

FRANCHISE DISCLOSURE DOCUMENT

POKEMOTO

®

Poke Co Holdings, LLC

a Connecticut limited liability company

2600 South Shore Boulevard, Suite 300

League City, Texas 77573

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The franchise is the right to develop, own and operate a single “POKEMOTO®” branded shop featuring poke bowls, salads, and wraps with a variety of toppings and other complementary products, smoothies and beverages. The total investment necessary to begin operation of a Pokemoto shop is \$137,000 to \$294,900. This includes \$25,000 to \$26,500 that must be paid to the franchisor.

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 Poke Co Holdings, LLC at 2600 South Shore Boulevard, Suite 300, League City, TX 77573, info@pokemoto.com.

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: April 29, 2022

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit 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 requires you to resolve disputes with the franchisor by arbitration or litigation only in the State of Texas. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in the State of Texas than in your home state.

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

**THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY**

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

Michigan Attorney General's Office
Consumer Protection Division
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
Telephone Number: 517-373-7117

Note: Despite subparagraph (f) above, we intend, and we and you agree to fully enforce the arbitration provisions of the Franchise Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions. You acknowledge that we will seek to enforce this section as written.

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

TABLE OF CONTENTS

ITEM 1	1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2	3
BUSINESS EXPERIENCE	3
ITEM 3	5
LITIGATION	5
ITEM 4	6
BANKRUPTCY	6
ITEM 5	6
INITIAL FEES	6
ITEM 6	6
OTHER FEES	6
ITEM 7	11
ESTIMATED INITIAL INVESTMENT	11
ITEM 8	14
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	14
ITEM 9	17
FRANCHISEE'S OBLIGATIONS	17
ITEM 10	18
FINANCING	18
ITEM 11	19
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	19
ITEM 12	26
TERRITORY	26
ITEM 13	27
TRADEMARKS	27
ITEM 14	29
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	29
ITEM 15	30

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	30
ITEM 16	31
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	31
ITEM 17	32
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	32
ITEM 18	36
PUBLIC FIGURES	36
ITEM 19	36
FINANCIAL PERFORMANCE REPRESENTATIONS	36
ITEM 20	37
OUTLETS AND FRANCHISEE INFORMATION	37
ITEM 21	40
FINANCIAL STATEMENTS	40
ITEM 22	40
CONTRACTS	40
ITEM 23	41
RECEIPTS	41

EXHIBITS

- A – Financial Statements, including Guarantees of Performance from our Affiliates
- B – Franchise Agreement
- C – Veteran’s Incentive Program Addendum
- D – List of Existing Franchisees
- E – List of Franchisees Who Have Left the System or Not Communicated with Franchisor
- F – Table of Contents of Operations Manual
- G – State Administrators/Agents for Service of Process
- H – Form of General Release
- I – State Riders and Addenda
- J – Receipts

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

The Franchisor

The franchisor, Poke Co Holdings, LLC, is referred to in this disclosure document as “Franchisor,” “we,” “us,” or “our.” We refer to the person or the entity buying the franchise as “you” or “your.”

We are a limited liability company formed in the State of Connecticut on July 18, 2018. Our principal place of business is 2600 South Shore Boulevard, Suite 300, League City, TX 77573, and we do business under our corporate name and the “Pokeomoto®” band name. We do not own or operate any businesses of the type being franchised under this disclosure document; however, our affiliates do. Other than servicing and selling Pokemoto® franchises, we are not involved in other business activities and have never offered franchises in any other line of business. We began offering franchises in July 2018. Our agent for service of process is listed in Exhibit G.

Our Parents, Predecessors and Affiliates

We have no predecessors.

We are a wholly owned subsidiary of Muscle Maker, Inc. (“MMI”), which shares our principal business address.

Our affiliate, TNB Holdings, LLC (“TNB”) owns the Marks (defined below) and has granted us the right to use and sublicense the use of the Marks. TNB shares our principal business address. As of the issuance date of this disclosure document, TNB owns one business similar to what you will operate. TNB has never offered franchises in this or any other line of business, but it may do so in the future.

Since July 2017, our affiliate, Muscle Maker Development, LLC (“MMD”), has been offering franchises for Muscle Maker Grill® branded restaurants featuring healthier alternatives to fast food using ingredients such as chicken, steak, turkey, seafood, etc. to offer menu items like pastas, burgers, wraps, entrée salads, flatbread pizza, smoothies, and yogurt (including frozen yogurt), in a variety of assorted flavors. MMD shares our principal business address. As of the issuance date of this disclosure document, there are 19 Muscle Maker Grill® branded restaurants, 7 of which are owned by our affiliates and the remaining 12 restaurants are owned and operated by franchisees. MMD has never offered franchises in any other line of business, but it may do so in the future.

Description of Franchise

We offer franchises to develop, own and operate a shop (each, a “Pokemoto Shop”) under the trade name “Pokemoto®” and other trademarks, service marks and commercial symbols, and trade dress that we periodically authorize (collectively, the “Marks”). Pokemoto Shops feature poke bowls, salads, and wraps with a variety of toppings and other complementary products, smoothies and beverages and offer dine-in, take-out service and third-party delivery service. They use and are identified by distinctive signage, interior and exterior design, décor, color scheme, special recipes,

menu items (including proprietary products and ingredients), and standards and specifications for operations that we designate from time to time.

To purchase a Pokemoto franchise, you will be required to sign our standard form of franchise agreement, the current form of which is attached to this disclosure document as Exhibit B (the “Franchise Agreement”). The Pokemoto Shop that you operate pursuant to the execution of a Franchise Agreement with us is referred to as “your Shop.” Under the Franchise Agreement, certain parties are characterized as the franchisee’s principals (referred to in this disclosure document as “your Principals”). The Franchise Agreement is executed by us, by you. We may designate some of your Principals as the controlling principals (“Controlling Principals”) also execute the Controlling Principal’s Undertaking, the form of which is attached to the Franchise Agreement, under which they personally guarantee and assume your obligations under the Franchise Agreement. In most instances, we will designate your equity owners and executive officers, and certain affiliated entities, as your Controlling Principals. We may require you or your Controlling Principals who do not sign the Controlling Principals’ Undertaking to sign additional confidentiality and non-competition agreement. You must also designate a “General Manager” who will be the main individual responsible for operating your Shop. We recommend that you act as the General Manager.

Market and Competition

Our products are not seasonal. The market for poke bowls in general is developing and highly competitive. There is active price competition among food service businesses, as well as competition for management personnel and for suitable and attractive commercial real estate sites. You must expect to compete with many other businesses offering comparably priced food and beverages. Competitors may be locally-owned or large regional or national chains.

Industry Regulations

The food service industry is heavily regulated. In addition to laws, rules, and regulations that apply to business generally, food service businesses are regulated by the U.S. Food and Drug Administration, the U.S. Department of Agriculture, other federal agencies, state, and local agencies that administer and enforce laws and regulations that govern aspects such as nutrition labeling of standard menu items, food storage, handling and preparation, and service and restaurant sanitary conditions. State and local agencies inspect food services businesses to ensure that they comply with these laws and regulations. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. Compensation of restaurant employees (including minimum wage and overtime requirements) is governed by federal, state and local laws. There may be other laws applicable to your business. We urge you to make further inquiries about these laws.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer and Secretary: Michael J. Roper

Mr. Roper has been our Chief Executive Officer and Secretary since May 2021 and has held the same positions with Muscle Maker Development International LLC (“MMDI”) since November 2020 and with MMI and MMD since May 2018. Since May 2018, Mr. Roper has served as the Chief Executive Officer of Muscle Maker Brands, LLC (“MMB”). Since November 2017, Mr. Roper has been the owner of Allsquare Boxes, LLC in Flower Mound, Texas. Mr. Roper was previously the Chief Executive Officer of Taco Bueno in Irving, Texas from July 2015 to October 2017. Mr. Roper has held all positions with us and our affiliates from Flower Mound, Texas and Argyle, Texas.

Chief Operating Officer: Kenn Miller

Mr. Miller has been our Chief Operating Officer since May 2021 and has held the same positions with MMDI since November 2020 and with MMI and MMD since September 2018. He was previously the Senior Vice President of Operations of Dickey’s BBQ in Dallas, Texas from April 2018 to September 2018. Mr. Miller was the Senior Vice President of Operations and Development for Taco Bueno in Irving, Texas from June 2015 to April 2018. Mr. Miller has held all positions with us and our affiliates from Addison, Texas.

Chief Investment Officer and Chairman: Kevin Mohan

Mr. Mohan has been our Chief Investment Officer and Chairman since May 2021 and has held the same positions with MMDI since November 2020 and with MMI and MMD since April 2018. He was previously the Vice President of American Restaurants, Inc. in Irvine, CA from February 2011 to January 2018. Mr. Mohan has held all positions with us and our affiliates from Burleson, Texas.

Chief Accounting Officer: Ferdinand Groenewald

Mr. Groenewald has been our, MMI’s, MMD’s and MMDI’s Chief Accounting Officer since January 2022. Prior to that, he was our Chief Financial Officer and Treasurer from May 2021 to December 2021 and held the same positions with MMDI from November 2020 to December 2021 and with MMI and MMD from September 2018 to December 2021. From July 2018 through August 2018, he served as senior financial reporting accountant of Wrinkle Gardner & Company, a full service tax, accounting and business consulting firm. He was previously the Vice President of Finance for MMI from January 2018 to July 2018, and its Controller from October 2017 to January 2018. He was the Senior Staff Accountant at Pharos Advisors, Inc. in Saddle Brook, New Jersey from February 2017 to October 2017. Mr. Groenewald has held all positions with us and our affiliates from League City, Texas.

Chief Financial Officer: Jennifer Black

Ms. Black has been our and MMI's Chief Financial Officer since January 2022. From September 2018 to December 2021, she was the Chief Financial Officer of Eagle Pressure Control in Fort Worth, Texas. From October 2015 to September 2018, she was the Controller of Ag Resource Management in Fort Worth, Texas. Ms. Black serves in her current position from Godley, Texas and League City, Texas.

Vice President Franchise Sales & Development: Michael A. Spavelko

Mr. Spavelko has been the Vice President of Franchise Sales & Development for our affiliate, MMI, since January 2022, and has served the same function for us since that time. He serves in his current capacity from Jacksonville, Florida. Mr. Spavelko's employment history prior to January 2022 was as follows: from June 2015 to April 2018, he served as Senior Director of Development for Quiznos in Denver, Colorado; from May 2018 to May 2019, he served as Senior Director of Development for Rego Restaurant Group in Denver, Colorado; from May 2019 to September 2019, Mr. Spavelko was exploring other employment opportunities; from September 2019 through March 2020, he was employed by Zambrero in Warwick, Rhode Island as that company's Vice President of US Operations; from April 2020 to September 2020, Mr. Spavelko was exploring employment opportunities; in September 2020, Mr. Spavelko became a self-employed licensed real estate broker and sold commercial and residential properties in Jacksonville, Florida through May 2021; from June 2021 through December 2021, Mr. Spavelko returned to Zambrero in Warwick, Rhode Island as that company's General Manager – Development - North America.

Vice President Brand Development/Franchise Sales: Rodney C. Silva

Mr. Silva has been our Vice President of Brand Development/Franchise Sales since May 2021 and has held the same position with MMDI since November 2020 and with MMI and MMD since July 2017. From January 2015 to July 2017, he was the Director of Brand Development of MMB. Mr. Silva works out of our principal office in League City, Texas.

Chief Marketing Officer: Aimee Infante

Ms. Infante has been our Chief Marketing Officer since May 2021 and has held the same position with MMDI since November 2020 and with MMI and MMD since May 2019. She was MMD's Vice President of Marketing from July 2017 to May 2019. Ms. Infante has held positions with MMB from February 2015 to July 2017, most recently as the Director of Marketing. Ms. Infante has held all positions with us and our affiliates from Cinnaminson, New Jersey.

Senior Vice President of Operations: Thienon Nguyen

Mr. Nguyen has been our Senior Vice President of Operations since May 2021. From October 2017 to May 2021 (when he sold his interests in us to MMI), he was our Chief Executive Officer, President and Managing Member. Mr. Nguyen was an operating manager for Froyoworld,

LLC located in New Haven, Connecticut from August 2011 to October 2017. Mr. Nguyen is based in New Haven, Connecticut.

Senior Vice President of Business Development/Franchising: Dennis Bok

Mr. Bok has been our Senior Vice President of Business Development/Franchising since May 2021. From October 2017 to May 2021 (when he sold his interests in us to MMI), he was our Director of Franchise Development. Mr. Bok was the Director of Franchising for Froyoworld Franchising, LLC located in Manchester, Connecticut from October 2011 to October 2017. Mr. Bok is based in New Haven, Connecticut.

ITEM 3
LITIGATION

Robyn Decicco v, Muscle Maker Grill, LLC, Muscle Maker Franchising, LLC, Primo Services, LLC, J Crown, Inc., John Marques, John Does 1-10 and ABC Corps 1-10, Superior Court of New Jersey, Law Division, Middlesex County (Docket No. MID-L-4223-13). This action was filed on June 28, 2013, by a former employee of a franchised Muscle Maker Grill restaurant. The former employee alleges John Marques (“Marques”), as owner of the entities alleged to be the franchisee, engaged in racial discrimination in hiring and directed her to manipulate and change employees’ hours entered into the restaurant computer. The plaintiff alleged that she reported Marques’ alleged conduct to the former franchisor of Muscle Maker Grill brand, Muscle Maker Franchising, LLC (“MMF”), and that her employment was wrongfully terminated by Marques in retaliation for her whistle-blowing activity. She sought back pay, with interest, and future pay, compensatory damages for emotional pain and suffering, mental anguish, distress, humiliation, and loss of reputation, punitive damages, attorneys’ fees, costs and disbursements, interest, and an order to cease and desist alleged illegal or improper conduct and compel defendants to initiate anti-discrimination and anti-retaliation training.

On September 30, 2013, Marques and J Crown, Inc. (“J Crown”) filed a cross claim and third-party complaint against MMF and its then-members and officers, Rodney Silva and Robert Morgan, alleging misrepresentation and omissions in information provided to Marques when he invested in MMF and in connection with the purchase of franchises by J Crown, breach of fiduciary duty to a minority investor, refusal to provide information, exclusion from participation in the business and failure to advise of the allegations by Robyn Decicco, unjust enrichment, and breach of contract. Marques and J Crown sought an accounting, compensatory damages, interest, costs and attorneys’ fees. On or about November 12, 2013, MMF, Rodney Silva, and Robert Morgan filed a motion to stay the cross claim and third-party complaint pending arbitration or, in the alternative, to dismiss based upon lack of standing, failure to join indispensable parties and failure to state certain claims upon which relief can be granted. The court issued an order on January 17, 2014, severing Marques’ and J Crown’s cross claim and third-party complaint and granting the motion to stay until further order of the court pending arbitration of the claims. No arbitration has been filed as of the date of this disclosure document, and the parties are exploring dispute resolution via mediation. MMF filed a motion for summary judgement, which motion was granted on or about June 24, 2015.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee: You must pay us in lump sum an initial franchise fee of \$25,000 when you execute the Franchise Agreement. The initial franchise fee is fully earned by us upon the execution of the Franchise Agreement, non-refundable, and uniformly imposed.

Veteran's Incentive Program: If you or your owners are active members of, or were honorably discharged from, the United States armed forces and remain in good standing under all agreements with us, we may reduce your initial franchise fee to \$10,000. To avail this reduction in the initial franchise fee, you must sign and satisfy the conditions under the Veteran's Incentive Program Addendum attached as Exhibit C to this disclosure document when you sign the Franchise Agreement. We reserve the right to suspend or terminate the offer to participate in the Veteran's Incentive Program at any time.

Training Fee: We do not charge any training fee for training you (or one of your Principals) and your General Manager; however, you must pay us in lump sum a training fee of \$1,500 to train any additional trainees. The training fee is fully earned by us upon the execution of the Franchise Agreement, non-refundable, and uniformly imposed.

ITEM 6
OTHER FEES

Fees ⁽¹⁾	Amount	Due Date	Remarks
Royalty Fee ⁽²⁾	6% of Gross Sales	Weekly, on the date we specify (currently, Wednesday)	We will withdraw the Royalty Fee by EFT from your designated bank account.
Brand Development Fee	1% of Gross Sales	Weekly, on the date we specify (currently, Wednesday)	We will withdraw the Brand Development Fee by EFT from your designated bank account. We may increase the amount payable by providing 30 days written notice to you.

Fees ⁽¹⁾	Amount	Due Date	Remarks
Initial Training Fee for replacement Principal or General Manager	Out then-current initial training fee (currently, \$1,500 per person)	Before Training	You must pay us our then-current training for training your replacement General Manager or Principal. You are responsible for the wages of your trainees and the expenses incurred by them while attending the training program, including travel, lodging, and meals.
Additional On-Site Training	Our then-current per diem rate per trainer, plus expenses (Currently, \$300 per trainer per day)	When billed	If you request that we provide additional training at your Shop, you must pay our daily fee for each trainer we send to your Shop, and you must reimburse each trainer's expenses, including travel, lodging and meals.
Interest	1.5% per month or the highest rate allowed by applicable law, whichever is less	On demand	Interest may be charged on all overdue amounts. Interest will accrue from the original due date until payment is received in full
Audit Fee	Cost of audit (estimated to be between \$1,000 and \$5,000)	When billed	Payable only if we find, after an audit, that you have understated any amount you owe to us or Gross Sales by 2% or more. You must also pay the understated amount plus interest.
Prohibited Product or Service Fee	\$250 per day of use of unauthorized products or services	If incurred	In addition to other remedies available to us.

Fees ⁽¹⁾	Amount	Due Date	Remarks
Transfer Fee	\$5,000	Along with your request for approval of the transfer	You are not required to pay the transfer fee in the event of (i) transfer of the Shop and/or the Franchise Agreement from you (if you are an individual) to a corporation in which you own the entire issued and outstanding ownership interest; and (ii) transfer by your owners (other than your Controlling Principals).
Successor Franchise Fee	50% of our then-current initial franchise fee	Upon renewal of the Franchise Agreement	
Product and/or Supplier Evaluation	\$250	With request for approval	Payable if you request that we evaluate a product or supplier that we have not previously approved and that you want to use in your Shop. This fee will be refunded if we approve the product or supplier.
Liquidated Damages	Varies	Immediately upon termination	An amount equal to average value of the Royalty Fees you paid and/or owed to us during the 52 weeks prior to termination multiplied by the lower of the following (i) 104, being the number of weeks in 2 full years, or (ii) the number of weeks remaining during the term of the applicable Franchise Agreement

Fees ⁽¹⁾	Amount	Due Date	Remarks
Remedial Measures	Will vary under circumstances	As invoiced	If you fail to operate your Shop in strict conformity with our methods, standards and specifications and fail to correct such deficiencies within a reasonable time as determined by us, we may correct such deficiencies and charge you a reasonable fee for it. You must also reimburse us for the expenses we incur in connection with any remedial measure that we take in connection with your Shop.
Management Fee	5% of Gross Sales, plus expenses	If incurred	We may step in and manage your Shop in certain circumstances, including your death, disability or prolonged absence. We will charge a management fee if we manage your Shop, and you must reimburse our expenses. The management fee is in addition to royalties and all other fees due.
Costs and Attorneys' Fees	Will vary under circumstances	On demand	If you default under your agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating your Franchise Agreement.

Fees ⁽¹⁾	Amount	Due Date	Remarks
Indemnification	Will vary under circumstances	On demand	You must reimburse us for the costs we incur if we are sued or held liable for claims that arise from your operation of the Shop or for costs associated with defending claims that you used the trademarks in an unauthorized manner.
Insurance	Reimbursement of our costs	If incurred	If you do not maintain the required insurance coverages, we have the right (but not the obligation) to obtain insurance on your behalf.

Notes:

1. Except as noted above, all fees described in this Item 6 are non-refundable. Certain existing franchisees may pay different fees or amounts than described above, but the fees shown above are uniformly imposed on franchisees who purchase a franchise under this disclosure document.

2. For the purposes of determining the fees to be paid under the Franchise Agreement, “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 Shop (including, without limitation, any sales or orders of food products or food preparation services provided from or related to the Shop), delivery and catering, whether for cash or credit and regardless of collection in the case of credit. In the event of a cash shortage, the amount of Gross Sales shall be determined based on the records of the point of sale 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, customer refunds or adjustments, or third-party delivery fees.

If you do not report the Shop’s Gross Sales, we may debit your account for 120% of the last Royalty Fee and Brand Development Fee that we debited. If the Royalty Fee and Brand Development Fee we debit are less than the Royalty Fee and Brand Development Fee you actually owe us, once we have been able to determine the Shop’s true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the Royalty Fee and Brand Development Fee we debit are greater than the Royalty Fee and Brand Development Fee you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following month.

