neither you nor your Principal (s) shall be obligated to pay the excess amount of such interest. If for any reason interest in excess of the maximum rate allowed by applicable law shall be deemed charged, required or permitted, any such excess shall be applied as a payment and reduction of any other amounts which may be due and owing hereunder, and if no such amounts are due and owing hereunder then such excess shall be repaid to the party that paid such interest.

### 4.8 Definition of Gross Sales

"Gross Sales" shall mean the total selling price of all services and products and all income of every other kind and nature related to the Restaurant (including, without limitation, income related to catering and delivery activities, and any sales or orders of food products or food preparation services provided from or related to the Restaurant), whether for cash or credit and regardless of collection in the case of credit, and including any third-party delivery fees. In the event of a cash shortage, the amount of Gross Sales shall be determined based on the records of the electronic cash register system and any cash shortage shall not be considered in the determination. Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments.

### 4.9 Insufficient Funds Fee

If, for any reason, any payment owed by you to us is denied by your bank due to insufficient funds in your account, then you shall, in addition to applicable interest as described in Section 4.5 above, pay our then-current insufficient funds fee.

### 4.10 Payment of Additional Fees

You shall pay such other fees or amounts described in this Agreement.

## ARTICLE 5: OUR OBLIGATIONS

We agree to provide the services described below with regard to the Restaurant:

### 5.1 Site Selection Assistance

Our written site selection guidelines and such site selection assistance as we may deem advisable.

### 5.2 Location Assistance; On-Site Evaluation

If you request that we provide you with assistance in locating a suitable site for your Restaurant, or if you request that we conduct an on-site evaluation of your proposed site, you shall pay our then-current per diem fee for providing such assistance or performing such evaluation, as well as the reasonable expenses incurred by us (or our designee) in connection with such assistance, including, without limitation, the costs of travel, lodging and meals. For any on-site evaluation requested by you, we shall not be required to conduct such evaluation until we receive of all required information and materials concerning such site prepared pursuant to Article 2.

### 5.3 Prototype Design Plans

On loan, one (1) set of prototypical architectural and design plans and specifications for a Restaurant. You shall independently, and at your expense, have such architectural and design plans and specifications adapted for construction of the Restaurant in accordance with Article 2.

### 5.4 Confidential Brand Standard Manual

On loan, one (1) set of Confidential Operations Manuals and such other manuals and written materials as we shall have developed for use in the Franchised Business (as the same may be revised by us from time to time, the "Manuals"), as more fully described in Section 10.1. The Manuals may, in our discretion, be provided electronically or via an intranet website for all Nature's Table Restaurants in the System.

### 5.5 Visits and Evaluations

Visits to the Restaurant and evaluations of the products sold and services rendered therein from time to time as reasonably determined by us, as more fully described in Section 7.5.6.

### 5.6 Advertising and Promotional Materials

Certain advertising and promotional materials and information developed by us and/or our affiliate from time to time for use by you in marketing and conducting local advertising for the Restaurant at a reasonable cost to you. We shall have the right to review and approve or disapprove all advertising and promotional materials that you propose to use, pursuant to Article 8.

### 5.7 Management and Operations Advice

Advice and written materials concerning techniques of managing and operating the Restaurant from time to time developed by us, including new developments and improvements in Restaurant equipment, food products and the packaging and preparation thereof and menu items.

### 5.8 Products for Resale

From time to time and at our reasonable discretion, at a reasonable cost, make available for resale to your customers certain merchandise identifying the System, such as logoed merchandise and memorabilia, in sufficient amounts to meet customer demand. We may specify that you must purchase such merchandise from us, our affiliate, or another designated supplier.

### 5.9 Approved Suppliers

A list of approved suppliers as described in Section 7.4 from time to time as we deem appropriate.

### 5.10 Initial Training Program

An initial training program for you or your General Manager and up to two (2) employees, as well as other training programs in accordance with the provisions of Sections 6.4.1, 6.4.2 and 6.4.4.

### 5.11 Marketing Fund

Establishment and administration of a marketing fund and/or advertising cooperatives in accordance with Article 8.

## ARTICLE 6: YOUR AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

### 6.1 Use Commercially Reasonable Efforts

Each of you and you and Principal (s) covenants and agrees that they shall make all commercially reasonable efforts to operate the Restaurant so as to achieve optimum sales.

### 6.2 Representations of Corporate Entity

If you are a corporation, limited liability company, or partnership, you and the Principal (s) represent, warrant and covenant that:

6.2.1 You are duly organized and validly existing under the state law of your formation;

6.2.2 You are duly qualified and are authorized to do business in each jurisdiction in which your business activities or the nature of the properties owned by you require such qualification;

6.2.3 Your corporate charter, operating agreement, or written partnership agreement shall at all times provide that your activities are confined exclusively to the operation of the Restaurant, unless otherwise consented to in writing by us;

6.2.4 The execution of this Agreement and the consummation of the transactions contemplated hereby are within your corporate power, if you are a corporation, or if you are a limited liability company, permitted under your operating agreement, or if you are a partnership, permitted under your written partnership agreement and have been duly authorized by you;

6.2.5 If you are a corporation or a limited liability company, copies of your articles of incorporation, bylaws, operating agreement, other governing documents, any amendments thereto, resolutions of the Board of Directors authorizing entry into and performance of this Agreement, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock of the corporation, and any other documents as may be reasonably required by us shall be furnished to us prior to the execution of this Agreement; or, if you are a partnership, copies of your written partnership agreement,

other governing documents and any amendments thereto shall be furnished to us prior to the execution of this Agreement, including evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if such approval or consent is required by your written partnership agreement;

6.2.6 If you are a corporation, partnership or other form of legal entity other than an individual, the ownership interests in you are accurately and completely described in Attachment 3. Further, if you are a corporation, you shall maintain at all times a current list of all owners of record and all beneficial owners of any class of voting securities in you or, if you are a partnership or other form of legal entity, you shall maintain at all times a current list of all owners of an interest in the partnership or entity. You shall immediately provide a copy of the updated list of all owners to us upon the occurrence of any change of ownership and otherwise make your list of owners available to us upon reasonable written request;

6.2.7 If you are a corporation, you shall maintain stop-transfer instructions against the transfer on your records of any of equity securities and each stock certificate representing stock of the corporation shall have conspicuously endorsed upon it a statement in a form satisfactory to us that it is held subject to all restrictions imposed upon assignments by this Agreement; provided, however, that the requirements of this Section shall not apply to the transfer of equity securities of a publicly held corporation (as defined in Section 19.18). If you are a partnership or limited liability company, your written agreement shall provide that ownership of an interest in the entity is held subject to all restrictions imposed upon assignments by this Agreement;

6.2.8 You must have provided us with your most recent financial statements. Such financial statements present fairly your financial position, at the dates indicated therein and with respect to you, the results of your operations and your cash flow for the years then ended. You agree that you shall maintain at all times, during the term of this Agreement, sufficient working capital to fulfill your obligations under this Agreement. Each of the financial statements mentioned above shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on your financial statements.

You acknowledge and agree that the representations, warranties and covenants set forth above in Sections 6.2.1 through 6.2 are continuing obligations of you and the Principal(s), as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement. You cooperate with us in any efforts made by us to verify compliance with such representations, warranties and covenants.

### 6.3 General Manager

You shall designate and retain at all times a general manager ("General Manager") to direct the operation and management of the Restaurant. The General Manager shall be responsible for the daily operation of the Restaurant and may be one of the Principal (s). The General Manager shall, during the entire period he serves as General Manager, meet the following qualifications:

6.3.1 The General Manager shall satisfy our educational and business experience criteria as set forth in the Manuals as defined herein or otherwise in writing by us;

6.3.2 The General Manager shall devote full time and best efforts to the supervision and management of the Restaurant; and

6.3.3 The General Manager shall satisfy the training requirements set forth in Section 6.4. If, during the term of this Agreement, the General Manager is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section, you shall promptly notify us and designate a replacement within sixty (60) days after the General Manager ceases to serve, such replacement being subject to the same qualifications listed above (including completing all training and obtaining all certifications required by us). You shall provide for interim management of the Restaurant until such replacement is so designated, such interim management to be conducted in accordance with the terms of this Agreement. Any failure to materially comply with the requirements of this Section 6.3 shall be deemed a material event of default under Section 17.1.3(o) hereof.

**6.4 Training**

You agree that it is necessary to the continued operation of the System and the Restaurant that your personnel receive such training as we may reasonably require, and accordingly agree as follows:

6.4.1 Not later than sixty (60) days prior to the Opening Date, you or your General Manager and two (2) additional employees (for a maximum of three (3) persons) shall attend and complete, to our reasonable satisfaction, our initial training program, including classroom training and training in an operating Restaurant at such location(s) as may be designated by us or virtually. If you wish to send additional employees to our initial training program, whether before the Restaurant opens or while the Restaurant is operating, you shall pay to us our then-current training fee for each additional trainee.

We shall determine, in our reasonable discretion, whether the General Manager has satisfactorily completed initial training. If the initial training program is (a) not completed within the timeframe required by us, (b) not satisfactorily completed by the General Manager, or (c) if we in our reasonable business judgment, based upon the performance of the General Manager, determine that the training program cannot be satisfactorily completed by any such person, you shall designate a replacement to satisfactorily complete such training. Any General Manager subsequently designated by you shall also receive and complete such initial training. We reserve the right to charge a reasonable fee for any initial training provided by us to any initial General Manager or any other Restaurant personnel for any initial training provided to a replacement or successor General Manager. You shall be responsible for any and all expenses incurred by you, your General Manager and other Restaurant personnel in connection with any initial training program, including, without limitation, costs of travel, lodging, meals and wages.

6.4.2 The initial training program includes approximately two (2) weeks of training at our headquarters, at one of our operating Nature's Table Restaurants or at another location we designate, and an additional two (2) weeks of training at your Restaurant.

6.4.3 Upon your reasonable request or as we shall deem appropriate, we shall, during the term hereof, subject to the availability of personnel, provide you with additional trained representatives who shall provide on-site training and assistance to your Restaurant personnel. For this additional training and assistance, you shall pay the per diem fee then being charged to franchisees under the System for the services of such trained representatives, plus their costs of travel, lodging, and meals.

6.4.4 We reserve the right to conduct additional or refresher training programs, seminars and other related activities regarding the operation of the Restaurant. Such training programs and seminars may be offered to the General Manager or other Restaurant personnel generally, and we may designate that such training programs and seminars are mandatory for your General Manager and other Restaurant

personnel. We will present the training program at our cost, or we may use money from the Marketing Fund to do this, but you must pay for your trainees' expenses, including travel, lodging, meals and applicable wages.

### 6.5 Franchisee Meetings

We reserve the right to hold meetings for all franchisees and other Nature's Table Restaurant operators, which meetings shall not occur more frequently than annually. We shall not be required to hold such meetings until we believe it is prudent to do so. These meetings may be used to provide additional training, introduce new products or changes to the System, or for other reasons. We reserve the right to designate that attendance at any franchisee meeting is mandatory for you and/or your General Manager. We may use money from the Marketing Fund to pay for the cost of presenting the annual meeting. You shall pay for all of the expenses incurred by your attendees at the meeting, including travel, lodging, meals and wages.

### 6.6 Compliance with Laws

You shall comply with all requirements of federal, state and local laws, rules, regulations, and orders, including but not limited to obtaining the appropriate licenses and permits required by your local or state government.

You and your Principals agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your Principals certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your Principals otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your Principals, or any blocking of your or your Principals' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

### 6.7 Compliance with All Other Obligations

You shall comply with all other requirements and perform such other obligations as provided hereunder.

### 6.8 Guaranty

If any Principal is a married individual and the Principal's spouse has not executed this Agreement, such Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty, in the form attached as Attachment 7.

## ARTICLE 7: FRANCHISE OPERATIONS

### 7.1 Compliance with Standards

You understand the importance of maintaining uniformity among all of the Restaurants and the importance of complying with all of our standards and specifications relating to the operation of the Restaurant.

### 7.2 Maintenance of Restaurant

You shall maintain the Restaurant in a high degree of sanitation, repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment (including, but not limited to, point of sale or computer hardware and software systems), and décor as we may reasonably direct in order to maintain system-wide integrity and uniformity. You shall also obtain, at your cost and expense, any new or additional equipment (including point of sale or computer hardware and software systems), fixtures, supplies and other products and materials which may be reasonably required by us for you to offer and sell new menu items from the Restaurant or to provide the Restaurant services by alternative means, such as through catering or delivery arrangements. Except as may be expressly provided in the Manuals, no material alterations or improvements or changes of any kind in design, equipment, signs, interior or exterior décor items, fixtures or furnishings shall be made in or about the Restaurant or its premises without our prior written approval, which shall not be unreasonably withheld.

### 7.3 Remodeling and Redecorating

To assure the continued success of the Restaurant, you shall, upon our request, remodel and/or redecorate the Restaurant premises, equipment (including point of sale or computer hardware and software systems), signs, interior and exterior décor items, fixtures, furnishings, supplies and other products and materials required for the operation of the Restaurant to our then-current system-wide standards and specifications. We agree that we shall not request such remodeling and/or redecorating more frequently than every five (5) years during the term of this Agreement, except that if the Restaurant franchise is transferred pursuant to Article 14, we may request that the transferee remodel and/or redecorate the Restaurant premises as described herein.

### 7.4 Approved Suppliers

You shall comply with all of our standards and specifications relating to the purchase of all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including electronic cash register and computer hardware and software systems) and other products used or offered for sale at the Restaurant. Except as provided in Sections 7.6 and 7.7 with respect to certain materials bearing the Marks and proprietary products, you shall obtain such items from suppliers (including manufacturers, distributors and other sources) who continue to demonstrate the ability to meet our then-current standards and specifications for food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment and other items used or offered for sale at Restaurants and who possess adequate quality controls and capacity to supply your needs promptly and reliably; and who have been approved in writing by us prior to any purchases by you from any such supplier; and who have not thereafter been disapproved by us.

If you desire to purchase, lease or use any products or other items from an unapproved supplier, you shall submit to us a written request for such approval, or shall request the supplier itself to do so. We reserve the right to require you to reimburse our costs related to evaluation and testing. You shall not purchase or lease from any supplier until and unless such supplier has been approved in writing by us. We shall have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory designated by us, for testing. We reserve the right, at our option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke our approval upon the supplier's failure to continue to meet any of our then-current criteria. Nothing herein shall be construed to require us to approve any particular supplier.

We reserve the right to direct that any supplier rebates, refunds, advertising allowances or other consideration payable or paid as a result of your purchases of non-proprietary goods, services or equipment be paid to us or any affiliate that we may designate. If we do so, then you hereby acknowledge that you will not assert any interest in such monies.

### 7.5 Operation of Restaurant in Compliance with Our Standards

To ensure that the highest degree of quality and service is maintained, you shall operate the Restaurant in strict conformity with such of our methods, standards and specifications set forth in the Manuals and as may from time to time otherwise be prescribed in writing. In particular, you also agree:

7.5.1 To sell or offer for sale all menu items, products and services required by us and in the method, manner and style of distribution prescribed by us, including, but not limited to, dine-in and take-out, only as expressly authorized by us in writing in the Manuals or otherwise in writing.

7.5.2 To sell and offer for sale only the menu items, products and services that have been expressly approved for sale in writing by us; to refrain from deviating from our standards and specifications without our prior written consent; and to discontinue selling and offering for sale any menu items, products or services which we may, in our sole discretion, disapprove in writing at any time.

7.5.3 To maintain in sufficient supply and to use and sell at all times only such food and beverage items, ingredients, products, materials, supplies and paper goods that conform to our standards and specifications; to prepare all menu items in accordance with our recipes and procedures for preparation contained in the Manuals or other written directives, including, but not limited to, the prescribed measurements of ingredients; and to refrain from deviating from our standards and specifications by the use or offer of non-conforming items or differing amounts of any items, without our prior written consent.

7.5.4 To permit us or our agents, during normal business hours, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant, without payment therefor, in amounts reasonably necessary for testing by us or an independent laboratory to determine whether such samples meet our then-current standards and specifications. In addition to any other remedies we may have under this Agreement, we may require you to bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform with our reasonable specifications.

7.5.5 To purchase or lease and install, at your expense, all fixtures, furnishings, equipment (including point of sale and computer hardware and software systems), décor items, signs, delivery vehicles, and related items as we may reasonably direct from time to time in the Manuals or otherwise in writing; and to refrain from installing or permitting to be installed on or about the Restaurant premises, without our prior written consent, any fixtures, furnishings, equipment, delivery vehicles, décor items, signs, games, vending machines or other items not previously approved as meeting our standards and specifications. If any of the property described above is leased by you from a third party, such lease shall be approved by us, in writing, prior to execution. Our approval shall be conditioned upon such lease containing a provision which permits any interest of yours in the lease to be assigned to us upon the termination or expiration of this Agreement and which prohibits the lessor from imposing an assignment or related fee upon us in connection with such assignment.

7.5.6 To grant us and our agents the right to enter upon the Restaurant premises during normal business hours, for the purpose of conducting inspections; to cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from us or our agents and without limiting our other rights under this Agreement, to take such steps as may be

necessary to correct immediately any deficiencies detected during any such inspection. Should you, for any reason, fail to correct such deficiencies within a reasonable time as determined by us, we shall have the right and authority (without, however, any obligation to do so) to correct such deficiencies and charge you a reasonable fee for our expenses in so acting, payable by you immediately upon demand.

7.5.7 To maintain a competent, conscientious, trained staff and to take such steps as are necessary to ensure that your employees preserve good customer relations and comply with such dress code as we may reasonably prescribe from time to time.

7.5.8 To install and maintain equipment and a telecommunications line in accordance with our specifications to permit us to access and retrieve by telecommunication any information stored on a point of sale system (or other computer hardware and software) you are required to utilize at the Restaurant premises as specified in the Manuals, thereby permitting us to inspect and monitor electronically information concerning your Restaurant, Gross Sales and such other information as may be contained or stored in such equipment and software. You shall obtain and maintain Internet access or other means of electronic communication, as specified by us from time to time. It shall be a material default under this Agreement if you fail to maintain such equipment, lines and communication methods in operation and accessible to us at all times throughout the term of this Agreement. We shall have access as provided herein at such times and in such manner as we shall from time to time specify.

7.5.9 To honor all credit, charge, courtesy or cash cards or other credit devices required or approved by us. You must obtain our written approval prior to honoring any previously unapproved credit, charge, courtesy or cash cards or other credit devices.

7.5.10 To sell or otherwise issue gift cards or certificates (together "Gift Cards") that have been prepared utilizing the standard form of Gift Card provided or designated by us, and only in the manner specified by us in the Manuals or otherwise in writing. You shall fully honor all Gift Cards that are in the form provided or approved by us. You shall sell, issue, and redeem (without any offset against any Royalty Fees) Gift Cards in accordance with procedures and policies specified by us in the Manuals or otherwise in writing. Gift card program does not have to be reciprocal.

We reserve the right to alter the terms and conditions of any gift card or loyalty programs, including reserving the right to apply changes retroactively to benefits already accrued under such programs.

### 7.6 Operational Standards Violation

We have established certain operational standards, as set forth in the Manual. You acknowledge that any deviation from an operational standard constitutes a violation of this Agreement and will require Us to incur incalculable administrative and management costs to address such violation. Accordingly, You agree that, to compensate Us for its incalculable administrative and management costs due to Your operational standard violation, You shall pay Us an Operational Standard Violation Fee, as set forth in the Manual, for each violation of an operational standard. **You hereby authorize Us to take payment of the Operational Standard Violation Fee, at Our option, through electronic funds transfer or ACH payment.** We need not give You a cure opportunity before charging the Operational Standards Violation Fee, and Our imposition of an Operational Standards Violation Fee does not preclude Us from seeking injunctive relief to restrain any subsequent or continuing violation, formally defaulting and terminating this Agreement or exercising any of Our rights under this Agreement.

### 7.6 Proprietary Products

You acknowledge and agree that we and our affiliates have developed, and may continue to develop, for use in the System certain products which are prepared from confidential proprietary recipes and which are trade secrets of us and our affiliates, and other proprietary products bearing the Marks. Because of the importance of quality and uniformity of production and the significance of such products in the System, it is to the mutual benefit of the parties that we closely control the production and distribution of such products. Accordingly, you agree that if such products become a part of the System, you shall use only our secret recipes and proprietary products and shall purchase all of your requirements for such products solely from us or from a source designated by us. You further agree to purchase from us or our designated supplier for resale to your customers certain merchandise identifying the System as we shall require, such as logoed merchandise, memorabilia and promotional products, in amounts sufficient to satisfy your customer demand.

### 7.7 Advertising and Promotional Materials

You shall require all advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Franchised Business), and other items which may be designated by us to bear the Marks in the form, color, location and manner prescribed by us, including, without limitation, notations about the ownership of the Marks.

### 7.8 Complaints

You shall process and handle all consumer complaints connected with or relating to the Restaurant, and shall promptly notify us by telephone and in writing of all of the following complaints: (i) food related illnesses, (ii) environmental, safety or health violations, (iii) claims exceeding Five Hundred Dollars ($500.00), and (iv) any other material claims against or losses suffered by you. You shall maintain for our inspection any governmental or trade association inspection reports affecting the Restaurant or equipment located in the Restaurant during the term of this Agreement and for thirty (30) days after the expiration or earlier termination hereof.

### 7.9 Assignment of Numbers and Listing.

At our request, you shall, execute such forms and documents as we deem necessary to appoint us as your true and lawful attorney-in-fact, with full power and authority, for the sole purpose of assigning to us, your telephone numbers and listings; and provide us with passwords and administrator rights for all email, software, social media, or other such accounts used or created by you in order to operate the Franchised Business. Upon the expiration or termination of this Agreement, we may exercise our authority, pursuant to such documents, to obtain any and all of your rights to the telephone numbers of the Franchised Business and all related telephone directory listings and other business listings; and all internet listings, domain names, internet advertising, websites, listings with search engines, electronic mail addresses, social media, or any other similar listing or usages related to the Franchised Business. You agree that you have no authority to and shall not establish any website or listing on the Internet or World Wide Web without our express written consent, which consent may be denied without reason.