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

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Initial Franchise Fee ⁽¹⁾	\$25,000	Lump Sum	On signing Franchise Agreement	Us
Rent – 3 Months ⁽²⁾	\$7,500 to \$22,500	As determined by Landlord	Before opening	Landlord
Security Deposits ⁽³⁾	\$3,000 to \$8,500	As arranged	As arranged	Landlord, Utility Companies
Leasehold Improvements ⁽⁴⁾	\$50,000 to \$150,000	As arranged	As arranged	Third-party Contractor
Equipment, Furniture and Signs ⁽⁵⁾	\$35,000 to \$50,000	As arranged	As arranged	Third-party Suppliers
POS / Computer System ⁽⁶⁾	\$1,200 to \$2,400	As arranged	As arranged	Third-party Suppliers
Video Surveillance System ⁽⁷⁾	\$1,000 to \$4,000	As arranged	As arranged	Third-party Suppliers
Insurance – Annual Premium ⁽⁸⁾	\$1,000 to \$2,400	As arranged	As arranged	Insurance Companies
Permits and Licenses ⁽⁹⁾	\$300 to \$600	As arranged	As arranged	Government Agencies
Initial Inventory ⁽¹⁰⁾	\$5,000 to \$10,000	As arranged	As arranged	Third-party Suppliers
Initial Training Fee and Travel Expenses for Training ⁽¹¹⁾	\$2,500 to \$4,500	As arranged	As incurred	Us, Third-party Suppliers, and Employees
Professional Fees ⁽¹²⁾	\$500 to \$5,000	As arranged	As arranged	Third-party Suppliers

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Additional Funds – 3 Months ⁽¹³⁾	\$5,000 to \$10,000	As arranged	As incurred	Various
Total	\$137,000 to \$294,900			

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment.

Notes:

1. **Initial Franchise Fee.** Under the Veteran's Incentive Program you may be eligible to pay a reduced initial franchise fee of \$10,000. See Item 5.

2. **Rent.** If you do not own adequate property, you must lease the property for your business. The typical size for a Pokemoto Shop is 1,000 to 2,000 square feet. The costs for a suitable location will vary widely and may be significantly higher than projected in this table depending on factors such as property location, population density, economic climate, prevailing interest rates and other financing costs, conditions of the property and extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish a Shop.

Landlords may vary the base rental rate and charge rent based on a percentage of gross sales. In addition to base rent, the lease may require you to pay common area maintenance charges your pro rata share of the real estate taxes and insurance, and your pro rata share of other charges. The actual amount you pay under the lease will vary depending on the size of the Shop, the types of charges that are allocated to tenants under the lease, your ability to negotiate with landlords and the prevailing rental rates in the geographic region.

If you choose to purchase real property on which to build your Shop, your initial investment will be higher than what we estimate above. If you purchase real property, we cannot estimate how this purchase will affect your total initial investment.

3. **Security Deposits.** We expect that you will need to pay deposits for your local utilities, such as telephone, electricity and gas, and your landlord may require you to pay a security deposit. The amount of your deposits will depend, in part, on your credit rating and the policies of the individual utility companies. Our estimate assumes that you landlord will require one to two month's rent as a security deposit.

4. **Leasehold Improvements.** The cost of leasehold improvements will vary depending on numerous factors, including: (i) the size and configuration of the premises; (ii) pre-

construction costs (such as demolition of existing walls and removal of existing improvements and fixtures); and (iii) cost of materials and labor, which may vary based on geography and location. Our estimates are based on the assumption that your landlord will provide a shell space that includes a level concrete floor suitable for floor covering, air conditioning, electricity, gas, sewers, bathroom facilities, water and plumbing suitable for a retail business. Leasehold improvements needed may include proper wiring and plumbing, floor covering, wall covering, partitions, lighting and fixtures, storefront modifications, painting, cabinetry and the like. These amounts may vary substantially based on local conditions, including the availability and prices of labor and materials. These costs may also vary depending on whether certain of these costs will be incurred by the landlord. Our estimate does not include any tenant improvement allowance that you may negotiate.

You must employ a qualified licensed general contractor to construct the improvements for your Shop. We must approve of the general contractor you select before leasehold improvements can begin. We must also approve of the build-out design for the layout of your Shop.

5. **Equipment, Furniture and Signs.** The equipment you will need for your Shop includes freezer units, refrigeration units, toppings bar and smallwares. You must also purchase or lease tables and chairs for your Shop, as well as the interior and exterior signage that we require.

6. **POS / Computer System.** You must purchase or lease the computerized point of sale system and back office computer system that we specify (see Item 11).

7. **Video Surveillance System.** You must purchase and install the video surveillance system that we designate.

8. **Insurance.** You must have the insurance that we specify for your Shop at all times during the term of your Franchise Agreement.

9. **Permits and Licenses.** Our estimate includes the cost of obtaining local business licenses which typically remain in effect for one year. The cost of these permits and licenses will vary substantially depending on the location of the Shop. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

10. **Initial Inventory.** Our estimate includes your initial inventory of sashimi grade fish, sauces, rice, produce, toppings, bowls, paperwares, spoons and cleaning supplies.

11. **Initial Training Fees including the Travel and Living Expenses While Training.** We do not charge any training fee for training you (or one of your Principals) and your General Manager; however, you must pay us in lump sum a training fee of \$1,500 to train any additional trainees. The training fee is fully earned by us upon the execution of the Franchise Agreement. The training fees is uniformly imposed and is not refundable under any circumstances. These estimates include the amount of initial training fee that you shall pay us (see item 5) and your out-of-pocket costs associated with attending our initial training program, including travel, lodging, meals and applicable wages for the first two trainees. Your costs may vary depending on your

selection of lodging and dining facilities and mode and distance of transportation. The lower end of our estimate assumes that the trainees live within driving distance of our training facility.

12. ***Professional Fees.*** We expect that you will retain an attorney and an accountant to assist you with evaluating this franchise offering, and with negotiating your lease or purchase agreement for the approved location.

13. ***Additional Funds.*** We estimate the start-up phase of your Shop to be 3 months from the date your Shop opens for business. This amount is our estimate of what you will need to cover the gap between your revenues and your operating expenses, including employee's salaries during your first three months of operation. These estimates do not include costs you may incur for any debt that you may service, your living expenses, or your own salary, if you manage the Shop.

We relied on our affiliates' experience in developing and operating Pokemoto Shops to compile the data disclosed in this Item 7. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not provide financing arrangements for you. If you obtain financing from others to pay for some of the expenditures necessary to establish and operate the franchise, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors.

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 (i) must conform to the standards and specifications in our Confidential Operations Manual ("Manual") or otherwise conveyed to you in writing, and (ii) must be purchased from our designated suppliers (which may be limited to us or affiliates). You may not install or permit to be installed on the Shop premises any fixtures, furnishings, equipment, décor items, signs, games, ATM machines, vending machines or other items without our written consent or that do not comply with our specifications.

To maintain quality and consistency, you must operate the Shop 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. 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; however, we do not issue or permit our franchisees to share, our standards or specifications to any third-party suppliers.

If we have not designated a supplier for any product or service that you wish to use for the development or operation of your Shop, you may purchase such product or service from a supplier of your choosing that demonstrates the ability to meet our then-current standards and specifications and possesses adequate quality controls and capacity to supply your needs promptly and reliably. We do not make our supplier evaluation criteria available to you or any supplier.

As of the issuance date of this disclosure document, we require you to (i) purchase certain components of the Computer System, food, and beverage from third-party suppliers approved by us, and (ii) hire a general contractor approved by us to develop your Shop. We may, upon written notice to you, modify the list of our designated suppliers and/or require you to purchase additional goods and services from our designated suppliers, which may be limited to us or our affiliates.

As of the issuance date of this disclosure document, neither we nor any of our affiliates are the approved or sole suppliers of any product or service that you must purchase or lease in connection with the development or operation of your Shop. We and our affiliates reserve the right to earn a profit from the sale of goods and services to our franchisees. None of our officers has an ownership interest in any approved supplier.

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, together with our then-current fee (currently \$250). 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. 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. We will notify you within 30 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 may designate that certain required items may be purchased from any supplier.

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of the system of Pokemoto Shops (the "System"). As of the date of this disclosure document, there are no purchasing or distribution cooperatives 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 Pokemoto Shops in our System. We and/or our affiliates may negotiate supply contracts with our suppliers under which we are able to purchase products, equipment, supplies, services and other items at a price that will benefit us and our franchisees. 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 Pokemoto Shops.

We have the right to collect and retain any and all allowances, rebates, credits, incentives, or benefits (collectively, “Allowances”) offered by manufacturers, suppliers, and distributors to you, to us, or to our affiliates, based upon your purchases of products and services from manufacturers, suppliers, and distributors. We or our affiliates may collect and retain any or all of these Allowances without restriction (unless otherwise instructed by the manufacturer, supplier, or distributor). As of the date of this disclosure document, we receive Allowances in the range of 6% to 10% and \$5 to \$300 per unit purchased by franchisees from our approved suppliers of food and beverage. In the fiscal year 2021, neither we nor any of our affiliates received any revenue from sale of goods or services to our franchisees.

We estimate that your required purchases from us, approved suppliers, or pursuant to our specifications, will represent approximately 75% to 80% of your total purchases in establishing the Shop, and approximately 55% to 65% of your total purchases in the continuing operation of the Shop.

We do not provide material benefits to franchisees based on their purchase of particular products or services.

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Pokemoto Shop) and other items we designate must bear the Marks 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 Shop before you acquire the possession of the site. You must also obtain our approval of any contract of sale or lease for the Shop before you sign the contract or lease. At our request, you and your landlord must sign a Collateral Assignment of Lease with us (Attachment B to the Franchise Agreement) which provides that your lease can be assigned to us on expiration or termination of your Franchise Agreement.

Before you open your Shop, you must obtain the insurance coverages we require. Below are our current insurance requirements:

- Worker’s Compensation or similar insurance as required by the law of the state or jurisdiction in which you are engaged in business, for trainees, as well as for those employed or engaged in the operation of your Shop.
- Comprehensive auto liability insurance (including delivery driver coverage if your business is offering such service) \$1,000,000 combined single limit on each owned, non-owned or hired vehicle that you will use in the operation of your Shop.
- Comprehensive general liability insurance with limits of at least \$1,000,000 per person per occurrence (for bodily injury and at least \$25,000 for property damage per occurrence).

- Insurance on the premises, equipment (except portable equipment) and supplies, for loss or damage by fire, windstorm, flood and other risks usually insured against by the owners or lessors of similar property, for at least 90% of the replacement cost of the property. Unless a written waiver is obtained from us, any Shop sustaining loss or damage must be repaired, restored or rebuilt within 60 days of the date of the loss or damage.
- Employer's liability insurance, for employee bodily injuries and deaths, with a limit of \$500,000 each accident.

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 should be listed as additional insureds in all insurance policies.

In addition to the coverages required in the Manual, related to any construction, renovation or remodeling of the Shop, 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 your insurance 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.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/ lease	Section 2	Items 8 and 11
b. Pre-opening purchases/leases	Sections 5, 6, 7 and 8	Items 5, 6, 7, 8 and 11
c. Site development and other pre-opening requirements	Section 2	Items 7, 8 and 11
d. Initial and ongoing training	Sections 5 and 6	Items 5, 6, 7 and 11
e. Opening	Sections 2 and 6	Items 5, 6, 7 and 11
f. Fees	Sections 3, 4, 5, 7, 8, 11, 14 and 18	Items 5, 6 and 7

Obligation	Section in Franchise Agreement	Disclosure Document Item
g. Compliance with standards and policies/operating manual	Sections 2, 3, 6, 7, 8, 9, 10, 11, 12	Items 8, 11, 13, 14, and 16
h. Trademarks and proprietary information	Sections 9 and 10 and Attachment D	Items 11, 13 and 14
i. Restrictions on products/services offered	Section 7	Items 8 and 16
j. Warranty and customer service requirements	Section 7	Item 8
k. Territorial development and sales quotas	Not applicable	Item 12
l. Ongoing product/service purchases	Section 7	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	Sections 2, 7 and 14	Items 8 and 11
n. Insurance	Section 12	Items 7 and 8
o. Advertising	Section 8	Items 6, 8 and 11
p. Indemnification	Section 15	Item 6
q. Owner's participation/management/staffing	Sections 6, 14, 15 and 19	Items 11 and 15
r. Records and Reports	Sections 4, 7 and 11	Item 6
s. Inspections and audits	Sections 2, 7 and 11	Items 6, 8 and 11
t. Transfer	Section 14	Items 6 and 17
u. Renewal	Section 3	Items 6 and 17
v. Post-termination obligations	Section 18	Items 6 and 17
w. Non-competition covenants	Section 10 and Attachment D	Item 17
x. Dispute Resolution	Section 19	Items 6 and 17
y. Liquidated Damages	Section 18	Item 6

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, we are not required to provide you with any assistance.

Pre-Opening Obligations

Before the opening of your Shop, we will provide the following assistance and services:

1. We will review and, at our discretion, accept the proposed site for your Shop. Our determination to accept or not accept a site may be based on various criteria (such as demographics, proposed rental rates, neighborhood and nearby business counts and characteristics, nearby residential populations, traffic count, accessibility, parking, visibility, signage, and competition) which may change in our discretion. We do not select or approve the area within which you must select a site for your Shop. We typically accept or reject your lease within 30 days of your providing us all required information. We do not lease or sublease the premises to our franchisees. We may terminate the Franchise Agreement if you fail to locate an acceptable Site within 90 days from the execution of the Franchise Agreement. (Franchise Agreement, Section 2.2)
2. We will provide you with our written site selection guidelines and the site selection assistance we deem advisable. (Franchise Agreement, Section 5.1.)
3. We will lend you one set of prototypical design plans and specifications for a Shop for adaptation by you at your expense. (Franchise Agreement, Section 5.3.)
4. We will grant you access to our Manual, which we may revise during the term of your Franchise Agreement. (Franchise Agreement, Sections 5.4 and 10.1.)
5. We will provide you the 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. We will provide initial training to you and your trainees. (Franchise Agreement, Sections 5.10 and 6.4.)

Obligations during the operation of your franchise

During the operation of your Shop, we will provide the following assistance and services:

1. As we reasonably determine necessary, visits to and evaluations of the Shop 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. We will grant you access to our Manual, which we may revise during the term of your Franchise Agreement. (Franchise Agreement, Sections 5.4 and 10.1.)

3. We will give advice and provide written materials concerning techniques of managing and operating the Shop, including new developments and improvements in equipment, products, recipes, packaging and preparation. (Franchise Agreement, Section 5.7.)

4. Upon your request, we will, subject to the availability of our personnel, provide on-site training assistance to you. You must pay our per diem fee for each trainer providing the training as well as reimburse our trainer's expenses. (Franchise Agreement, Section 6.4.2.)

Under the Franchise Agreement, you must open your Shop and commence business within 12 months following the date on which you sign the Franchise Agreement. The typical length of time to open a Shop is 6 – 12 months, depending on factors such as your ability to obtain a lease, building permits, weather conditions, shortages or delayed installation of equipment, signs or other fixtures, etc.

Grand Opening Advertising: We recommend, but do not require, that you conduct an advertising campaign announcing the grand opening of your Shop. If you choose to conduct grand opening advertising, we must approve of your advertising campaign before you begin it.

Brand Development Fund: You must contribute 1% of the Gross Sales of your Shop to the Brand Development Fund (the "Fund"). This Fund contribution must be paid on a weekly basis in the same manner as the royalty payments. As of the issuance date of this disclosure document, all Pokemoto franchisees are required to contribute to the Fund at the same rate. As of issuance date of this disclosure document, Pokemoto Shops owned by us or our affiliates do not contribute to the Fund. We did not spend any part of the Brand Development Fund contribution collected in the fiscal year 2021.

The Fund will be 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 Fund is intended to maximize general public recognition and acceptance of the Marks and improve the collective success of all Pokemoto Shops operating under the System. In administering the 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 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, newspaper and internet-based advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; social media initiatives; 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 Fund will be maintained in a separate account. We may reimburse ourselves out of the Fund for our reasonable administrative costs and expenses that we may incur in the administration or direction of the Fund and advertising

programs for you and the System. The Fund and its earnings will not otherwise benefit us. The Fund is operated solely as a conduit for collecting and expending the advertising fees as outlined above. Any sums paid to the 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 Fund that will be made available to you if you request it in writing. We are not required to have the Fund audited.

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

5. We do not use any part of the Fund contributions principally for soliciting new franchisees but we reserve the right to include references in the marketing materials of the Fund that franchises are available.

We currently advertise the Pokemoto Shops and the products offered by them primarily using point of purchase advertising materials, direct mail, electronic and internet marketing, public relations and promotions, and print media but we reserve the right to use any form 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. Once the franchise program has been established, we contemplate advertising on a national, regional and local basis through the use of the Fund and local advertising (described below). We are not obligated to spend any amount on advertising in the vicinity of your Shop.

Local Advertising: You must conduct local advertising in the area covering at least a 5-mile radius from your Shop and you must spend not less than 1% of your Shop's Gross Sales each month for Local Advertising. We must approve all advertising before you use it. You must not advertise or use our Marks in any fashion on the Internet, World Wide Web or via other means of advertising through telecommunication without our express written consent. You must provide us with an advertising 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.

Advertising Cooperative: As if the issuance date of this disclosure document, there are no local or regional advertising cooperatives that you must participate in; however, we reserve the right to require you participate in such advertising cooperatives in the future.

Website/Intranet: Websites (as defined below) are considered “advertising” under the Franchise Agreement and are subject (among other things) to our review and prior written approval before they may be used (as described above). As used in the Franchise Agreement, the term “Website” means an interactive electronic document contained in a network of computers linked by communications software, that you operate or authorize others to operate and that refers to the Pokemoto Shop, Proprietary Marks, us, or the System. The term Website includes Internet and World Wide Web home pages.

In connection with any Website, the Franchise Agreement provides that you may not establish a Website related to the Proprietary Marks or the System, nor may you offer, promote, or sell any products or services, or make any use of the Marks, through the Internet without our prior written approval. As a condition to granting any consent, we will have the right to establish any requirement that we deem appropriate, including a requirement that your only presence on the Internet will be through one or more web pages that we establish on our Website.

We will have the right to establish a website or other electronic system providing private and secure communications (such as an intranet) between us, our franchisees, and other persons and entities that we decide are appropriate. If we require, you must establish and maintain access to the intranet in the manner we designate. Additionally, we may periodically prepare agreements and policies concerning the use of the intranet that you must acknowledge and/or sign.

You are not permitted to promote your Shop or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, Instagram, FourSquare, LinkedIn or 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 Franchised Business’s operation, including prohibitions on your and the Franchised Business’s employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us (“social media” includes personal blogs, social and professional networks, live-blogging tools, 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.

Advisory Council: As of the issuance date of this disclosure document, there is no franchisee advisory council; however, we reserve the right to establish such a council in the future.

Training: No later than 30 days before the date you commence the operation of your Shop, you (or one of your owners) and your General Manager must attend and complete, to our satisfaction, our mandatory initial training program which will be taught by our training instructors

who are Serv Safe approved and have a minimum of one year experience in managing and operating a corporate location. We will conduct this training at our affiliate's Pokemoto Shop or at another location we designate. 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 Pokemoto Shops being opened and the timing of the scheduled openings of Pokemoto Shops. The initial training program takes approximate 2 weeks to complete and is mandatory for all franchisees and their general managers.

We do not charge any training fee for training you (or one of your Principals) and your General Manager; however, you must pay us in lump sum a training fee of \$1,500 to train any additional or replacement trainees. We will determine whether you and the General Manager have satisfactorily completed initial training. If you do not complete the initial training course to our satisfaction, you must re-take the training program at your expense, including payment of our then-current training fee. If you do not successfully complete the training program a second time, we reserve the right to terminate your Franchise Agreement.

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 Shop. 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 our designated training location, at your expense. We reserve the right to charge a fee for the initial training we provide to a replacement or successor employee if we have not approved you to provide the training. You must also pay for all expenses you, your General Manager and/or 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 Shop, 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 travel, lodging, and meals.

The instructional materials used in the initial training consist of our Manual, marketing and promotion materials, programs related to the operation of the point of sale system, 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

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Serv Safe or equivalent	10	0	Any affiliate owned location we designate
Employment Handbook	1 ½	0	Any affiliate owned location we designate

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Applications and Contracts	½	1	Any affiliate owned location we designate
Distributors and Vendors	½	2	Any affiliate owned location we designate
POS System	½	4	Any affiliate owned location we designate
Soft Serve Machine	½	2	Any affiliate owned location we designate
Products & Recipes	½	4	Any affiliate owned location we designate
Food Preparation and Toppings Handling	½	15	Any affiliate owned location we designate
Opening and Closing Procedures	½	4	Any affiliate owned location we designate
Cleanliness/Cleaning Procedures	½	2	Any affiliate owned location we designate
Front End and Cashier Duties	½	6	Any affiliate owned location we designate
Back End “Back person” Duties	½	10	Any affiliate owned location we designate
General Store Operations	½	10	Any affiliate owned location we designate
Equipment and Machine Operation/Cleaning	½	2	Any affiliate owned location we designate
Store Inventory Control	½	2	Any affiliate owned location we designate
TOTAL	18	64	

The above “HOURS ON THE JOB TRAINING” entail a recommended minimum of five full days at the Hamden corporate Pokemoto unit during operating hours.

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 individual experience or needs of those persons being trained.

Our lead instructor is Jennifer Holden, who has more than 1 year of experience with our System and 10 years of experience in the field that is relevant to the subject taught.

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 do not currently charge a fee for the franchisee convention and any refresher training, but you must pay for the expenses of your trainees/attendees, including travel, lodging, meals and wages.