### 7.10 Power of Attorney for Taxes

Upon execution of this Agreement or at any time thereafter, you shall, at our option, execute such forms and documents as we deem necessary to appoint us as your true and lawful attorney-in-fact with full power and authority for the sole purpose of obtaining any and all returns and reports filed by you with any state or federal taxing authority relating to the Franchised Business.

### 7.11 Unapproved Products and Services

In the event you sell any food, beverage, products, novelty items, clothing, souvenirs or perform any services that we have not prescribed, approved or authorized, you shall, immediately upon notice from us: (i) cease and desist offering or providing the unauthorized or unapproved food, beverage, product, premium, novelty item, clothing, souvenir or from performing such services and (ii) pay to us, on demand, a prohibited product or service fine equal to Two Hundred Fifty Dollars ($250) per day for each day such unauthorized or unapproved food, beverage, product, premium, novelty item, clothing, souvenir or service is offered or provided by you after written notice from us. The prohibited product or service fine shall be in addition to all other remedies available to us under this Agreement or at law.

### 7.12 Customer Surveys

You shall participate in all customer surveys and satisfaction audits, which may require that you provide discounted or complimentary products, provided that such discounted or complimentary sales shall not be included in the Gross Sales of the Restaurant. Additionally, you shall participate in any complaint resolution and other programs as we may reasonably establish for the System, which programs may include, without limitation, providing discounts or refunds to customers.

### 7.13 Pricing

Where permitted by applicable law, we may provide you written advice regarding the maximum prices which you may charge your customers for menu items, products and services provided or sold under the System. Any such advice, if given at all, will be binding on you and you agree to comply with our pricing guidelines. Nothing contained herein shall be deemed a representation by us that if you follow such guidelines you will, in fact, generate a profit. You are obligated to inform us of all prices charged for products sold by you and to inform us of any modifications of your prices. We may exercise rights with respect to pricing programs and products to the fullest extent permitted by then-applicable law. These rights may include (without limitation) establishing the maximum retail prices which you may charge customers for the programs or products offered and sold at your Restaurant; recommending retail prices; advertising specific retail prices for some or all programs, products or sold by your Restaurant, which prices you agree to observe (sometimes known as "price point advertising campaigns"); engaging in advertising, promotional and related programs which you must participate in and which may directly or indirectly impact your retail prices (such as "buy one, get one free"); and otherwise mandating, directly or indirectly, the maximum retail prices which your Restaurant may charge the public for the programs, products and services it offers. We may engage in any such activity at any time throughout the term of this Agreement. Further, we may engage in such activity only in certain geographic areas (towns, cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. You acknowledge and agree that any maximum or other prices we establish or suggest may or may not optimize the revenues or profitability of your Restaurant. You entirely waive any and all claims related to our establishment of prices charged at your Restaurant.

## ARTICLE 8: ADVERTISING AND RELATED FEES

Recognizing the value of advertising and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

### 8.1 Participation in Advertising

We may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all Restaurants operating under the System. You shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by us for each program. In all aspects of these programs, including, without limitation, the type,

quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by us shall be final and binding upon you.

### 8.2 Local Advertising

In addition to the ongoing advertising contributions set forth herein and, subject to any allocation of your expenditures for local advertising to the Cooperative as described in Section 8.4 or Marketing Fund as described in Section 8.3, you shall spend, throughout the term of this Agreement, two percent (2%) of Gross Sales each calendar quarter on advertising for the Restaurant in your Territory ("Local Advertising"). You shall submit to us, within thirty (30) days of our request, advertising expenditure reports accurately reflecting your Local Advertising expenditures, including verification copies of all advertising and any other information that we require.

### 8.3 Marketing Fund

We administer a marketing Fund for the purpose of advertising the System on a regional or national basis (the "Marketing Fund"). You agree to contribute to the Marketing Fund as described in Section 4.3 above. You agree that the Marketing Fund shall be maintained and administered by us or our designee as follows:

8.3.1 We shall direct all advertising programs and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof. You agree and acknowledge that the Marketing Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Restaurants operating under the System. We shall, with respect to Restaurants operated by us, contribute to the Marketing Fund generally on the same basis as you. In administering the Marketing Fund, we and our designees undertake no obligation to make expenditures for you which are equivalent or proportionate to your contribution or to ensure that any particular franchisee benefits directly or *pro rata* from the placement of advertising. We shall be entitled to reimbursement from the Marketing Fund for our reasonable expenses in managing the Marketing Fund.

8.3.2 You agree that the Marketing Fund may be used to satisfy any and all costs of maintaining, administering, directing and preparing advertising (including, without limitation, the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; internet marketing; public relations activities; employing advertising agencies to assist therein; development and maintenance of our website; and costs of our personnel and other departmental costs for advertising that is internally administered or prepared by us). All sums paid by you to the Marketing Fund shall be maintained in a separate account by us and may be used to defray our expenses, if any, as we may incur in activities reasonably related to the administration or direction of the Marketing Fund and advertising programs for franchisees and the System. The Marketing Fund and its earnings shall not otherwise inure to our benefit. The Marketing Fund is operated solely as a conduit for collecting and expending the marketing fees as outlined above. The Fund and its earnings shall not otherwise inure to our benefit except that any resulting technology and intellectual property shall be deemed our property.

8.3.3 A statement of the operations of the Marketing Fund shall be prepared annually by us and shall be made available to you upon request. This statement of operations may be unaudited.

8.3.4 Any monies remaining in the Marketing Fund at the end of any year will carry over to the next year. Although the Marketing Fund is intended to be of perpetual duration, we may terminate the Marketing Fund. The Marketing Fund shall not be terminated, however, until all monies in the Marketing Fund have been expended for advertising or promotional purposes or returned to contributing

Franchised Businesses or those operated by us, without interest, on the basis of their respective contributions.

8.3.5 If we elect to terminate the Marketing Fund, we may, in our sole discretion, reinstate the Marketing Fund at any time. If we so choose to reinstate the Marketing Fund, said reinstated Fund shall be operated as described herein.

### 8.4 Cooperative Funds

We may, in our discretion, create a regional advertising cooperative in any area, or we may approve the creation of such a marketing cooperative by franchisees in the System, and establish the rules and regulations therefor. Immediately upon our request, you must become a member of the Cooperative for the area in which some or all of your Territory is located. In no event may the Restaurant be required to be a member of more than one cooperative. The Cooperative must be governed in the manner we prescribe. The Cooperative may require each of its members to make contributions thereto. You shall contribute such amounts at the times and in the manner as determined by the Cooperative members. Any funds contributed to a regional advertising cooperative will be credited against your obligation to pay for Local Advertising as set forth in Section 8.2 above; provided, however, that if your contributions to a Cooperative are less than your Local Advertising requirement, you shall nevertheless spend the difference locally. The following provisions apply to each cooperative:

a. the Cooperative must be organized and governed in a form and manner, and commence operation on a date, that we approve in advance in writing;

b. the Cooperative must be organized for the exclusive purpose of administering advertising programs and developing, subject to our approval, standardized promotional materials for the members' use in Local Advertising within the Cooperative's area;

c. the Cooperative may adopt its own rules and procedures, but such rules or procedures must be approved by us and must not restrict or expand your rights or obligations under this Agreement;

d. except as otherwise provided in this Agreement, and subject to our approval, any lawful action of the Cooperative (including, without limitation, imposing assessments for Local Advertising) at a meeting attended by members possessing more than fifty percent (50%) of the total voting power in the Cooperative is binding upon you if approved by members possessing more than fifty percent (50%) of the total voting power possessed by members in attendance, with each Restaurant having one (1) vote, but no franchisee (or commonly controlled group of franchisees) may have more than twenty-five percent (25%) of the vote in the Cooperative regardless of the number of franchised businesses owned;

e. without our prior written approval, the Cooperative may not use, nor furnish to its members, any advertising or promotional plans or materials; all such plans and materials must be submitted to us in accordance with the procedure set forth in Section 8.5;

f. the Cooperative may require its members to periodically contribute to it in such amounts as it determines;

g. no later than the fifteenth ($15^{th}$) day of each month, each member/franchisee must submit its contribution under Section 8.4(f) for the preceding calendar month to the Cooperative, together with such other statements or reports as we or the Cooperative may require, with our prior written approval; and

h. if an impasse occurs because of a Cooperative members' inability or failure, within forty-five (45) days, to resolve any issue affecting the Cooperative's establishment or effective functioning, upon request of any Cooperative member, that issue must be submitted to us for consideration, and our resolution of such issue is final and binding on all Cooperative members.

### 8.5 Conduct of Advertising; Our Approval

All advertising and promotion by you in any medium shall be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Manuals or otherwise. You shall obtain our approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by us or previously approved by us during the twelve (12) months prior to their proposed use. You shall submit such unapproved plans and materials to us, and we shall have fifteen (15) days to notify you of our approval or disapproval of such materials. If we do not provide our specific approval of the proposed materials within this fifteen (15) days period, the proposed materials are deemed to be not approved. Any plans and materials that you submit to us for our review will become our property and there will be no restriction on our use or dissemination of such materials.

We reserve the right to require you to include certain language on all advertising to be used locally by you or to be used by a Cooperative, including, but not limited to, "Franchises Available" and reference to our telephone number and/or website.

### 8.6 Websites

We or one or more of our designees may establish a website or series of websites including but not limited to any mobile applications ("apps") that we may introduce, for the Nature's Table Restaurant System to advertise, market and promote Nature's Table Restaurants and the products and services they offer, the Nature's Table Restaurant franchise and/or development rights opportunity, and/or for any other purposes that we determine are appropriate for Nature's Table Restaurants (collectively, the "System Website"). If we include information about your Franchised Business on the System Website, you agree to give us the information and materials that we periodically request concerning the Franchised Business and otherwise participate in the System Website in the manner that we periodically specify. By posting or submitting to us information or materials for the System Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party's rights.

We shall own all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL for the System Website, the log of "hits" by visitors, and any personal or business data that visitors (including you and your personnel) supply. We may implement and periodically modify System standards relating to the System Website and, at our option, may discontinue the System Website, or any services offered through the System Website, at any time.

All advertising, marketing and promotional materials that you develop for the Restaurant must contain notices of the URL of the System Website in the manner that we periodically designate. You may not develop, maintain or authorize any other website, other online presence or other electronic medium that mentions or describes the Franchised Business, the System or displays any of the Marks without our prior approval. We do not restrict the use of internet or web page advertising within or outside of your Territory, but the advertising content must be approved by us before it is used.

Nothing in this Section 8.6 shall limit our right to maintain websites other than the System Website or to offer and sell products and services under the Marks from the System Website, another website or otherwise over the Internet without payment or obligation of any kind to you.

You understand and acknowledge that you are strictly prohibited from promoting your Restaurant and/or using the Proprietary Marks in any manner on social and/or networking websites, including, but not limited to, Facebook, LinkedIn, Instagram, TikTok and Twitter, without our prior written consent.

### 8.7 Advisory Council

We reserve the right to establish an advisory council to work with us to improve various aspects of our System, including advertising, merchandising, food products, and other items. If we choose to establish an advisory council, its members will include franchisee representatives and our representatives. The franchisee representatives may be chosen by us or elected by other franchisees in the System. If established, the advisory council will act in an advisory capacity only and will not have decision making authority. We have the right to form, change, merge or dissolve any advisory council at any time.

### 8.8 Grand Opening Advertising

You agree to expend not less than Five Thousand Dollars ($5,000) on a grand opening advertising campaign to promote the opening of your Restaurant. This amount must be spent in the sixty (60) day period comprising thirty (30) days before and thirty (30) days after the Restaurant opens. Your grand opening advertising campaign must be approved by us before you may begin it, and we may require that your campaign include promotional give-aways. At our request, you must give the money for your grand opening advertising campaign to us and we will conduct your grand opening advertising campaign for you.

## ARTICLE 9: MARKS

### 9.1 Use of Marks

We grant you the right to use the Marks during the term of this Agreement in accordance with the System and related standards and specifications.

### 9.2 Ownership of Marks; Limited License

You expressly understand and acknowledge that:

9.2.1 We are the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them.

9.2.2 Neither you nor any Principal(s) shall take any action that would prejudice or interfere with the validity of our rights with respect to the Marks. Nothing in this Agreement shall give the you any right, title, or interest in or to any of the Marks or any service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Marks and the System in accordance with the terms and conditions of this Agreement for the operation of the Restaurant and only at or from its accepted location or in approved advertising related to the Restaurant.

9.2.3 You understand and agree that the limited license to use the Marks granted hereby applies only to such Marks as are designated by us, and which are not subsequently designated by us as being withdrawn from use, together with those which may hereafter be designated by us in writing. You expressly understand and agree that you are bound not to represent in any manner that you have acquired any ownership or equitable rights in any of the Marks by virtue of the limited license granted hereunder, or by virtue of your use of any of the Marks.

9.2.4 You understand and agree that any and all goodwill arising from your use of the Marks and the System shall inure solely and exclusively to our benefit, and upon expiration or termination

of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the Marks.

9.2.5 You shall not contest the validity of or our interest in the Marks or assist others to contest the validity of or our interest in the Marks.

9.2.6 You acknowledge that any unauthorized use of the Marks shall constitute an infringement of our rights in the Marks and a material event of default hereunder. You agree that you shall provide us with all assignments, affidavits, documents, information and assistance we reasonably request to fully vest in us all such rights, title and interest in and to the Marks, including all such items as are reasonably requested by us to register, maintain and enforce such rights in the Marks.

9.2.7 If it becomes advisable at any time, in our discretion, to modify or discontinue use of any Mark and/or to adopt or use one or more additional or substitute proprietary marks, then you shall be obligated to comply with any such instruction by us. We will reimburse you for your reasonable expenses related to replacing the Restaurant's signage. We shall not have any other obligation in such event to reimburse you for your documented expenses of compliance. You waive any other claim arising from or relating to any Mark change, modification or substitution. Except as described herein, we will not be liable to you for any expenses, losses or damages sustained by you as a result of any Mark addition, modification, substitution or discontinuation. You covenant not to commence or join in any litigation or other proceeding against us for any of these expenses, losses or damages.

### 9.3 Limitation on Use of Marks

With respect to your licensed use of the Marks pursuant to this Agreement, you further agree that:

9.3.1 Unless otherwise authorized or required by us, you shall operate and advertise the Restaurant only under the name "Nature's Table" without prefix or suffix. You shall not use the Marks or any portions, variations, or derivatives thereof, as part of your corporate or other legal name, and shall obtain our approval of such corporate or other legal name prior to filing it with the applicable state authority.

9.3.2 During the term of this Agreement and any successor term hereof, you shall identify yourself as the independent owner of the Restaurant in conjunction with any use of the Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Restaurant or any delivery vehicle as we may designate in writing.

9.3.3 You shall not use the Marks to incur any obligation or indebtedness on our behalf;

9.3.4 You shall comply with our instructions in filing and maintaining the requisite trade name or fictitious name registrations, and shall execute any documents deemed necessary by us or our counsel to obtain protection of the Marks or to maintain their continued validity and enforceability.

### 9.4 Notification of Infringement or Claim

You shall notify us immediately by telephone and thereafter in writing of any apparent infringement of or challenge to your use of any Mark, of any claim by any person of any rights in any Mark, and you and the Principal(s) shall not communicate with any person other than us, our counsel and your counsel in connection with any such infringement, challenge or claim. We shall have complete discretion to take such action as we deem appropriate in connection with the foregoing, and the right to control exclusively, any settlement, litigation or Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. You agree to execute any and all

instruments and documents, render such assistance, and do such acts or things as may, in our opinion, reasonably be necessary or advisable to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain the interests of us or any other interested party in the Marks. We will indemnify you and hold you harmless from and against any and all claims, liabilities, costs, damages and reasonable expenses for which you are held liable in any proceeding arising out of your use of any of the Marks (including settlement amounts), provided that the conduct of you and the Principal(s) with respect to such proceeding and use of the Marks is in full compliance with the terms of this Agreement.

### 9.5 Retention of Rights by Us

The right and license of the Marks granted hereunder to you is non-exclusive and we thus have and retain the following rights, among others, subject only to the limitations of Article 1:

9.5.1 To grant other licenses for use of the Marks, in addition to those licenses already granted to existing franchisees;

9.5.2 To develop and establish other systems using the Marks or other names or marks and to grant licenses thereto without providing any rights to you; and

9.5.3 To engage, directly or indirectly, through our employees, representatives, licensees, assigns, agents and others, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services, and (b) the use in connection with such production, distribution and sale, of the Marks and 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.

## ARTICLE 10: CONFIDENTIALITY AND NON-COMPETITION COVENANTS

### 10.1 Confidential Operations Manuals

10.1.1 To protect our reputation and goodwill and to maintain high standards of operation under the Marks, you shall conduct your business in accordance with the Manuals, other written directives which we may reasonably issue to you from time to time whether or not such directives are included in the Manuals, and any other manuals and materials created or approved for use in the operation of the Franchised Business.

10.1.2 You and the Principal(s) shall at all times treat the Manuals, any of our written directives, and any other manuals and materials, and the information contained therein as confidential and shall maintain such information as trade secret and confidential in accordance with this Article 10. You and the Principal(s) shall divulge and make such materials available only to such of your employees as must have access to it in order to operate the Restaurant. You and the Principal(s) shall not at any time copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above.

10.1.3 The Manuals, written directives, other manuals and materials and any other confidential communications provided or approved by us shall at all times remain our sole property, shall at all times be kept in a secure place on the Restaurant premises, and shall be returned to us immediately upon request or upon termination or expiration of this Agreement.

10.1.4 The Manuals, any written directives, and any other manuals and materials issued by us and any modifications to such materials shall supplement and be deemed part of this Agreement.

10.1.5 We may from time to time revise the contents of the Manuals and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. You shall remove and return to us all pages of the Manual that have been replaced or updated by us, if we provide the Manual to you in hard copy format. You expressly agree to comply with each new or changed standard.

10.1.6 You shall at all times ensure that the Manuals are kept current and up to date. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by us at our headquarters shall control.

### 10.2 Confidential Information

10.2.1 Neither you nor any Principal(s) shall, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, persons, partnership, association or corporation and, following the expiration or termination of this Agreement, they shall not use for their own benefit any confidential information, knowledge or know-how concerning the methods of operation of the Franchised Business which may be communicated to them or of which they may be apprised in connection with the operation of the Restaurant under the terms of this Agreement. You and the Principal(s) shall divulge such confidential information only to such of your employees as must have access to it in order to operate the Restaurant. Any and all information, knowledge, know-how, techniques and any materials used in or related to the System which we provide to you in connection with this Agreement shall be deemed confidential for purposes of this Agreement. Neither you nor any Principal(s) shall at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person. The covenants in this Section shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon you and each of the Principal(s).

10.2.2 You shall require and obtain the execution of covenants similar to those set forth in Section 10.2.1 from your General Manager and all other of your personnel who have received or will have access to confidential information. Such covenants shall be substantially in the form set forth in Attachment 4.

10.2.3 If you, the Principal(s), the General Manager or any of your employees develop any new concept, process, product, recipe, or improvement in the operation or promotion of the Restaurant, you are required to promptly notify us and provide us with all necessary related information, without compensation. You and the Principal(s) acknowledge that any such concept, process product, recipe, or improvement will become our property, and we may use or disclose such information to other franchisees as we determine to be appropriate.

### 10.3 Non-Competition

10.3.1 You and the Principal(s) specifically acknowledge that, pursuant to this Agreement, you and Principal(s) will receive valuable training, trade secrets and confidential information, including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Principal(s) and your managers and employees. You and the Principal(s) acknowledge that such specialized training, trade secrets and confidential information provide a competitive advantage and will be valuable to them in the development and operation of the Restaurant, and that gaining access to such specialized training, trade secrets and confidential information is, therefore, a primary reason why they are entering into this Agreement. In consideration for such specialized training, trade secrets and confidential information (including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Principal(s) and your managers and employees), you and the Principal(s) covenant that

with respect to you, during the term of this Agreement, except as otherwise approved in writing by us, which approval may be withheld or denied in our sole and absolute discretion, neither you nor any of the Principal(s) shall, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person(s), partnership or corporation:

(a) Divert, or attempt to divert, any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to, any business located within the United States, its territories, states or commonwealths, or any other country, province, state or geographic area in which we have used, sought registration of or registered the same or similar Marks or operates or licenses others to operate a business under the same or similar Marks, which business is of a character and concept similar to the Restaurant, including a food service business which offers and sells the same or similar food products (a "Competitive Business").

10.3.2 With respect to you and each Principal, and for a continuous uninterrupted period commencing upon the expiration, termination of, or transfer of all of your or any Principals' interest in, this Agreement and continuing for two (2) years thereafter, except as otherwise approved in our sole and absolute discretion, neither you, nor any of the Principal(s) shall, directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, persons, partnership, or corporation:

(a) Divert, or attempt to divert, any business or customer of the Franchised Business hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Employ, or seek to employ, any person who is at that time or was within the preceding ninety (90) days employed by us, or by any other franchisee or multi-unit operator of ours, or otherwise directly or indirectly induce such person to leave that person's employment, except as may be permitted under any existing multi-unit operator agreement or franchise agreement between us and you.

(c) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to any Competitive Business, which business is, or is intended to be, located within a three (3) mile radius of the location of any Restaurant in the System.

10.3.3 The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect our goodwill or other business interests. The parties agree that each of the covenants herein shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you and the Principal(s) expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section.

(a) You and the Principal(s) understand and acknowledge that we shall have the right, in our sole and absolute discretion, to reduce the scope of any covenant set forth in this Section

10.3, or any portion thereof, without their consent, effective immediately upon notice to you; and you and the Principal(s) agree that they shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 19.2 hereof.

(b) You and the Principal(s) expressly agree that the existence of any claims they may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section.

(c) Sections 10.3.1(b) and 10.3.2(c) shall not apply to ownership of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation.

10.3.4 You shall require and obtain execution of covenants similar to those set forth in this Section 10.3 (including covenants applicable upon the termination of a person's employment with you) from your General Manager and all other of your personnel who have received or will have access to training from us. Such covenants shall be substantially in the form set forth in Attachment 4. Notwithstanding the foregoing, we reserve the right, in our sole discretion, to decrease the period of time or geographic scope of the non-competition covenant set forth in Attachment 4 or eliminate such non-competition covenant altogether for any party that is required to execute such agreement under this Section 10.3.4.