Franchisor will not assist in the hiring and training of employees. Franchisee will solely be responsible for hiring their employees.

Operations Manual: The Table of Contents for our Operations Manual is attached to this disclosure document as Exhibit F. As of the issuance date of this disclosure document, our Operations Manual contains approximately 72 pages.

Site Selection and Opening: You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Shop and for constructing and equipping the Shop at the accepted site. You will select the site for the Shop subject to our approval and using our site submittal forms and/or criteria. The Shop may not be relocated without first obtaining our written consent. Before you lease or purchase the site for the Shop, you must locate a site that satisfies our site selection guidelines. 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.

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, unless we provide you an extension of this time period. 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 Shop. 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 Shop will be successful at any site that we approve. Our approval only means that the site has met our requirements for a Shop.

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 (including foot traffic), availability of parking, and ease of access to the location, in our review of your proposed site.

In the event that you and us cannot agree on a site we may terminate the Franchise Agreement and forfeit the franchisee's initial fee.

Franchisor will not provide assistance with conforming the premise to local ordinances, building codes and obtaining any required permits, and/or constructing, remodeling, or decorating the premises. Franchisee will be required to hire a local architect and contractor to be in compliance with the aforementioned requirements.

Franchisor does not own any of the premises and Franchisee will be responsible for leasing the premises from third party landlord/lessors.

Computer and Point of Sale Systems: You must purchase or lease the following according to our standards and specifications in the Manuals (collectively, the "Computer System"): (a) back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Pokemoto Shops, between or among Pokemoto Shops, and between and among the Shop 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; (f) software and other hardware, and (g) internet access. Neither we and our affiliates nor any third-party contracted by us owes any obligations to provide ongoing, maintenance, repairs, or updates to the Computer Systems. We have independent access to your Computer System and the data stored on it at all times. The Franchise Agreement does not limit our ability to require you to update and/or upgrade your Computer System.

We expect that the Computer System will cost between \$1,200 and \$2,400. You must also purchase the video surveillance system we require, which may be integrated with the Computer System. The estimated cost for the video surveillance system is \$1,000 to \$4,000. We expect your annual cost of maintaining, updating, upgrading, or supporting the Computer System to be approximately \$1,200 per year. We reserve the right to change the designated Computer System.

ITEM 12

TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we or our affiliates own, or from other channels of distribution or competitive brands that we control.

You are not granted any minimum territory or protected territory under the Franchise Agreement. Your Franchise Agreement will specify the site that will be the Approved Location for your Shop. If you are unable to continue the operation of the Shop at an approved location, then you may request our approval to relocate the Shop to another location. We will not unreasonably withhold our approval of the proposed new location for the Shop; provided that the proposed new location meets our then-current requirements for establishment of new Pokemoto Shops. We typically do not grant options, right of first refusal or similar rights to our franchisees.

We reserve the right to do the following without any obligation to pay any compensation to you:

(1) to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Pokemoto Shops and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, regardless of the proximity of such business to your Shop. “Alternative distribution channels” include, but are not limited to, the grocery stores, internet, club stores, institutions, banquet facilities, or other direct marketing sales;

(2) to operate and to grant others the right to operate Shops anywhere, regardless of their proximity to your Shop, and on any terms and conditions we deem appropriate;

(3) to operate and to grant others the right to operate Shops at non-traditional sites anywhere, regardless of their proximity to your Shop, and on any terms and conditions we deem appropriate; and

(4) to acquire and operate a business operating one or more food service businesses located anywhere, regardless of their proximity to your Shop, and on any terms and conditions we deem appropriate.

We and our affiliates may solicit or accept orders from consumers that are located anywhere, without any paying any compensation to you.

There are no restrictions on you from soliciting or accepting orders from consumers from any location; however, you do not have the right to use any alternative channels of distribution such as marketing via the internet without our prior written approval.

Our affiliate, MMD, franchises Muscle Maker Grill® branded restaurants that offer healthier alternatives to fast food using ingredients such as chicken, steak, turkey, seafood, etc. to offer menu items like pastas, burgers, wraps, entrée salads, flatbread pizza, smoothies, and yogurt (including frozen yogurt), in a variety of assorted flavors. MMI has ownership interest in a restaurant brand called Healthy Joe’s (hot topped salads, toasted bowls and oven toasted sandwiches), and some of our affiliates also operate Saladcraft® branded restaurants (salads). As of the issuance of date of this disclosure document, there are no franchised locations of Healthy Joe’s or Saladcraft. If a conflict should arise between the franchisees or operators of the above brands and Pokemoto® franchisees, we will analyze it and take action (if any) that we deem appropriate on a case by case basis. While we and MMD have the same principal business address and use the same office space for selling Muscle Maker Grill® franchises and Pokemoto® franchises, we maintain separate training facilities for both these businesses.

ITEM 13

TRADEMARKS

The Franchise Agreement grants you the non-exclusive right to use certain trademarks, trade names, service marks, symbols, emblems, logos and indicia of origin designated by us, including the Marks. These Marks may be used only in the manner we authorize and only for the operation of your Shop.

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 or our affiliate's rights in and to the Marks.

The following Mark is registered on the Principal Register with the U.S. Patent and Trademark Office ("USPTO").

Mark	Registration Date	Registration Number
Pokemoto	October 30, 2018	5595624

TNB owns the Mark and it has filed all affidavits and other required documents to maintain their rights and interests in and to the Mark. Pursuant to that certain Intellectual Property License Agreements, dated June 23, 2021 (the "License Agreement"), TNB has granted us a license to use and sublicense the use of the Mark. The License Agreement has a term of 99 years, and can be terminated if we materially breach the License Agreement and fail to cure the breach on 30-days' notice, or cease to be an affiliate of TNB (resulting in the loss of our right to use and to sublicense the use of the Mark). Your rights to use the Marks under the Franchise Agreement will not be affected by the termination of our license. Except as described above, there are no other agreements which significantly limit our right to use or to license others to use the Marks.

As of the issuance date of this disclosure document, (i) there are no effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, (ii) 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, and (iii) we do not know of any infringing uses of or superior rights in our copyrighted materials.

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 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 other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. 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 you and your Controlling Principals are in full compliance with your and their obligations under 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.

We may require you, at your expense, 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.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights: We do not have an ownership interest in any patents or registered copyrights that are material to the franchise.

We claim copyright protection in the written information that we provide to you from time to time including the Manual. There are no determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials which are relevant to their use by our franchisees. No agreements limit our right to use or license the use of our copyrighted materials. We are not obligated under any agreement to protect or defend our copyrights, although we intend to do so. We do not know of any infringing uses of or superior rights in our copyrighted materials.

Confidential Operations Manual: You must operate the Shop 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. We reserve the right to provide the Manual electronically.

You must treat the Manual and any other manuals we create or approve for use in your operation of the Shop, 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 Shop 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: You and each of your Controlling 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 Shop that may be communicated to you or any of your Controlling Principals or that you may learn about, including these trade secrets. You and each of your Controlling Principals may divulge this confidential information only to your employees who must have access to it to operate the Shop provided they are bound by confidentiality obligations. Neither you nor your Controlling 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, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, are considered confidential.

If we ask, you must have your General Manager and any of your personnel who have received or will have access to confidential information sign confidentiality covenants similar to the ones described above. Your Principals also must sign these covenants.

If you, your Controlling Principals, General Manager or employees develop any new concept, process or improvement in the operation or promotion of the Shop, you must promptly notify us and give us all necessary information, free of charge. You, your Controlling 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 Franchise Agreement, you must designate and retain at all times an individual acceptable to us to serve as the “General Manager”. The General Manager must devote his/her full time and best efforts to supervise and manager the Shop. If you are an individual, we recommend that you be the General Manager. Although we do not require you to be involved in the daily operation of your Shop, we recommend that you do so and you still must make sure that your Shop is operated according to the terms of the Franchise Agreement, the Manual and our requirements and specifications. If you are an entity, we do not require the General Manager to maintain any ownership interest in you. You must also retain other personnel as are needed to operate and manage the Shop. Your initial General Manager must successfully complete our training at least 30 days before the opening date of your Shop. In addition, the General Manager must be responsible for the supervision and management of the Shop, and must devote full time and best efforts to this activity. 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 may, in your discretion, have an ownership interest in you.

You must also obtain covenants not to compete, including covenants applicable on the termination of the person’s relationship with you, from your General Manager and any of your

other personnel who have received or will have access to our training before employment, and any holder of a beneficial interest in you (except for any limited partners). You must have all of your management personnel sign covenants that they will maintain the confidentiality of information they receive, or have access to, based on their relationship with you.

If we designate certain of your Principals as Controlling Principals, they must sign the Franchise Agreement and agree to be individually bound by certain obligations under the Franchise Agreement, including confidentiality and non-competition covenants and they must personally guarantee your performance under the Agreements. We typically designate your principal equity owners and executive officers, as well as any other affiliated entities that operate Shop, as Controlling Principals.

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 System Standards without our prior 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 Shop 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.

Unless prohibited by applicable law, we may periodically set a maximum or minimum price that you may charge for products and services offered at your Shop. If we impose such a maximum or minimum price for any product or service, you may charge any price for the product or service up to and including our designated maximum price or down to and including our designated minimum price. The designated maximum and minimum prices for the same product or service may, at our option, be the same or may differ across all Shops. For any product or service for which we do not impose a maximum or minimum price, we may require you to comply with an advertising policy adopted by us which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. Although you must comply with any advertising policy we adopt, you will not be prohibited from selling any product or service at a price above or below the suggested retail price unless we impose a maximum price or minimum price for such product or service.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

These tables list certain important provisions of the Franchise Agreement and the 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	Section 3.1	Term continues for 10 years from the date of the Franchise Agreement unless terminated earlier.
b. Renewal or extension of the term	Section 3.2	Agreement may be renewed at your option for one additional term of five years.
c. Requirements for franchisee to renew or extend	Section 3.2	You must provide notice that you wish to renew your Franchise Agreement; you must be current in all payments and not in default of your Franchise Agreement; if we require, you must renovate and/or upgrade your Shop (including equipment); you are able to maintain the possession of the premises of your Shop; you must sign release, sign renewal Franchise Agreement and pay renewal fee; pay us renewal fee. You may be asked to sign a contract with materially different terms and conditions than your original contract.
d. Termination by franchisee	Not applicable	You may terminate the Franchise Agreement on any grounds available under the applicable law.
e. Termination by franchisor without cause	Section 17.3	Subject to the applicable state law, we may terminate the Franchise Agreement for defaults committed by you or your affiliates under any other agreement with us or affiliates.
f. Termination by franchisor with “cause”	Section 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.

Provision	Section in Franchise Agreement	Summary
g. “Cause” defined – curable defaults	Sections 17.1.3 and 17.2	You will have the opportunity to cure your defaults under the Franchise Agreement, if: you or any of your affiliates to pay any monies owed to us, or our affiliates or vendors within five days after notice (or longer period required); you obtain signed copies of the confidentiality and non-competition covenants contained in the Franchise Agreement within five days after a request; you procure and maintain required insurance within seven days after notice; you rectify your unauthorized use the Marks within 24 hours after notice; and cure any other default that is susceptible of cure within 30 days after notice.
h. “Cause” defined – non-curable defaults	Sections 17.1.2 and 17.1.3	You will not have the opportunity to cure your defaults under the Franchise Agreement, 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 your Shop 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 possession of your Shop’s premises; you are convicted of a felony or other crime that may have an adverse effect on the System or Marks; you transfer any interest without our consent; you maintain false books or records; repeated defaults (whether or not cured). In addition, a default under one agreement with us may result in a termination of all of your other agreements with us, at our discretion.

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Section 18	You must: stop operating the Shop 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 all or a portion of the Shop premises and the equipment and fixtures used in the business.
j. Assignment of contract by franchisor	Section 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	Section 14.2.1	Includes sale, assignment (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), gift, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Shop or you (if you are not a natural person).
l. Franchisor approval of transfer by franchisee	Section 14.2.2	You must obtain our consent before transferring any interest. We will not unreasonably withhold our consent.
m. Conditions for franchisor approval of transfer	Section 14.2.2	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 program, sign current Franchise Agreement and related agreements, take over the lease for the Shop, and we may require the transferee to remodel the Shop.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 14.4	Within 30 days after notice, we have the option to purchase the transferred interest on the same terms and conditions offered to you.

Provision	Section in Franchise Agreement	Summary
o. Franchisor's option to purchase franchisee's business	Sections 14.4 and 18.12	We also have the right to repurchase all or a portion of the assets of your Shop on termination or non-renewal of your Franchise Agreement.
p. Death or disability of franchisee	Section 14.5	Upon your and/or your Controlling Principal's death or permanent disability (as applicable), the distribute of your or such Controlling Principal's interest must be approved by us, or franchise must be transfer to someone approved by us within 12 months after death or notice of permanent disability.
q. Non-competition covenants during the term of the franchise	Section 10.3.1	You are prohibited from operating or having an interest in a similar business or diverting business from the Shops.
r. Non-competition covenants after the franchise is terminated or expires	Section 10.3.2	Subject to applicable state law, you and your Controlling Principals are prohibited for two years from expiration or termination of the franchise from operating or having an interest in a similar business within 20 miles of any Shop in the System.
s. Modification of the agreement	Sections 10.1.5 and 19.2	Franchise Agreement may not be modified unless mutually agreed to in writing. You must comply with our Manual, which we may amend periodically upon written notice to you (subject to applicable state law).
t. Integration/merger clause	Section 19.2	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). No other representations or promises will be binding.
u. Dispute resolution by arbitration or mediation	Sections 19.7, 19.8, 19.9, and 19.10	Except for actions brought by us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes must be arbitrated in accordance with the commercial arbitration rules of the American Arbitration Association (subject to applicable state law).

Provision	Section in Franchise Agreement	Summary
v. Choice of forum	Sections 19.7 and 19.8	Subject to applicable state law, the venue of arbitration will be any suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then current principal place of business (currently, League City, Texas). Subject to applicable state law, the state or federal district courts located in the state, county, or judicial district where our or our successor's or assign's principal office (currently, League City, Texas) will also have the jurisdiction over disputes related to the Franchise Agreement.
w. Choice of Law	Section 19.8	The Franchise Agreement is to be interpreted, governed and construed under the laws of the State of Texas (subject to applicable 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 Michael J. Roper, 2600 South Shore Boulevard, Suite 300, League City, TX 77573, 682-708-8250, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2019, 2020, 2021

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Company-Owned (Note 1)	2019	5	5	+0
	2020	5	7	+2
	2021	7	8	+1
Franchisee-Owned (Note 2)	2019	1	3	+2
	2020	3	5	+2
	2021	5	6	+1
Total Outlets	2019	6	8	+2
	2020	8	12	+4
	2021	12	14	+2

Notes to Table 1:

1. The Company-Owned Outlets in tables 1, 4, and 5 of Item 20 include Pokemoto Shops that are owned and operated by our affiliates. One corporate location in Rhode Island was closed in 2022.
2. One franchise agreement was terminated in 2022.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2019, 2020, 2021

State	Year	Number of Transfers
None	2019	0
	2020	0
	2021	0
Total	2019	0
	2020	0
	2021	0

Table No. 3
Status of Franchised Outlets
For years 2019, 2020, 2021

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
CT	2019	0	1	0	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	1	0	0	0	0	3
MA	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2
GA (Note 1)	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Total	2019	1	2	0	0	0	0	3
	2020	3	2	0	0	0	0	5
	2021	5	1	0	0	0	0	6

Note to Table 3:

1. This franchise agreement was terminated in 2022.

Table No. 4
Status of Company-Owned Outlets
For years 2019, 2020, 2021

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
CT	2019	5	0	0	0	0	5
	2020	5	1	0	0	0	6
	2021	6	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
RI (Note 1)	2019	0	0	0	0	0	0
	2020	0	1	0	0	0	1
	2021	1	0	0	0	0	1
MD	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
Total	2019	5	0	0	0	0	5
	2020	5	2	0	0	0	7
	2021	7	1	0	0	0	8

Note to Table 4:

1. This location was closed in 2022.

Table No. 5
Projected Openings as of December 31, 2021

States	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned* Outlets in the Next Fiscal Year
Connecticut	6	3	0
Florida	0	3	4
Georgia	0	0	1
Massachusetts	4	3	0
Mississippi	3	3	0
New Jersey	0	1	0
New York	2	1	0
Oklahoma	0	0	2
Pennsylvania	0	0	3
Rhode Island	0	2	0
Texas	0	0	2
TOTAL	15	16	12

A list of the names of all franchisees and the addresses and telephones numbers of their franchises is 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 who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business 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 is listed on Exhibit E 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.

In some instances, current and former franchisees have signed provisions restricting their ability to speak openly about their experience with our System. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

There are no trademark-specific franchisee organizations that are required to be disclosed in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

The following are attached as Exhibit A to this disclosure document (i) our unaudited balance sheet and related statements of income, statement of member's equity and cash flows statement as of March 31, 2022; (ii) our audited balance sheet and the related statements of income, statement of member's equity and cash flows statement as of December 31, 2021; and (iii) our audited balance sheet and the related statements of income, statement of member's equity and cash flows statement as of December 31, 2020 and December 31, 2019 consolidated with the balance sheet and the related statements of income, statement of member's equity and cash flows statement of TNB Holdings, LLC, LB Holdings, LLC, Poke Co. LLC, GLL Enterprises, LLC, TNB Holdings II, LLC, and PKM Stamford LLC (collectively, "Affiliates"); and (iv) a copy of the Guarantees of Performance issued by our Affiliates to unconditionally guarantee our obligations under the Franchise Agreement.

Our fiscal year ends on December 31.

ITEM 22

CONTRACTS

Attached as Exhibits to this disclosure document are the following contracts and their attachments:

- | | | |
|----|--------------------------------------|-----------|
| 1. | Franchise Agreement | Exhibit B |
| 2. | Veteran's Incentive Program Addendum | Exhibit C |
| 3. | Form of General Release | Exhibit H |
| 4. | State Rider and Addenda | Exhibit I |

ITEM 23
RECEIPTS

Attached as Exhibit J to this disclosure document are 2 Receipts. When you receive this disclosure document, you must sign both Receipts and return 1 to us, retaining the other for your record.

EXHIBIT A
FINANCIAL STATEMENTS

UNAUDITED FINANCIALS

POKE CO HOLDINGS LLC

Unaudited Financial Statements

**As of March 31, 2022 and
for the three months ended March 31, 2022**

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

Table of Contents

	<u>Page</u>
Unaudited Financial Statements	
Unaudited Balance Sheet	2
Unaudited Statement of Income	3

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

Poke Co Holdings LLC
Unaudited Statements of Balance Sheet

	As of March 31, 2022
Assets	
Current Assets:	
Cash	\$ 650,753
Accounts receivable	44,982
Total Assets	<u>\$ 695,735</u>
Liabilities and Stockholders' Equity	
Current Liabilities:	
Accounts payable and accrued expenses	\$ 3,267
Accounts payable, affiliates	20,986
Deferred revenue, current	50,375
Other current liabilities	19,975
Total Current Liabilities	<u>94,603</u>
Deferred revenue, non-current	520,916
Total Liabilities	<u>615,519</u>
Commitments and Contingencies	
Stockholders' Equity:	
Members' equity	80,216
Total Liabilities and Stockholders' Equity	<u>\$ 695,735</u>

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

Poke Co Holdings LLC
Unaudited Statements of Income

	For the Three Month Ended March 31, 2022
Revenues:	
Royalties	\$ 30,449
Franchise Fee	4,500
Rebates	26,629
Total Revenues	61,578
Operating Costs and Expenses:	
General and administrative expenses	42,635
Income from Operations	18,943
Net Income	\$ 18,943

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

AUDITED FINANCIALS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members of
Poke Co Holdings, LLC

Opinion

We have audited the financial statements of Poke Co Holdings, LLC which comprise the balance sheets as of December 31, 2021 and 2020 and the related statements of income, members' (deficit) equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Poke Co Holdings, LLC as of December 31, 2021 and 2020 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free 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 Poke Co Holdings, LLC's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Poke Co Holdings, 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 Poke Co Holdings, 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.