### 10.4 Failure to Comply

You and the Principal(s) acknowledge that any failure to comply with the requirements of this Section shall constitute a material event of default under Article 17 hereof. You and the Principal(s) acknowledge that a violation of the terms of this Section would result in irreparable injury to us for which no adequate remedy at law may be available, and you and the Principal(s) accordingly consent to the issuance of an injunction prohibiting any conduct by you or the Principal(s) in violation of the terms of this Section. You and the Principal(s) agree to pay all court costs and reasonable attorneys' fees incurred by us in connection with the enforcement of this Section, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Section.

### 10.5 Injunctive Relief

You acknowledge that a violation of the covenants of confidentiality and non-competition contained in this Agreement would result in immediate and irreparable injury to Us for which monetary damages cannot fully remedy. Accordingly, You hereby consent to the entry of a temporary and permanent injunction prohibiting any conduct by You in violation of the terms of the covenants set forth in this Article 10 and hereby agree to waive any and all defenses to the entry of such injunction(s). Notwithstanding, You acknowledge and agree that the foregoing injunctive relief is in addition to, and does not restrict Us from pursuing, any and all claims for monetary damages resulting from a breach by You of the covenants contained herein.

### 10.6 Liquidated Damages – Violation of Confidentiality or Non-Competition Covenants

In the event You violate the covenants of confidentiality and/or non-competition set forth herein, You shall pay Us a lump sum payment (as liquidated damages and not as a penalty) an amount equal to One Hundred Thousand Dollars ($100,000.00), plus Our attorney's fees, for each such violation. You acknowledge that a precise calculation of the full extent of the damages that We will incur in the event of Your violation of the covenants of confidentiality and/or non-competition is difficult to determine and that this lump sum payment is reasonable in light thereof. The liquidated damages payable by You pursuant to

this Section 10.6 shall be in addition to all other amounts payable under this Agreement and shall not affect Our right to obtain appropriate injunctive relief and remedies pursuant to any other provision hereof.

## ARTICLE 11: BOOKS AND RECORDS

### 11.1 Books and Records

You shall maintain during the term of this Agreement, and shall preserve for at least three (3) years from the dates of their preparation, full, complete and accurate books, records and accounts, including, but not limited to, sales slips, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers, records of EFT transactions, and backup or archived records of information maintained on any computer system in accordance with generally accepted accounting principles and in the form and manner prescribed by us from time to time in the Manuals or otherwise in writing.

### 11.2 Reports

In addition to the remittance reports required by Article 4 hereof, you shall comply with the following reporting obligations:

11.2.1 You shall, at your expense, submit to us, in the form prescribed by us, a profit and loss statement for each month (which may be unaudited) for you within fifteen (15) days after the end of each month during the term hereof. Each such statement shall be signed by your treasurer or chief financial officer or comparable officer attesting that it is true, complete and correct;

11.2.2 You shall, at your expense, provide to us a complete annual financial statement (which shall be reviewed) for you prepared by an independent certified public accountant, within ninety (90) days after the end of each fiscal year during the term hereof, showing the results of operations of you during such fiscal year; we reserve the right to require such financial statements to be audited by an independent certified public accountant satisfactory to us at your cost and expense if an inspection discloses an understatement of payments due to us of two percent (2%) or more in any report, pursuant to Section 11.3; and

11.2.3 You shall also submit to us, for review or auditing, such other forms, reports, records, information and data as we may reasonably designate, and which pertain to the Franchised Business, in the form and at the times and places reasonably required by us, upon request and as specified from time to time in writing.

### 11.3 Business Management System

At all times, Franchisee shall exclusively use the business management systems ("Business Management Systems") designated by Franchisor, in Franchisor's reasonable business judgment, and as may be modified, supplemented or replaced by Franchisor from time to time. Franchisee cannot substitute or replace the Business Management System in favor of any substitutes or other systems. To the extent that the Business Management System is hosted, maintained, licensed or operated by third party suppliers, Franchisee shall purchase, license and maintain such Business Management System and/or systems from such third party suppliers designated by Franchisor and subject to Franchisor's standards and specifications. To the extent that the designated Business Management Systems is/are internet or cloud-based with accounts and data, including accounts and data associated with the Franchised Business, stored off-site, Franchisor may require that Franchisee's license, and use of the Business Management System occur through accounts registered to Franchisor, controlled by Franchisor or licensed through Franchisor. To the extent that the Business Management System(s) is/are stored locally on computer systems maintained by

Franchisee, then Franchisee shall provide Franchisor with internet and complete remote access to such systems. Franchisor may be and/or become the exclusive supplier and/or reseller of the Business Management System. Franchisee shall be responsible for initial license fees, training fees and continuing monthly license fees required for use of the Business Management System as specified by Franchisor. Such fees shall be designated and determined by Franchisor, in Franchisor's Reasonable Business Judgment or by the suppliers designated by Franchisor and approved by Franchisor in Franchisor's Reasonable Business Judgment and shall be paid to Franchisor and/or to the third party suppliers approved by Franchisor. Franchisee must complete training, purchase and license the Business Management Systems no later than forty five (45) days prior to the earlier of the Opening Date or the scheduled Opening Date. Supplementing the foregoing, Franchisee agrees that the Business Management System will contain proprietary and confidential information owned by Franchisor and related to the System, and that:

11.3.1 Franchisee shall use the Business Management System and the Business Management System data for the exclusive benefit of the Franchised Business and in accordance with the terms of this Agreement and Franchisor's standards and specifications as set forth in the operations manual;

11.3.2 All rights in and to the Business Management System are non-transferable and non-assignable to Franchisee and shall be utilized by Franchisee subject to the terms and conditions of this Agreement, Business Management System licenses that Franchisor may approve of and otherwise as determined by Franchisor in Franchisor's reasonable business judgment;

11.3.3 As between Franchisee and Franchisor, Franchisor is and shall be the exclusive owner of the Business Management System data, except that Franchisee shall store and maintain such data in accordance with all applicable local, state and federal privacy, data collection and solicitation laws. Among other things, upon expiration or termination of this Agreement for any reason, Franchisee shall preserve and maintain the Business Management System data for the purpose of transferring such data to Franchisor;

11.3.4 At all times, Franchisee shall provide and permit Franchisor to maintain direct and independent access to the Business Management System and Franchisee shall electronically transfer and transmit to Franchisor all Business Management System data;

11.3.5 When instructed by Franchisor, Franchisee shall upgrade, replace and modify the Business Management System;

11.3.6 Franchisee shall promptly disclose to Franchisor all ideas and suggestions for modifications or enhancements to the Business Management System, to the configuration and templates associated with the Business Management System and that Franchisor shall have the right to use such ideas and suggestions and that Franchisee shall not receive or obtain any ownership rights or interests in any modifications or enhancements to the Business Management Software;

11.3.7 Other than permitting access to employees of the Franchised Business for the purpose of conducting the authorized operations of the Franchised Business, Franchisee shall not permit nor allow any third party to access, utilize or duplicate the Business Management System or the Business Management System data without Franchisor's prior written consent;

11.3.8 Franchisee shall keep and maintain the Business Management System and the Business Management System data as secret and confidential and Franchisee shall maintain security precautions to maintain the confidentiality and secrecy of the Business Management System data and to prevent the unauthorized access or use; and

11.3.9 In no event shall Franchisor be liable to Franchisee for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to Franchisee's use or, Franchisee's inability to use, the Business Management System even if Franchisor has been advised of the possibility of such damages, or for any claim by any other party including the software manufacturer. The foregoing limitations of liability are intended to apply without regard to whether other provisions of the Agreement have been breached or proven ineffective.

### 11.4 Inspections; Audits

We or our designees shall have the right, during normal business hours, to review, audit, examine and copy any or all of your books and records as we may require at the Restaurant. You shall make such books and records available to us or our designees immediately upon request. If any required royalty or other payments due to us are delinquent, or if an inspection should reveal that such payments have been understated in any report to us, then you shall immediately pay to us the amount overdue or understated upon demand with interest determined in accordance with the provisions of Section 4.5. If an inspection discloses an understatement in any report of two percent (2%) or more, you shall, in addition, reimburse us for all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorneys' fees). These remedies shall be in addition to any other remedies we may have at law or in equity.

### 11.5 Correction of Errors

You understand and agree that our receipt or acceptance of any of the statements furnished or royalties paid to us (or the cashing of any royalty checks or processing of any EFTs) shall not preclude us from questioning the correctness thereof at any time and, in the event that any inconsistencies or mistakes are discovered in such statements or payments, they shall immediately be rectified by you and the appropriate payment shall be made by you.

### 11.6 Authorization of Us

You hereby authorize (and agrees to execute any other documents deemed necessary to effect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with which you do business to disclose to us any requested financial information in their possession relating to you or the Restaurant. You authorize us to disclose data from your reports, if we determine, in our sole and absolute discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties, and you acknowledge and agree that such disclosure may include publishing of the financial performance of your Franchised Business in franchise disclosure document(s) issued by us following the Effective Date hereof.

### 11.7 We are Attorney-in-Fact

You hereby appoint us as your true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all returns and reports filed by you with any state and/or federal taxing authority pertaining to the Franchised Business. This power of attorney shall survive the expiration or termination of this Agreement.

## ARTICLE 12: INSURANCE

12.1 You shall procure, upon execution of this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement) at your

expense, an insurance policy or policies protecting you and us, our successors and assigns, our officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of each of them against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Restaurant.

12.2 Such policy or policies shall be written by a responsible, duly licensed carrier or carriers reasonably acceptable to us and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time), in accordance with standards and specifications set forth in writing, the following: (i) all risks coverage insurance on the operation and all fixtures, equipment, supplies and other property used in the operation of the Restaurant for full repair and replacement value of the equipment, improvements and betterments; (ii) Worker's Compensation and employer's liability insurance as well as any other insurance as may be required by statute or rule of the state in which the Restaurant is located and operated; (iii) comprehensive general liability insurance in the amount of One Million Dollars ($1,000,000), participant liability if applicable, and product liability insurance; (iv) business interruption insurance for actual losses sustained; and (v) any other insurance required by the terms of your lease or as may be required by us in the future. Such policies shall include a waiver of subrogation in favor of us, our affiliates, and our respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees.

12.3 In connection with any construction, renovation, refurbishment or remodeling of the Restaurant, you shall maintain Builder's Risks/installation insurance in forms and amounts, and written by a responsible, duly licensed carrier or carriers, reasonably satisfactory to us.

12.4 Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Article 15 of this Agreement.

12.5 All general liability and property damage policies shall contain a provision that we, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss occasioned to us or our servants, agents or employees by reason of the negligence of you or your servants, agents or employees.

12.6 Not later than thirty (30) days before the Restaurant initially opens for business, and thereafter thirty (30) days prior to the expiration of any such policy, you shall deliver to us Certificates of Insurance evidencing the existence and continuation of proper coverage with limits not less than those required hereunder. In addition, if requested by us, you shall deliver to us a copy of the insurance policy or policies required hereunder. All insurance policies required hereunder, with the exception of workers' compensation, shall name us, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds, and shall expressly provide that any interest of same therein shall not be affected by any breach by you of any policy provisions. Further, all insurance policies required hereunder shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of a material alteration to or cancellation of the policies.

12.7 Should you, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in writing, we shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to you, which charges shall be payable by you immediately upon notice. The foregoing remedies shall be in addition to any other remedies we may have at law or in equity.

12.8 Upon written request by us, you shall procure from your insurance carrier or carriers a report of claims made and reserves set against the your insurance policies.

12.9 We reserve the right to modify the types of insurance coverages and amounts of coverage that you are required to maintain for the Restaurant, and you agree to comply with any such changes, at your expense.

## ARTICLE 13: DEBTS AND TAXES

### 13.1 Taxes

You shall promptly pay when due all Taxes (as defined below), levied or assessed, and all accounts and other indebtedness of every kind incurred by you in the conduct of the Franchised Business under this Agreement. Without limiting the provisions of Article 15, you shall be solely liable for the payment of all Taxes and shall indemnify us for the full amount of all such Taxes and for any liability (including penalties, interest and expenses) arising from or concerning the payment of Taxes, whether such Taxes were correctly or legally asserted or not. You shall submit a copy of all tax filings sent to federal, state and local tax authorities to us within ten (10) business days after such filing has been made with the appropriate taxing authority.

The term "Taxes" means any present or future taxes, levies, imposts, duties or other charges of whatever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, or the exercise of rights granted pursuant to this Agreement.

### 13.2 Payments to Us

Each payment to be made to us hereunder shall be made free and clear and without deduction for any Taxes.

### 13.3 Tax Disputes

In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with the procedures of the taxing authority or applicable law. However, in no event shall you permit a tax sale or seizure by levy of execution or similar writ or warrant or attachment by a creditor to occur against the premises of the Franchised Business or any improvements thereon.

### 13.4 Compliance with Laws

You shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business. Such laws, rules and regulations shall include, without limitation, licenses to do business ; health and sanitation inspections, if and when required; fictious names registrations; sales and other tax permits; reporting and payment of all taxes; fire and police department clearances ; American with Disability Act compliance; compliance with all federal, state or local data privacy rules, and regulations; certificates of occupancy; any occupancy; any permits, certificates or licenses required by any environmental, federal, state or local law, rule or regulation, and compliance otherwise with all environmental laws, rules, and regulations; and any other requirement, rule, law, or regulation applicable to You or in the jurisdiction of the Territory. . You shall further comply with all industry best practices with respect to the handling, storage, preparation, service and disposal of food and beverage products.

### 13.5 Notification of Action or Proceeding

You shall notify and deliver to us, in writing within five (5) days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business.

## ARTICLE 14: TRANSFER OF INTEREST

### 14.1 Transfer by Us

We shall have the right, without the need for your consent, to assign, transfer or sell our rights under this Agreement to any person, partnership, corporation or other legal entity, provided that the transferee agrees in writing to assume all obligations undertaken by us herein and you receive a statement from both us and our transferee to that effect. Upon such assignment and assumption, we shall be under no further obligation hereunder, except for accrued liabilities, if any. You further agree and affirm that we may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic, legal or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of our name, Marks (or any variation thereof) and System and/or the loss of association with or identification of Nature's Table Franchise Company as Franchisor under this Agreement. You specifically waive any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.

You agree that we have the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as Restaurants operating under the Marks or any other marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be within your Territory, proximate thereto, or proximate to any of your locations). However, we represent that we will not convert any such acquired restaurant premises that are operating within your Territory to a Restaurant.

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the restaurant business or to offer or sell any products or services to you.

### 14.2 Transfer by You

14.2.1 You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted rights under this Agreement in reliance on the business skill, financial capacity and personal character of you and the Principal(s). Accordingly, neither you nor any Principal(s), nor any successor or assignee of you or any Principal(s), shall sell, assign (including but not limited to by operation of law, such as an assignment under bankruptcy or insolvency laws, in connection with a merger, divorce or otherwise), transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in this Agreement, in the Restaurant and/or any of the Restaurant's material assets (other than in connection with replacing, upgrading or otherwise dealing with such assets as required or permitted by this Agreement), in you or in any Principal(s) that is an entity, in each case without our prior written consent. Any purported assignment or transfer, by operation of law or

otherwise, made in violation of this Agreement shall be null and void and shall constitute a material event of default under this Agreement.

14.2.2 If you wish to transfer all or part of your interest in the Restaurant, any of the Restaurant's material assets (except as provided in Section 14.2.1 above) or this Agreement, or if you or a Principal(s) wishes to transfer or permit a transfer of any ownership interest in you, then in each such case (any or all of which are referred to in this Article 14 as a "Restricted Transfer"), transferor and the proposed transferee shall apply to us for our consent. We shall not unreasonably withhold our consent to a Restricted Transfer. We may, in our sole discretion, require any or all of the following as conditions of our approval:

(a) All of the accrued monetary obligations of you or any of your affiliates and all other outstanding obligations to us arising under this Agreement or any other agreement shall have been satisfied in a timely manner and you shall have satisfied all trade accounts and other debts, of whatever nature or kind, in a timely manner;

(b) You and your affiliates shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between you or any of your affiliates and us or any of our affiliates at the time of transaction:

(c) The transferor and its principals (if applicable) shall have executed a general release, in a form reasonably satisfactory to us, of any and all claims against us, our officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and federal, state and local laws, rules and regulations;

(d) The transferee shall demonstrate to our reasonable satisfaction that transferee meets the criteria considered by us when reviewing a prospective franchisee's application for a franchise, including, but not limited to, our educational, managerial and business standards; transferee's good moral character, business reputation and credit rating; transferee's aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise); transferee's financial resources and capital for operation of the business; and the geographic proximity and number of other Restaurants owned or operated by transferee;

(e) The transferee shall enter into a written agreement, in a form reasonably satisfactory to us, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Agreement; and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's principals and guarantee the performance of all such obligations, covenants and agreements;

(f) The transferee shall execute, for a term ending on the expiration date of this Agreement and with such successor options as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and other ancillary agreements as we may require for the Restaurant, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, the then-current System-wide percentage royalty fee, marketing fee or advertising expenditure requirement; provided, however, that the transferee shall not be required to pay any initial franchise fee;

(g) The transferee, at its expense, shall renovate, modernize and otherwise upgrade the Restaurant and, if applicable, any delivery vehicles to conform to the then-current standards

and specifications of the System, and shall complete the upgrading and other requirements which conform to the System-wide standards within the time period reasonably specified by us;

(h) The transferor shall remain liable for all of the obligations to us in connection with the Restaurant incurred prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by us to evidence such liability;

(i) At the transferee's expense, including payment of our then-current transferee training fee, the transferee, the transferee's general manager and/or any other applicable Restaurant personnel shall complete any training programs then in effect for franchisees of Restaurants upon such terms and conditions as we may reasonably require;

(j) You shall pay to us a transfer fee equal to Ten Thousand Dollars ($10,000) to reimburse us for reviewing the application to transfer, including, without limitation, legal and accounting fees;

(k) If the transferee is a corporation, limited liability company or a partnership, the transferee shall make and will be bound by any or all of the representations, warranties and covenants set forth at Article 6 as we request. Transferee shall provide to us evidence satisfactory to us that the terms of such Section have been satisfied and are true and correct on the date of transfer.

14.2.3 You shall not grant a security interest in the Restaurant or in any of your assets without our prior written consent, which shall not be unreasonably withheld. In connection therewith, the secured party will be required by us to agree that in the event of any default by you under any documents related to the security interest, we shall have the right and option to be substituted as obligor to the secured party and to cure any default of yours.

14.2.4 You acknowledge and agree that each condition which must be met by the transferee is reasonable and necessary to assure such transferee's full performance of the obligations hereunder.

### 14.3 Transfer to a Corporation or Limited Liability Company

In the event you desire to operate the Franchised Business through a corporation or limited liability company formed solely for the convenience of ownership, our consent may be conditioned upon any of the requirements set forth at Section 14.2.2, except that the requirements set forth at Sections 14.2.2(c), 14.2.2(d), 14.2.2(f), 14.2.2(g), 14.2.2(i), 14.2.2(j) and 14.2.2(k) shall not apply. With respect to a transfer to a corporation formed for the convenience of ownership, you shall be the owner of all of the voting stock or interest of the corporation and if you are more than one (1) individual, each individual shall have the same proportionate ownership interest in the corporation as he had in you prior to the transfer.

Additionally, the following conditions shall apply: (i) ownership of the corporation or limited liability company shall remain with the original Principal(s) of this Agreement; (ii) the Principals shall remain personally liable for the performance of all obligations under this Agreement and are not released from any obligations to us; (iii) the newly formed corporation or limited liability company shall conduct no business other than the Franchised Business; and (iv) copies of your articles of incorporation, bylaws, operating agreement, other governing documents, any amendments thereto, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock of the corporation, and any other documents as may be reasonably required by us shall be furnished to us prior to addition of your corporation or limited liability company as a "franchisee" under this Agreement. A transfer under this Section 14.3 may occur one (1) time only.

### 14.4 Our Right to Purchase Business

14.4.1 If you wish to transfer all or part of your interest in the Restaurant or this Agreement or if you or a Principal wish to transfer any ownership interest in you, pursuant to any bona fide offer received from a third party to purchase such interest, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the seller's interest on the same terms and conditions offered by the third party. In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer. Our failure or refusal to exercise the option afforded by this Section 14.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14, with respect to a proposed transfer.

(a) In the case of a Restricted Transfer involving a bona fide purchase offer, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the interest proposed to be transferred in the Restricted Transfer on the same terms and conditions offered by the proposed purchaser (the "Offer Terms"). In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer. Our failure or refusal to exercise the option afforded by this Section 14.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14 with respect to a proposed transfer.

(b) Notwithstanding the provisions of Section 14.4.1(a) above, where the Restricted Transfer (alone or together with any other Restricted Transfer or event effected within the prior twenty-four (24) month period) results in a "Change of Control", we may elect, in our sole discretion, to treat the notice given pursuant to such Section 14.4.1(a) as an offer to assign to us all of your rights under this Agreement and to the Restaurant (including lease and contract rights and other assets of you and your affiliates used in connection with the Restaurant, excluding the assets of your benefit plans) (collectively, the "Restaurant Interests"). As used in this Section 14.4.1(b), Change of Control means any circumstance resulting in one or more of your Principal(s) ceasing to be a Principal and/or the addition of any new Principal. In such case, we shall notify you of the special election provided for in this Section 14.4.1(b) at the time we exercise our option as provided in Section 14.4.1(a). The terms of such purchase shall be the same as the Offer Terms (subject to the other provisions of this Section 14.4), but the price shall be the lesser of (1) the Implied Market Price or (2) the fair market value of the Restaurant Interests, determined in a manner consistent with Section 18.11.1. As used herein, "Implied Market Price" shall mean an amount equal to the total price to be paid by the transferee under the Offer Terms, divided by the percentage (expressed as a decimal) of ownership of you proposed to be acquired (directly or indirectly) by the transferee, less the fair market value (determined as provided in Section 18.11.1) of any assets included in the Restricted Transfer that are not related to the Restaurant. If you have more than one (1) Restaurant,

then the Implied Market Price shall, unless otherwise agreed by us and you, be allocated among all Restaurants equally.

(c) We may assign our rights under this Section 14.4 to any other person or entity, subject to Section 14.1 above.

(d) It shall be a material obligation of yours under this Agreement to cause any transferor and transferee described in this Article 14 to perform all of the obligations imposed on such persons under this Article 14.

14.4.2 In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, we may elect to purchase the interest proposed to be sold for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the reasonable cash equivalent of the non-cash part of the Offer Terms, then such amount shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees. In the event that we exercise our right of first refusal herein provided, we shall have the right to set off against any payment therefor (i) all fees for any such independent appraiser due from you hereunder and (ii) all amounts due from you to us.

14.4.3 Failure to comply with the provisions of this Section prior to the transfer of any interest in you, the Restaurant or this Agreement shall constitute a material event of default under this Agreement.

### 14.5 Death or Disability

14.5.1 The grant of rights under this Agreement is personal to you and on the death or permanent disability of you or any of your Principals, the executor, administrator, conservator or other personal representative of yours or of the deceased Principal, as the case may be, shall be required to transfer your or your Principal's interest in this agreement within six (6) months from the date of death or permanent disability to a third party approved by us. Failure to transfer in accordance with the forgoing will constitute a material default and the franchise granted by this Agreement will terminate. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of the Franchised Business during the six (6) month period from its onset.

14.5.2 Upon the death or claim of permanent disability of you or any Principal(s), you or a representative of yours must notify us of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer under this Section 14.5 shall be subject to the same terms and conditions as described in this Article 14 for any *inter vivos* transfer.

14.5.3 Immediately after the death or permanent disability of such person, or while the Restaurant is owned by an executor, administrator, guardian, personal representative or trustee of that person the Franchised Business shall be supervised by an interim successor manager satisfactory to usor we, in our sole discretion, may provide interim management. All monies from the operation of the Restaurant during such period of operation by us shall be kept in a separate account, and the expenses of the Restaurant, including reasonable compensation and expenses for our representative, shall be charged to said account. If, as herein provided, we temporarily operate the Restaurant franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties.

### 14.6 No Waiver of Claims

Our consent to a transfer of any interest described herein shall not constitute a waiver of any claims which we may have against the transferring party, nor shall it be deemed a waiver of our right to demand material and full compliance with any of the terms of this Agreement by the transferee.

## ARTICLE 15: INDEMNIFICATION

### 15.1 Indemnification by You

You and each of the Principal(s) shall, at all times, indemnify and hold harmless to the fullest extent permitted by law us, our successors and assigns, their respective partners and affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them ("Indemnitees"), from all "losses and expenses" (as defined in Section 15.4.2 below) incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon any of the following:

15.1.1 The infringement, alleged infringement, or any other violation or alleged violation by you or any of the Principal(s) of any patent, trademark or copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any right to use the Marks, any copyrights or other proprietary information granted hereunder pursuant to Article 10);

15.1.2 The violation, breach or asserted violation or breach by you or any of the Principal(s) of any federal, state or local law, regulation, ruling, standard or directive or any industry standard;

15.1.3 Libel, slander or any other form of defamation of us, the System or any multi-unit operator or franchisee operating under the System, by you or by any of the Principal(s);

15.1.4 The violation or breach by you or by any of the Principal(s) of any warranty, representation, agreement or obligation in this Agreement or in any other agreement between you or any of your affiliates and us and our Indemnitees; and

15.1.5 Acts, errors, or omissions of you, any of your affiliates and any of the Principal(s) and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates in connection with the establishment and operation of the Restaurant, including, but not limited to, any acts, errors or omissions of any of the foregoing in the operation of any motor vehicle. The parties understand and agree that we cannot and do not exercise control over the manner of operation of any motor vehicles used by, or on behalf of, you or any employee, agent or independent contractor of yours and that the safe operation of any motor vehicle is, therefore, entirely your responsibility.

### 15.2 Notification of Action or Claim

You and each of the Principal(s) agree to give us prompt notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of you and each of the Principal(s), we may elect to assume (but under no circumstance are we obligated to undertake) or appoint associate counsel of our own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Such an undertaking by us shall, in no manner or form, diminish the obligation of you and each of the Principal(s) to indemnify the Indemnitees and to hold them harmless.

### 15.3 We May Settle

In order to protect persons or property, or our reputation or goodwill, or the reputation or goodwill of others, we may, at any time and without notice, as we in our reasonable judgment deem appropriate, consent or agree to settlements or take such other remedial or corrective action as we deem expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in our reasonable judgment, there are reasonable grounds to believe that:

15.3.1 any of the acts or circumstances enumerated in Section 15.1.1 through 15.1.4 above have occurred; or

15.3.2 any act, error, or omission as described in Section 15.1.5 may result directly or indirectly in damage, injury, or harm to the System, any person or any property.

### 15.4 Losses and Expenses

All losses and expenses incurred under this Article 15 shall be chargeable to and paid by you or any of the Principal(s) pursuant to your obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by us or the subsequent success or failure of such actions, activity, or defense.

As used in this Article 15, the phrase "losses and expenses" shall include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorneys' fees, court costs, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

### 15.5 Recovery from Third Parties

Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against you or any of the Principal(s). You and each of the Principal(s) agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from you or any of the Principal(s) by the Indemnitees.

### 15.6 Survival of Terms

You and the Principal(s) expressly agree that the terms of this Article 15 shall survive the termination, expiration or transfer of this Agreement or any interest herein.

## ARTICLE 16: RELATIONSHIP OF THE PARTIES

### 16.1 No Relationship

The parties acknowledge and agree that this Agreement does not create a fiduciary relationship between them, that you shall be an independent licensee, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose.

### 16.2 Independent Licensee

Franchisee understands and agrees that Franchisee is and will be Franchisor's independent licensee under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of Franchisee's employees will be considered to be Franchisor's employees. Neither Franchisee nor any of Franchisee's employees whose compensation Franchisee pay may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor's employee for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. Franchisor will not have the power to hire or fire Franchisee's employees. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify certain of Franchisee's employees for qualification to perform certain functions for Franchisee's Nature's Table Restaurant does not directly or indirectly vest in Franchisor the power to hire, fire or control any such employee.

Franchisee acknowledges and agrees, and will never contend otherwise, that Franchisee alone will exercise day-to-day control over all operations, activities and elements of Franchisee's Nature's Table Restaurant and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which Franchisee is required to comply with under this Agreement, whether set forth in Franchisor's Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of Franchisee's Nature's Table Restaurant, which Franchisee alone controls, but only constitutes standards Franchisee must adhere to when exercising Franchisee's control of the day-to-day operations of Franchisee's Nature's Table Restaurant.

Franchisee may not, without Franchisor's prior written approval, have any power to obligate Franchisor for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as expressly provided in this Agreement, Franchisor may not control or have access to Franchisee's funds or the expenditure of Franchisee's funds or in any other way exercise dominion or control over Franchisee's Nature's Table Restaurant. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between Franchisor and Franchisee is other than that of franchisor and franchisee. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Franchisee which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Franchisee's operation of the Nature's Table Restaurant.

### 16.3 Sole and Exclusive Employer of Franchisee's Employees

Franchisee hereby irrevocably affirms, attests and covenants Franchisee's understanding that Franchisee's employees are employed exclusively by Franchisee and in no fashion are any such employee employed, jointly employed or co-employed by Franchisor. Franchisee further affirms and attests that each of Franchisee's employees is under the exclusive dominion and control of Franchisee and never under the direct or indirect control of Franchisor in any fashion whatsoever. Franchisee alone hires each of Franchisee's employees; sets their schedules; establishes their compensation rates; and, pays all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/ /unemployment insurance premiums). Franchisee alone has the ability to discipline or terminate Franchisee's employees to the exclusion of Franchisor, which has no such authority or ability. Franchisee further attests and affirms that any minimum staffing requirements established by Franchisor are solely for the purpose of ensuring that Franchisee's Nature's Table Restaurant

is at all times staffed at those levels necessary to operate Franchisee's Nature's Table Restaurant in conformity with the System and the products, services, standards of quality and efficiency, and other Nature's Table brand attributes known to and desired by the consuming public and associated with the Proprietary Marks. Franchisee affirms, warrants and understands that Franchisee may staff Franchisee's Nature's Table Restaurant with as many employees as Franchisee desires at any time so long as Franchisor's minimal staffing levels are achieved. Franchisee also affirms and attests that any recommendations Franchisee may receive from Franchisor regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist it to efficiently operate Franchisee's Nature's Table Restaurant, and that Franchisee is entirely free to disregard Franchisor's recommendations regarding such employee compensation. Moreover, Franchisee affirms and attests that any training provided by Franchisor for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems and operations of a Nature's Table Restaurant and in no fashion reflects any employment relationship between Franchisor and such employees. Finally, should it ever be asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agree to assist Franchisor in defending said allegation, including (if necessary) appearing at any venue requested by Franchisor to testify on Franchisor's behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees). To the extent Franchisor is the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of Franchisee, should any such appearance by Franchisee be required or requested by Franchisor, Franchisor will recompense Franchisee the reasonable costs associated with Franchisee's appearing at any such venue.

### 16.4 Franchisee Not Authorized

Franchisee understands and agrees that nothing in this Agreement authorizes Franchisee or any of the Principal(s) to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of Franchisee or any of the Principal(s) or any claim or judgment arising therefrom.

## ARTICLE 17: TERMINATION

### 17.1 Automatic Termination – No Right to Cure

17.1.1 You acknowledge and agree that each of your obligations described in this Agreement is a material and essential obligation of yours; that non-performance of such obligations will adversely and substantially affect us and the System; and that our exercise of the rights and remedies set forth herein is appropriate and reasonable.

17.1.2 You shall be in default under this Agreement, and all rights granted to you herein shall automatically terminate without notice to you, if you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business

or property; if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

17.1.3 You shall be deemed to be in material default and we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, (except as otherwise stated below), effective immediately upon notice to you, upon the occurrence of any of the following events:

(a) If you operate the Restaurant or sell any products or services authorized by us for sale at the Restaurant at a location which has not been approved by us;

(b) If you fail to acquire an accepted location for the Restaurant within the time and in the manner specified in Article 2;

(c) If you fail to construct or remodel the Restaurant in accordance with the plans and specifications provided to you under Section 5.3 as such plans may be adapted with our approval in accordance with Section 2.5;

(d) If you fail to open the Restaurant for business within the period specified in Section 2.6 hereof;

(e) If you at any time cease to operate or otherwise abandon the Restaurant, or lose the right to possession of the premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the Restaurant is located; provided, however, that this provision shall not apply in cases of Force Majeure (acts of God, strikes, lockouts or other industrial disturbances, war, riot, epidemic, acts of terrorism, fire or other catastrophe or other forces beyond your control), if through no fault of yours the premises are damaged or destroyed by an event as described above, provided that you apply within thirty (30) days after such event, for our approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld) and you diligently pursue such reconstruction or relocation; such approval may be conditioned upon the payment of an agreed minimum fee to us during the period in which the Restaurant is not in operation;

(f) If you or any of the Principal(s) are convicted of, or have entered a plea of *nolo contendere* to, a felony, a crime involving moral turpitude, or other crime that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein;

(g) If a threat or danger to public health or safety results from the construction, maintenance or operation of the Restaurant;

(h) If you or any of the Principal(s) purport to transfer any rights or obligations under this Agreement or any interest in you or the Restaurant to any third party without our prior written consent or without offering us a right of first refusal with respect to such transfer, contrary to the terms of Article 14 of this Agreement;

(i) If you or any of your affiliates fail, refuse, or neglect promptly to pay any monies owing to us, or any of our affiliates or vendors, when due under this Agreement or any other agreement, or to submit the financial or other information required by us under this Agreement and do not cure such default within five (5) days following notice from us (or such other cure period specified in such

other agreement, unless no cure period is stated or such period is less than five (5) days, in which case the five (5) day cure period shall apply);

(j) If you or any of the Principal(s) fail to comply with the in-term covenants in Section 10.3 hereof or you fail to obtain execution of the covenants and related agreements required under Section 10.3.4 hereof within thirty (30) days following notice from us;

(k) If, contrary to the terms of Section 10.2.1 hereof, you or any of the Principal(s) disclose or divulge any confidential information provided to you or the Principal(s) by us, or fail to obtain execution of covenants and related agreements required under Section 10.2.2 hereof within thirty (30) days following notice from us;

(l) If a transfer upon death or permanent disability is not transferred in accordance with Article 14 and within the time periods therein;

(m) If you knowingly maintain false books or records, or submit any false reports to us;

(n) If you breach in any material respect any of the covenants in any material respect set forth in Article 6 or have falsely made any of the representations or warranties set forth in Article 6;

(o) If you fail to propose a qualified replacement or successor General Manager within the time required under Section 6.3.4 following ten (10) days prior written notice;

(p) If you fail to procure and maintain the insurance policies required by Article 12 and you fail to cure such default within ten (10) days following notice from us;

(q) If you misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated therewith or our rights therein; provided that, notwithstanding the above, you shall be entitled to notice of such event of default and shall have twenty-four (24) hours to cure such default;

(r) If you or any of the Principal(s) commit three (3) material events of default under this Agreement, within any twelve (12) month period, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by you after notice by us;

(s) If your General Manager is not able to complete our initial training program to our satisfaction, after having given you the opportunity to designate a replacement General Manager; and

(t) If you fail to comply with all applicable laws and ordinances relating to the Restaurant, including Anti-Terrorism Laws, or if your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation.

### 17.2 Notice of Termination – 30 Days to Cure

Except as provided in Sections 17.1.2 and 17.1.3 of this Agreement, upon any default by you which is susceptible of being cured, we may terminate this Agreement by giving written notice of termination stating the nature of such default to you at least thirty (30) days prior to the effective date of termination.

However, you may avoid termination by immediately initiating a remedy to cure such default and curing it to our reasonable or making a bona fide attempt to cure to our reasonable satisfaction within the thirty (30) day period and by promptly providing proof thereof to us. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to you effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require. Defaults which are susceptible of cure hereunder may include, but are not limited to, the following illustrative events:

17.2.1 If you fail to comply with any of the requirements imposed by this Agreement, as it may from time to time be amended or reasonably be supplemented by us, or fail to carry out the terms of this Agreement in good faith.

17.2.2 If you fail to maintain or observe any of the standards, specifications or procedures prescribed by us in this Agreement or otherwise in writing.

17.2.3 If you fail, refuse, or neglect to obtain our prior written approval or consent as required by this Agreement.

### 17.3 Cross-Defaults, Non-Exclusive Remedies, etc.

Any default by you (or any person/company affiliated with you) under this Agreement may be regarded as a default under any other agreement between us (or any of our affiliates) and you (or any of your affiliates). Any default by you (or any person/company affiliated with you) under any other agreement, including, but not limited to, any lease and/or sublease, between us (or any of our affiliates) and you (or any person/company affiliated with you), and any default by you (or any person/company affiliated with you) under any obligation to us (or any of our affiliates) may be regarded as a default under this Agreement. Any default by you (or any person/company affiliated with you) under any lease, sublease, loan agreement, security interest or otherwise, whether with us, any of our affiliates and/or any third party may be regarded as a default under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of your affiliates).

In each of the foregoing cases, we (and any of our affiliates) will have all remedies allowed at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available.

### 17.4 Our Right to Discontinue Services to You

If you are in breach of any obligation under this Agreement, and we deliver to you a notice of termination pursuant to this Article 17, we have the right to suspend our performance of any of our obligations under this Agreement including, without limitation, the sale or supply of any services or products for which we are an approved supplier to you, until such time as you correct the breach.

### 17.5 Amendment Pursuant to Applicable Law

Notwithstanding anything to the contrary contained in this Article, if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this franchise and the parties hereto shall limit our rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement is deemed amended to satisfy the minimum notice periods or restrictions upon such termination required by such laws and regulations; provided, however, that such constructive amendment shall not be deemed a concession by us that the grounds for termination set forth

in this Agreement do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law or regulation. We shall not be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, hearing or proceeding relating to this Agreement or the termination of this Agreement.

## ARTICLE 18: POST-TERMINATION

Upon termination or expiration of this Agreement, all rights granted hereunder to you shall forthwith terminate, and:

### 18.1 Cease Operations

You shall immediately cease to operate the Restaurant under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of ours.

### 18.2 Stop Using the System

You shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, computer software, procedures, and techniques associated with the System; the mark "Nature's Table"; and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, you shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Marks, and shall immediately change all paint colors, remove all of our proprietary or non-proprietary design items.

### 18.3 Cancellation of Assumed Names

You shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Nature's Table" or any other service mark or trademark of ours, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

### 18.4 No Use of Similar Marks

You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute our rights in and to the Marks, and further agree not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with us constituting unfair competition.

### 18.5 Payment of Sums Owed

You and your Principal(s) shall promptly pay all sums owing to us. Such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by us as a result of any default by you, which obligation shall give rise to and remain, until paid in full, a lien in our favor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by you and on the premises operated hereunder at the time of default.

### 18.6 Payment of Damages, Costs and Expenses

You and the Principal(s) shall pay to us all damages, costs and expenses, including reasonable attorneys' fees, incurred by us in connection with obtaining any remedy available to us for any violation of

this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining injunctive or other relief for the enforcement of any provisions of this Article 18.

### 18.7 Delivery of Manuals and Materials

You shall immediately deliver to us all Manuals, software licensed by us, records, files, instructions, correspondence, all materials related to operating the Restaurant, including, without limitation, agreements, invoices, and any and all other materials relating to the operation of the Restaurant in your possession or control, and all copies thereof (all of which are acknowledged to be our property), and shall retain no copy or record of any of the foregoing, except your copy of this Agreement and of any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law.

### 18.8 Confidential Information

You and the Principal(s) shall comply with the restrictions on confidential information contained in Article 10 of this Agreement and shall also comply with the non-competition covenants contained in Article 10. Any other person required to execute similar covenants pursuant to Article 10 shall also comply with such covenants.

### 18.9 Advertising and Promotional Materials

You shall also immediately furnish us with an itemized list of all advertising and sales promotion materials bearing the Marks or any of our distinctive markings, designs, labels, or other marks thereon, whether located on your premises or under your control at any other location. We shall have the right to inspect these materials. We shall have the option, exercisable within thirty (30) days after such inspection, to purchase any or all of the materials at your cost, or to require you to destroy and properly dispose of such materials. Materials not purchased by us shall not be utilized by you or any other party for any purpose unless authorized in writing by us.

### 18.10 Assignment to Us

Upon execution of this Agreement, in partial consideration of the rights granted hereunder, you acknowledge and agree that all right, title and interest in the signs used at the Restaurant are hereby assigned to us, and that upon termination or expiration of this Agreement, neither you nor any lien holder of yours shall have any further interest therein.

### 18.11 Assignment of Lease

If you operate the Restaurant under a lease for the Restaurant premises with a third party or, with respect to any lease for equipment used in the operation of the Franchised Business, then you shall, at our option, assign to us any interest which we have in any lease or sublease for the premises of the Restaurant or any equipment related thereto. We may exercise such option at or within thirty (30) days after either termination or (subject to any existing right to successor term) expiration of this Agreement. In the event we do not elect to exercise our option to acquire the lease or sublease for the Restaurant premises or do not have such option, you shall make such modifications or alterations to the Restaurant premises as are necessary to distinguish the appearance of the Restaurant from that of other Restaurants operating under the System and shall make such specific additional changes as we may reasonably request. If you fail or refuse to comply with the requirements of this Section 18.11, we shall have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other crime or tort, to make or cause to be made such changes as may be required, at your expense, which expense you agree to pay upon demand. Notwithstanding the provisions of this Section 18.11 to the contrary, in the event the lease is assigned to us, we hereby indemnify and hold harmless you and any guarantors under said lease, for any

breach by us or our successors or assigns from any liability arising out of the lease for the Restaurant premises from and after the date of the assignment of lease.

### 18.12 Our Right to Purchase

18.12.1 Except as provided in Sections 18.9, 18.10 and 18.13, we shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from you any or all of the furnishings, equipment (including any electronic cash register or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant, at fair market value. We shall be purchasing your assets only and shall be assuming no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees. If we elect to exercise any option to purchase herein provided, we shall have the right to set off (i) all fees for any such independent appraiser due from you, (ii) all amounts due from you to us and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash.

18.12.2 In addition to the options described above and if you own the Restaurant premises, then we shall have the option, to be exercised at or within thirty (30) days after termination or expiration of this Agreement, to purchase the Restaurant premises including any building thereon, if applicable, for the fair market value of the land and building, and any or all of the furnishings, equipment, signs, fixtures, vehicles, supplies and inventory therein at fair market value. We shall purchase assets only and shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If you do not own the land on which the Restaurant is operated and we exercise our option for an assignment of the lease, we may exercise this option for the purpose of purchasing the building if owned by you and related assets as described above. If the parties cannot agree on fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined in accordance with appraisal procedure described above.

18.12.3 With respect to the options described in Sections 18.11, 18.12.1 and 18.12.2, you shall deliver to us in a form satisfactory to us, such warranties, deeds, releases of lien, bills of sale, assignments and such other documents and instruments which we deem necessary in order to perfect our title and possession in and to the properties being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, you have not obtained all of these certificates and other documents, we may, in our sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents.

18.12.4 The time for closing of the purchase and sale of the properties described in Sections 18.12.1 and 18.12.2 shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date we receive and obtain all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date. The time for closing on the assignment of the lease described in Section 18.11 shall be a date no later than ten (10) days after our exercise of the option thereunder unless we are exercising our options under either Section 18.12.1 or 18.12.2, in which case the date of the closing shall be on the same closing date prescribed for such option. Closing shall take place at our corporate offices or at such other location as the parties may agree.

### 18.13 Restaurant Assets

Notwithstanding anything to the contrary contained in Sections 18.11 and 18.12, if you operate the Restaurant from a premises that is subleased to you by us, upon termination (or expiration without a

successor term) of this Agreement, we shall have the right to take immediate possession of the assets of the Restaurant, including, any or all of the furnishings, equipment (including any point of sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant. We shall have a lien against all such assets in the amount of any amounts due to us under this Agreement or any other agreement. We shall have the right to have such assets appraised at the lower of cost or fair market value of the used assets, and to acquire all right, title and interest to such assets, without conducting any public sale, by paying to you (or to any lender of yours who has a lienholder interest in the assets) the difference between the appraised value and the amounts owed to us by you at the time of termination. If the lien on the assets from your lender has priority over any lien of ours, and the amount of the lien is in excess of the appraised value of such assets, we shall have the right to deal directly with your lienholder, and to pay any amounts due to you directly to the lienholder. You agree to provide all further assurances, and to execute all documents required by us or by law to lawfully effect such transfer, and to perfect our security interest. We shall have the right to take such action without the execution of any further documents by you if you fail or refuse to comply with these further assurances.