Paris, Krett & Chin CPA LLP

(formerly Benjamin & Ko)

New York, NY

April 29, 2022

POKE CO HOLDINGS LLC

Financial Statements

**As of and for the years ended December 31, 2021
and 2020**

Table of Contents

	<u>Page</u>
Unaudited Combined Financial Statements	
Audited Balance Sheets	2
Audited Statements of Income	3
Audited Statements of Members' (Deficit) Equity	4
Audited Statements of Cash Flows	5
Notes to the Unaudited Financial Statements	6

Poke Co Holdings LLC
Audited Statements of Balance Sheet

	As of December 31, 2021	As of December 31, 2020
Assets		
Current Assets:		
Cash	\$ 366,681	\$ 64,108
Accounts receivable	18,865	13,615
Total Current Assets	385,546	77,723
Accounts receivable, affiliates	25,848	-
Total Assets	<u>\$ 411,394</u>	<u>\$ 77,723</u>
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable and accrued expenses	-	10,959
Deferred revenue, current	26,375	13,500
Note payable	-	85,000
Other current liabilities	14,330	-
Total Current Liabilities	40,705	109,459
Deferred revenue, non-current	309,416	38,291
Total Liabilities	350,121	147,750
Commitments and Contingencies		
Stockholders' Equity:		
Members' equity (deficit)	61,273	(70,027)
Total Liabilities and Stockholders' Equity	<u>\$ 411,394</u>	<u>\$ 77,723</u>

See Notes to the Audited Financial Statements

Poke Co Holdings LLC
Audited Statements of Income

	Ended December 31, 2021	Ended December 31, 2020
Revenues:		
Royalties	\$ 171,638	\$ 66,227
Franchise Fee	14,083	27,001
Rebates	59,989	52,915
Other income	-	-
Total Revenues	<u>245,710</u>	<u>146,143</u>
Operating Costs and Expenses:		
General and administrative expenses	<u>20,336</u>	<u>24,404</u>
Income from Operations	<u>225,374</u>	<u>121,739</u>
Other (Expense) Income:		
Interest expense, net	(3,748)	-
Gain on debt extinguishment	<u>52,907</u>	<u>-</u>
Total Other Income, Net	<u>49,159</u>	<u>-</u>
Income Before Income Tax	274,533	121,739
Income tax provision	<u>(9,749)</u>	<u>(20,676)</u>
Net Income	<u><u>\$ 264,784</u></u>	<u><u>\$ 101,063</u></u>

See Notes to the Audited Financial Statements

Poke Co Holdings LLC
Audited Statements of Members' (Deficit) Equity

	Members' (Deficit) Equity
Balance at December 31, 2019	\$ (63,100)
Contribution	-
Distribution	(107,990)
Net income	101,063
Balance at December 31, 2020	\$ (70,027)
Contribution	-
Distribution	(133,484)
Net income	264,784
Balance at December 31, 2021	\$ 61,273

Poke Co Holdings LLC
Audited Statements of Cash Flows

	For the Year December 31, 2021	For the Year December 31, 2020
Cash Flows from Operating Activities		
Net loss	\$ 264,784	\$ 101,063
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on extinguishment of debt	52,907	-
Changes in operating assets and liabilities:	-	-
Accounts receivable	(5,250)	(3,905)
Accounts receivable, affiliates	(25,848)	-
Accounts payable and accrued expenses	(11,366)	7,278
Deferred revenue	284,000	(27,001)
Other current liabilities	14,330	-
Total Adjustments	308,773	(23,628)
Net Cash Provided in Operating Activities	573,557	77,435
Cash Flows from Financing Activities		
Proceeds from notes payable	(52,500)	85,000
Repayments of other notes payables	(85,000)	-
Members distributions	(133,484)	(107,990)
Members contributions	-	-
Net Cash Used by Financing Activities	(270,984)	(22,990)
Net Increase in Cash	302,573	54,445
Cash - Beginning of Period	64,108	9,663
Cash - End of Period	\$ 366,681	\$ 64,108

See Notes to the Audited Financial Statements

1. NATURE OF OPERATIONS

Poke Co Holdings LLC (the “Company”), was incorporated in Connecticut in April 2018. The Company is a franchisor that sells franchises to franchisees. The franchises sold by the Company are for the Pokemoto® branded restaurants which are fast casual style restaurants that specialize in Hawaiian inspired poke bowls, wraps and salads.

The Company has eight franchise restaurants as of December 31, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Combined Financial Statements

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles (“GAAP”) promulgated in the United States of America as of December 31, 2021 and 2020, and for the years then ended.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions based on available information. These estimates and assumptions affect the amounts reported in the financial statements and the disclosures provided, and actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly-liquid instruments with an original maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents as of December 31, 2021 or 2020.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification (“ASC”) 606, Revenue from Contracts with Customers. The Company’s net revenue primarily consists of revenues from franchisees under franchise agreements. Accordingly, the Company recognizes revenue as follows:

- ***Initial Franchise Fees***

The Company provides the franchisees with management expertise, training, pre-opening assistance, and restaurant operating assistance in exchange for initial franchise fees. The Company capitalizes these fees upon collection from the franchisee, these fees are then recognized as franchise fee revenue on a straight-line basis over the life of the related franchise agreements and any exercised renewal periods. Cash payments are due upon the execution of the related franchise agreement. The Company’s performance obligation with respect to franchise fee revenues consists of a license to utilize the Company’s brand for a specified period of time, which is satisfied equally over the life of each franchise agreement. The Company recognized initial franchise fees of \$14,083 and \$27,001 for the years ended December 31, 2021 and 2020, respectively, which is included in franchise fees in the accompanying unaudited combined statement of income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

- ***Royalties***

Royalties are based on a percentage of franchisee net sales revenue which range between 2% up to 6%. The Company recognizes the royalties as the underlying sales occur. The Company recorded revenue from royalties of \$171,638 and \$66,227 for the years ended December 31, 2021 and 2020, respectively.

The Company also charges 1% of net sales for brand marketing fee to franchisees.

- ***Rebates***

Rebates consists of incentives received from wholesale vendors. The Company recognizes rebates when collection is assured and when performance has occurred.

Deferred Revenue

Deferred revenue consists of initial franchise fees received by the Company, which are being amortized over the life of the Company's franchise agreements. Deferred revenue is recognized in income over the life of the franchise agreements on a straight line basis as performance obligations are satisfied.

Income Taxes

The Company is a limited liability company files a tax return with the federal or any state jurisdictions. The Company is subject to limited liability company state taxes which is approximately 7% of its taxable income. The Company recorded a state income tax provision in the amount of \$9,749 and \$20,676 for the years ended December 31, 2021 and 2020, respectively.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company had no unrecognized tax benefits identified or recorded as liabilities as of December 31, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

- Level 1. Observable inputs such as quoted prices in active markets;
- Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial instruments consisted of cash, franchise fee receivables – royalties, franchise fee receivables – initial fee, accounts payable and accrued expenses, loans payable, emergency injury disaster loan (EIDL) loans payable, payroll protection program (PPP), and deferred franchise fee revenue. The estimated fair value of these financial instruments approximate their carrying amount due to the short maturity of these instruments.

COVID-19 Impact on Concentration of Risk

The novel coronavirus ("COVID-19") pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company is continually monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, and its impact on operations, financial position, cash flows, inventory, supply chains, purchasing trends, customer payments, and the industry in general, in addition to the impact on its employees. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders.

Reclassifications

Some items in the prior year financial statements were reclassified to conform to the current presentation. Reclassifications had no effect on prior year net income or member's equity.

Subsequent Events

The Company evaluated events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation and transactions, the Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements, except as disclosed in Note 6 – Subsequent Events.

3. DEFERRED REVENUE

At December 31, 2021 and 2020, deferred revenue consists of the following:

	December 31, 2021	December 31, 2020
Deferred revenues	\$ 335,791	\$ 51,791
Less: Deferred revenues, current	(26,375)	(13,500)
	<u>\$ 309,416</u>	<u>\$ 38,291</u>

Deferred revenue of \$14,083 at December 31, 2020 was recognized in 2021 as franchise fee on the statement of operations. Deferred revenues of \$26,375 at December 31, 2021 is expected to be recognized during 2022.

4. NOTES PAYABLE

On April 22, 2020, the Company executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the Company’s business. Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), the Company borrowed an aggregate principal amount of the EIDL Loan of \$85,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning April 22, 2021 (twelve months from the date of the SBA Loan) in the amount of \$415. In connection therewith, the Company executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of the Company, which also contains customary events of default (the “SBA Security Agreement”). As of December 31, 2021 the Company has repaid the loan.

On January 29, 2021, the Company entered into a loan (“PPP 2 Loan”) in the amount of \$52,500. The PPP 2 Loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing ten months after the effective date of the PPP 2 Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP 2 Loan (the “Maturity Date”). The PPP 2 Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP 2 Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP 2 Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP 2 loan recipients can apply for and be granted forgiveness for all, or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities.

During the year ended December 31, 2021 the SBA forgave the PPP 2 Loan entered into on January 29, 2021. The aggregate amount forgiven was \$52,907, consisting of \$52,500 in principal and \$407 in interest expense. The forgiven amount was accounted for as a gain on debt extinguishment of \$52,907 and was recorded in our statement of income

5. COMMITMENTS AND CONTINGENCIES

Franchising Agreements

During the year ended December 31, 2021, the Company entered into a various franchise agreement for a total of seventeen potentially new Pokemoto locations with various franchisees. The franchisees paid the Company an aggregate of \$282,500 and this has been recorded in deferred revenue as of December 31, 2021.

Sale of Company

Poke Co Holdings LLC was part of the acquisition by Muscle Maker Inc. on May 14, 2021. On May 14, 2021, Muscle Maker Inc. entered into Membership Interest Purchase Agreement with the members (the (“Poke Sellers”) of PKM Stamford, LLC, Poke Co., LLC, LB Holdings LLC, and TNB Holdings, LLC, each a Connecticut limited liability company (collectively, the “Poke Entities”) pursuant to which the Company acquired all of the issued and outstanding membership interest of the Poke Entities in consideration of \$4,000,000 in cash and \$730,000 payable in the form of a promissory note (the “Poke Note”).

In a related transaction, on May 14, 2021, the Company and the Poke Sellers entered into a Membership Interest Exchange Agreement pursuant to which the Company acquired Poke Co Holdings LLC, GLL Enterprises, LLC, and TNB Holdings II, LLC, each a Connecticut limited liability company (collectively, the Poke Entities II”) in exchange for shares of common stock of the Company valued at \$1,250,000. The Company issued 880,282 shares of common stock of the Company on May 14, 2021. The price per share was determined by using the 10-day trading average preceding the date of closing. The closing occurred on May 14, 2021.

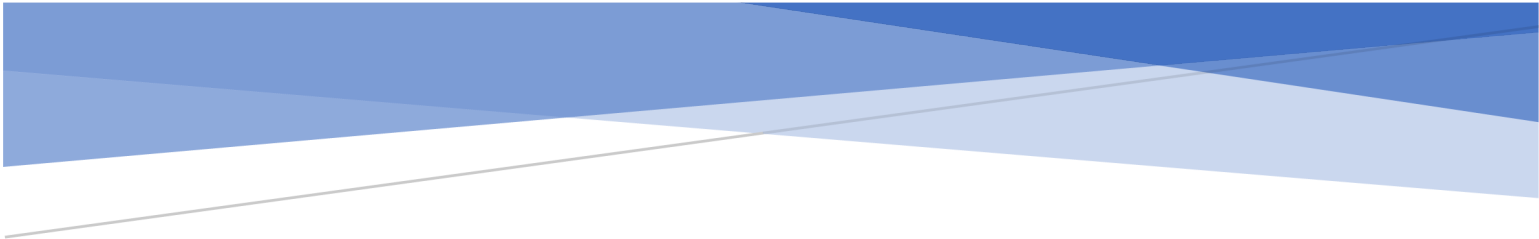
Contingencies

From time to time, the Company may be involved in certain legal actions and claims arising in the normal course of business. Management is of the opinion that such matters will be resolved without material effect on the Company’s financial condition or results of operations.

6. SUBSEQUENT EVENTS

Franchising Agreements

Subsequent to the year ended December 31, 2021, the Company entered into a various franchise agreement for a total of six potentially new Pokemoto locations with various franchisees. The franchisees paid the Company an aggregate of \$95,000.



**TNB HOLDINGS, LLC
LB HOLDINGS LLC
POKE CO. LLC
GLL ENTERPRISES, LLC
POKE CO HOLDINGS LLC
TNB HOLDINGS II, LLC
PKM STAMFORD, LLC**

Combined Financial Statements

**As of and for the years ended December 31, 2020 and 2019
with Report of Independent Registered Public Accounting Firm**



Table of Contents

	<u>Page</u>
Report of Independent Registered Public Accounting Firm	1
Combined Financial Statements	
Combined Balance Sheets	2
Combined Statements of Income	3
Combined Statements of Members' Equity	4
Combined Statements of Cash Flows	5
Notes to Combined Financial Statements	6

Report of Independent Registered Public Accounting Firm

To the Board of Directors and
Stockholders of TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC

Opinion on the Combined Financial Statements

We have audited the accompanying combined balance sheets of TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC, Poke Co Holdings LLC, TNB Holdings II, LLC and PKM Stamford, LLC (collectively, the “Company”) as of December 31, 2020 and 2019, the related combined statements of income, members’ equity, and cash flows, and the related notes and schedules (collectively referred to as the “combined financial statements”) for each of the years in the two-year period ended December 31, 2020. In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company’s auditor since 2020.

Santa Ana, California

April 15, 2021

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Combined Balance Sheets

<i>December 31,</i>	<i>2020</i>	<i>2019</i>
ASSETS		
Current Assets:		
Cash	\$ 408,198	\$ 47,386
Franchise fee receivables - royalties	13,615	9,710
Franchise fee receivable - initial fee	50,000	50,000
Inventories, net	17,508	28,127
Prepaid expenses and other current assets	-	4,141
Total current assets	489,321	139,364
Non-Current Assets:		
Property and equipment, net	311,700	304,213
Operating lease right-of-use assets, net	754,868	895,203
Other assets	45,580	45,580
Total non-current assets	1,112,148	1,244,996
Total assets	\$ 1,601,469	\$ 1,384,360
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 285,717	\$ 249,847
Current portion of deferred franchise fee revenue	13,500	13,501
Current portion of loans payable, emergency injury disaster loan (EIDL)	28,962	-
Current portion of loans payable, payroll protection program (PPP)	147,353	-
Current portion of operating lease liabilities	157,789	135,002
Total current liabilities	633,321	398,350
Loans payable, emergency injury disaster loan (EIDL), less current portion	1,142,338	-
Loans payable, payroll protection program (PPP), less current portion	44,139	-
Deferred franchise fee revenue, less current portion	88,291	115,291
Operating lease liabilities, less current portion	644,863	802,651
Total liabilities	2,552,952	1,316,292
Commitments and contingencies		
Members' (deficit) equity	(951,483)	68,068
Total liabilities and members' equity	\$ 1,601,469	\$ 1,384,360

See Notes to the Combined Financial Statements

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Combined Statements of Income

<i>Years Ended December 31,</i>	<i>2020</i>	<i>2019</i>
Revenues:		
Food and beverage	\$ 3,507,335	\$ 3,569,599
Royalties	66,227	29,636
Franchise fee - initial fee - amortization of deferred revenue	27,001	6,208
Other revenue	52,915	37,899
Total revenue	3,653,478	3,643,342
Restaurant operating expenses:		
Food, beverage and supplies	1,192,232	1,075,584
Labor	1,073,648	822,632
Rent and utilities	402,759	364,108
Total restaurant operating expenses	2,668,639	2,262,324
Operating expenses:		
General and administrative	199,130	143,125
Advertising and marketing	1,860	1,687
Delivery and service fees	337,047	301,661
Pre-opening costs	-	32,275
Depreciation	38,454	33,809
Total operating expenses	576,491	512,557
Total restaurant and operating expenses	3,245,130	2,774,881
Income from operations	408,348	868,461
Other income:		
Economy injury disaster loan (EIDL) grant income	60,000	-
Franchisee contractor revenue	-	67,500
Total other income	60,000	67,500
Income before income taxes	468,348	935,961
Income tax provision	30,311	48,538
Net income	\$ 438,037	\$ 887,423

See Notes to the Combined Financial Statements

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Combined Statements of Members' Equity

	Members' Equity (Deficit)
Balance at December 31, 2018	\$ 189,049
Contribution	40,039
Distribution	(1,048,443)
Net income	887,423
Balance at December 31, 2019	\$ 68,068
Contribution	86,497
Distribution	(1,544,085)
Net income	438,037
Balance at December 31, 2020	\$ (951,483)

See Notes to the Combined Financial Statements

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Combined Statements of Cash Flows

<i>Years Ended December 31,</i>	<i>2020</i>	<i>2019</i>
Cash flows from operating activities:		
Net income	\$ 438,037	\$ 887,423
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation - property and equipment	38,454	33,809
Noncash lease expense	5,334	10,108
Changes in assets and liabilities:		
Franchise fee receivable - royalties	(3,905)	(9,710)
Franchise fee receivable - initial fee	-	(50,000)
Inventories, net	10,619	(18,131)
Prepaid expenses and other current assets	4,141	(207)
Other assets	-	(10,000)
Accounts payable and accrued expenses	35,870	69,947
Deferred revenue	(27,001)	128,792
Net cash provided by operating activities	501,549	1,042,031
Cash flows from investing activities:		
Purchases of property and equipment	(45,941)	(109,353)
Net cash used in investing activities	(45,941)	(109,353)
Cash flows from financing activities:		
Proceeds from borrowings	1,362,792	-
Member distributions	(1,544,085)	(1,048,443)
Member contributions	86,497	40,039
Net cash used in financing activities	(94,796)	(1,008,404)
Net increase (decrease) in cash	360,812	(75,726)
Cash – beginning of year	47,386	123,112
Cash – end of year	\$ 408,198	\$ 47,386
Supplemental disclosures of cash flow information		
Cash paid during the years for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

See Notes to the Combined Financial Statements

TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC, Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC

Notes to Combined Financial Statements

1. NATURE OF OPERATIONS

GLL Enterprises, LLC, LB Holdings LLC, PKM Stamford, LLC, Poke Co Holdings LLC, Poke Co. LLC, TNB Holdings II, LLC, and TNB Holdings, LLC (collectively the “Company”) are operated through common control and ownership by individuals.

The following is general information about each legal entity:

Name	Date of Formation	Description of Business
GLL Enterprises, LLC	April 2018	Poke store located in Norwalk, Connecticut.
LB Holdings LLC	January 2018	Poke store located in Hamden, Connecticut.
PKM Stamford, LLC	April 2019	Poke store located in Stamford, Connecticut.
Poke Co Holdings LLC	July 2018	Poke store located in Fairfield, Connecticut.
Poke Co. LLC	April 2018	Franchisor of Pokemoto located in Connecticut. This entity charges \$20,000 as an initial franchise fee, royalty fee of 5% and brand development fee of 1% of gross sales.
TNB Holdings II, LLC	August 2018	Poke store located in New Haven, Connecticut.
TNB Holdings, LLC	May 2016	Poke store located in New Haven, Connecticut.

The Company owns several restaurants specializing in Hawaiian Poke. The Company offers a customizable style poke bowl, where customers can select from different types of high-quality fish, rice, and toppings as well as their own special poke burritos.

The Company had one franchisor and six franchisees as of December 31, 2020 and 2019, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting

The combined financial statements include legal entities listed above as of and for the years ended December 31, 2020 and 2019.

Consolidation

The accompanying consolidated financial statements include the accounts of GLL Enterprises LLC, LB Holdings LLC, PKM Stamford, LLC, Poke Co Holdings LLC, Poke Co. LLC, TNB Holdings II, LLC, and TNB Holdings, LLC. Intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation and Combined Financial Statements

The accompanying combined financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles (“GAAP”) promulgated in the United States of America. The combined financial statements include legal entities listed in the Nature of Operations as of and for the years ended December 31, 2020 and 2019. All intercompany related transactions have been eliminated upon combination.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates and Assumptions

The preparation of combined financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Pre-opening costs

Pre-opening costs, which include restaurant labor, supplies, cash and non-cash rent expense and occupancy and other operating costs incurred prior to the opening of a new restaurant are expensed as incurred. Pre-opening costs amounted to approximately \$0 and \$45,988 for the years ended December 31, 2020 and 2019, respectively.

Advertising

Advertising costs are charged to expense as incurred. Advertising costs were approximately \$1,860 and \$1,687 for the years ended December 31, 2020 and 2019, respectively, and are included in operating expenses in the accompanying combined statements of income.

Delivery Fees Charged by Delivery Service Providers

The Company's customers may order online through third party service providers such as Uber Eats, Door Dash, and others. These third-party service providers charge delivery and order fees to the Company. Such fees are expensed when incurred and were approximately \$337,047 and \$301,661 for the years ended December 31, 2020 and 2019, respectively. Delivery fees are included in general and administrative expenses in the accompanying combined statements of operations.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. The Company's net revenue primarily consists of revenues from food and beverage sales and franchisees under franchise agreements. Accordingly, the Company recognizes revenue as follows:

- ***Revenue from Food and Beverage***

Revenues from the sale of food items by Company-owned restaurants are recognized as Company sales when a customer purchases the food, which is when our obligation to perform is satisfied. The timing and amount of revenue recognized related to Company sales was not impacted by the adoption of Topic 606.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

- ***Initial Franchise Fees***

The Company provides the franchisees with management expertise, training, pre-opening assistance, and restaurant operating assistance in exchange for initial franchise fees. The Company capitalizes these fees upon collection from the franchisee, these fees are then recognized as franchise fee revenue on a straight-line basis over the life of the related franchise agreements and any exercised renewal periods. Cash payments are due upon the execution of the related franchise agreement. The Company's performance obligation with respect to franchise fee revenues consists of a license to utilize the Company's brand for a specified period of time, which is satisfied equally over the life of each franchise agreement. The Company entered into a gross initial franchise fees of \$0 and \$50,000 for the year ended December 31, 2020, and 2019, respectively, recorded initial franchise fees revenue of \$27,001 and \$6,208 for the years ended December 31, 2020 and 2019, respectively, which is included in franchise fees in the accompanying combined statements of income.

- ***Royalties***

Franchise revenues consists of royalties and franchise fees. Royalties are based on a percentage of franchisee net sales revenue which range between 3% and 6%. The Company recognizes the royalties as the underlying sales occur. The Company recorded revenue from royalties of \$66,227 and \$29,636 for the years ended December 31, 2020 and 2019, respectively.