### 18.14 Assignment of Options by Us

We shall be entitled to assign any and all of our options in this Section to any other party, without your consent.

### 18.15 Telephone Numbers, Yellow Pages Listings, etc.

You, at our option, shall assign to us all rights to the telephone numbers of the Restaurant and any related Yellow Pages trademark listing or other business listings and execute all forms and documents required by us and any telephone company at any time to transfer such service and numbers to us. Further, you shall assign to us all Internet listings, domain names, Internet Accounts, advertising on the Internet or World Wide Web, websites, listings with search engines, e-mail addresses or any other similar listing or usage related to the Franchised Business. Notwithstanding any forms and documents which may have been executed under Section 7.9, you hereby appoint us as your true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. You shall thereafter use different telephone numbers, email addresses or other listings or usages at or in connection with any subsequent business conducted by you.

### 18.16 Liquidated Damages

If we terminate this Agreement with cause, you must pay us liquidated damages equal to the average value of the Royalty Fees (per month) you paid or owed to us during the twelve (12) months before the termination multiplied by (i) twenty-four (24), being the number of months in two (2) full years, or (ii) the number of months remaining during the term of this Agreement, whichever is lower.

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 remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

The liquidated damages provision only covers our damages from the loss of cash flow from the Royalty Fees. It does not cover any other damages, including damages to our reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. You and each of your owners agree that the liquidated damages provision does not

give us an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

## ARTICLE 19: MISCELLANEOUS

### 19.1 Notices

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by expedited delivery service or certified or registered mail, return receipt requested, first class postage prepaid, or sent by overnight delivery service or facsimile to the respective parties at the addresses set forth in the introductory paragraph of this Agreement, unless and until a different address has been designated by written notice to the other party.

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile, upon transmission (provided confirmation is sent as described above) or, in the case of expedited delivery service or registered or certified mail, three (3) business days after the date and time of mailing.

### 19.2 Entire Agreement

This Agreement, the documents referred to herein, and the Attachments hereto, constitute the entire, full and complete agreement between us and you and the Principal(s) concerning the subject matter hereof and shall supersede all prior related agreements between us and you and the Principal(s); provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. Except for those permitted to be made unilaterally by us hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

### 19.3 No Waiver

No delay, waiver, omission or forbearance on our part to exercise any right, option, duty or power arising out of any breach or default by you or the Principal(s) under this Agreement shall constitute a waiver by us to enforce any such right, option, duty or power against you or the Principal(s), or as to a subsequent breach or default by you or the Principal(s). Acceptance by us of any payments due to us hereunder subsequent to the time at which such payments are due shall not be deemed to be a waiver by us of any preceding breach by you or the Principal(s) of any terms, provisions, covenants or conditions of this Agreement.

### 19.4 Our Prior Approval

Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us, and such approval or consent shall be obtained in writing.

### 19.5 No Warranty or Guaranty

We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advice, consent or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

### 19.6 Continued Obligation to Pay Sums

If a Force Majeure event shall occur, then, in addition to payments required under Section 17.1.3(e), you shall continue to be obligated to pay to us any and all amounts that you shall have duly become

obligated to pay in accordance with the terms of this Agreement prior to the occurrence of any Force Majeure event and the Indemnitees shall continue to be indemnified and held harmless by you in accordance with Article 15. Except as provided in Section 17.1.3(e) and the immediately preceding sentence herein, none of the parties hereto shall be held liable for a failure to comply with any terms and conditions of this Agreement when such failure is caused by an event of Force Majeure. Upon the occurrence of any event of the type referred to herein, the party affected thereby shall give prompt notice thereof to the other parties, together with a description of the event, the duration for which the party expects its ability to comply with the provisions of the Agreement to be affected thereby and a plan for resuming operation under the Agreement, which the party shall promptly undertake and maintain with due diligence. Such affected party shall be liable for failure to give timely notice only to the extent of damage actually caused.

### 19.7 Arbitration

Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be settled by binding arbitration in Florida under the authority of Florida Statutes. The arbitrator(s) will have a minimum of five (5) years experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Florida Statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Florida Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive any extension or refusal of a successor term under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

### 19.8 Governing Law; Injunctive Relief

With respect to any claims, controversies or disputes which are not finally resolved through mediation or arbitration, or as otherwise provided above, you and the Principal(s) hereby irrevocably submit themselves to the jurisdiction of the state courts of Orange County, Florida and the Federal District Court nearest to our headquarters. You and the Principal(s) hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You and the Principal(s) hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by Florida or federal law. You and the Principal(s) further agree that venue for any proceeding relating to or arising out of this Agreement shall be Orange County, Florida; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Florida law.

Notwithstanding anything to the contrary contained in Section 19.7 above, we and you each have the right, in a proper case, to seek injunctions, restraining orders and orders of specific performance from a court of competent jurisdiction, provided that we agree to contemporaneously submit its dispute for arbitration on the merits as provided herein.

You agree that we will not be required to post a bond to obtain any injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction if warranted upon due hearing. All claims for damages by reason of the wrongful issuance of such injunction are hereby expressly waived. If we secure any such injunction or order of specific performance, you agree to pay to us an amount equal to the aggregate of our costs of obtaining such relief including, without limitation, reasonable legal fees, costs and expenses as provided in this Section and any damages incurred by us as a result of the breach of any such provision.

### 19.9 Agreement Regarding Governing Law and Choice of Forum

You, the Principal(s) and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19.8 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, the Principal(s) and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

### 19.10 Acceptance of Agreement

You, the Principal(s) and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Orange County, Florida, and further acknowledge that the performance of certain obligations of yours arising under this Agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain training requirements of ours, shall occur in Orange County, Florida.

### 19.11 Waiver of Punitive Damages

You, the Principal(s) and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

### 19.12 Execution in Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

### 19.13 Captions

The captions used in connection with the sections and subsections of this Agreement are inserted only for purpose of reference. Such captions shall not be deemed to govern, limit, modify or in any other manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect.

### 19.14 Survival of Terms

Any obligation of you or the Principal(s) that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of you or the Principal(s) therein, shall be deemed to survive such termination, expiration or transfer.

### 19.15 Severability of Provisions

Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable; and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties; the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement; and there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation.

### 19.16 Joint and Several Obligations

All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable. Without limiting the obligations individually undertaken by the Principal(s) under this Agreement, all acknowledgments, promises, covenants, agreements and obligations made or undertaken by you in this Agreement shall be deemed, jointly and severally, undertaken by all of the Principal(s).

### 19.17 Rights and Remedies Cumulative

All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are 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 or any other agreement between you or any of your affiliates and us. The rights and remedies of the parties to this Agreement shall be continuing and shall not be 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, earlier termination or exercise of our rights pursuant to Article 17 of this Agreement shall not discharge or release you or any of the Principal(s) from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.

### 19.18 References

Each reference in this Agreement to a corporation or partnership shall be deemed to also refer to a limited liability company and any other entity or organization similar thereto. Each reference to the organizational documents, equity owners, directors, and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, equity owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto.

### 19.19 No Rights or Remedies Except to the Parties

Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors, members and employees and such of your and our respective successors and assigns as may be

contemplated (and, as to you, authorized by Article 14), any rights or remedies under or as a result of this Agreement.

### 19.20 Effectiveness of Agreement

This Agreement shall not become effective until signed by an authorized officer of ours.

### 19.21 Modification of the System

You understand and agree that the System must not remain static if it is to meet, without limitation, presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other marketplace variables, and if it is to best serve the interests of us, you and all other franchisees. Accordingly, you expressly understand and agree that we may from time to time change the components of the System including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System; abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons; adding to, deleting from or modifying those products, programs and services which your Franchised Business is authorized and required to offer; modifying or substituting entirely the building, premises, equipment, signage, trade dress, décor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which you are required to observe hereunder; and changing, improving, modifying, or substituting other words or designs for, the Marks. You expressly agree to comply with any such modifications, changes, additions, deletions, substitutions and alterations; provided, however, that such changes shall not materially and unreasonably increase your obligations hereunder.

You shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed.

We shall not be liable to you for any expenses, losses or damages sustained by you as a result of any of the modifications contemplated hereby. You hereby covenant not to commence or join in any litigation or other proceeding against us or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. You expressly waive any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

### 19.22 Operation in the Event of Absence or Disability

In order to prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, you authorize us, who may, at our option, in the event that you are absent for any reason or are incapacitated by reason of illness and are unable, in our sole and reasonable judgment, to operate the Franchised Business, operate the Franchised Business for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement. All monies from the operation of the Franchised Business during such period of operation by us shall be kept in a separate account, and the expenses of the Franchised Business, including reasonable compensation and expenses for our representative, shall be charged to said account. If, as herein provided, we temporarily operate the Franchised Business franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties.

### 19.23 Step-In Rights

If we determine in our sole judgment that the operation of your business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the Franchised Business which would cause harm

to the System and thereby lessen its value, you authorize us to operate your business for as long as we deem necessary and practical, and without waiver of any other rights or remedies which we may have under this Agreement. In our sole judgment, we may deem you incapable of operating the Franchised Business if, without limitation, you are absent or incapacitated by reason of illness or death; you have failed to pay when due or have failed to remove any and all liens or encumbrances of every kind placed upon or against your business; or we determine that operational problems require that we operate your business for a period of time that we determine, in our sole discretion, to be necessary to maintain the operation of the business as a going concern.

We shall keep in a separate account all monies generated by the operation of your business, less the expenses of the business, including reasonable compensation and expenses for our representatives. In the event of our exercise of the Step-In Rights**,** you agree to hold harmless us and our representatives for all actions occurring during the course of such temporary operation. You agree to pay all of our reasonable attorneys' fees and costs incurred as a consequence of our exercise of the Step-In Rights. Nothing contained herein shall prevent us from exercising any other right which we may have under this Agreement, including, without limitation, termination.

### 19.24 Consent to do Business Electronically

The parties to the Franchise Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of Florida, the parties hereby affirm to each other that they agree with the terms of the Franchise Agreement and its Addenda, and by attaching their signature electronically to the Franchise Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to the Franchise Agreement can rely on an electronic signature as the respective party's signature.

## ARTICLE 20: TECHNOLOGY

### 20.1 Computer Systems and Software

The following terms and conditions shall apply with respect to your computer system:

20.1.1 We shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware to be used by, between, or among Nature's Table Restaurants, including without limitation: (a) back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Nature's Table Restaurants, between or among Restaurants, and between and among your Restaurant and us and/or you; (b) Point Of Sale Systems; (c) physical, electronic, and other security systems; (d) printers and other peripheral devices; (e) archival back-up systems; and (f) internet access mode and speed (collectively, the "Computer System").

20.1.2 We shall have the right, but not the obligation, to develop or have developed for us, or to designate: (a) computer software programs and accounting system software that you must use in connection with the Computer System ("Required Software"), which you shall install; (b) updates, supplements, modifications, or enhancements to the Required Software, which you shall install; (c) the tangible media upon which you shall record data; and (d) the database file structure of your Computer System.

20.1.3 You shall record all sales on computer-based point of sale systems approved by us or on such other types of systems as may be designated by us in the Manual or otherwise in writing ("Point Of Sale Systems"), which shall be deemed part of your Computer System.

20.1.4 You shall make, from time to time, such upgrades and other changes to the Computer System and Required Software as we may request in writing (collectively, "Computer Upgrades").

20.1.5 You shall comply with all specifications issued by us with respect to the Computer System and the Required Software, and with respect to Computer Upgrades. You shall also afford us unimpeded access to your Computer System and Required Software as we may request, in the manner, form, and at the times requested by us.

21.1.6 In addition to the requirements of Section 4.4, you shall pay all fees, whether to us or to third party vendor(s), and expenses for technology required by this Agreement for operation of the Franchised Business, including but not limited to, all costs related to the Computer System, Required Software, and Computer Upgrades, digital menu displays, internet access, license fees, help desk fees, and licensing or user-based fees.

### 20.2 Data

We may, from time to time, specify in the Manual or otherwise in writing the information that you shall collect and maintain on the Computer System installed at the Restaurant, and you shall provide to us such reports as we may reasonably request from the data so collected and maintained. All data pertaining to the Restaurant, and all data created or collected by you in connection with the System, or in connection with your operation of the Restaurant (including without limitation data pertaining to or otherwise concerning the Restaurant's customers) or otherwise provided by you (including, without limitation, data uploaded to, or downloaded from your Computer System) is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you for the term of this Agreement, at no additional cost, solely for your use in connection with the business franchised under this Agreement.

### 20.3 Privacy

You shall abide by all applicable laws pertaining to privacy of information collected or maintained regarding customers or other individuals ("Privacy"), and shall comply with our standards and policies pertaining to Privacy. If there is a conflict between our standards and policies pertaining to Privacy and applicable law, you shall: (a) comply with the requirements of applicable law; (b) immediately give us written notice of said conflict; and (c) promptly and fully cooperate with us and our counsel as we may request to assist us in our determination regarding the most effective way, if any, to meet our standards and policies pertaining to Privacy within the bounds of applicable law.

### 20.4 Telecommunications

You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Extranet (as defined below), if any, and/or such other computer systems as we may reasonably require.

### 20.5 Extranet

We may establish a website providing private and secure communications between us, you, franchisees, licensees and other persons and entities as determined by us, in our sole discretion (an "Extranet"). You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Extranet, and utilizing the Extranet in connection with the operation of the Restaurant. The Extranet may include, without limitation, the Manuals, training other assistance materials,

and management reporting solutions (both upstream and downstream, as we may direct). You shall purchase and maintain such computer software and hardware as may be required to connect to and utilize the Extranet.

### 20.6 On-line Use of Proprietary Marks

You shall not use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, and/or other identification of you in any electronic medium. You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without our prior written consent as to your plan for transmitting such advertisements.

### 20.7 No Outsourcing Without Prior Written Consent

You shall not hire third party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, or any other of your obligations without our prior written approval therefor, unless we have designated an approved supplier to provide such services. Our consideration of any proposed outsourcing vendor(s) may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that is reasonably provided by us.

### 20.8 Changes to Technology

You and we acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and you agree that you shall abide by those reasonable new standards established by us as if this Article 20 were periodically revised by us for that purpose. You acknowledge and understand that this Agreement does not place any limitations on either our right to require you to obtain Computer Upgrades or the cost of such Computer Upgrades.

## ARTICLE 21: SECURITY INTERESTS

### 21.1 Collateral

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

### 21.2 Indebtedness Secured

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

21.2.1 All amounts due under this Agreement or otherwise by you;

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

21.2.3 All expenses, including reasonable attorneys' fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Agreement; and

21.2.4 All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of you to us or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not you execute any extension agreement or renewal instruments.

### 21.3 Additional Documents

You will from time to time as required by us join with us in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to us.

### 21.4 Possession of Collateral

Upon default and termination of your rights under this Agreement, we shall have the immediate right to possession and use of the Collateral.

### 21.5 Our Remedies in Event of Default

You agree that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at our option and without notice, become due and payable immediately, and we shall then have the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of Florida (or other applicable law), including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by us in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to you pursuant to the notice provisions set forth above.

### 21.6 Special Filing as Financing Statement

This Agreement shall be deemed a Security Agreement and a Financing Statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

## ARTICLE 22: YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS

### 22.1 Your Representations

You represent and warrant to us, with the intention that we are relying thereon in entering into this Agreement, that:

22.1.1 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, then you are organized under the laws of the state of your principal place of business (or another state which you have identified to us) and are in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Restaurant.

22.1.2 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, you have all corporate power and authority to execute, deliver, consummate and perform this Agreement, and it will be binding upon you and your successors and assigns when executed.

22.1.3 You do not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of your current financial statements, which you have furnished to us before the execution of this Agreement.

22.1.4 As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending or, to your knowledge or the knowledge any of your officers, directors, principal shareholders, proprietors, partners or principals (as applicable) after due inquiry, threatened, in any court or arbitral forum, or before any governmental agency or instrumentality, nor to the best of your knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of your assets, properties, rights or business; your right to operate and use your assets, properties or rights to carry on your business; and/or which affects or could affect your right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

22.1.5 Neither you nor any of your Principals is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with, or be breached by, the execution, delivery, consummation and/or performance of this Agreement.

22.1.6 All of your representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

[Signatures appear on the next page]

Each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date first above written.

FRANCHISOR:
NATURE'S TABLE FRANCHISE COMPANY

By:_____

Richard Wagner, President and Founder
(Print Name, Title)

FRANCHISEE:

_____

By:_____

_____,_____
(Print Name, Title)

PRINCIPAL:

_____

_____
(Print Name)

PRINCIPAL:

_____

_____
(Print Name)

**ATTACHMENT 1 TO THE FRANCHISE AGREEMENT**

**ACCEPTED LOCATION AND TERRITORY**

[If there is no Accepted Location on the Effective Date, insert: **ACCEPTED LOCATION AND ADDRESS TO BE DETERMINED AND INSERTED AFTER PREMISES IS IDENTIFIED BY FRANCHISEE AND APPROVED BY FRANCHISOR FOR THE RIKO'S PIZZA RESTAURANT, IN ACCORDANCE WITH SECTIONS 1.2 AND 2.2 OF THE FRANCHISE AGREEMENT, IN THE SITE SEARCH AREA OF _____.]

1. ACCEPTED LOCATION

Pursuant to Section 1.2 of the Franchise Agreement, the Restaurant shall be located at the following Accepted Location:

_____

_____

_____

2. TERRITORY:

Pursuant to Section 1.4 of the Franchise Agreement, the Territory shall be:

_____

_____

**ATTACHMENT 2 TO THE FRANCHISE AGREEMENT**

**COLLATERAL ASSIGNMENT OF LEASE**

**FOR VALUE RECEIVED**, the undersigned ("Assignor") assigns, transfers and sets over to Nature's Table Franchise Company, a Florida corporation ("Assignee"), all of Assignor's right and title to and interest in that certain "Lease" a copy of which is attached as Exhibit A respecting premises commonly known as _____. This assignment is for collateral purposes only and except as specified in this document Assignee will have no liability or obligation of any kind whatsoever arising from or in connection with this assignment or the Lease unless and until Assignee takes possession of the premises the Lease demises according to the terms of this document and assumes Assignor's obligations under the Lease.

Assignor represents and warrants to Assignee that it has full power and authority to assign the Lease and that Assignor has not previously assigned or transferred and is not otherwise obligated to assign or transfer any of its interest in the Lease or the premises it demises.

Upon Assignor's default under the Lease or under the "Franchise Agreement" for a Nature's Table Restaurant between Assignee and Assignor or in the event Assignor defaults under any document or instrument securing the Franchise Agreement Assignee has the right to take possession of the premises the Lease demises and expel Assignor from the premises. In that event Assignor will have no further right and title to or interest in the Lease but will remain liable to Assignee for any past due rental payments or other charges Assignee is required to pay Lessor to effectuate the assignment this document contemplates.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without Assignee's prior written consent. Throughout the term of the Franchise Agreement Assignor agrees that it will elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days before the last day upon which the option must be exercised unless Assignee agrees otherwise in writing. Upon Assignee's failure to agree otherwise in writing and upon Assignor's failure to elect to extend or renew the Lease as required Assignor appoints Assignee as its true and lawful attorney-in-fact with the authority to exercise the extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting the extension or renewal.

| ASSIGNEE: | ASSIGNOR: |
|---|---|
| NATURE'S TABLE FRANCHISE COMPANY | _____ |
| By:_____ | By:_____ |
| Name: Richard Wagner | Name:_____ |
| Title: President/Founder | Title:_____ |
| Date:_____ | Date:_____ |

**CONSENT TO COLLATERAL ASSIGNMENT AND AGREEMENT OF LESSOR**

The undersigned Lessor under the Lease:

(a) Agrees to notify Assignee in writing of and upon Assignor's failure to cure any default by Assignor under the Lease;

(b) Agrees that Assignee will have the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after Lessor's delivery of notice of the default under section (a) above;

(c) Consents to the Collateral Assignment and agrees that if Assignee takes possession of the premises the Lease demises and confirms to Lessor that it has assumed the Lease as tenant, Lessor will recognize Assignee as tenant under the Lease, provided that Assignee cures within the thirty (30) day period noted in section (b) above Assignor's defaults under the Lease; and

(d) Agrees that Assignee may further assign the Lease to or enter into a sublease with a person, firm or corporation who agrees to assume the tenant's obligations under the Lease and is reasonably acceptable to Lessor and that upon that assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise, other than to certify that the additional assignee or sublessee operates the premises the Lease demises as a Nature's Table Restaurant.

Dated:_____

_____

_____, Lessor

**ATTACHMENT 3 TO THE FRANCHISE AGREEMENT**

**STATEMENT OF OWNERSHIP INTERESTS IN FRANCHISEE/ENTITY**

| **Name** | **Percentage of Ownership/Nature of Interest** |
|---|---|

**ATTACHMENT 4 TO THE FRANCHISE AGREEMENT**

**CONFIDENTIALITY AND NON-COMPETITION AGREEMENT**
**(for trained employees, shareholders, officers, directors, general partners, members and managers of Franchisee)**

In consideration of my being a _____of _____ ("Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a Franchise Agreement dated _____, 20___ (the "Franchise Agreement"), Franchisee has acquired the right and franchise from Nature's Table Franchise Company (the "Company") to establish and operate a Nature's Table Restaurant (the "Franchised Business") and the right to use in the operation of the Franchised Business the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and Accepted Location: _____ (the "Accepted Location").

2. The Company, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Franchised Businesses offering a variety of sandwiches, wraps, paninis, protein bowls, natural fruit juices, acai bowls,smoothies, soups, vegetarian chili, salads, pasta salads, soft drinks, fresh fruit, low-fat muffins, and other "sensible" foods. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, recipes, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information").