The Company also charges 1% of net sales for brand marketing fee to franchisees. The amount was waived for the years ended December 31, 2020 and 2019.

- ***Other revenue***

Other revenue consists of incentives received from wholesale vendors. The Company recognizes other revenue when collection is assured and when performance has occurred.

Inventories

Inventories, which are stated at the lower of cost or net realizable value, consist primarily of perishable food items and supplies. Cost is determined using the first-in, first out method.

Segment Reporting

Accounting Standards Codification ("ASC") 280, "Segment Reporting," requires public companies to report financial and descriptive information about their reportable operating segments. The Company identifies its operating segments based on how executive decision makers internally evaluates separate financial information, business activities and management responsibility. Accordingly, the Company has one reportable segment, consisting of operating its stores. The Company's franchise entities were not material as of and for the years ended December 31, 2020 and 2019.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Major improvements are capitalized, and minor replacements, maintenance and repairs are charged to expense as incurred. Depreciation and amortization are calculated on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term of the related asset. The estimated useful lives are as follows:

Furniture and equipment	5 to 7 years
Leasehold improvements	Shorter of estimated useful life or term of lease

Deferred Revenue

Deferred revenue consists of initial franchise fees received by the Company, which are being amortized over the life of the Company's franchise agreements. Deferred revenue is recognized in income over the life of the franchise agreements is recognized in income as performance obligations are satisfied.

Income Taxes

The Company is a limited liability company and files a partnership tax return with the federal or any state jurisdictions. Therefore, each member of the Company is taxed on its own share of the Company's taxable income. The Company is subject to limited liability company state taxes which is approximately 7% of its taxable income. The Company recorded a state income tax provision in the amount of \$30,311 and \$48,538 for the years ended December 31, 2020 and 2019, respectively.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company had no unrecognized tax benefits identified or recorded as liabilities as of December 31, 2020 and 2019.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for un-collectible accounts and, as a consequence, believes that its accounts receivable related credit risk exposure beyond such allowance is limited.

Substantially all of the Company's revenues are derived from sales its own restaurants specializing in Hawaiian Poke. Any significant decline in the Hawaiian Poke demand could impair the Company's ability to operate effectively. Furthermore, the Company's revenues are derived in one state, Connecticut.

Major Vendor

The Company engages various vendors to distribute food products to their Company-owned restaurants. Purchases from the Company's largest supplier comprise of three vendors for a totaled 59%, 17%, and 24% and 45%, 24%, and 31% of the Company's purchases for the years ended December 31, 2020 and 2019, respectively.

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

- Level 1. Observable inputs such as quoted prices in active markets;
- Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial instruments consisted of cash, operating lease right-of-use assets, net, franchise fee receivables – royalties, franchise fee receivables – initial fee, accounts payable and accrued expenses, loans payable, emergency injury disaster loan (EIDL), loans payable, payroll protection program (PPP), operating lease liabilities, and deferred franchise fee revenue. The estimated fair value of cash, operating lease right-of-use assets, net, franchise fee receivables – royalties, franchise fee receivables – initial fee, accounts payable and accrued expenses, loans payable, emergency injury disaster loan (EIDL), loans payable, payroll protection program (PPP), operating lease liabilities, and deferred franchise fee revenue approximate its carrying amount due to the short maturity of these instruments.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)" ("ASU 2016-02"). ASU 2016-02 requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases. ASU 2016-02 will also require new qualitative and quantitative disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. The Company evaluated ASU 2016-02 and adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-10, "Codification Improvements to Topic 842, Leases" ("ASU 2018-10"). The amendments in ASU 2018-10 provide additional clarification and implementation guidance on certain aspects of the previously issued ASU No. 2016-02, Leases (Topic 842) ("ASU 2016-02") and have the same effective and transition requirements as ASU 2016-02. Upon the effective date, ASU 2018-10 will supersede the current lease guidance in ASC Topic 840, Leases. Under the new guidance, lessees will be required to recognize for all leases, with the exception of short-term leases, a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis. Concurrently, lessees will be required to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2018-10 is effective for emerging growth companies for interim and annual reporting periods beginning after December 15, 2019, with early adoption permitted. The guidance is required to be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative periods presented in the financial statements. The Company adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements," ("ASU 2018-11"). The amendments in ASU 2018-11 related to transition relief on comparative reporting at adoption affect all entities with lease contracts that choose the additional transition method and separating components of a contract affect only lessors whose lease contracts qualify for the practical expedient. The amendments in ASU 2018-11 are effective for emerging growth companies for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company adopted this guidance as of January 1, 2019.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements (continued)

In March 2019, the FASB issued ASU 2019-01, “Leases (Topic 842): Codification Improvements” (“Topic 842”) (“ASU 2019-01”). These amendments align the guidance for fair value of the underlying asset by lessors that are not manufacturers or dealers in Topic 842 with that of existing guidance. As a result, the fair value of the underlying asset at lease commencement is its cost, reflecting any volume or trade discounts that may apply. However, if there has been a significant lapse of time between when the underlying asset is acquired and when the lease commences, the definition of fair value (in Topic 820, Fair Value Measurement) should be applied. (Issue 1). The ASU also requires lessors within the scope of Topic 942, Financial Services—Depository and Lending, to present all “principal payments received under leases” within investing activities. (Issue 2). Finally, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases standard. (Issue 3). The transition and effective date provisions apply to Issue 1 and Issue 2. They do not apply to Issue 3 because the amendments for that Issue are to the original transition requirements in Topic 842. This amendment will be effective for fiscal years beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company evaluated ASU 2019-01 and adopted this guidance as of January 1, 2019.

COVID-19 Impact on Concentration of Risk

The novel coronavirus (“COVID-19”) pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company is continually monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, and its impact on operations, financial position, cash flows, inventory, supply chains, purchasing trends, customer payments, and the industry in general, in addition to the impact on its employees. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders.

3. PROPERTY AND EQUIPMENT

<i>December 31,</i>	<i>2020</i>	<i>2019</i>
Furniture and fixture	\$ 93,750	\$ 93,750
Leasehold improvements	307,458	261,517
Total property and equipment	401,208	355,267
Accumulated depreciation	(89,508)	(51,054)
Total property and equipment, net	\$ 311,700	\$ 304,213

Total depreciation was \$38,454 and \$33,809 and for the years ended December 31, 2020 and 2019, respectively.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

4. LOANS PAYABLE, EMERGENCY INJURY DISASTER LOAN (EIDL)

<i>December 31,</i>	<i>2020</i>	<i>2019</i>
April 22, 2020 (\$190,000 EIDL) - GLL Enterprises, LLC	\$ 190,000	\$ -
April 22, 2020 (\$180,300 EIDL) - TNB Holdings II, LLC	180,300	-
April 22, 2020 (\$25,000 EIDL) - PKM Stamford, LLC	25,000	-
April 22, 2020 (\$228,000 EIDL) - Poke Co. LLC	228,000	-
April 22, 2020 (\$85,000 EIDL) - Poke Co Holdings LLC	85,000	-
May 5, 2020 (\$313,000 EIDL) - TNB Holdings, LLC	313,000	-
May 12, 2020 (\$150,000 EIDL) - LB Holdings LLC	150,000	-
Total long-term loans payable, emergency injury disaster loan (EIDL)	1,171,300	-
Less - current portion	(28,962)	-
Total loans payable, emergency injury disaster loan (EIDL), less current portion	\$ 1,142,338	\$ -

The following table provides future minimum payments as of December 31, 2020:

<i>Years ending,</i>	<i>Amount</i>
2021	\$ 28,962
2022	40,390
2023	40,390
2024	40,390
2025	40,390
Thereafter	980,780
Total	\$ 1,171,300

April 22, 2020 – \$190,000 – GLL Enterprises, LLC

On May 14, 2020, GLL Enterprises, LLC (the “GLL”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the GLL’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), GLL borrowed an aggregate principal amount of the EIDL Loan of \$190,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of \$926. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, GLL also received a \$10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, \$10,000 was recorded in Economy injury disaster loan (EIDL) grant income in the Statements of Operations.

In connection therewith, GLL executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of GLL, which also contains customary events of default (the “SBA Security Agreement”).

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

4. LOANS PAYABLE, EMERGENCY INJURY DISASTER LOAN (EIDL) (continued)

April 22, 2020 – \$180,300 – TNB Holdings II, LLC

On April 22, 2020, TNB Holdings II, LLC (the “TNB II”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the TNB II’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), TNB II borrowed an aggregate principal amount of the EIDL Loan of \$180,300, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning April 22, 2021 (twelve months from the date of the SBA Loan) in the amount of \$879. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, TNB II also received a \$10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, \$10,000 was recorded in Economy injury disaster loan (EIDL) grant income in the Statements of Operations.

In connection therewith, TNB II executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of TNB II, which also contains customary events of default (the “SBA Security Agreement”).

April 22, 2020 – \$25,000 – PKM Stamford, LLC

On April 22, 2020, PKM Stamford, LLC (the “PKM”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the PKM’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), PKM borrowed an aggregate principal amount of the EIDL Loan of \$25,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning April 22, 2021 (twelve months from the date of the SBA Loan) in the amount of \$122. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, PKM also received a \$10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, \$10,000 was recorded in Economy injury disaster loan (EIDL) grant income in the Statements of Operations.

In connection therewith, PKM executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of PKM, which also contains customary events of default (the “SBA Security Agreement”).

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

4. LOANS PAYABLE, EMERGENCY INJURY DISASTER LOAN (EIDL) (continued)

April 22, 2020 – \$228,000 – Poke Co. LLC

On April 22, 2020, Poke Co. LLC (the “PC”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the PC’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), PC borrowed an aggregate principal amount of the EIDL Loan of \$228,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning April 22, 2021 (twelve months from the date of the SBA Loan) in the amount of \$1,111. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, PC also received a \$10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, \$10,000 was recorded in Economy injury disaster loan (EIDL) grant income in the Statements of Operations.

During the year ended December 31, 2020, \$10,000 was recorded in EIDL grant income in the Statements of Operations. In connection therewith, PC executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of PC, which also contains customary events of default (the “SBA Security Agreement”).

April 22, 2020 – \$85,000 – Poke Co Holdings LLC

On April 22, 2020, Poke Co Holdings LLC (the “PCH”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the PCH’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), PCH borrowed an aggregate principal amount of the EIDL Loan of \$85,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning April 22, 2021 (twelve months from the date of the SBA Loan) in the amount of \$415.

In connection therewith, PCH executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of PCH, which also contains customary events of default (the “SBA Security Agreement”).

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

4. LOANS PAYABLE, EMERGENCY INJURY DISASTER LOAN (EIDL) (continued)

May 5, 2020 – \$313,000 – TNB Holdings, LLC

On May 5, 2020, TNB Holdings, LLC (the “TNB”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the TNB’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), TNB borrowed an aggregate principal amount of the EIDL Loan of \$313,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 5, 2021 (twelve months from the date of the SBA Loan) in the amount of \$1,526. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, TNB also received a \$10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, \$10,000 was recorded in Economy injury disaster loan (EIDL) grant income in the Statements of Operations.

In connection therewith, TNB executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of TNB, which also contains customary events of default (the “SBA Security Agreement”).

May 12, 2020 – \$150,000 – LB Holdings LLC

On May 12, 2020, LB Holdings LLC (the “LB”) executed the standard loan documents required for securing a loan (the “EIDL Loan”) from the SBA under its Economic Injury Disaster Loan (“EIDL”) assistance program in light of the impact of the COVID-19 pandemic on the LB’s business.

Pursuant to that certain Loan Authorization and Agreement (the “SBA Loan Agreement”), LB borrowed an aggregate principal amount of the EIDL Loan of \$150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 12, 2021 (twelve months from the date of the SBA Loan) in the amount of \$731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, LB also received a \$10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, \$10,000 was recorded in Economy injury disaster loan (EIDL) grant income in the Statements of Operations.

In connection therewith, LB executed (i) a loan for the benefit of the SBA (the “SBA Loan”), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of LB, which also contains customary events of default (the “SBA Security Agreement”).

As of December 31, 2020, none of the Loans payable, Emergency Injury Disaster Loan noted above are in default.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

5. LOANS PAYABLE, PAYROLL PROTECTION LOAN PROGRAM (PPP)

<i>December 31,</i>	<i>2020</i>	<i>2019</i>
April 15, 2020 (\$42,400 PPP) - LB Holdings LLC	\$ 42,400	\$ -
April 21, 2020 (\$42,840 PPP) - TNB Holdings, LLC	42,840	-
April 22, 2020 (\$31,835 PPP) - Poke Co. LLC	31,835	-
April 23, 2020 (\$20,640 PPP) - PKM Stamford, LLC	20,640	-
April 24, 2020 (\$25,242 PPP) - GLL Enterprises, LLC	25,242	-
May 6, 2020 (\$28,535 PPP) - TNB Holdings II, LLC	28,535	-
Total long-term loans payable, payroll protection program (PPP)	191,492	-
Less - current portion	(147,353)	-
Total loans payable, payroll protection program (PPP), less current portion	\$ 44,139	\$ -

The following table provides future minimum payments as of December 31, 2020:

<i>Years ending,</i>	<i>Amount</i>
2021	\$ 147,353
2022	44,139
2023	-
2024	-
2025	-
Thereafter	-
Total	\$ 191,492

The Paycheck Protection Program Loan (the “PPP Loan”) is administered by the U.S. Small Business Administration (the “SBA”). The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the “Maturity Date”). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

6. COMMITMENTS AND CONTINGENCIES

Commitments

The Company adopted ASC 842 in December 31, 2018. Adoption of the standard resulted in the initial recognition of operating lease ROU asset of \$1,107,118 and operating lease liability of \$1,107,118 for all facilities as of December 31, 2020. The Company leases the following facilities under operating leases for its stores:

- On June 29, 2018, GLL Enterprises LLC entered into an operating facility lease. The retail store is located in Norwalk, Connecticut and lease term is for 10 years (120 months) term and with the option to extend from 2 years to 5 years. Total lease expense was \$34,260 for the year ended December 31, 2020.
- On January 1, 2018, LB Holdings LLC took over an existing operating facility lease. The retail store is located in Hamden, Connecticut and lease term is for 50-month term with the option to extend to 5 years. The commencing date was January 1, 2018. Total lease expense was \$33,000 for the year ended December 31, 2020.
- On May 8, 2019, PKM Stamford, LLC entered into an operating facility lease. The retail store is located in Stamford, Connecticut and lease term is for 10 years and 6 months (126 months) term with the option to extend to 5 years. The commencing date was December 1, 2019. The retail store became operational in January 2020. Total lease expense was \$55,565 for the year ended December 31, 2020.
- On May 1, 2018, Poke Co, LLC entered into an operating facility lease. The retail store is located in Fairfield, Connecticut and lease term is for 5 years (60 months) term with the option to extend the lease for four additional terms of 5 years. The commencing date was June 15, 2018. Total lease expense was \$42,456 for the year ended December 31, 2020.
- On August 25, 2017, TNB Holdings, LLC entered into an operating facility lease. TNB Holdings, Inc. The retail store is located in New Haven, Connecticut and lease term is for 5 years (60 months) term. The commencing date was August 25, 2017. Total lease expense was \$23,605 for the year ended December 31, 2020.
- On June 15, 2018, TNB Holdings II, LLC entered into an operating facility lease. The retail store is located in New Haven, Connecticut and lease term is for 5 years (60 months) term. The commencing date was November 1, 2018. Total lease expense was \$39,204 for the year ended December 31, 2020.

Operating lease right-of-use (“ROU”) assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Generally, the implicit rate of interest in arrangements is not readily determinable and the Company utilizes its incremental borrowing rate in determining the present value of lease payments. The Company’s incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The operating lease ROU asset includes any lease payments made and excludes lease incentives. Our variable lease payments primarily consist of maintenance and other operating expenses from our real estate leases. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

The Company has lease agreements with lease and non-lease components. The Company has elected to account for these lease and non-lease components as a single lease component.

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

6. COMMITMENTS AND CONTINGENCIES (continued)

Commitments (continued)

In accordance with ASC 842, the components of lease expense were as follows:

<i>Years Ended December 31,</i>	<i>2020</i>	<i>2019</i>
Operating lease expense	\$ 228,091	\$ 177,157
Total lease expense	\$ 228,091	\$ 177,157

In accordance with ASC 842, other information related to leases was as follows:

<i>Years Ended December 31,</i>	<i>2020</i>	<i>2019</i>
Operating cash flows from operating leases	\$ 222,758	\$ 172,766
Cash paid for amounts included in the measurement of lease liabilities	\$ 222,758	\$ 172,766

Weighted-average remaining lease term—operating leases	4.1 Years
Weighted-average discount rate—operating leases	10%

In accordance with ASC 842, maturities of operating lease liabilities as of December 31, 2020 were as follows:

<i>Years ending,</i>	<i>Operating Lease</i>
2021	\$ 231,006
2022	203,215
2023	138,995
2024	90,002
2025	92,252
Thereafter	356,334
Total undiscounted cash flows	\$ 1,111,803

Reconciliation of lease liabilities:

Weighted-average remaining lease terms	4.1 Years
Weighted-average discount rate	10%
Present values	\$ 802,652
Lease liabilities—current	157,789
Lease liabilities—long-term	644,863
Lease liabilities—total	\$ 802,652
Difference between undiscounted and discounted cash flows	\$ 309,151

**TNB Holdings, LLC, LB Holdings LLC, Poke Co. LLC, GLL Enterprises, LLC,
Poke Co Holdings LLC, TNB Holdings II, LLC, PKM Stamford, LLC**
Notes to Combined Financial Statements

6. COMMITMENTS AND CONTINGENCIES (continued)

Contingencies

From time to time, the Company may be involved in certain legal actions and claims arising in the normal course of business. Management is of the opinion that such matters will be resolved without material effect on the Company's financial condition or results of operations.

7. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after December 31, 2020. During this period, the Company did not have any material recognizable subsequent events required to be disclosed.

GUARANTY OF PERFORMANCE

For value received, **TNB HOLDINGS, LLC, LB HOLDINGS, LLC, POKE CO., LLC, GLL ENTERPRISES, LLC, TNB HOLDINGS II, LLC, AND PKM STAMFORD, LLC**, each a Connecticut limited liability company, located at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (the "Guarantor"), absolutely and unconditionally guarantees the performance by **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company, located at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (the "Franchisor"), of all of the obligations of Franchisor in accordance with the terms and conditions of the franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2022 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees as amended, modified or extended from time to time. This guarantee continues in full force and effect until all obligations of the Franchisor under its franchise registrations and Franchise Agreements are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive notice of Franchisor's default. This guarantee is binding on the Guarantor and its successors and assignees.

The Guarantor signs this guarantee at Northlake, Texas on the 29 day of April 2022.

GUARANTOR:

TNB HOLDINGS, LLC

LB HOLDINGS, LLC

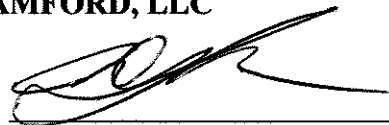
POKE CO., LLC

GLL ENTERPRISES, LLC

TNB HOLDINGS II, LLC

PKM STAMFORD, LLC

By: _____



Name: _____

Michael J. Roper

Title: _____

Chief Executive Officer and Secretary

EXHIBIT B

FRANCHISE AGREEMENT

POKE CO HOLDINGS, LLC.

FRANCHISE AGREEMENT

FRANCHISEE

DATE

TABLE OF CONTENTS

ARTICLE 1	2
GRANT	2
1.1 <i>Grant of Franchise</i>	2
1.2 <i>Accepted Location</i>	2
1.3 <i>Relocation</i>	2
1.4 <i>Protected Territory</i>	2
1.5 <i>Our Reserved Rights</i>	2
ARTICLE 2	3
SITE SELECTION, PLANS AND CONSTRUCTION	3
2.1 <i>Your Responsibility to Locate a Site</i>	3
2.2 <i>Site Selection</i>	3
2.3 <i>Zoning Clearances, Permits and Licenses</i>	4
2.4 <i>Design of Shop</i>	4
2.5 <i>Build-Out of Shop</i>	5
2.6 <i>Opening Date; Time is of the Essence</i>	5
ARTICLE 3	5
TERM AND RENEWAL	5
3.1 <i>Term</i>	5
3.2 <i>Renewal</i>	5
3.3 <i>Refusal to Renew Franchise Agreement</i>	6
3.4 <i>Renewal Under Law</i>	6
3.5 <i>Your Election Not to Renew</i>	6
ARTICLE 4	7
FEES	7
4.1 <i>Initial Franchise Fee</i>	7
4.2 <i>Royalty Fees</i>	7
4.3 <i>Brand Development Fee</i>	7
4.4 <i>Payments to Us</i>	7
4.5 <i>Interest on Overdue Amounts</i>	8
4.6 <i>Definition of Gross Sales</i>	8
4.7 <i>Payment of Additional Fees</i>	8
ARTICLE 5	8
OUR OBLIGATIONS	8
5.1 <i>Site Selection Assistance</i>	8
5.2 <i>Location Assistance; On-Site Evaluation</i>	8
5.3 <i>Prototype Design Plans</i>	9
5.4 <i>Confidential Operations Manual</i>	9
5.5 <i>Visits and Evaluations</i>	9
5.6 <i>Advertising and Promotional Materials</i>	9
5.7 <i>Management and Operations Advice</i>	9
5.8 <i>Products for Resale</i>	9
5.9 <i>Approved Suppliers</i>	9
5.10 <i>Initial Training Program</i>	9
5.11 <i>Opening Assistance</i>	9
5.12 <i>Brand Development Fund; Advertising Cooperatives</i>	9
ARTICLE 6	10
YOUR AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS	10

6.1	Use Commercially Reasonable Efforts	10
6.2	Representations of Corporate Entity	10
6.3	General Manager.....	11
6.4	Training	12
6.5	Franchisee Meetings.....	13
6.6	Hiring Practices.....	13
6.7	Compliance with Laws.....	13
6.8	Compliance with All Other Obligations.....	13
ARTICLE 7		14
FRANCHISE OPERATIONS		14
7.1	Compliance with Standards	14
7.2	Maintenance of Shop	14
7.3	Remodeling and Redecorating.....	14
7.4	Approved Suppliers.....	14
7.5	Operation of Shop in Compliance with Our Standards	15
7.6	Proprietary Products	16
7.7	Advertising and Promotional Materials	17
7.8	Complaints	17
7.9	Power of Attorney for Telephone Listings, etc.	17
7.10	Power of Attorney for Taxes	17
7.11	Unapproved Products and Services	17
7.12	Customer Surveys	17
7.13	Pricing	18
ARTICLE 8		18
ADVERTISING AND RELATED FEES.....		18
8.1	Participation in Advertising.....	18
8.2	Local Advertising.....	18
8.3	Brand Development Fund.....	18
8.4	Conduct of Advertising; Our Approval	19
8.5	Grand Opening Advertising.....	19
8.6	Websites	20
8.7	Advisory Councils.....	20
ARTICLE 9		21
MARKS		21
9.1	Use of Marks.....	21
9.2	Ownership of Marks; Limited License	21
9.3	Limitation on Use of Marks	22
9.4	Notification of Infringement or Claim	22
9.5	Retention of Rights by Us.....	22
ARTICLE 10		23
CONFIDENTIALITY AND NON-COMPETITION COVENANTS		23
10.1	Confidential Operations Manuals.....	23
10.2	Confidential Information	23
10.3	Non-Competition.....	24
10.4	Failure to Comply.....	26
ARTICLE 11		26
BOOKS AND RECORDS.....		26
11.1	Books and Records.....	26
11.2	Reports.....	26
11.3	Inspections; Audits.....	27
11.4	Correction of Errors	27

11.5	Authorization of Us.....	27
11.6	We are Attorney-in-Fact.....	27
ARTICLE 12	.....	27
INSURANCE	.....	27
ARTICLE 13	.....	29
DEBTS AND TAXES	.....	29
13.1	Taxes.....	29
13.2	Payments to Us	29
13.3	Tax Disputes	29
13.4	Compliance with Laws.....	29
13.5	Notification of Action or Proceeding.....	29
ARTICLE 14	.....	30
TRANSFER OF INTEREST	.....	30
14.1	Transfer by Us	30
14.2	Transfer by You.....	30
14.3	Transfer to a Corporation or Limited Liability Company	32
14.4	Our Right to Purchase Business	32
14.5	Death or Disability	33
14.6	No Waiver of Claims.....	34
14.7	Transfer Among Owners.....	34
ARTICLE 15	.....	35
INDEMNIFICATION	.....	35
15.1	Indemnification by You	35
15.2	Notification of Action or Claim.....	35
15.3	We May Settle	36
15.4	Losses and Expenses.....	36
15.5	Indemnitees Do Not Assume Liability.....	36
15.6	Recovery from Third Parties.....	36
15.7	Survival of Terms.....	37
ARTICLE 16	.....	37
RELATIONSHIP OF THE PARTIES	.....	37
16.1	No Relationship	37
16.2	Independent Contractor.....	37
16.3	You are Not Authorized.....	37
ARTICLE 17	.....	37
TERMINATION	.....	37
17.1	Automatic Termination – No Right to Cure	37
17.2	Notice of Termination – 30 Days to Cure.....	40
17.3	Cross-Defaults, Non-Exclusive Remedies, etc.	40
17.4	Our Right to Discontinue Services to You	40
17.5	Amendment Pursuant to Applicable Law.....	41
ARTICLE 18	.....	41
POST-TERMINATION	.....	41
18.1	Cease Operations.....	41
18.2	Stop Using the System.....	41
18.3	Cancellation of Assumed Names.....	41
18.4	No Use of Similar Marks	41
18.5	Payment of Sums Owed.....	42
18.6	Payment of Damages, Costs and Expenses.....	42

18.7	<i>Delivery of Manuals and Materials</i>	42
18.8	<i>Confidential Information</i>	42
18.9	<i>Advertising and Promotional Materials</i>	42
18.10	<i>Assignment to Us</i>	42
18.11	<i>Assignment of Lease</i>	42
18.12	<i>Our Right to Purchase</i>	43
18.13	<i>Assignment of Options by Us</i>	44
18.14	<i>Telephone Numbers, Yellow Pages Listings, etc.</i>	44
18.15	<i>Liquidated Damages</i>	44
ARTICLE 19		45
MISCELLANEOUS		45
19.1	<i>Notices</i>	45
19.2	<i>Entire Agreement</i>	45
19.3	<i>No Waiver</i>	45
19.4	<i>Our Prior Approval</i>	45
19.5	<i>No Warranty or Guaranty</i>	46
19.6	<i>Continued Obligation to Pay Sums</i>	46
19.7	<i>Arbitration</i>	46
19.8	<i>Governing Law; Injunctive Relief</i>	46
19.9	<i>Agreement Regarding Governing Law and Choice of Forum</i>	47
19.10	<i>Waiver of Punitive Damages</i>	47
19.11	<i>Execution in Multiple Counterparts</i>	47
19.12	<i>Captions</i>	48
19.13	<i>Survival of Terms</i>	48
19.14	<i>Severability of Provisions</i>	48
19.15	<i>Joint and Several Obligations</i>	48
19.16	<i>Rights and Remedies Cumulative</i>	48
19.17	<i>Terminology</i>	48
19.18	<i>References</i>	49
19.19	<i>No Rights or Remedies Except to the Parties</i>	49
19.20	<i>Effectiveness of Agreement</i>	49
19.21	<i>Modification of the System</i>	49
19.22	<i>Operation in the Event of Absence or Disability</i>	50
19.23	<i>Step-In Rights</i>	50
19.24	<i>Costs and Legal Fees</i>	50
ARTICLE 20		51
TECHNOLOGY		51
20.1	<i>Computer Systems and Software</i>	51
20.2	<i>Data</i>	51
20.3	<i>Privacy</i>	52
20.4	<i>Telecommunications</i>	52
20.5	<i>Intranet</i>	52
20.6	<i>On-line Use of Proprietary Marks</i>	52
20.7	<i>No Outsourcing Without Prior Written Consent</i>	52
20.8	<i>Changes to Technology</i>	52
ARTICLE 21		53
SECURITY INTERESTS		53
21.1	<i>Collateral</i>	53
21.2	<i>Indebtedness Secured</i>	53
21.3	<i>Additional Documents</i>	53
21.4	<i>Possession of Collateral</i>	53
21.5	<i>Our Remedies in Event of Default</i>	54
21.6	<i>Special Filing as Financing Statement</i>	54

ARTICLE 22.....	54
YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS.....	54
22.1 Your Representations.....	54
22.2 Your Acknowledgments.....	Error! Bookmark not defined.

ATTACHMENTS

- A - Accepted Location
- B - Collateral Assignment of Lease
- C - Statement of Ownership Interests and Franchisee’s Principals
- D - Confidentiality and Non-Competition Agreement
- E - Electronic Transfer Authorization
- F - Internet Websites and Listings Agreement; Telephone Listing Agreement
- G - Power of Attorney (Tax)
- H - Transfer of a Franchise to a Corporation or Limited Liability Company
- I- Franchisee Disclosure Acknowledgment Statement
- J - Americans with Disabilities Certification

POKE CO HOLDINGS, LLC.

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is made and entered into by and between Poke Co Holdings, LLC., a Connecticut limited liability company having its principal address at 2600 South Shore Boulevard, Suite 300, League City, TX 77573 (“we”, “us” or “our”) _____, a _____, having its principal address at _____ (“you” or “your”) on the date this Agreement is executed by us below (the “Effective Date”).

W I T N E S S E T H:

WHEREAS, we and our affiliate, as the result of the expenditure of time, skill, effort and money, have developed and own a unique and distinctive system (hereinafter “System”) relating to the establishment and operation of shops featuring Poke with a variety of toppings and other complementary products, smoothies and beverages;

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 “Pokemoto, Hawaiian Poke” 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 the “Marks”);

WHEREAS, we 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 shop 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 Controlling Principals (as defined in Section 19.17) 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 Pokemoto Shop under the Marks and the System in accordance with this Agreement (“Shop” or “Franchised Business”). You and the Controlling Principals have represented to us that you have entered into this Agreement with the intention to comply fully with the obligations to construct a Shop hereunder and not for the purpose of reselling the rights to develop the Shop hereunder. You and the Controlling Principals 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 the Controlling Principals and that this Agreement and the rights and obligations hereunder may not be transferred until after the Shop 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 Shop location accepted by us shall be set forth in Attachment A (“Location” or “Accepted Location”). You shall not relocate the Shop 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 Shop or to offer or sell any products or services described under this Agreement at or from any other location, nor are you permitted to sell any products at wholesale.

1.3 Relocation

If you are unable to continue the operation of the Shop 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 Shop to another location, subject to our prior written approval. If we elect to grant you the right to relocate the Shop, then you shall comply with the site selection and construction procedures set forth in Article 2.

1.4 Protected Territory

You do not receive any protected territory under this Agreement. You acknowledge and understand that the rights granted hereunder pertain only to the establishment of a Shop at the Accepted Location. You acknowledge and agree that our affiliates currently operate, or may in the future operate, shops under different marks and with operating systems that are the same as or similar to the System, and that any such shops might compete with your Shop. You further agree and acknowledge that the license granted hereby is only for the operation of one (1) Shop and only at a location approved by us.

1.5 Our Reserved Rights

We and our affiliates retain all rights with respect to Shops and the Marks, 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 Shops and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, on the terms and conditions we deem appropriate. “Alternative distribution channels” include, but are not limited to, the grocery stores, club stores, institutions, banquet facilities, or other direct marketing sales;

1.5.2 to operate and to grant others the right to operate Shops anywhere, regardless of their proximity to your Shop, and on any terms and conditions we deem appropriate;

1.5.3 to operate and to grant others the right to operate Shops at non-traditional sites (“Non-Traditional Sites”) anywhere, regardless of their proximity to your Shop, and on any terms and conditions we deem appropriate; and

1.5.4 the right to acquire and operate a business operating one or more food service businesses located anywhere, regardless of their proximity to your Shop, and on any terms and conditions we deem appropriate.

As used in this Agreement, Non-Traditional Sites shall include, without limitation, military bases, shopping malls, hotels, high school and college campuses, airports, train stations, travel plazas, toll roads, beaches, parks and other seasonal facilities, government buildings and establishments, prisons, hospitals, convenience stores, cafeterias, snack bars, trucks, casinos, sports or entertainment venues or stadiums, and retail shop locations being sublet under a lease to a master concessionaire, whether currently existing or constructed or established subsequent to the date hereof.

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 Shop, and for constructing and equipping the Shop 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 Shop 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 Shop is your responsibility; that in discharging such responsibility you shall consult with real estate and other professionals of your choosing; and that our review of your lease, 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 Shop operated at that site will be profitable or otherwise successful.

2.2 Site Selection

2.2.1 If you do not already have possession of a location that we have approved, then prior to acquiring by lease or purchase a site for the Shop, but within ninety (90) days of the date this Agreement is executed, you shall locate a site for the Shop 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 Shop. No site may be used for the location of the Shop unless it is first accepted in writing by us. You acknowledge and agree that our approval of a location for the Shop is not a warranty or guaranty, express or implied, that you will achieve any particular level of success at the location or that your Shop will be profitable. Our approval of a location for the Shop only signifies that the location has met our then-current minimum criteria for a Pokemoto Shop.

2.2.2 If you elect to purchase the premises for the Shop, 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 Shop 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 Shop 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 B, 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 If you fail to locate a suitable site for the Shop within the ninety (90) day period described herein, we shall have the right to terminate this Agreement unless we have provided you with an extension of this timeframe.

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 Shop premises. Prior to beginning the construction of the Shop, you shall (i) obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Shop, 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. Prior to opening the Franchised Business, and before any renovation to the Franchised Business, Franchisee shall execute an ADA Certification in the form attached to this Agreement as Attachment K that certifies in writing to Franchisor that the Franchised Business and any proposed renovations comply with the ADA.

2.4 Design of Shop

You must obtain any architectural, engineering and design services necessary for the construction of the Shop 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 Shop provided to you by us in accordance with Section 5.3 as necessary for the construction of the Shop 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 presentation of the Marks, 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 Shop

You shall commence and diligently pursue construction or remodeling (as applicable) of the Shop. 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 Shop. 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 Shop. You acknowledge and agree that you will not open the Shop 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 Shop and commence business within twelve (12) months after you execute this Agreement, unless you obtain an extension of such time period from us in writing. The date the Shop 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 Shop, 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 Shop and commence business in accordance with the foregoing shall be deemed an event of material default under this Agreement.

ARTICLE 3

TERM AND RENEWAL

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 Renewal

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 renew the franchise hereunder for one (1) additional period of five (5) years, if the following conditions are met:

3.2.1 you have been, throughout the initial term of this Agreement, 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 renewal);

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

3.2.4 you refurbish, upgrade, and/or renovate your Shop as we require in order that your Shop will meet our then-current standards and image for Pokemoto Shops;

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

3.2.6 at the time the renewal option is exercised and at the time such renewal 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;

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; and

3.2.8 you pay to us a renewal fee equal to fifty percent (50%) of our then-current initial franchise fee.

3.3 Refusal to Renew Franchise Agreement

We can refuse to renew your franchise if your lease, sublease or other document by which you have the right to occupy the Shop Premises is not extended before your renewal term is to take effect to cover the period of the renewal or if you do not have a written commitment from your landlord to renew the lease or sublease for a period at least equal to the renewal term. We may also refuse to renew your franchise under other circumstances, including, but not limited to, your failure to substantially comply with the terms of this Agreement, your failure to pay amounts owed to us when due, or your failure to cure of any defaults incurred during the initial term of this Agreement, if applicable.

3.4 Renewal Under Law

Even though we decline the renewal of your franchise, it is possible that we can be required to renew 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 renewal term will be subject to the conditions of the Franchise Agreement we are using for new franchisees at the time the renewal period begins. If we are not then offering new franchises, your renewal period will be subject to the terms in the Franchise Agreement that we indicate. If for any reason that is not allowed, the renewal term will be governed by the terms of this Agreement.

3.5 Your Election Not to Renew

For the purposes hereof, you shall be deemed to have irrevocably elected not to renew the franchise hereunder (and the option to do so shall thereupon terminate) if you fail to execute and return to us our then-standard Franchise Agreement and other ancillary documents required by us for a renewal franchise.

ARTICLE 4

FEES

4.1 Initial Franchise Fee

You shall pay to us an initial franchise fee of Twenty-Five Thousand Dollars (\$25,000), which amount 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, and the initial franchise fee shall be non-refundable.

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 weekly royalty fee ("Royalty Fee") of six percent (6%) of Gross Sales. Such Royalty Fee shall be due and payable weekly via EFT on day we prescribe from time to time.

4.2.2 Each such Royalty Fee shall be preceded by a royalty report itemizing the Gross Sales for the preceding week ("Royalty Report") and any other reports required hereunder. Notwithstanding the foregoing, you shall provide us in writing with such Gross Sales information on such day of the week and in such manner that we prescribe from time to time. You understand and acknowledge that the requirement for you to provide the Royalty Report is in addition to, and not in place of, our right to poll your computer system directly.

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 Brand Development Fee

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

4.4 Payments to Us

By executing this Agreement, you agree that we shall have the right to withdraw funds from your designated bank account by electronic funds transfer ("EFT") in the amount of the Royalty Fee, Brand Development Fee and any other payments due to us and/or our affiliates. If you do not report the Shop's Gross Sales, we may debit your account for one hundred twenty percent (120%) of the last Royalty Fee and Brand Development Fee that we debited. If the Royalty Fee and Brand Development Fee we debit are less than the Royalty Fee and Brand Development Fee you actually owe to us, once we have been able to determine the Shop's true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the Royalty Fee and Brand Development Fee we debit are greater than the Royalty Fee and Brand Development Fee you actually owe, we will credit the excess against the amount we otherwise would debit from your account during the following week. 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.

4.5 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) one and one half percent (1.5%) per month; 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 Controlling Principals 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.

4.6 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 Shop (including, without limitation, any sales or orders of food products or food preparation services provided from or related to the Shop), delivery and catering, whether for cash or credit and regardless of collection in the case of credit. In the event of a cash shortage, the amount of Gross Sales shall be determined based on the records of the point of sale 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, customer refunds or adjustments, or third-party delivery fees.

4.7 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 Shop:

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

Subject to the availability of our personnel, we may, upon your request or otherwise, conduct an on-site evaluation of your proposed site. 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 Shop. You shall independently, and at your expense, have such architectural and design plans and specifications adapted for construction of the Shop in accordance with Article 2.

5.4 Confidential Operations 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 Pokemoto Shops in the System.

5.5 Visits and Evaluations

Visits to the Shop 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

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 Shop from time to time developed by us, including new developments and improvements in Shop 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 one of your Principals) and your General Manager, 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 Opening Assistance

On-site opening assistance at the Shop in accordance with the provisions of Section 6.4.2.

5.12 Brand Development Fund; Advertising Cooperatives

Establishment and administration of a brand development 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 the Controlling Principals covenants and agrees that they shall make all commercially reasonable efforts to operate the Shop 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 Controlling Principals 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 Shop, 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 C. 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 19.17). 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.

6.2.9 If, after the execution of this Agreement, any person ceases to qualify as one of your Principals (defined in Section 19.17) or if any individual succeeds to or otherwise comes to occupy a position which would, upon designation by us, qualify him as one of your Principals, you shall notify us within ten (10) days after any such change and, upon designation of such person by us as one of your Principals or as a Controlling Principal, as the case may be, such person shall execute such documents and instruments (including, as applicable, this Agreement) as may be required by us to be executed by others in such positions;

6.2.10 Your Principals shall each execute and bind themselves to the confidentiality and non-competition covenants set forth in the Confidentiality and Non-Competition Agreement which forms Attachment D to this Agreement (see Sections 10.2.2 and 10.3.4). The Controlling Principals shall, jointly and severally, guarantee your performance of all of your obligations, covenants and agreements hereunder pursuant to the terms and conditions of the guaranty contained herein, and shall otherwise bind themselves to the terms of this Agreement as stated herein; and

6.2.11 You and the Controlling Principals acknowledge and agree that the representations, warranties and covenants set forth above in Sections 6.2.1 through 6.2.10 are continuing obligations of you and the Controlling Principals, 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 and the Controlling Principals will 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 Shop. The General Manager shall be responsible for the daily operation of the Shop and may be one of the Controlling Principals. 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 Shop;

6.3.3 The General Manager shall be an individual acceptable to us; and

6.3.4 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 Shop 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.

You understand and acknowledge that you are responsible for the daily operation and management of your Shop, compliance with the terms of this Agreement and the Manuals, and compliance with our requirements and specifications, irrespective of whether you hire a General Manager.

6.4 Training

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

6.4.1 Not later than thirty (30) days prior to the Opening Date, you (or one of your Principals) and your General Manager (for a maximum of two (2) trainees) shall attend and complete, to our reasonable satisfaction, our initial training program, including classroom training and training in an operating Shop at such location(s) as may be designated by us. If you wish to send additional employees to our initial training program, whether before the Shop opens or while the Shop 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 Shop personnel for any initial training provided to a replacement or successor General Manager.

In addition, if you fail to complete the initial training program to our satisfaction, you must re-take the initial training program at your own expense, including payment of our then-current training fee. If you fail to complete the initial training program to our satisfaction a second time, we have the right to terminate this Agreement. You shall be responsible for any and all expenses incurred by you, your General Manager and other Shop personnel in connection with any initial training program, including, without limitation, costs of travel, lodging, meals and wages.

6.4.2 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 Shop 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.

6.4.3 We reserve the right to conduct additional or refresher training programs, seminars and other related activities regarding the operation of the Shop. Such training programs and seminars may be offered to you, the General Manager or other Shop personnel generally, and we may designate that such training programs and seminars are mandatory for you, your General Manager and other Shop personnel. You must pay for your trainees' expenses while attending such training program, including travel, lodging, meals and applicable wages.

6.5 Franchisee Meetings

We reserve the right to hold meetings for all franchisees and other Pokemoto Shop 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. You shall pay for all of the expenses incurred by your attendees at the meeting, including travel, lodging, meals and wages.