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

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

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

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as _____ of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any food service business which: (a) is the same as, or substantially similar to, a Franchised Business; or (b) offers to sell or sells any products or services which are the same as, or substantially similar to, any of the products offered by a Franchised Business where the sale of such products constitutes or is intended to constitute twenty percent (20%) or more of the gross sales of the business operated or intended to be operated (a "Competitive Business"); and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within:

7.1 Franchisee's Territory, as defined in the Franchise Agreement ("Franchisee's Territory");

7.2 Three (3) miles of Franchisee's Territory; or

7.3 Three (3) miles of any Franchised Business operating under the System and the Proprietary Marks.

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Franchised Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

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

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

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

11. This Agreement shall be construed under the laws of the State of Florida. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

_____
Signature

_____
Name

_____
Address

_____
Title

**ACKNOWLEDGED BY FRANCHISEE**

By:_____

Name:_____

Title:_____

**ATTACHMENT 5 TO THE FRANCHISE AGREEMENT**

**ELECTRONIC TRANSFER AUTHORIZATION**

**AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO NATURE'S TABLE FRANCHISE COMPANY ("COMPANY")**

Depositor hereby authorizes and requests _____ (the "Depository") to initiate debit and credit entries to Depositor's ☐ checking or ☐ savings account (select one) indicated below drawn by and payable to the order of Nature's Table Franchise Company by Electronic Funds Transfer, provided there are sufficient funds in said account to pay the amount upon presentation.

Depositor agrees that the Depository's rights with respect to each such charge shall be the same as if it were a check drawn by the Depository and signed by Depositor. Depositor further agrees that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever.

Depository Name:_____

City:_____ State:_____ Zip Code:_____

Transit/ABA Number:_____ Account Number:_____

This authority is to remain in full force and effect until Company has received written notification from me (or either of us) of its termination in such time and in such manner to afford Company and Depository a responsible opportunity to act on such request.

Depositor: (Please Print)

_____

_____

_____
Date Signed

_____

_____
Signature(s) of Depositor, as Printed Above

**Please attach a voided blank check, for purposes of setting up Bank and Transit Numbers.**

**ATTACHMENT 6 TO THE FRANCHISE AGREEMENT**

**INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE AND TELEPHONE ACCOUNT AGREEMENT**

**THIS INTERNET ADVERTISING, SOCIAL MEDIA AND TELEPHONE ACCOUNT AGREEMENT** (the "Agreement") is made and entered into as _____, by Nature's Table Franchise Company, a Florida corporation located at 545 Delaney Avenue, Building 2, Orlando, Florida 32801 ("Franchisor"), and _____, a(n) _____ with its principal place of business located at _____ and _____'s principal(s), _____, an individual residing at _____, and _____ an individual residing at _____ ("Principal(s)"). _____ And Principal(s) shall be collectively referred to in this agreement as the "Franchisee".

**WHEREAS**, Franchisee desires to enter into a franchise agreement with Franchisor for a Natures Table Café business ("Franchise Agreement") which will allow Franchisee to conduct internet-based advertising, maintain social media accounts, use software, and use telephone listings linked to the Natures Table Café brand.

**NOW, THEREFORE**, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions**

All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

2. **Internet Advertising and Telephone Listings**

2.1 Interest in Web Sites, Social Media Accounts, Other Electronic Listings and Software. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of Franchise Agreement, certain right, title, or interest in and to certain domain names, social media accounts, hypertext markup language, uniform resource locator addresses, access to corresponding internet web sites, the right to hyperlink to certain web sites and listings on various internet search engines, and the right to use certain software (collectively, "Electronic Advertising and Software") related to the Franchised Business or the Marks.

2.2 Interest in Telephone Numbers and Listings. Franchisee has or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, internet page, and other telephone directory listings (collectively, the "Telephone Listings") related to the Franchised Business or the Marks.

2.3 Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately:

2.3.1 direct all internet service providers, domain name registries, internet search engines, other listing agencies and software companies (collectively, the "Internet and Software Companies") with which Franchisee has Electronic Advertising and Software: (i) to transfer all of

Franchisee's interest in such Electronic Advertising and Software to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Advertising and Software, Franchisee will immediately direct the Internet and Software Companies to terminate such Electronic Advertising and Software or will take such other actions with respect to the Electronic Advertising and Software as Franchisor directs; and

2.3.2 direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the "Telephone Companies") with which Franchisee has Telephone Listings: (i) to transfer all Franchisee's interest in such Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Listings or will take such other actions with respect to the Telephone Listings as Franchisor directs.

2.4 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.4.1 Direct the Internet and Software Companies to transfer all Franchisee's interest in and to the Electronic Advertising and Software to Franchisor, or alternatively, to direct the Internet and Software Companies to terminate any or all of the Electronic Advertising and Software;

2.4.2 Direct the Telephone Companies to transfer all Franchisee's interest in and to the Telephone Listings to Franchisor, or alternatively, to direct the Telephone Companies to terminate any or all of the Telephone Listings; and

2.4.3 Execute such standard assignment forms or other documents as the Internet and Software Companies and/or Telephone Companies may require in order to affect such transfers or terminations of Franchisee's interest.

2.5 Certification of Termination. Franchisee hereby directs the Internet and Software Companies and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.6 Cessation of Obligations. After the Internet and Software Companies and the Telephone Companies have duly transferred all Franchisee's interests as described in paragraph 2.3 above to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations with respect to the particular Electronic Advertising and Software and/or Telephone Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet and Software Companies and Telephone Companies for the respective sums Franchisee is obligated to pay to them for

obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such interests, or for any other obligations not subject to the Franchise Agreement or this Agreement.

3. **Miscellaneous**

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet and Software Companies and/or Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertible in, or in any way related to this Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, debts, claims, demands, or obligations that are related to or are based on this Agreement.

3.3 No Duty. The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's interest in any matter hereunder.

3.4 Further Assurances. Franchisee agrees that at any time after the date of this Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein.

3.7 Survival. This Agreement shall survive the Termination of the Franchise Agreement.

3.8 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida, without regard to the application of Florida conflict of law rules.

-Remainder of Page Intentionally Blank-

The undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

NATURE'S TABLE FRANCHISE COMPANY

By:_____

_____, _____
(Print Name, Title)

FRANCHISEE:

_____

By:_____

_____,_____
(Print Name, Title)

PRINCIPAL:

_____

_____
(Print Name)

PRINCIPAL:

_____

_____
(Print Name)

## ATTACHMENT 7 TO THE FRANCHISE AGREEMENT

## SPOUSAL GUARANTY

This Guaranty and Covenant (this "Guaranty") is given by the undersigned ("Guarantor") on ____ _____ (the "Effective Date"), to Nature's Table Franchise Company, a Florida corporation ("Franchisor"), in order to induce Franchisor to enter into that certain Franchise Agreement dated on or about the Effective Date hereof (the "Franchisee Agreement") with _____ _____, a(n) _____, _____ _____ and _____(collectively "Franchisee").

Guarantor acknowledges that Guarantor is the spouse of Franchisee's Principal, as that term is used in the Franchise Agreement.

Guarantor acknowledges that Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty is in partial consideration for, and a condition to the granting of, the rights granted in the Franchise Agreement to Franchisee, and that Franchisor would not have granted these rights without the execution of this Guaranty by Guarantor.

Guarantor hereby individually makes, agrees to be bound by, and agrees to perform, all of the monetary obligations and non-competition covenants and agreements of the Franchisee as set forth in the Franchise Agreement, including but not limited to, the covenants set forth in Article 10 of the Franchise Agreement ("Guaranteed Obligations"). Guarantor shall perform and/or make punctual payment to Franchisor of the Guaranteed Obligations in accordance with the terms of the Franchise Agreement or other applicable document forthwith upon demand by Franchisor.

This Guaranty is an absolute and unconditional continuing guaranty of payment and performance of the Guaranteed Obligations. This Guaranty shall not be discharged by renewal of any claims guaranteed by this instrument, change in ownership or control of the Franchisee entity, transfer of the Franchise Agreement, the suffering of any indulgence to any debtor, extension of time of payment thereof, nor the discharge of Franchisee by bankruptcy, operation of law or otherwise. Presentment, demand, protest, notice of protest and dishonor, notice of default or nonpayment and diligence in collecting any obligation under any agreement between Franchisee and Franchisor are each and all waived by Guarantor and/or acknowledged as inapplicable. Guarantor waives notice of amendment of any agreement between Franchisee and Franchisor and notice of demand for payment by Franchisee. Guarantor further agrees to be bound by any and all amendments and changes to any agreement between Franchisee and Franchisor.

Franchisor may pursue its rights against Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy.

If other guarantors have guaranteed any and or all of the Guaranteed Obligations, their liability shall be joint and several to that of Guarantor.

Until all of the Guaranteed Obligations have been paid in full and/or performed in full, Guarantor shall not have any right of subrogation, unless expressly given to Guarantor in writing by Franchisor.

All Franchisor's rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between Franchisor and Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Franchisor by law.

Should any one or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

This Guaranty shall extend to and inure to the benefit of Franchisor and its successors and assigns and shall be binding on Guarantor and its successors and assigns.

Guarantor has signed this Guaranty as of the date set forth above.

GUARANTOR - SPOUSE OF FRANCHISEE'S PRINCIPAL:

_____
*Signature*
Name:_____
Address:_____
_____
_____

**ATTACHMENT 8 TO THE FRANCHISE AGREEMENT**

**ADDENDUM**
**RELATING TO A**
**NATURE'S TABLE**
**FRANCHISE AGREEMENT**

THIS AGREEMENT ("Agreement") is made and entered into as _____, 20___, by Nature's Table Franchise Company, a Florida corporation located at 545 Delaney Avenue, Building 2, Orlando, Florida 32801 ("Franchisor"), and _____, located at _____ ("Franchisee").

**Recitals.** Franchisor and Franchisee entered into a Franchise (or "License") Agreement on _____, 20__, (Franchise Agreement). The Franchisee agreed among other things to operate and maintain a franchise located at _____ designated by Franchisor as Unit #_____ ("Unit"). Franchisee has obtained from a lender a loan ("Loan") in which funding is provided with the assistance of the United States Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining the SBA assisted financing.

NOW, THEREFORE, in consideration of the mutual promises below, and for good and valuable considerations in hand paid by each of the parties to the others, the receipt and sufficiency of which all of the parties acknowledge, the parties agree as follows:

1. The Franchise Agreement is in full force and effect, and Franchisor has sent no official notice of default to Franchisee under the Franchise Agreement that remains uncured on the date hereof.

2. Section 14.4 of the Franchise Agreement grants to the Franchisor the right to purchase all or a partial interest in the franchise business. This Section is amended to state that the Franchisor will not become a partial owner of the business.

3. Section 14.5.2 of the Franchise Agreement states that the Franchisor selects the physician who will determine the permanent disability of the Franchisee. This Section is amended to state that the Franchisor cannot solely select the physician.

4. Section 14.5.4 and Section 19.23 of the Franchise Agreement provides that: In order to prevent any interruption of the restaurant operations which would cause harm to the restaurant, thereby depreciating the value thereof, Franchisee authorizes Franchisor, who may, at its option, in the event that Franchisee is absent for any reason or is incapacitated by reason of illness and is unable, in the sole and reasonable judgment of Franchisor, to operate the restaurant, operate the restaurant for so long as Franchisor deems necessary and practical. This section is amended to state that Franchisor may operate the business for ninety (90) days, which shall be renewable as necessary for up to one (1) year, and that Franchisor will periodically discuss the status with the Franchisee.

5. Section 18.12.2 of the Franchise Agreement grants the Franchisor the right to purchase the real estate (if owned by the Franchisee) upon which the business is located. This Section is amended to state that it is the decision of the Franchisee as to whether it wants to sell the real estate. The Franchisee cannot be forced to sell the real estate to the Franchisor if it does not so desire.

6. Section 19.24 of the Franchise Agreement provides step-in rights to Franchisor to manage the business for an extended period of time. This Section is amended to state that Franchisor may operate

the business for ninety (90) days, which shall be renewable as necessary for up to one (1) year, and that Franchisor will periodically discuss the status with the Franchisee.

7. Section 21 of the Franchise Agreement requires that the franchisor will be granted a security interest in all business collateral. This Section is amended to state that Franchisor will subordinate its interest to any SBA financed franchisees.

8. This Agreement automatically terminates on the earliest to occur of the following: (i) a Termination occurs under the Franchise Agreement; (ii) the Loan is paid; or (iii) SBA no longer has any interest in the Loan.

FRANCHISOR:
NATURE'S TABLE FRANCHISE COMPANY
a Florida corporation

By:_____
Name: Richard Wagner
Title: President/Founder
Accepted On:_____
(the "Effective Date")

FRANCHISEE:

_____

By:_____

_____,_____
(Print Name, Title)

Date:_____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

**EXHIBIT C TO THE DISCLOSURE DOCUMENT**
**MULTI-UNIT OPERATOR AGREEMENT**

**NATURE'S TABLE FRANCHISE COMPANY**

**MULTI-UNIT OPERATOR AGREEMENT**

**MULTI-UNIT OPERATOR**

**DATE OF AGREEMENT**

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**ATTACHMENTS:**

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ATTACHMENT 2 Minimum Performance Schedule
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**NATURE'S TABLE FRANCHISE COMPANY**

**MULTI-UNIT OPERATOR AGREEMENT**

**THIS MULTI-UNIT OPERATOR AGREEMENT** ("Agreement") is made and entered into the _____ day of _____ , 20__, between Nature's Table Franchise Company, a Florida corporation having its principal place of business at 545 Delaney Avenue, Building 2, Orlando, Florida 32801 ("we", "us" or "our"), and _____, an individual, residing at _____ _____ (hereinafter "you" or "your").

**W I T N E S S E T H:**

**WHEREAS**, as the result of the expenditure of time, skill, effort and money, we and our affiliate have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment and operation of quick-serve restaurants operating under the name "Nature's Table Café®" offering a variety of flavorful protein bowls, gourmet paninis and wraps, classic sandwiches, nutritional smoothies and acai bowls, signature salads, pasta salads, soups, vegetarian chili, breakfast items, fresh fruit, soft drinks, and other "sensible" foods. ("Restaurant" or "Franchised Business");

**WHEREAS**, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

**WHEREAS**, we identify the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Nature's Table®" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks");

**WHEREAS**, we and our affiliates continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service; and

**WHEREAS**, you wish to obtain certain development rights to open and operate Restaurants operating under the Marks under the System within the Exclusive Area described in this Multi-Unit Operator Agreement.

**NOW, THEREFORE**, the parties, in consideration of the undertakings and commitments of each party to the other party stated herein, hereby agree as follows:

## SECTION 1: GRANT

1.1 We hereby grant to you, pursuant to the terms and conditions of this Multi-Unit Operator Agreement, certain development rights ("Development Rights") to establish and operate _____ (_____) franchised Restaurants, and to use the System solely in connection therewith at specific locations to be designated in separate Franchise Agreements executed as provided in Section 3.1 hereof, and pursuant to the schedule established in Attachment 2 of this Agreement (hereinafter "Minimum Performance

Schedule"). Each Restaurant developed hereunder shall be located in the area described in Attachment 3 of this Agreement (hereinafter "Exclusive Area").

1.2 Each Restaurant for which a Development Right is granted hereunder shall be established and operated pursuant to a Franchise Agreement to be entered into between you and us in accordance with Section 3.1 hereof.

1.3 Except as otherwise provided in this Agreement, we shall not establish, nor franchise anyone other than you to establish, a Restaurant in the Exclusive Area during the term of this Agreement, provided you are not in default hereunder.

1.4 This Agreement is not a Franchise Agreement and does not grant to you any right to use the Marks or System.

1.5 You shall have no right under this Agreement to franchise others under the Marks or System.

## SECTION 2: DEVELOPMENT FEE

In consideration of the development rights granted herein, you shall pay to us a Development Fee of _____ Thousand Dollars ($_____), which is calculated as Thirty Thousand Dollars ($30,000), representing the full initial franchise fee for the first Restaurant to be developed hereunder, plus Fifteen Thousand Dollars ($15,000), representing a deposit equal to one-half of the initial franchise fee, multiplied by the total number of additional Restaurants to be developed pursuant to this Agreement.

You acknowledge and agree that the Development Fee shall be fully earned by us upon execution of this Agreement, is not refundable, and shall be for administrative and other expenses incurred by us and for the development opportunities lost or deferred as a result of the Development Rights granted to you herein.

## SECTION 3: SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

3.1 You shall assume all responsibility and expense for locating potential sites for Restaurants and shall submit to us for our evaluation and approval, in the form specified by us, a description of the site, the terms of the lease or purchase, a market feasibility study for the site and such other information and materials as we may reasonably require, together with a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. We shall have thirty (30) days after receipt of such information and materials from you to approve or disapprove the site in our sole discretion If the site is approved, you will then be presented with the Franchise Agreement for execution.

3.2 Recognizing that time is of the essence, you agree to exercise each of the Development Rights granted hereunder in the manner specified herein, and to satisfy the Minimum Performance Schedule in a timely manner. Your failure to adhere to the Minimum Performance Schedule shall constitute a default under this Agreement as provided in Section 9.1 hereof. Under no circumstances, however, may you open a Restaurant for business unless and until there is a fully executed Franchise Agreement in place for such Restaurant.

3.3 You shall exercise each Development Right granted herein only by executing a Franchise Agreement for each Restaurant at a site approved by us in the Exclusive Area as hereinafter provided within ten (10) days after receipt of said Franchise Agreement from us for the approved site and return same to us

for our execution. The Franchise Agreement for the first Development Right exercised hereunder has been executed contemporaneously with this Agreement. The Franchise Agreement for each additional Development Right exercised hereunder shall be the then-current Franchise Agreement, except that the Royalty and Advertising Fees shall not increase and shall be the same as stated in the first Franchise Agreement executed, subject to any non-material changes therein which are required to be made by changes in any applicable law, regulation or ordinance in effect from time to time. In the event we do not receive the properly executed Franchise Agreement with the appropriate number of copies within said ten (10) days from delivery thereof to you, our approval of the site shall be void and you shall have no rights with respect to said site.

The initial fees to be paid by you shall be Thirty Thousand Dollars ($30,000) for the initial franchise fee for each Restaurant to be developed hereunder. For the first Restaurant to be developed hereunder, we will apply a portion of the Development Fee in full satisfaction of the initial franchise fee. For each additional Restaurant to be developed hereunder, we will apply Fifteen Thousand Dollars ($15,000) of the Development Fee toward the initial franchise fee payable for such Restaurant and the balance of the initial franchise fee, or Fifteen Thousand Dollars ($15,000), is payable by you to us in a lump sum when you sign the Franchise Agreement for that Restaurant.

3.4 You acknowledge that the approval of a particular site for a Restaurant by us shall not be deemed to be an assurance or guaranty that the Restaurant will operate successfully or at a profit from such site.

3.5 You shall be required to execute each Franchise Agreement and own a minimum of fifty-one percent (51%) of the issued and outstanding stock for each Restaurant to be opened pursuant to said Franchise Agreement. In no event shall you relinquish control over each entity operating each Restaurant.

## SECTION 4: DEVELOPMENT RIGHTS AND OBLIGATIONS

4.1 Provided you are in full compliance with all the terms and conditions of this Agreement, including without limitation your development obligations described in Section 3.2, and you are in full compliance with all of your obligations under all franchise agreements executed pursuant to this Agreement, then during the term of this Agreement neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of Restaurants within the Exclusive Area, except the franchises that are granted to you pursuant to this Agreement and except as otherwise expressly provided in this Agreement.

4.2 Upon the termination or expiration of this Agreement, we and our affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, Restaurants within the Exclusive Area subject only to the territorial rights granted to you with respect to Restaurants operated by you pursuant to the Franchise Agreements.

4.3 Except as expressly limited by Section 3.2 above, we and our affiliates retain all rights with respect to Restaurants, the Marks and the sale of any goods and services, anywhere in the world, including, without limitation, the right:

4.3.1 to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, both within and outside the Exclusive Area, and under any terms and conditions we deem appropriate. "Alternative distribution channels" include, but

are not limited to, the Internet, catalog sales, grocery stores, club stores, telemarketing or other marketing methods;

4.3.2 to operate and to grant others the right to operate Restaurants located outside the Exclusive Area under any terms and conditions we deem appropriate and regardless of proximity to a Restaurant; and

4.3.3 to acquire and operate a business operating one or more restaurants or food service businesses located or operating in the Exclusive Area.

## SECTION 5: RENEWAL

This Agreement shall not be subject to renewal; however, if you wish to purchase a new Exclusive Area and continue to develop Restaurants, we will, in good faith, negotiate a new Multi-Unit Operator Agreement with you.

## SECTION 6: TERM AND RIGHT OF FIRST REFUSAL

6.1 Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all Development Rights granted hereunder shall expire on the date the last Restaurant is opened pursuant to the Minimum Performance Schedule established in Attachment 2

6.2 If, at any time or from time to time following the opening for business of all the Restaurants in accordance with the Minimum Performance Schedule, we determine that it is desirable to operate one or more additional Restaurants in the Exclusive Area, and provided you have timely complied with the Minimum Performance Schedule and are then in compliance with all terms and conditions of all Franchise Agreements, you shall have a right of first refusal to obtain the Development Rights to such additional Restaurant(s) upon such reasonable terms and conditions as are then determined by us including, but not limited to, the imposition of a new Development Fee and the payment of the then-current Initial Franchise Fee upon execution of the then-current Franchise Agreement. In such case, we shall advise you in writing of the terms and conditions for the acquisition of the Development Rights for such additional Restaurant(s). You must notify us in writing within sixty (60) days of the receipt of such notice whether you wish to acquire the Development Rights to one or all of such additional Restaurant(s). If you do not exercise this right of first refusal, in whole, we may, following the expiration of the sixty (60) day period, grant the Development Rights to such additional Restaurant(s) to any other person or persons on the same terms and conditions or we may elect to develop and construct any of such additional Restaurant(s).

## SECTION 7: YOUR OBLIGATIONS

7.1 You acknowledge and agree that:

7.1.1 Except as otherwise provided herein, this Agreement includes only the right to select sites for the establishment of Restaurants and to submit the same to us for our approval in accordance with the terms of this Agreement. This Agreement does not include the grant of a license by us to you of any rights to use the Marks, the System, or to open or operate any Restaurants within the Exclusive Area. You shall obtain the license to use such additional rights at each Restaurant upon the execution of each Franchise Agreement by both you and us and only in accordance with the terms of each Franchise Agreement.