6.6 Hiring Practices

You acknowledge and agree that you are solely responsible for all decisions relating to employees, agents, and independent contractors that you may hire to assist in the operation of your Shop. You agree that any employee, agent or independent contractor that you hire will be your employee, agent or independent contractor, and not our employee, agent or independent contractor. You also agree that you are exclusively responsible for the terms and conditions of employment of your employees, including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. You agree to manage the employment functions of your Shop in compliance with federal, state, and local employment laws.

6.7 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.

6.8 Compliance with All Other Obligations

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

ARTICLE 7

FRANCHISE OPERATIONS

7.1 Compliance with Standards

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

7.2 Maintenance of Shop

You shall maintain the Shop 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 Shop or to provide the Shop 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 Shop 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 Shop, you shall, upon our request, remodel and/or redecorate the Shop 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 Shop to our then-current system-wide standards and specifications. We shall not require you to perform such remodeling and/or redecorating more frequently than every eight (8) years, except that if the Shop franchise is transferred pursuant to Article 14, we may request that the transferee remodel and/or redecorate the Shop 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 Shop. Except as provided in Sections 7.6 and 7.7 with respect to certain materials bearing the Marks and proprietary products (including proprietary mixes), 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 Shops 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 pay to us our then-current fee for 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.

7.5 Operation of Shop in Compliance with Our Standards

To ensure that the highest degree of quality and service is maintained, you shall operate the Shop 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 Shop, 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, 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 Shop 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 Shop 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 plus 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 or high speed internet access in accordance with our specifications to permit us to access and retrieve electronically any information stored on a point of sale system (or other computer hardware and software) you are required to utilize at the Shop premises as specified in the Manuals, thereby permitting us to inspect and monitor electronically information concerning your Shop, Gross Sales and such other information as may be contained or stored in such equipment and software. 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 regardless of whether a Gift Card was issued by you or another Pokemoto Shop. 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, including those relating to procedures by which you shall request reimbursement for Gift Cards issued by other Pokemoto Shops and for making timely payment to us, other operators of Pokemoto Shops, or a third-party service provider for Gift Cards issued from the Shop that are honored by us or other Pokemoto Shop operators.

7.6 Proprietary Products

You acknowledge and agree that we have developed, and may continue to develop, for use in the System certain products which are prepared from confidential proprietary recipes and which are our trade secrets, 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 Shop), 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 Shop, 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 Shop or equipment located in the Shop during the term of this Agreement and for thirty (30) days after the expiration or earlier termination hereof.

7.9 Power of Attorney for Telephone Listings, etc.

Upon the 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 assigning to us only upon the termination or expiration of this Agreement, as required under Section 17.15: (i) all rights to the telephone numbers of the Shop and any related and other business listings; and (ii) 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 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 Shop. 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

Unless prohibited by applicable law, we may periodically set a maximum or minimum price that you may charge for products and services offered at your Shop. If we impose such a maximum or minimum price for any product or service, you may charge any price for the product or service up to and including our designated maximum price or down to and including our designated minimum price. The designated maximum and minimum prices for the same product or service may, at our option, be the same or may differ across all Shops. For any product or service for which we do not impose a maximum or minimum price, we may require you to comply with an advertising policy adopted by us which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. Although you must comply with any advertising policy we adopt, you will not be prohibited from selling any product or service at a price above or below the suggested retail price unless we impose a maximum price or minimum price for such product or service.

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 Shops 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 you shall spend, throughout the term of this Agreement, not less than one percent (1%) of Gross Sales each week on advertising for the Shop in the area covering a 5-mile radius from your Shop ("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 Brand Development Fund

We reserve the right to establish and administer a brand development fund for the purpose of advertising the System on a regional or national basis (the "Fund"). You agree to contribute to the Fund as described in Section 4.3 above. You agree that the 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 Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Shops operating under the System. We shall, with respect to Shops operated by us, contribute to the Fund generally on the same basis as you. In administering the 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 Fund for our reasonable expenses in managing the Fund.

8.3.2 You agree that the 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, newspaper and internet-based advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; social media initiatives; 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 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 Fund and advertising programs for franchisees and the System. The Fund and its earnings shall not otherwise inure to our benefit. The Fund is operated solely as a conduit for collecting and expending the Brand Development Fees as outlined above.

8.3.3 A statement of the operations of the 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 Fund at the end of any year will carry over to the next year. Although the Fund is intended to be of perpetual duration, we may terminate the Fund. The Fund shall not be terminated, however, until all monies in the 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 Fund, we may, in our sole discretion, reinstate the Fund at any time. If we so choose to reinstate the Fund, said reinstated Fund shall be operated as described herein.

8.4 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) day 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. You shall not advertise or use the Marks in any fashion on the Internet, World Wide Web or via other means of advertising through telecommunication without our express written consent.

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.

8.5 Grand Opening Advertising

We recommend, but do not require, that you conduct an advertising campaign announcing the grand opening of your Shop. If you choose to conduct grand opening advertising, we must approve of your advertising campaign before you begin it.

8.6 Websites

As used in this Agreement, the term “Website” means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages. In connection with any Website, you agree to the following:

8.6.1 We shall have the right, but not the obligation, to establish and maintain a Website, which may, without limitation, promote the Marks, Pokemoto Shops and any or all of the products offered at Shops, the franchising of Pokemoto Shops, and/or the System. We shall have the sole right to control all aspects of the Website, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage; we shall also have the right to discontinue operation of the Website.

8.6.2 We shall have the right, but not the obligation, to designate one or more web page(s) to describe you and/or the Franchised Business, with such web page(s) to be located within our Website. You shall comply with our policies with respect to the creation, maintenance and content of any such web pages; and we shall have the right to refuse to post and/or discontinue posting any content and/or the operation of any web page.

8.6.3 You shall not establish a separate Website related to the Marks or the System without our prior written approval (which we shall not be obligated to provide). If approved to establish such a Website, you shall comply with our policies, standards and specifications with respect to the creation, maintenance and content of any such Website. You specifically acknowledge and agree that any such Website owned or maintained by you or for your benefit shall be deemed “advertising” under this Agreement, and will be subject to (among other things) our approval under this Article 8.

8.6.4 You are not permitted to promote your Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, Instagram, FourSquare, LinkedIn or 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 Franchised Business’s operation, including prohibitions on your and the Franchised Business’s employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us (“social media” includes personal blogs, common social networks like Facebook, Foursquare, and MySpace, professional networks like LinkedIn, Instagram, live-blogging tools like Twitter, 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.

8.7 Advisory Councils

We may, in our discretion, form an advisory council to work with us to improve the System, the products offered by Pokemoto Shops, advertising conducted by the Fund, and any other matters that we deem appropriate. Members of the advisory council will include our representatives and franchisee representatives. Franchisee representatives may be chosen by us or may be elected to the council by other franchisees in the System. If an advisory council is formed, it will act solely in an advisory capacity, and will not have decision making authority. We will have the right to form, change, merge or dissolve any advisory council. If you participate in the council, you will pay any costs related to your involvement, such as expenses you may incur to attend council meetings.

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 or the licensee of the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them. This Agreement grants you a limited license to use the Marks.

9.2.2 Neither you nor any Controlling Principal 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 Shop and only at or from its accepted location or in approved advertising related to the Shop.

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 shall not have any 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. 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 Shop only under the name “Pokemoto, Hawaiian Poke”, or any part thereof, without prefix or suffix. You shall not use the Marks 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 renewal hereof, you shall identify yourself as the independent owner of the Shop 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 Shop 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 Controlling Principals 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 Controlling Principals 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 Controlling Principals 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 Controlling Principals shall divulge and make such materials available only to such of your employees as must have access to it in order to operate the Shop. You and the Controlling Principals 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 Shop 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 Controlling Principal 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 Shop under the terms of this Agreement.

You and the Controlling Principals shall divulge such confidential information only to such of your employees as must have access to it in order to operate the Shop. 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 the Controlling Principals 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 Controlling Principals.

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 D. All of your Principals not required to sign this Agreement as a Controlling Principal also must execute such covenants.

10.2.3 If you, the Controlling Principals, the General Manager or any of your employees develop any new concept, process, product, recipe, or improvement in the operation or promotion of the Shop, you are required to promptly notify us and provide us with all necessary related information, without compensation. You and the Controlling Principals 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 Controlling Principals specifically acknowledge that, pursuant to this Agreement, you and the Controlling Principals 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 Controlling Principals and your managers and employees. You and the Controlling Principals 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 Shop, 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 Controlling Principals and your managers and employees), you and the Controlling Principals covenant that with respect to you, during the term of this Agreement (or with respect to each of the Controlling Principals, during the term of this Agreement for so long as such individual or entity satisfies the definition of “Controlling Principals” as described in Section 19.17 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 Controlling Principals 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 Shop, including a food service business which offers and sells the same or substantially similar food products (a “Competitive Business”).

10.3.2 With respect to you, and for a continuous uninterrupted period commencing upon the expiration, termination of, or transfer of all of your interest in, this Agreement (or, with respect to each of the Controlling Principals, commencing upon the earlier of: (i) the expiration, termination of, or transfer of all of your interest in, this Agreement or (ii) the time such individual or entity ceases to satisfy the definition of “Controlling Principals” as described in Section 19.17 of 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 Controlling Principals 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) 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 twenty (20) mile radius of the location of any Shop 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 Controlling Principals 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 Controlling Principals 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 Controlling Principals 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 Controlling Principals 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 D. All of your Principals not required to sign this Agreement as a Controlling Principal also must execute such covenants. 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 D 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 Controlling Principals 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 Controlling Principals 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 Controlling Principals accordingly consent to the issuance of an injunction prohibiting any conduct by you or the Controlling Principals in violation of the terms of this Section. You and the Controlling Principals 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.

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 Royalty Report required by Section 4.2 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 calendar quarter (which may be unaudited) for you within fifteen (15) days after the end of each calendar quarter 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 Shop, 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 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 Shop. You shall make such books and records available to us or our designees immediately upon request. If any required Royalty Fee, Brand Development Fee 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.

11.4 Correction of Errors

You understand and agree that our receipt or acceptance of any of the statements furnished or Royalty Fees 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.

11.5 Authorization of Us

You hereby authorize (and agree 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 Shop. 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.

11.6 We are Attorney-in-Fact

Notwithstanding any forms and documents which may have been executed by you under Section 7.10, 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 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 Shop.

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 required insurance coverages described in our Manuals.

12.3 You may, with our prior written consent, which consent may be withheld or denied, elect to have reasonable deductibles in connection with the coverages we require. Such policies shall also 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.

12.4 In connection with any construction, renovation, refurbishment or remodeling of the Shop, 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.

12.5 Your obligation to obtain and maintain the required insurance 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.

12.6 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.

12.7 Not later than thirty (30) days before the Shop 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.

12.8 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.

12.9 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.

12.10 We reserve the right to modify the types of insurance coverages and amounts of coverage that you are required to maintain for the Shop, 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. You shall execute our form of Power of Attorney attached to this Agreement as Attachment G.

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, including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, fire clearances, health permits, certificates of occupancy and any permits, certificates or licenses required by any environmental law, rule or regulation.

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 to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

You expressly affirm and agree that we may sell our assets, our rights to the Marks or to the System outright to a third party; 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; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all 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 said Marks (or any variation thereof) and/or the loss of association with or identification of Poke Co Holdings, LLC. as Franchisor. Nothing contained in this Agreement shall require us to remain in the restaurant business or to offer the same products and services, whether or not bearing the Marks, in the event that we exercise our right to assign our rights in this Agreement.

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 Controlling Principals. Accordingly, neither you nor any Controlling Principal, nor any successor or assignee of you or any Controlling Principal, 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 Shop and/or any of the Shop'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 Controlling Principal 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 Shop, any of the Shop's material assets (except as provided in Section 14.2.1 above) or this Agreement, or if you or a Controlling Principal wishes to transfer or permit a transfer of any ownership interest in you or in a Controlling Principal that is an entity, 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 Shops 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 renewal terms 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 Shop, 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, Brand Development Fee and/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 Shop 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 Shop 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, the transferee, the transferee's general manager and/or any other applicable Shop personnel shall complete any training programs then in effect for franchisees of Shops upon such terms and conditions as we may reasonably require;

(j) You shall pay to us a transfer fee equal to Five Thousand Dollars (\$5,000) to reimburse us for reviewing the application to transfer, including, without limitation, training expenses, 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 Shop 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 the proposed transfer is to 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. 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 Shop or this Agreement or if you or a Controlling 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 Shop (including lease and contract rights and other assets of you and your affiliates used in connection with the Shop, excluding the assets of your benefit plans) (collectively, the “Shop Interests”). As used in this Section 14.4.1(b), Change of Control means any circumstance resulting in one or more of your Controlling Principals 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 Shop 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 Shop. If you have more than one (1) Shop, then the Implied Market Price shall, unless otherwise agreed by us and you, be allocated among all Shops 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 Shop or this Agreement shall constitute a material event of default under this Agreement.

14.5 Death or Disability

14.5.1 Upon your death (if you are a natural person) or upon the death of any Controlling Principal who is a natural person and who has an interest in this Agreement, the Shop or you

(the “Deceased”), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by us within twelve (12) months after the death. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by us. If the distributee is not approved by us, then the distributee shall transfer such interest to a third party approved by us within twelve (12) months after the death of the Deceased.

14.5.2 Upon your permanent disability (if you are a natural person) or upon the permanent disability of any Controlling Principal who is a natural person and who has an interest in this Agreement, the Shop or you, we may, in our reasonable discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article 14 within twelve (12) months after notice to you. “Permanent disability” shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician selected by us, upon examination of the person; or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section 14.5. The costs of any examination required by this Section shall be paid by us.

14.5.3 Upon the death or claim of permanent disability of you or any Controlling Principal, 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. If an interest is not transferred upon death or permanent disability as required in this Section, then such failure shall constitute a material event of default under this Agreement.

14.5.4 In order to prevent any interruption of the Shop operations which would cause harm to the Shop, 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 Shop to our required standards, operate the Shop 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 Shop during such period of operation by us shall be kept in a separate account, and the expenses of the Shop, including reasonable compensation and expenses for our representative, shall be charged to said account. If, as herein provided, we temporarily operate the Shop 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.

14.7 Transfer Among Owners

If any person holding an interest in you, this Agreement or the Shop (other than you or a Controlling Principal, which parties shall be subject to the provisions set forth above) transfers such interest, then you shall promptly notify us of such proposed transfer in writing and shall provide such information relative thereto as we may reasonably request prior to such transfer. Such transferee may not be a competitor of ours. Such transferee will be your Principal and as such will have to execute a

confidentiality agreement and ancillary covenants not to compete in the form then required by us, which form shall be in substantially the same form attached hereto as Attachment D (see Sections 10.2.2 and 10.3.4). We also reserve the right to designate the transferee as one of the Controlling Principals. Notwithstanding the provisions contained in Section 14.2 to the contrary, the Controlling Principals may freely transfer their ownership interests in you among themselves and to their family members (or to trusts for the benefit of such family members), and our right of first refusal shall be inapplicable with respect to such transfers, provided you provide us with thirty (30) days prior written notice of such transfer, which notice shall include the names and percentages transferred.

ARTICLE 15

INDEMNIFICATION

15.1 Indemnification by You

You and each of the Controlling Principals 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 Controlling Principals 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 Controlling Principals 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 franchisee operating under the System, by you or by any of the Controlling Principals;

15.1.4 The violation or breach by you or by any of the Controlling Principals 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 Controlling Principals 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 Shop, 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 Controlling Principals 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

Controlling Principals, 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 Controlling Principals 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 Controlling Principals 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 Indemnitees Do Not Assume Liability

The Indemnitees do not hereby assume any liability whatsoever for acts, errors, or omissions of any third party with whom you, any of the Controlling Principals, your affiliates or any of the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you or your affiliates may contract, regardless of the purpose. You and each of the Controlling Principals shall hold harmless and indemnify the Indemnitees for all losses and expenses which may arise out of any acts, errors or omissions of you, the Controlling Principals, your affiliates, the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates and any such other third parties without limitation and without regard to the cause or causes thereof or the negligence of us or any other party or parties arising in connection therewith and whether such negligence be sole, joint or concurrent, or active or passive.

15.6 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 Controlling Principals. You and each of the Controlling Principals 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 Controlling Principals by the Indemnitees.

15.7 Survival of Terms

You and the Controlling Principals 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 contractor, 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 Contractor

During the term of this Agreement, you shall hold yourself out to the public as an independent contractor conducting your Shop operations pursuant to the rights granted by us. You agree to take such action as shall be reasonably necessary to that end, including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Shop premises established for the purposes hereunder and on all letterhead, business cards, forms, and as further described in the Manuals. We reserve the right to specify in writing the content and form of such notice.

16.3 You are Not Authorized

You understand and agree that nothing in this Agreement authorizes you or any of the Controlling Principals 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 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 you or any of the Controlling Principals 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 Shop or sell any products or services authorized by us for sale at the Shop at a location which has not been approved by us;

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

(c) If you fail to construct or remodel the Shop 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 Shop for business within the period specified in Section 2.6 hereof;

(e) If you at any time cease to operate or otherwise abandon the Shop, or lose the right to possession of the premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the Shop 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 Shop is not in operation;

(f) If you or any of the Controlling Principals 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 Shop;

(h) If you or any of the Controlling Principals purport to transfer any rights or obligations under this Agreement or any interest in you or the Shop 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 Controlling Principals 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 Controlling Principals disclose or divulge any confidential information provided to you or the Controlling Principals 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 Controlling Principals 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, or if you fail to complete our initial training program a second time;

(t) If you fail to comply with all applicable laws and ordinances relating to the Shop, 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; or

(u) If you attempt to substitute any product for one of the products that we have approved and that you must offer at or from your Shop, or if you fail to use the ingredients we require and follow the recipes required by us, or if you do not purchase your entire supply of proprietary product mixes from us or from the supplier we designate, as described in Section 7.6.

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 and/or suspension of your webpage on our Website, 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 Shop 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 “Pokemoto, Hawaiian Poke”, or any part thereof; 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 “Pokemoto, Hawaiian Poke”, or any part thereof, 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 Controlling Principals 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 Controlling Principals 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 Shop, including, without limitation, agreements, invoices, and any and all other materials relating to the operation of the Shop 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 Controlling Principals 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 Shop 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 Shop under a lease for the Shop 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 Shop 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 renew) expiration of this Agreement. In the event we do not elect to exercise our option to acquire the lease or sublease for the Shop premises or do not have such option, you shall make such modifications or alterations to the Shop premises as are necessary to distinguish the appearance of the Shop from that of other Shops 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 Shop 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 point of sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Shop, 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 Shop 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 Shop 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 Shop 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 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.

18.14 Telephone Numbers, Yellow Pages Listings, etc.

You, at our option, shall assign to us all rights to the telephone numbers of the Shop 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.

18.15 Liquidated Damages

If we terminate this Agreement with cause, you must pay us liquidated damages equal to the average value of the Royalty Fees you paid and/or owed to us during the fifty two weeks (52) weeks before the termination multiplied by (i) one hundred and four (104), being the number of weeks in two (2) full years, or (ii) the number of weeks 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 following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:	Poke Co Holdings, LLC. 2600 South Shore Boulevard, Suite 300 League City, TX 77573 Attention: Operations info@pokemoto.com
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Notices to Franchisee and
the Controlling Principals:

Attention:
Facsimile: _____

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 Controlling Principals concerning the subject matter hereof and shall supersede all prior related agreements between us and you and the Controlling Principals; 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 Controlling Principals under this Agreement shall constitute a waiver by us to enforce any such right, option, duty or power against you or the Controlling Principals, or as to a subsequent breach or default by you or the Controlling Principals. 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 Controlling Principals 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 at a suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then current principal place of business (currently, League City, Texas). 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 Texas 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 Texas 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.

19.8 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 Controlling Principals hereby irrevocably submit themselves to the jurisdiction of the state courts of Galveston County, Texas and the Federal District Court nearest to our, or as applicable, our successor's or assign's then-current principal office (currently, League City, Texas). You and the Controlling Principals hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You and the Controlling Principals 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 the

State of Texas or federal law. You and the Controlling Principals further agree that venue for any proceeding relating to or arising out of this Agreement shall be Galveston County, Texas; 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 the laws of the State of Texas.

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 Controlling Principals 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 Controlling Principals 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 Waiver of Punitive Damages

You, the Controlling Principals 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.

19.11 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.

19.12 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.

19.13 Survival of Terms

Any obligation of you or the Controlling Principals that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of you or the Controlling Principals therein, shall be deemed to survive such termination, expiration or transfer.

19.14 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.

19.15 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 Controlling Principals 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 Controlling Principals.

19.16 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 Controlling Principals 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.

19.17 Terminology

The term “your Principals” shall include, collectively and individually, (1) your spouse, if you are an individual, (2) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of you and (3) all officers, directors, managers and general partners

(or persons holding comparable positions in non-corporate entities) of any Controlling Principal that itself is an entity, in each case whom we designate as your Principals and all holders of an ownership interest in you and of any entity directly or indirectly controlling you, and any other person or entity controlling, controlled by or under common control with you. As used in this Section 19.17, the terms “control” and “controlling” shall mean the power to influence the management decisions of the specified person and shall in any case be deemed to exist where the second person holds ten percent (10%) or more of the total ownership interest in the specified person, serves on any board of directors or comparable body of such specified person or acts as an officer, general partner or manager thereof (or holds a comparable position in a non-corporate entity). The initial Principals shall be listed on Attachment C. The term “Controlling Principals” shall include, collectively and individually, any Principal who has been designated by us as a Controlling Principal hereunder. For purposes of this Agreement, a publicly held corporation is a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of such Act.