7.1.2 The Development Rights granted hereunder are personal to you and cannot be sold, assigned, transferred or encumbered, in whole or in part, except as stated in Section 11 hereof.

7.1.3 Except as provided in Sections 6.1 and 6.2 hereof, the Development Rights granted hereunder are non-exclusive, and we retain the right, in our sole discretion:

(a) To continue to construct and operate other Restaurants and to use the System and the Marks at any location outside the Exclusive Area, and to license others to do so.

(b) To develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights not designated by us as Marks for use with different franchise systems for the sale of the different products or services not in connection with the System at any location, on such terms and conditions as we may deem advisable and without granting you any rights therein.

(c) To develop, merchandise, sell and license others to sell any of our products, proprietary or otherwise, presently existing or to be developed in the future, to the public through supermarkets, groceries, club stores and other non-restaurant outlets outside or inside of the Exclusive Area and to use the Marks in connection therewith.

7.1.4 You have sole responsibility for the performance of all obligations arising out of the operation of your business pursuant to this Agreement, including, but not limited to, the payment when due of any and all taxes levied or assessed by reason of such operation.

7.1.5 In all public records, in your relationship with other persons, and in any documents, you shall indicate clearly the independent ownership of your business and that the operations of said business are separate and distinct from the operation of a Nature's Table Restaurant.

7.1.6 You shall at all times preserve in confidence any and all materials and information furnished or disclosed to you by us and you shall disclose such information or materials only to such of your employees or agents who must have access to it in connection with their employment. You shall not at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person.

7.1.7 You shall comply with all requirements of federal, state and local laws, rules and regulations.

7.1.8 You shall at no time have the right to sub-franchise any of your Development Rights hereunder.

7.1.9 In no event shall any Restaurant be opened for business unless and until a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee for such Restaurant has been paid.

## SECTION 8: OUR SERVICES

We shall, at our expense, provide the following services:

8.1 Review your site selection for conformity to our standards and criteria for selection and acquisition of sites upon our receipt of your written request for approval thereof.

8.2 Provide you with standard specifications and layouts for the interior and exterior design, improvements, equipment, furnishings, décor and signs identified with the Restaurants as we make available to all multi-unit operators and franchisees from time to time.

8.3 Review of your site plan and final build-out plans and specifications for conformity to the construction standards and specifications of the System, upon our receipt of your written request for approval thereof.

8.4 Provide such other resources and assistance as may hereafter be developed and offered by us to our other multi-unit operators.

## SECTION 9: DEFAULT AND TERMINATION

9.1 The occurrence of any of the following events of default shall constitute good cause for us, at our option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement upon notice to you without opportunity to cure the default, except where prohibited by any applicable state or federal law, whereupon this Agreement shall be terminated in accordance with the provisions of any such law:

9.1.1 If you shall, in any respect, fail to meet the Minimum Performance Schedule.

9.1.2 If you shall purport to effect any assignment other than in accordance with Section 11 hereof.

9.1.3 Except as provided in Section 11 hereof, if you attempt to sell, assign, transfer or encumber this Agreement prior to the time that at least twenty-five percent (25%) of the Restaurants to be constructed and opened for business in accordance with the Minimum Performance Schedule are, in fact, open or under construction.

9.1.4 If you make, or have made, any material misrepresentation to us in connection with obtaining this Multi-Unit Operator Agreement, any site approval hereunder, or any Franchise Agreement.

9.1.5 If you default in the performance of any obligation under any Franchise Agreement with us, provided such default results in the termination of the Franchise Agreement.

9.1.6 If you suffer a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Restaurant, and permit the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance, rule or regulation, and you promptly resort to courts or forums of appropriate jurisdiction to contest such violation or legality.

9.1.7 If you are convicted of, or have entered a plea of nolo contendere to, a felony, a crime involving moral turpitude, or other crime that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein.

9.1.8 If any of you shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any

state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

9.1.9 If you, or any of your affiliates cease to operate all of the Restaurants opened pursuant to the terms of this Agreement.

9.1.10 If you fail to comply with all applicable laws and ordinances relating to the Restaurants developed under this Agreement, including Anti-Terrorism Laws, or if your assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you otherwise violate any such law, ordinance, or regulation.

9.2 Upon occurrence of any of the events stated in this Section 9.2, we may, without prejudice to any other rights or remedies contained in this Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective thirty (30) days after written notice (or such other notice as may be required by applicable state law) is given by us to you of any of such events, if such defaults are not cured within such period:

9.2.1 If you shall use the System or Marks, or any other names, marks, systems, insignia, symbols or rights which are our property except pursuant to, and in accordance with, a valid and effective Franchise Agreement.

9.2.2 If you violate any of the covenants as set forth in Section 12.1 this Agreement.

9.2.3 If you shall fail to remit to us any payments pursuant to Section 2 when same are due.

9.2.4 If you shall begin work upon any Restaurant at any site unless all the conditions stated in Section 3 hereof have been met.

9.2.5 If you fail to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement.

9.2.6 If you default in the performance of any other obligation under this Agreement.

9.2.7 If you open any Restaurant for business before a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee due to us has been paid.

## SECTION 10: OBLIGATIONS FOLLOWING TERMINATION

10.1 Upon termination of this Agreement becoming effective for any reason, or upon expiration of the term hereof, you agree as follows:

10.1.1 To cease immediately any attempts to select sites on which to establish Restaurants.

10.1.2 To cease immediately to hold yourself out in any way as a multi-unit operator of ours or to do anything which would indicate a relationship between you and us.

10.2 No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or in equity.

## SECTION 11: TRANSFER OF INTEREST

11.1 This Agreement is personal to you and you shall neither sell, assign, transfer nor encumber this Agreement, the Development Rights, or any other interest hereunder, nor suffer or permit any such assignment, transfer or encumbrance to occur directly, indirectly or contingently by agreement or by operation of law without our prior written consent. You understand that this Agreement may not be pledged, mortgaged, hypothecated, given as security for an obligation or in any manner encumbered. The assignment or transfer of any interest, except in accordance with this Section shall constitute a material breach of this Agreement.

11.2 In the event of your death, disability or permanent incapacity, you (or your legal representative) may transfer all your interest to your spouse, heirs or relatives, by blood or marriage, with our consent, or if this Agreement was originally executed by more than one party, then to the remaining party(ies) who originally executed this Agreement, whether such transfer is made by your Last Will and Testament or by operation of law, provided that the requirements of Section 11 hereof have been met. In the event that your heirs do not obtain our consent as prescribed herein, your personal representative shall have a reasonable time to dispose of your interest hereunder, which disposition shall be subject to all the terms and conditions for transfers under this Agreement.

11.3 You have represented to us that you are entering into this Multi-Unit Operator Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights hereunder. Therefore, you agree that any attempt to assign this Agreement, prior to the time that at least twenty-five percent (25%) of the Restaurant(s) to be constructed hereunder are opened or under construction shall be deemed to be an event of default.

11.4 If you receive from an unaffiliated third party and desires to accept a bona fide written offer to purchase your business, Development Rights and interests, we shall have the option, exercisable within thirty (30) days after receipt of written notice setting forth the name and address of the prospective purchaser, the price and terms of such offer, and a copy of such offer and the other information stated in this Section 11.4, to purchase such business, Development Rights and interests, including your right to develop sites within the Exclusive Area, on the same terms and conditions as offered by said third party. In order that we may have information sufficient to enable us to determine whether to exercise this option, we may require you to deliver to us certified financial statements as of the end of your most recent fiscal year and such other information about your business and operations as we may request. If we decline, or do not accept the offer in writing within thirty (30) days, you may, within thirty (30) days from the expiration of the option period, sell, assign and transfer your business, Development Rights and interest to said third party, provided we have consented to such transfer as required by this Section 11. Any material change in the terms of the offer prior to closing of the sale to such third party shall constitute a new offer, subject to the same rights of first refusal by us or our nominee, as in the case of an initial offer. Our failure to exercise the option afforded by this Section 11.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section with respect to the proposed transfer.

11.5 You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Development Rights, the System and the Marks, as well as our reputation and image, and are for the protection of us, you and other multi-unit operators and franchisees. Any assignment or transfer permitted by this Section 11 shall not be effective until we receive a completely executed copy of all transfer documents, and we consent in writing thereto.

11.6 Except as provided in this Section we agree not to unreasonably withhold our consent to a sale, assignment or transfer by you hereunder. Consent to such transfer otherwise permitted or permissible as reasonable may be refused unless:

11.6.1 All of your obligations created by this Agreement, all other franchise documents, including all Franchise Agreements, and the relationship created hereunder are assumed by the transferee.

11.6.2 All ascertained or liquidated debts of you to us or our affiliated or subsidiary corporations are paid.

11.6.3 You are not in default hereunder.

11.6.4 We are reasonably satisfied that the transferee meets all of our requirements for new multi-unit operators, including but not limited to, good reputation and character, business acumen, operational ability, management skills, financial strength and other business considerations.

11.6.5 Transferee executes or, in appropriate circumstances, causes all necessary parties to execute, our standard form of Multi-Unit Operator Agreement, Franchise Agreements for all Restaurants open or under construction hereunder, and such other then-current ancillary agreements being required by us of new multi-unit operators on the date of transfer.

11.6.6 You execute a general release, in a form satisfactory to us, of any and all claims against us, our officers, directors, employees and principal stockholders of any and all claims and causes of action that you may have against us or any subsidiary or affiliated corporations in any way relating to this Agreement or the performance or non-performance thereof by us. You also agree to subordinate any claims you may have against the transferee to us and indemnify us against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by us in the Franchise Disclosure Document given to the transferee.

11.6.7 You or transferee pay to us a transfer fee in an amount equal to Fifteen Thousand Dollars ($15,000) to cover our reasonable costs in effecting the transfer.

11.7 Death or Permanent Disability.

11.7.1 The grant of rights under this Agreement is personal to you, and on your death or permanent disability, the executor, administrator, conservator, or other personal representative of yours shall be required to transfer your interest in this Agreement within twelve (12) months from the date of death or permanent disability to a third party approved by us. Failure to transfer in accordance with the forgoing will constitute a material default and all that is granted by this Agreement will terminate. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of your Nature’s Table outlet(s) and remaining Minimum Performance Schedule during the twelve (12)-month period from its onset.

11.7.2 Upon your death or your claim of permanent disability, you or a representative of yours must notify us of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any *inter vivos* transfer.

11.7.3 Immediately after your death or permanent disability, or while the rights granted under this Agreement are owned by your executor, administrator, guardian, personal representative or trustee, your Nature's Table outlet(s) and remaining Minimum Performance Schedule shall be supervised by an interim successor manager satisfactory to us, or we, in our sole discretion, may provide interim management at a fee equal to ten percent (10%) of the gross sales generated by your Nature's Table outlet(s) during our operation thereof, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by us, pending transfer of your Nature's Table outlet(s) and remaining Minimum Performance Schedule to your lawful heirs or successors.

11.8 Our consent to a transfer of by you or of any of the Development Rights pursuant to this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferee.

11.9 We shall have the right, without the need for your consent, to assign, transfer or sell our rights under this Agreement to any person, partnership, corporation or other legal entity provided that the transferee agrees in writing to assume all obligations undertaken by us herein and you receive a statement from both us and our transferee to that effect. Upon such assignment and assumption, we shall be under no further obligation hereunder, except for accrued liabilities, if any. You further agree and affirm that we may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of our name, Marks (or any variation thereof) and System and/or the loss of association with or identification of Nature's Table Franchise Company as Franchisor under this Agreement. You specifically waive any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.

You agree that we have the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business, regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "Nature's Table" Restaurants operating under the Marks or any other marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities, except that in the event that any of these businesses are located within the Exclusive Area, they will not become "Nature's Table" Restaurants.

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the restaurant business or to offer or sell any products or services to you.

## SECTION 12: COVENANTS

12.1 You specifically acknowledge that, pursuant to this Agreement, you will receive valuable training and confidential information, including, without limitation, secret recipes, information regarding the marketing methods and techniques of us and the System. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you shall not, either directly or indirectly, for yourself/himself, or through, on behalf of or in conjunction with any person, persons or legal entity:

12.1.1 Divert or attempt to divert any business or client of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

12.1.2 Employ or seek to employ any person who is at the time employed by us or by any other franchisee or multi-unit operator of ours, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment thereat.

12.1.3 Own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any restaurant or food service business other than the Franchised Business (including any business operated by you prior to entry into this Agreement), which business is of a character and concept similar to the Restaurant, including a restaurant which offers and sells the same or similar food products (a "Competitive Business").

12.2 You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement, or upon transfer, and continuing for two (2) years thereafter (and, in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for yourself, or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any Competitive Business which is located within three (3) miles of any Nature's Table Restaurant in the System.

12.3 Subsections 12.1.3 and 12.2 of this Section shall not apply to ownership by you of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation which is registered under the Securities Exchange Act of 1934.

12.4 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 12 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 12.

12.5 You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant stated in Sections 12.1 and 12.2 or any portion thereof, without your consent, effective immediately upon receipt by you of written notice thereof, and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 16 hereof.

12.6 You expressly agree that the existence of any claim you may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section 12.

12.7 You acknowledge that any failure to comply with the requirements of this Section 12 would cause us irreparable injury for which no adequate remedy at law may be available, and you hereby accordingly consent to our seeking injunctive relief prohibiting any conduct by you in violation of the terms of this Section 12. We may further avail ourselves of any other legal or equitable rights and remedies which we may have under this Agreement or otherwise.

12.8 During the term of this Agreement, an officer or agent of ours shall have the right to inspect any Restaurant in which you have an interest at reasonable times and during normal business hours to the

extent reasonably necessary to determine whether the conditions of this Section 12 are being satisfied. If, by reason of such inspections or otherwise, we have reason to believe that you are not in full compliance with the terms of this Section, we shall give notice of such default to you, specifying the nature of such default. If you deny that you are in default hereunder, as specified by us, you shall have the burden of establishing that such default does not exist and shall give notice to us of your position within ten (10) days of receipt of the notice from us. Unless you so deny such default, you shall immediately take all steps to cure said default in a manner satisfactory to us.

## SECTION 13: NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, overnight delivery service or facsimile to the respective parties at the following addresses set forth in the introductory paragraph of this Agreement unless and until a different address has been designated by written notice to the other party:

Any notice by certified or registered mail shall be deemed to have been given at the date and time of mailing.

## SECTION 14: INDEPENDENT LICENSEE AND INDEMNIFICATION

14.1 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent licensee, and neither shall be responsible for the debts or liabilities incurred by the other.

14.2 You shall hold yourself out to the public to be an independent licensee operating pursuant to this Agreement. You agree to take such actions as shall be necessary to that end.

14.3 You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, nor shall be deemed liable by reason of, any act or omission of yours or any claim or judgment arising therefrom. You shall indemnify and hold us and our officers, directors, and employees harmless against any and all such claims arising directly or indirectly from, as a result of, or in connection with your activities hereunder, as well as the cost, including reasonable attorneys' fees, of defending against them, except that the foregoing shall not apply to infringement actions regarding the Marks which are caused solely by our actions or actions caused by the negligent acts of us or our agents.

## SECTION 15: APPROVALS

15.1 Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us for such approval or consent, and, except as otherwise provided herein, any approval or consent granted shall be in writing.

15.2 We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advise, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

## SECTION 16: NON-WAIVER

No failure of ours to exercise any power reserved to us under this Agreement or to insist upon compliance by you with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our rights to demand exact compliance with the terms of this Agreement. Our waiver of any particular default shall not affect or impair our right with respect to any subsequent default of the same or of a different nature; nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of any of the terms, provisions or covenants of this Agreement affect or impair our rights, nor shall such constitute a waiver by us of any rights hereunder or rights to declare any subsequent breach or default.

## SECTION 17: SEVERABILITY AND CONSTRUCTION

17.1 Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement. The provisions of this Agreement shall be deemed severable.

17.2 If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which we are a party, you expressly agree to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision, as if that lesser covenant or provision were separately stated in and made a part of this Agreement.

17.3 Nothing in this Agreement shall confer upon any person or legal entity other than us or you, and such of our respective successors and assigns as may be contemplated by Section 11 hereof, any rights or remedies under or by reason of this Agreement.

17.4 All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof.

17.5 All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by you shall be deemed jointly and severally undertaken by all those executing this Agreement on your behalf.

17.6 This Agreement may be executed in triplicate, or such other number as is required, and each copy of the executed Agreement shall be deemed an original.

## SECTION 18: ENTIRE AGREEMENT; APPLICABLE LAW

This Agreement, the documents referred to herein and the attachments hereto constitute the entire, full and complete agreement between us and you concerning the subject matter hereof and supersede any and all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. This Agreement shall be interpreted and construed under the laws of the State of Florida, and the parties hereto consent to irrevocably submit to the jurisdiction of all courts located within the County of Orange, Florida.

## SECTION 19: DISPUTE RESOLUTION

19.1 Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be settled by binding arbitration in Florida under the authority of Florida Statutes. The arbitrator(s) will have a minimum of five (5) years experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Florida Statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Florida Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

19.2 With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you hereby irrevocably submit themselves to the jurisdiction of the state courts of Orange County, Florida and the Federal District Court closest to Franchisor's headquarters. You and your owners hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by Florida or federal law. You further agree that venue for any proceeding relating to or arising out of this Agreement shall be Orange County, Florida; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Florida law.

19.3 You and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19.2 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. You and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

19.4 You and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Orange County, Florida, and further acknowledge that the performance of certain of your obligations arising under this Agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain training requirements of ours, shall occur in Orange County, Florida.

19.5 You and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict

liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

## SECTION 20: TIMELY PERFORMANCE

You hereby acknowledge that your timely development of the Restaurants in the Exclusive Area in accordance with the Minimum Performance Schedule is of material importance to us and you. You agree, as a condition of the continuance of the rights granted hereunder, to develop and open Restaurants within the Exclusive Area in accordance with the Minimum Performance Schedule, to operate such Restaurants pursuant to the terms of the Franchise Agreements and to maintain all such Restaurants in operation continuously. We agree to diligently act upon any request of or approval from you and any material delay in your ability to meet the Minimum Performance Schedule which is directly caused by our failure to act diligently upon a request for approval shall not constitute a default hereunder. Further, a failure or delay in performance by any party to this Agreement shall not be a default hereunder if such failure or delay arises out of or results from a Force Majeure, which for purposes of this Agreement shall be defined as fire, flood, earthquake or other natural disasters, or acts of a public enemy, war, rebellion or sabotage.

**-Remainder of Page Intentionally Blank-**

**ATTACHMENT 1**
**CERTIFICATION BY MULTI-UNIT OPERATOR**

The undersigned, personally and as an officer or partner of Multi-Unit Operator, as applicable, does hereby certify that he/she has conducted an independent investigation of the business contemplated by this Multi-Unit Operator Agreement and the Nature's Table Franchise Company Franchise Agreement, and that the decision to execute the Multi-Unit Operator Agreement was based entirely upon the independent investigation by the undersigned; and the undersigned further certifies that he /shehas not relied upon, in any way, any claims regarding potential sales, income, or earnings to be derived from the business contemplated by the Franchise Agreement and Multi-Unit Operator Agreement, and has not relied upon any claims regarding past or current sales, income or earnings of Franchisor-operated "Nature's Table" Restaurants. The undersigned further certifies that he/she understands the risks involved in this investment and Nature's Table Franchise Company makes no representation or guaranty, explicit or implied, that the Multi-Unit Operator will be successful or will recoup his/her investment.

The undersigned has signed, sealed and delivered this Certificate this day of _____ _____.

_____
Name:_____

_____
Name:_____

_____
Name:_____

**ATTACHMENT 2**

**Minimum Performance Schedule**

The Agreement authorizes and obliges Multi-Unit Operator to establish and operate _____ (_____) "Nature's Table" Restaurants pursuant to a Franchise Agreement for each Restaurant. The following is Multi-Unit Operator's Minimum Performance Schedule:

| Minimum Cumulative Number of Franchise Agreements for Restaurants to be located and Operating Within the Exclusive Area | By this Date |
|---|---|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

Total:_____

MULTI-UNIT OPERATOR

_____
Name:_____

NATURE'S TABLE FRANCHISE COMPANY

By:_____
Name:_____
Title:_____

**ATTACHMENT 3**

**Exclusive Area**

The following describes the Exclusive Area within which Multi-Unit Operator may locate "Nature's Table" Restaurants under this Agreement:

MULTI-UNIT OPERATOR

_____

Name:_____

NATURE'S TABLE FRANCHISE COMPANY

By:_____

Name:_____

Title:_____

**EXHIBIT D TO THE DISCLOSURE DOCUMENT**
**FRANCHISED OUTLETS**

## LIST OF FRANCHISEES AND MULTI-UNIT OPERATORS

(Updated as of December 31, 2024)

**FRANCHISEES:**

| **Alabama** | |
|---|---|
| Cook Museum of Natural Science<br>133 4th Ave. NE<br>Decatur, Alabama 35601<br>256-351-4505 | |
| **Florida** | |
| Viking Sports LLC<br>Serkan Tokel<br>450 S. Orange Avenue, Suite 290<br>Orlando, FL 32801<br>407-985-3721 | Carillon Outpatient Center<br>John Lambert<br>900 Carillon Parkway<br>St. Petersburg, FL 33716<br>727-561-2306<br>johnlambert1@netzero.net |
| Baldwin Park<br>Evolve Restaurant Group, LLC<br>Regina Cargrill, Chritin Calvert and Mark Calvert<br>2420 Lakemont Avenue, STE 115<br>Orlando, FL 32814<br>407-643-9020 | Navair<br>Chris Buffalo<br>1221 Science Drive<br>Orlando, FL 32826<br>407-381-8690<br>bbuffalo@naturestable.com |
| Double V Investments, LLC<br>Ricardo and Erika Siqueira<br>8001 S. Orange Blossom Trail #984<br>Orlando, FL 32809<br>407-857-5496<br>407.765.9902 | Besta Endeavor, LLC<br>Gerta Berboti and Besmir Berboit<br>13805 58th St. North<br>Clearwater, FL 33760 |
| Forestier Salads and Wraps, LLC<br>Irving Forestier<br>12101 University Blvd., Unit 213<br>Orlando, FL 32817<br>irving@jeremiahsice.com | SSP America, Inc<br>1200 Red Cleveland Blvd.<br>Sanford, Florida 32773 |
| MetroWest-Hilton<br>Pete Ortiz<br>6355 Metro West Boulevard, Suite 365<br>Orlando, FL 32835<br>407-722-3027<br>teortizinc@aol.com | ANF Services<br>Amer Fackhi<br>St. Pete College- HEC Seminole<br>7200 66th Street North<br>Pinellas Park, Florida 33782 |
| ANF Services<br>Amer Fackhi<br>St. Pete College- Seminole Campus<br>9200 113th Street North<br>Seminole, Florida 33772 | Glossy Cheeks, LLC<br>Fernando Monti<br>3030 Maingate Lane<br>Kissimmee, FL 34747<br>407-797-8096 |

| | |
|---|---|
| Orlando International Airport<br>Paradies<br>9727B Airport Blvd.<br>Orlando, FL 32826<br>407-825-4024 Kitchen | Florida Turnpike – Canoe Creek<br>Areas USA, Inc.<br>Ron Taibbi<br>Mile Marker 229, Florida Turnpike<br>St. Cloud, FL 34769<br>407-892-6520<br>rontaibbi@areasmail.com |
| Florida Turnpike – Canoe Creek<br>Areas USA, Inc.<br>Ron Taibbi<br>Mile Marker 229, Florida Turnpike<br>St. Cloud, FL 34769<br>407-892-6520<br>rontaibbi@areasmail.com | 103 Group, LLC<br>Barbara Leiva and Fernando Garcia<br>8427 Southpark Circle #170,<br>Orlando, FL 32819<br>fergarcia8@gmail.com<br>(***obtained via transfer***) |
| The Forum<br>Glen Doherty<br>Fantical Fare (Charlene)<br>2600 Lake Lucien Drive<br>Maitland, FL 32751<br>407-475-0033<br>ramius5@aol.com | Suntree<br>Robin Davis<br>7640 N. Wickham Road, Suite 120<br>Melbourne, FL 32940<br>321-254-7075<br>robin@brevardbythesea.com |
| Hana120, Inc<br>Namil and Yeun Kang, and Hana Young<br>2701 N. Rocky Point Drive<br>Tampa, FL 33607<br>813.207.5070 | Florida Turnpike-Turkey Lake<br>Areas USA, Inc.<br>Mile Marker 263, Florida Turnpike<br>Ocoee, FL 34761<br>407-298-1356 |
| Westwood Center<br>Sydona and Layla Restaurants, LLC<br>Irving Forrester<br>6675 Westwood Boulevard, Suite 130<br>Orlando, FL 32821<br>407-370-0500<br>irving@jermiahsice.com | Lincoln Plaza<br>Viking Sports, LLC<br>Elif and Derkan Tokel<br>300 S. Orange Avenue, Suite 175<br>Orlando, FL 32801<br>407-481-9999<br>serkantokel@gmail.com |
| Orlando Sentinel<br>Guy Bennett<br>Regions Bank Tower<br>111 North Orange Avenue, Suite 130<br>Orlando, FL 32801<br>407-704-1021<br>natures.table@orlandosentinel.com | Colinnade<br>Laura Inglis<br>2301 Luciena Way<br>Maitland Florida |

| | |
|---|---|
| Tammy Polequin LLC<br>Tammy Polequin<br>Lassiter Mason<br>4110 George Road<br>Tampa, FL | Tammy Polequin LLC<br>Tammy Polequin<br>4301 W. Boyscott Street #130<br>Tampa, Fl 33607<br>813.480.6283 |
| St Pete College<br>Fassco Inc<br>Nadar Faclih<br>163 3rd Street North<br>St. Petersburg, FL 33701<br>727-822-8690 | Odom Holdings, LLC<br>Lisa Odom<br>5480 SE 41st Court<br>Ocala, FL 34480<br>407-770-8103 |
| St Petersburg College – Tarpon Springs;<br>ANF Ventures, LLC<br>Nader Fackih, Aniam Fackih, Amer Fackih, Shadi Fackih, Samer Fackih<br>600 East Klosterman Road,<br>Tarpon Springs, FL 34689 | St Pete College – Clearwater;<br>ANF Services, LLC<br>Nader Fackih, Aniam Fackih, Amer Fackih, Shadi Fackih, Samer Fackih<br>2465 Drew Street<br>Clearwater, FL33759<br>727-669-2424 |
| General Dynamics<br>Samiam III, Inc<br>John Lambert<br>200 Carlton Parkway<br>St. Petersburg, FL 33716<br>johnlambert@netzero.net | St. Petersburg College – Gibbs Campus;<br>ANF Ventures, LLC<br>Nader Fackih, Aniam Fackih, Amer Fackih, Shadi Fackih, Samer Fackih<br>6605 5th Avenue North<br>St. Petersburg, FL 33710 |
| Skycenter One<br>Costal Ventures Sky Center, LLC<br>Megan Licursi<br>5411 Skycenter Drive, Suite 150<br>Tampa, FL 33607<br>megan@licursi.net | Lake Nona<br>Mangos-N-Marley, Inc<br>Dave and Ann Hasselberger<br>14152 Narcoossee Rd,<br>Suite 310,<br>Orland, FL 32832<br>daveslakehouse@aol.com |
| **Georgia** | |
| Atlanta/Hartsfield-Jackson Airport<br>Lucian Dillingham<br>MBC Concessions, 1027 Emory Parc Place<br>Decatur, GA 30330<br>404-766-8001<br>MBCINCDILL@aol.com | |
| **Indiana** | |
| CC Holdings<br>Kim Hendren<br>I U Riley Hospital for Children<br>705 Riley Hospital Drive<br>Indianapolis, IN 46202<br>317-630-0300 | CC Holdings<br>Kim Hendren<br>St. Vincent Hospital<br>13420 North Meridian Street, Bldg Ste 105<br>Carmel, IN 46032<br>317-564-0630 |

| | |
|---|---|
| CC Holdings<br>Kim Hendren<br>Indianapolis Airport<br>7800 Col. H Weir Cook Memorial Drive<br>Retail Space 11T. 340E<br>Indianapolis, IN 46241 | Nature's Table CW, LLC<br>Kim Hendren<br>Indianapolis Govt Center<br>302 West Washington Street<br>Indianapolis, IN 47402<br>317-409-6031 |

**MULTI-UNIT OPERATORS:**

***** Robertson Holdings, Inc
Terrell and Nzinga Robertson
235 Peachtree Street NE, Suite 241
Atlanta, GA 303303
terrell@holdingsinc.com

**DEVELOPMENT AGENTS:**
None

**Franchise Agreements Signed but not open as of December 31, 2024.**

| | |
|---|---|
| UFC<br>Forestier Salad and Wraps, LLC<br>Irving Forestier<br>12101 University Blvd<br>Unit 213<br>Orlando, FL 32817<br>irving@jeremiahsice.com | |

## FRANCHISEES, MULTI-UNIT OPERATORS AND DEVELOPMENT AGENTS WHO HAVE LEFT THE SYSTEM

(Updated as of December 31, 2024)

**FRANCHISEES:**

| **Florida** | |
|---|---|
| Epi- Center<br>Robert and Jacqueline Carpenter<br>13805 58th Street<br>Clearwater, Fl 33760<br>727-614-9766 | Oaks Mall<br>Hit Maker Meals, LLC<br>Anthony Bucher<br>6419 West Newberry Road, G-7<br>Gainesville, FL 32607<br>(352) 332-0995 |
| Coastal Ventures HR2,LLC<br>Megan Licursi-<br>14025 Riveredge Dr. Suite 120<br>Tampa, FL 33637<br>813-632-3220 | Diamond Florida Inc<br>Murad Sarfani<br>Park Tower<br>400 North Tampa Street<br>Tampa, Florida 33602<br>210.639.3960 |
| Coastal Ventures<br>Megan Licursi<br>Corporate Center1<br>2202 N. Westshore Blvd<br>Tampa, Florida 33607 | Coastal Ventures<br>Megan Licursi<br>Corporate CenterII<br>4211 West Boyscout Blvd<br>Tampa, Florida 33607 |
| TIAA Bank<br>Evolve Restaurant Group, LLC<br>Regina Cargill, Mark Calvert and Christian Calvert<br>301 West Bay Street<br>Jacksonville, FL 32202<br>Mark@evolvetoday.com | ZK Bahia II, LLC<br>Patricia Vahia Rocha and Rafael Zenke<br>8427 Southpark Circle #170<br>Orlando, FL 32819 |
| **Georgia** | |
| Milton Georgia<br>MD Amzad Hossain, Mostofa Chowdhury Ziad and Khandakar Khatun<br>Yabda Group, LLC<br>5250 Windward Parkway, Suite 113,<br>Milton, GA 30005<br>770-797-5494 | Macon Georgia<br>$robertson Holdings Macon, LLC<br>Terrell Robertson and Nzinga Robertson<br>781 Spring Street<br>Suite 104<br>Macon, GA 31201<br>terrell@holdingsinc.com |

**MULTI-UNIT OPERATORS:** None

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**DISCLOSURE DOCUMENT**
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## EXHIBIT F TO THE DISCLOSURE DOCUMENT
## MULTI- STATE ADDENDUM

### ADDENDUM TO THE NATURE'S TABLE FRANCHISE COMPANY DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the franchise agreement which designates jurisdiction or venue outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your right upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

### STATE ADDENDUM TO THE NATURE'S TABLE FRANCHISE COMPANY FRANCHISE AGREEMENT BY THE STATE OF ILLINOIS

1. The following item must be included within the Disclosure Document and shall replace the language that is in the Disclosure Document itself:

> Section 4, Jurisdiction and Venue, of the Illinois Franchise Disclosure Act of 1987 ("Act") states that "any provision in the franchise agreement which designates jurisdiction or venue in a forum outside of this State is void with respect to any cause of action which otherwise is enforceable in this State, provided that a franchise agreement may provide for arbitration in a forum outside of this State." This Section of the Act replaces any contradictory language contained in the Franchise Agreement and Multi-Unit Operator Agreement.

2. Illinois law governs the Franchise Agreement and Multi-Unit Operator Agreement.

3. Any releases and/or waivers that we request you to sign must conform with Section 41, Waivers Void, of the Illinois Franchise Disclosure Act of 1987 which states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim according to the provisions of Title 9 of the United States Code."

4. Under Illinois law at 200.608, Jurisdiction and Venue, a franchise agreement may not provide for a choice of law of any state other than Illinois. The Summary column of Items 17(v) and (w) of the Disclosure Document are amended to state "Illinois law". The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended accordingly.

5. The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended to comply with Section 27, Periods of Limitation, of the Act to allow any and all claims and

actions arising out of or relating to these Agreements, the relationship of Franchisor and Franchisee, Multi-Unit Operator, or your operation of the Franchise brought by you against us shall be commenced within 3 years from the occurrence of the facts giving rise to such claim or action, within 1 year after you become aware of the facts or circumstances indicating you may have a claim for relief, or 90 days after delivery to you of a written notice disclosing the violation, or such claim or action will be barred.

6. Item 17(g) of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended by changing the time frame to cure defaults, excluding defaults for safety or security issues, to 30 days.

## STATE ADDENDUM TO THE NATURE'S TABLE FRANCHISE COMPANY DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND MULTI-UNIT OPERATOR AGREEMENT FOR THE STATE OF INDIANA

1. To be added to Item 3 of the Disclosure Document, is the following statement:

There are presently no arbitration proceedings to which the Franchisor is a party.

2. Item 17 of the Disclosure Document is amended to reflect the requirement under Indiana Code 23-2-2.7-1 (9), which states that any post term non-compete covenant must not extend beyond the franchisee's exclusive territory.

3. Item 17 is amended to state that this is subject to Indiana Code 23-2-2.7-1 (10).

4. Under Indiana Code 23-2-2.7-1 (10), jurisdiction and venue must be in Indiana if the franchisee so requests. The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are hereby amended accordingly.

5. Under Indiana Code 23-2-2.7-1 (10), franchisee may not agree to waive any claims or rights.

## ADDENDUM TO THE NATURE'S TABLE FRANCHISE COMPANY DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF SOUTH CAROLINA

The State of South Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

If the seller fails to deliver the product, equipment or supplies necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

**ADDENDUM TO THE NATURE'S TABLE FRANCHISE COMPANY**
**DISCLOSURE DOCUMENT REQUIRED BY THE COMMONWEALTH OF VIRGINIA**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Nature's Table Franchise Company for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h:

According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable.

According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day _____ _____.

NATURE'S TABLE FRANCHISE COMPANY

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____

## EXHIBIT G TO THE DISCLOSURE DOCUMENT

## AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

| State | State Agency | Agent for Service of Process |
|---|---|---|
| CALIFORNIA | Commissioner of the Department of Financial Protection and Innovation<br>Department of Financial Protection and Innovation<br>320 West 4th Street, Suite 750<br>Los Angeles, CA 90013<br>(213) 576-7505<br>Toll-free (866-275-2677) | Commissioner of the Department of Financial Protection and Innovation |
| CONNECTICUT | State of Connecticut<br>Department of Banking<br>Securities & Business Investments Division<br>260 Constitution Plaza<br>Hartford, CT 06103-1800<br>(860) 240-8230 | Banking Commissioner |
| HAWAII | Business Registration Division<br>Department of Commerce and Consumer Affairs<br>335 Merchant Street, Room 203<br>Honolulu, HI 96813<br>(808) 586-2722 | Commissioner of Securities of the State of Hawaii |
| ILLINOIS | Office of Attorney General<br>Franchise Division<br>500 South Second Street<br>Springfield, IL 62706<br>(217) 782-4465 | Illinois Attorney General |
| INDIANA | Indiana Secretary of State<br>Securities Division<br>302 West Washington St., Room E-111<br>Indianapolis, IN 46204<br>(317) 232-6681 | Indiana Secretary of State<br>201 State House<br>Indianapolis, IN 46204 |
| MARYLAND | Office of the Attorney General<br>Division of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 | Maryland Securities Commissioner<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 |
| MICHIGAN | Michigan Department of Attorney General<br>Consumer Protection Division<br>Antitrust and Franchise Unit<br>670 Law Building<br>Lansing, MI 48913<br>(517) 373-7117 | Michigan Department of Commerce, Corporations and Securities Bureau |
| MINNESOTA | Minnesota Department of Commerce<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 | Minnesota Commissioner of Commerce |

| State | State Agency | Agent for Service of Process |
|---|---|---|
| NEW YORK | NYS Department of Law<br>Investor Protection Bureau<br>28 Liberty Street, 21st Floor<br>New York, NY 10005<br>(212) 416-8222 Phone | Attention: New York Secretary of State<br>New York Department of State<br>One Commerce Plaza<br>99 Washington Avenue, 6th Floor<br>Albany, NY 11231-0001<br>(518) 473-2492 |
| NORTH DAKOTA | North Dakota Securities Department<br>600 East Boulevard, 5th Floor<br>Bismarck, ND 58505-0510<br>(701) 328-4712 | North Dakota Securities Commissioner |
| OREGON | Department of Consumer and Business Services<br>Division of Finance and Corporate Labor and Industries Building<br>Salem, Oregon 97310<br>(503) 378-4387 | Director of the Department of Consumer and Business Services |
| RHODE ISLAND | Department of Business Regulation<br>Division of Securities<br>1511 Pontiac Avenue, Building 69-1<br>Cranston, RI 02920<br>(401) 462-9585 | Director of Rhode Island Department of Business Regulation |
| SOUTH DAKOTA | Division of Insurance<br>Securities Regulation<br>124 South Euclid, Suite 104<br>Pierre, SD 57501<br>(605) 773-3563 | Director of Insurance-Securities Regulation |
| VIRGINIA | State Corporation Commission<br>Division of Securities and Retail Franchising<br>1300 East Main Street, 9th Floor<br>Richmond, VA 23219<br>(804) 371-9051 | Clerk of State Corporation Commission<br>1300 East Main Street, 1st Floor<br>Richmond, VA 23219<br>(804) 371-9733 |
| WASHINGTON | Department of Financial Institutions<br>Securities Division<br>P.O. Box 41200<br>Olympia, WA 98504-1200<br>(360) 902-8760 | Director of Washington Financial Institutions<br>Securities Division<br>150 Israel Road, SW<br>Tumwater, WA 98501 |
| WISCONSIN | Wisconsin Securities Commissioner<br>Securities and Franchise Registration<br>345 W. Washington Avenue<br>Madison, WI 53703<br>(608) 266-8559 | Commissioner of Securities of Wisconsin |

**EXHIBIT H TO THE DISCLOSURE DOCUMENT**

**FORM OF GENERAL RELEASE**

THIS AGREEMENT ("Agreement") is made and entered into this day _____ by and between Nature's Table Franchise Company, a Florida corporation having its principal place of business located at 545 Delaney Avenue, Building 2, Orlando, Florida 32801 (the "Franchisor"), and _____, an individual residing at _____ (hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. **Release by Releasor**:

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

2. Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. Florida law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of Florida.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

The parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

RELEASOR:

_____
(Name)

NATURE'S TABLE FRANCHISE COMPANY:

By:_____
Name:_____
Title:_____

## EXHIBIT I

***NOT FOR USE IN CALIFORNIA**

## NATURE'S TABLE CAFÉ ACKNOWLEDGEMENT STATEMENT

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into a Franchise Agreement (or Multi-Unit Development Agreement). Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

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

1. Franchisee (or Developer) has conducted an independent investigation of all aspects relating to the financial, operational, and other aspects of the business of operating the Franchised Business. Franchisee (or Developer) further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee (or Developer) by Franchisor and Franchisee (or Developer) and any and all Principals hereby waive any claim against Franchisor for any business failure Franchisee (or Developer) may experience as a franchisee (or developer) under this Agreement.

_____
Initial

2. Franchisee (or Developer) has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee (or Developer) and its efforts as an independent business operation.

_____
Initial

3. Franchisee (or Developer) agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement (or Multi-Unit Development Agreement) and that it/she/he understands all the terms and conditions of the Franchise Agreement (or Multi-Unit Development Agreement). Franchisee (or Developer) further acknowledges that the Franchise Agreement (or Multi-Unit Development Agreement) contains all oral and written agreements, representations, and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

_____
Initial

4. Franchisee (or Developer) has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement (or Multi-Unit Development Agreement) that are contrary to the terms of the Franchise Agreement (or Multi-Unit Development Agreement) or the documents incorporated herein. Franchisee (or Developer) acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement (or Multi-Unit Development Agreement). Franchisee (or Developer)

represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining the Franchise Agreement (or Multi-Unit Development Agreement).

_____
Initial

5. Franchisor expressly disclaims the making of, and Franchisee (or Developer) acknowledges that it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement (or Multi-Unit Development Agreement).

_____
Initial

6. Franchisee (or Developer) acknowledges that Franchisor's approval or acceptance of Franchisee's (or Developer's) Business location does not constitute a warranty, recommendation, or endorsement of the location for the Franchised Business, nor any assurance by Franchisor that the operation of the Franchised Business at the premises will be successful or profitable.

_____
Initial

7. Franchisee (or Developer) acknowledges that it has received the Nature's Table Franchise Company Franchise Disclosure Document with a complete copy of the Franchise Agreement (and Multi-Unit Development Agreement) and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement (or Multi-Unit Development Agreement) was executed. Franchisee (or Developer) further acknowledges that Franchisee (or Developer) has read such Franchise Disclosure Document and understands its contents.

_____
Initial

8. Franchisee (or Developer) acknowledges that it has had ample opportunity to consult with its own attorneys, accountants, and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee (or Developer) with respect to the Franchise Agreement (or Multi-Unit Development Agreement) or the relationship thereby created.

_____
Initial

9. Franchisee (or Developer), together with Franchisee's (or Developer's) advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement (or Multi-Unit Development Agreement).

_____
Initial

10. Franchisee (or Developer) is aware of the fact that other present or future franchisees (or developers) of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

_____
Initial

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that Franchisor does not warrant that such

products will not be sold within the Franchisee's (or Developer's) Territory by others who may have purchased such products from Franchisor.

_____
Initial

12. BY EXECUTING THE FRANCHISE AGREEMENT (OR MULTI-UNIT DEVELOPMENT AGREEMENT), FRANCHISEE (OR DEVELOPER) AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S (OR DEVELOPER'S) AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE NATURE'S TABLE FRANCHISE COMPANY AND ANY OF THE ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT (OR MULTI-UNIT DEVELOPMENT AGREEMENT), INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF. THIS RELEASE SHALL NOT APPLY TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY FRANCHISEE (OR DEVELOPER).

_____
Initial

FRANCHISEE:

_____

By: _____

_____, _____
(Print Name, Title)

Date: _____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

| State | Effective Date |
|---|---|
| Indiana | Pending |

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

**EXHIBIT J**

## RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT OF NATURE'S TABLE FRANCHISE COMPANY

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Nature's Table Franchise Company offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires you to receive this Franchise 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.

If Nature's Table Franchise Company does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit G.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

| | | |
|---|---|---|
| Mr. Richard Wagner<br>545 Delaney Avenue, Building 2,<br>Orlando, Florida 32801.<br>(407) 481-2544 | | |

Issuance Date: March 27, 2025

I received a Disclosure Document dated _____, that included the following Exhibits:

EXHIBIT A: Financial Statements
EXHIBIT B: Franchise Agreement
EXHIBIT C: Multi-Unit Operator Agreement
EXHIBIT D: Franchised Outlets
EXHIBIT E: Operations Manual Table of Contents
EXHIBIT F: State Addenda
EXHIBIT G: List of State Franchise Administrators and Agents for Service of Process
EXHIBIT H: Form of General Release
EXHIBIT I: Nature's Table Café Acknowledgment Statement
State Effective Dates
EXHIBIT J Receipt

Date Received: _____ DATE: _____
(If other than date signed)

Print Name: _____

Print Address: _____

City, State: _____

_____
(Signature of recipient

**Please return signed receipt to Nature's Table Franchise Company,**
545 Delaney Avenue
Building 2
Orlando, Florida 32801

**EXHIBIT J**

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State Effective Dates
EXHIBIT J Receipt

Date Received: _____ DATE: _____
(If other than date signed)

Print Name: _____

Print Address: _____

City, State: _____

_____
(Signature of recipient

**KEEP FOR YOUR RECORDS**