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 Costs and Legal Fees

If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court

costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

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 Pokemoto Shops, including without limitation: (a) back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Pokemoto Shops, between or among Shops, and between and among the Shop 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.

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 Shop, 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 Shop, and all data created or collected by you in connection with the System, or in connection with your operation of the Shop (including without limitation data pertaining to or otherwise concerning the Shop’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 Intranet (as defined below), if any, and/or such other computer systems as we may reasonably require.

20.5 Intranet

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 “Intranet”). You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Intranet, and utilizing the Intranet in connection with the operation of the Shop. The Intranet 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 Intranet.

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 Shop, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Shop. 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.

21.2.5 Our security interest, as described herein, shall be subordinated to any financing related to your operation of the Shop, including, but not limited to, a real property mortgage and equipment leases.

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 laws of the State of Texas 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 Shop.

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.

IN WITNESS WHEREOF, 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:
POKE CO HOLDINGS, LLC.
a Connecticut limited liability company

ATTEST:

Witness

By: _____
Name: _____
Title: _____
Accepted On: _____
(the "Effective Date")

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____
Date: _____

CONTROLLING PRINCIPALS

Each of the undersigned acknowledges and agrees as follows:

1. Each has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this guaranty and the undertakings of the Controlling Principals in the Franchise Agreement are in partial consideration for, and a condition to, the granting of this license, and that Franchisor would not have granted this license without the execution of this guaranty and such undertakings by each of the undersigned;

2. Each is included in the term “Controlling Principals” as described in Section 19.17 of the Franchise Agreement;

3. Each individually, jointly and severally, makes all of the covenants, representations, warranties and agreements of the Controlling Principals set forth in the Franchise Agreement and is obligated to perform thereunder; and

4. Each individually, jointly and severally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee’s obligations under the Franchise Agreement will be punctually paid and performed. Upon default by Franchisee or upon notice from Franchisor, each will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement. Without affecting the obligations of any of the Controlling Principals under this guaranty, Franchisor may, without notice to the Controlling Principals, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee or settle, adjust or compromise any claims that Franchisor may have against Franchisee. Each of the Controlling Principals waives all demand and notices of every kind with respect to the enforcement of this guaranty, including, without limitation, notice of presentment, demand for payment or performance by Franchisee, any default by Franchisee or any guarantor and any release of any guarantor or other security for this guaranty or the obligations of Franchisee. Franchisor may pursue its rights against any of the Controlling Principals, jointly or severally, 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. Upon receipt by Franchisor of notice of the death of any of the Controlling Principals, the estate of the deceased will be bound by the foregoing guaranty, but only for defaults and obligations under the Franchise Agreement existing at the time of death, and in such event, the obligations of the remaining Controlling Principals shall continue in full force and effect.

ATTEST:

CONTROLLING PRINCIPALS:

Witness

Name:_____

ATTACHMENT A TO THE FRANCHISE AGREEMENT

ACCEPTED LOCATION AND TERRITORY

1. ACCEPTED LOCATION

Pursuant to Section 1.2 of the Franchise Agreement, the Shop shall be located at the following Accepted Location:

FRANCHISOR:

FRANCHISEE:

POKE CO HOLDINGS, LLC.

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT B TO THE FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned (“Assignor”) assigns, transfers and sets over to Poke Co Holdings, LLC., a Connecticut limited liability company (“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 Shop 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:

POKE CO HOLDINGS, LLC.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
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 Shop.

Dated: _____

_____, Lessor

ATTACHMENT C TO THE FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP INTERESTS AND FRANCHISEE'S PRINCIPALS

- A. The following is a list of all shareholders, partners or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest:

Name

Percentage of Ownership/Nature of Interest

- B. In addition to the persons listed in paragraph A., the following is a list of all of Franchisee's Principals described in and designated pursuant to Section 19.17 of the Franchise Agreement. Unless designated as a Controlling Principal, each of Franchisee's Principals shall execute the Confidentiality and Non-Competition Agreement substantially in the form set forth in Attachment D (see Sections 10.2.2 and 10.3.4 of the Franchise Agreement):

ATTACHMENT D 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 Poke Co Holdings, LLC. (the “Company”) to establish and operate a Pokemoto Shop (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 Poke salads and rice bowl products. 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 (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 twenty (20) 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 Texas. 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 E TO THE FRANCHISE AGREEMENT
ELECTRONIC TRANSFER AUTHORIZATION**

**AUTHORIZATION TO HONOR CHARGES DRAWN BY AND
PAYABLE TO POKE CO HOLDINGS, LLC. ("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 Poke Co Holdings, LLC., 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 F TO THE FRANCHISE AGREEMENT

INTERNET WEB SITES AND LISTINGS AGREEMENT

THIS INTERNET WEB SITES AND LISTINGS AGREEMENT (the “Internet Listing Agreement”) is made and entered into as of the ____ day of _____, 20__ (the “Effective Date”), by and between Poke Co Holdings, LLC., a Connecticut limited liability company (the “Franchisor”), and _____, a _____ (the “Franchisee”).

WITNESSETH:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for a “Pokemoto” Shop (the “Franchise Agreement”); and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee’s agreement to enter into, comply with, and be bound by all the terms and provisions of this Internet Listing Agreement;

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 Internet Listing 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. TRANSFER; APPOINTMENT

2.1 Interest in Internet Web Sites and Listings. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of the Franchise Agreement, certain right, title, and interest in and to certain domain names, hypertext markup language, uniform resource locator addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines (collectively, the “Internet Web Sites and Listings”) related to the Shop or the Marks (all of which right, title, and interest is referred to herein as “Franchisee’s Interest”).

2.2 Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately direct all Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the “Internet Companies”) with which Franchisee has Internet Web Sites and Listings: (i) to transfer all of Franchisee’s Interest in such Internet Web Sites and 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 Internet Web Sites and Listings, Franchisee will immediately direct the Internet Companies to terminate such Internet Web Sites and Listings or will take such other actions with respect to the Internet Web Sites and Listings as Franchisor directs.

2.3 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 Internet Listing 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 Internet Listing 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 Internet Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.3.1 Direct the Internet Companies to transfer all Franchisee's Interest in and to the Internet Web Sites and Listings to Franchisor;

2.3.2 Direct the Internet Companies to terminate any or all of the Internet Web Sites and Listings; and

2.3.3 Execute the Internet Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.

2.4 Certification of Termination. Franchisee hereby directs the Internet 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.

2.5 Cessation of Obligations. After the Internet Companies have duly transferred all Franchisee's Interest in such Internet Web Sites and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations under, such Internet Web Sites and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet Companies for the sums Franchisee is obligated to pay such Internet Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Internet Listing Agreement.

3. MISCELLANEOUS

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet 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, assertable in, or in any way related to this Internet Listing 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, claims, debts, claims, demands, or obligations that are related to or are based on this Internet Listing 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 or all such Internet Web Sites and Listings.

3.4 Further Assurances. Franchisee agrees that at any time after the date of this Internet Listing 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 Internet Listing Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Internet Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Internet Listing Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Internet Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein.

3.7 Survival. This Internet Listing Agreement shall survive the Termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All Franchisee's obligations under this Internet Listing Agreement shall be joint and several.

3.9 Governing Law. This Internet Listing Agreement shall be governed by and construed under the laws of the State of Texas, without regard to the application of conflict of law rules.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

FRANCHISEE:

POKE CO HOLDINGS, LLC.

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the “Telephone Listing Agreement”) is made and entered into as of the ____ day of _____, 20__ (the “Effective Date”), by and between Poke Co Holdings, LLC., a Connecticut limited liability company (hereinafter the “Franchisor”), and _____, a _____ (the “Franchisee”).

W I T N E S S E T H:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for the operation of a “Pokemoto” Shop (the “Franchise Agreement”); and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee’s agreement to enter into, comply with, and be bound by all the terms and provisions of this Telephone Listing Agreement;

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 all of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

All terms used but not otherwise defined in this Telephone Listing 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. TRANSFER; APPOINTMENT

2.1 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, yellow-page, and other telephone directory listings (collectively, the “Telephone Numbers and Listings”) related to the Shop or the Marks (all of which right, title, and interest is referred to herein as “Franchisee’s Interest”).

2.2 Transfer. On Termination of the Franchise Agreement, if Franchisor directs Franchisee to do so, Franchisee will immediately direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the “Telephone Companies”) with which Franchisee has Telephone Numbers and Listings: (i) to transfer all Franchisee’s Interest in such Telephone Numbers and 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 Numbers and Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Numbers and Listings or will take such other actions with respect to the Telephone Numbers and Listings as Franchisor directs.

2.3 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 Telephone Listing 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, on Termination of the

Franchise Agreement, 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 Telephone Listing 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 Telephone Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.3.1 Direct the Telephone Companies to transfer all Franchisee's Interest in and to the Telephone Numbers and Listings to Franchisor;

2.3.2 Direct the Telephone Companies to terminate any or all of the Telephone Numbers and Listings; and

2.3.3 Execute the Telephone Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.

2.4 Certification of Termination. Franchisee hereby directs the Telephone Companies that they shall 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.

2.5 Cessation of Obligations. After the Telephone Companies have duly transferred all Franchisee's Interest in such Telephone Numbers and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further Interest in, or obligations under, such Telephone Numbers and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Telephone Companies for the sums Franchisee is obligated to pay such Telephone Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Telephone Listing Agreement.

3. MISCELLANEOUS

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the 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, assertable in, or in any way related to this Telephone Listing Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to Franchisee's performance, Franchisee's 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 the directors, officers, shareholders, partners, members, employees, agents, and attorneys of Franchisor and its affiliates, 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, claims, debts, claims, demands, or obligations that are related to or are based on this Telephone Listing Agreement.

3.3 No Duty. The powers conferred on Franchisor under this Telephone Listing Agreement 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 or all such Telephone Numbers and Listings.

3.4 Further Assurances. Franchisee agrees that at any time after the date hereof, it will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Telephone Listing Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Telephone Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Telephone Listing Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Telephone Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein.

3.7 Survival. This Telephone Listing Agreement shall survive the Termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All Franchisee's obligations under this Telephone Listing Agreement shall be joint and several.

3.9 Governing Law. This Telephone Listing Agreement shall be governed by and construed under the laws of the State of Texas without regard to the application of any conflict of law rules.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Telephone Listing Agreement as of the Effective Date.

FRANCHISOR:

FRANCHISEE:

POKE CO HOLDINGS, LLC.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

ATTACHMENT G
TO THE FRANCHISE AGREEMENT
POWER OF ATTORNEY (TAX)

IRREVOCABLE POWER OF ATTORNEY

STATE OF _____)
)
COUNTY OF _____)

KNOW ALL MEN BY THESE PRESENTS

That _____, a _____ (“Franchisee”), does hereby irrevocably constitute and appoint Poke Co Holdings, LLC., a Connecticut limited liability company (“Franchisor”), true and lawful attorney-in-fact and agent for Franchisee and in Franchisee’s name, place and stead to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all such agreements, certificates, instruments and documents as, in the sole discretion of Franchisor, shall be necessary or advisable for the sole purpose of obtaining any and all returns, records, reports and other documentation relating to the payment of taxes filed by Franchisee with any state and/or federal taxing authority, including, but not limited to, the State Comptroller of the State of _____, hereby granting unto Franchisor full power and authority to do and perform any and all acts and things which, in the sole discretion of Franchisor, are necessary or advisable to be done as fully to all intents and purposes as Franchisee might or could itself do, hereby ratifying and confirming all that Franchisor may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted.

During the term of this Power of Attorney, and regardless of whether Franchisee has designated any other person to act as its attorney-in-fact and agent, no governmental agency, person, firm or corporation dealing with Franchisor, if acting in good faith, shall be required to ascertain the authority of Franchisor, nor to see to the performance of the agency, nor be responsible in any way for the proper application of documents delivered or funds or property paid or delivered to Franchisor. Any governmental agency, person, firm or corporation dealing with Franchisor shall be fully protected in acting and relying on a certificate of Franchisor that this Power of Attorney on the date of such certificate has not been revoked and is in full force and effect, and Franchisee shall not take any action against any person, firm, corporation or agency acting in reliance on such a certificate or a copy of this Power of Attorney. Any instrument or document executed on behalf of Franchisee by Franchisor shall be deemed to include such a certificate on the part of Franchisor, whether or not expressed. This paragraph shall survive any termination of this Power of Attorney.

This Power of Attorney shall terminate two (2) years following the expiration or termination of that certain Franchise Agreement dated as of _____, 20__ by and between Franchisor and Franchisee. Such termination, however, shall not affect the validity of any act or deed that Franchisor may have effected prior to such date pursuant to the powers herein granted.

This instrument is to be construed and interpreted as an irrevocable power of attorney coupled with an interest. It is executed and delivered in the State of _____ and the laws of the State of _____ shall govern all questions as to the validity of this Power of Attorney and the construction of its provisions.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of the _____ day of _____, 20__.

By: _____
Name: _____
Title: _____

STATE OF _____)
)
COUNTY OF _____)

BEFORE ME, the undersigned authority, on this day personally appeared _____, _____ of _____, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 20__.

(SEAL)

Notary Public in and for
The State of _____

My commission expires:

ATTACHMENT H TO THE FRANCHISE AGREEMENT

TRANSFER OF A FRANCHISE TO A CORPORATION OR LIMITED LIABILITY COMPANY

This Transfer Agreement shall amend that certain Franchise Agreement between _____ (“Franchisee”), and Poke Co Holdings, LLC. (“Franchisor”).

The undersigned, an Officer, Director and Owner of a majority of the issued and outstanding voting stock of the Corporation set forth below, or Members of the issued and outstanding Interests of the Limited Liability Company set forth below, and the Franchisee of the Shop under a Franchise Agreement executed on the date set forth below, between himself or herself and Franchisor, granting him/her a franchise to operate at the location set forth below, and the other undersigned Directors, Officers and Shareholders of the Corporation, or the Members of the Limited Liability Company, who together with Franchisee constitute all of the Shareholders of the Corporation, or the Members of the Limited Liability Company, in order to induce Franchisor to consent to the assignment of the Franchise Agreement to the Corporation or Limited Liability Company in accordance with the provisions of Article 14 of the Franchise Agreement, agree as follows:

1. The undersigned Franchisee shall remain personally liable in all respects under the Franchise Agreement and all the other undersigned Officers, Directors and Shareholders of the Corporation, or the Members of the Limited Liability Company, intending to be legally bound hereby, agree jointly and severally to be personally bound by the provisions of the Franchise Agreement including the restrictive covenants contained in Article 10 thereof, to the same extent as if each of them were the Franchisee set forth in the Franchise Agreement and they jointly and severally personally guarantee all of the Franchisee’s obligations set forth in said Agreement.

2. The undersigned agree not to transfer any stock in the Corporation, or any interest in the Limited Liability Company without the prior written approval of the Franchisor and agree that all stock certificates representing shares in the Corporation, or all certificates representing interests in the Limited Liability Company shall bear the following legend:

“The shares of stock represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated _____, 20__ between _____ and Poke Co Holdings, LLC..”

or

“The ownership interests represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated _____, 20__ between _____ and Poke Co Holdings, LLC..”

3. _____ or his designee shall devote his best efforts to the day-to-day operation and development of the Shop.

4. _____ hereby agrees to become a party to and to be bound by all of the provisions of the Franchise Agreement executed on the date set forth below between Franchisee and Franchisor, to the same extent as if it were named as the Franchisee therein.

Date of Franchise Agreement: _____

Location of Shop: _____

WITNESS:

As to Paragraph 3:

[Name]

As to Paragraph 4:

[Name]

ATTEST:

Name of Corp. or Limited Liability Company

By: _____ (SEAL)
Title: _____

In consideration of the execution of the above Agreement, Poke Co Holdings, LLC. hereby consents to the above referred to assignment on this _____ day of _____, 20__.

POKE CO HOLDINGS, LLC.

By: _____
Name: _____
Title: _____

ATTACHMENT I TO THE FRANCHISE AGREEMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

The purpose of this Statement is to demonstrate to Poke Co Holdings, LLC (“Franchisor”) that the person(s) signing below (“I,” “me” or “my”), whether acting individually or on behalf of any legal entity established to acquire the franchise rights (“Franchisee”), (a) fully understands that the purchase of a Pokemoto® shop is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor’s Franchise Disclosure Document and Exhibits (collectively, the “FDD”) in deciding to purchase the franchise.

In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the market place generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD, including the Franchise Agreement, at least 14 calendar days (10 business days in Michigan and New York) before I executed the Franchise Agreement. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these documents and only in these documents. I acknowledge that I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Neither the Franchisor nor any of its officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.	INITIAL:

My decision to purchase the franchise has not been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise.	INITIAL:
I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.	INITIAL:
PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED. Have you received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success)? ☐ Yes ☐ No (Initial Here: ____) If you selected “Yes,” please describe the information you received on the lines below: _____ _____ _____.	INITIAL:

Prohibited Parties Clause. I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department’s List of Specially Designated Nationals;
2. the U.S. Commerce Department’s Denied Persons List, Unverified List, Entity List, or General Orders;
3. the U.S. State Department’s Debarred List or Nonproliferation Sanctions; or
4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

If the franchise that you will purchase is located in Maryland or if you are a resident of Maryland, the following shall apply:

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

California franchisees are not required to complete this Statement. If any California franchisee completes this Statement, Franchisor will destroy, disregard, and will not rely on such Statement.

Nothing herein will amount to release of claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

FRANCHISEE:

Sign here if you are taking the franchise as an
INDIVIDUAL(S)
(Note: use these blocks if you are an individual
or a partnership but the partnership is not a
separate legal entity)

Signature
Print Name: _____
Date: _____

Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a
CORPORATION, LIMITED LIABILITY
COMPANY OR PARTNERSHIP

Print Name of Legal Entity

By: _____
Signature

Print Name: _____
Title: _____
Date: _____

ATTACHMENT J TO THE FRANCHISE AGREEMENT

AMERICANS WITH DISABILITIES CERTIFICATION

POKE CO HOLDINGS, LLC. (“**Franchisor**”) and
____ (“**Franchisee**”) are parties to a franchise agreement dated
_____ for the operation of a Pokemoto Shop at
____ (the “**Franchised Business**”). In accordance with Section 2.3
of the Franchise Agreement, Franchisee certifies to Franchisor that, to the best of Franchisee’s
knowledge, the Franchised Business and its adjacent areas comply with all applicable federal, state and
local accessibility laws, statutes, codes, rules, regulations and standards, including but not limited to the
Americans with Disabilities Act. Franchisee acknowledges that it is an independent contractor and the
requirement of this certification by Franchisee does not constitute ownership, control, leasing or operation
of the Franchised Business. Franchisee acknowledges that Franchisee has relied on the information
contained in this certification. Furthermore, Franchisee acknowledge its obligation under this Franchise
Agreement to indemnify Franchisor and the officers, directors, and employees of Franchisor in
connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages
incurred by the indemnified party(ies) as a result of any matters associated with Franchisee’s compliance
with the Americans with Disabilities Act, as well as the costs, including attorneys’ fees, related to the
same.

FRANCHISEE

By: _____
Name: _____
Title: _____

EXHIBIT C
VETERAN'S INCENTIVE PROGRAM ADDENDUM

VETERAN'S INCENTIVE PROGRAM ADDENDUM

Poke Co Holdings, LLC (“**we**”) and the “Franchisee” identified below (“**you**” and, together with us, the “**Parties**”) execute this Veteran’s Incentive Program Addendum (the “**Addendum**”) to supplement and amend that certain Franchise Agreement they have executed immediately prior to the execution of this Addendum (as it might have otherwise been amended, the “**Franchise Agreement**”). The “Effective Date” of this Addendum is the same as the Effective Date of the Franchise Agreement. Capitalized terms used but not defined in this Addendum have the meanings given to them in the Franchise Agreement. For valuable consideration, receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Representations Regarding Veteran Status. You have asked to participate in our Veterans Incentive Program (the “**Program**”) and, in support of your request, have provided us with information, whether as part of the Application Materials or separately (the “**Supporting Information**”), to confirm your qualifications to participate in the Program. You represent and warrant to us that the Supporting Information is true and correct and that you satisfy all of our requirements for participation in the Program. In reliance on the foregoing, we approve your participation in the Program with respect to Franchise Agreement.

2. Waiver of Initial Franchise Fee. We agree that the initial franchise fee due under the Franchise Agreement is reduced to \$10,000. We reserve the right to revoke the foregoing reduction initial franchise fee at any time you cease to be in good standing, in which case, you will pay us the balance of the full initial franchise fee which, absent the foregoing reduction, is required under the Franchise Agreement. “**Good Standing**” means that you are in compliance with all material obligations under the Franchise Agreement, and you and your affiliates are in compliance with all material obligations under any other agreements between us and you or them. You agree that we will have sole discretion to determine whether particular obligations are “material” for purposes of determining good standing, and our decision will be final.

3. Construction; Execution. This Addendum forms an integral part of and is incorporated into the Franchise Agreement and represents the sole agreement between the Parties with respect to the matters set forth herein. Except as set forth herein, the Franchise Agreement remains in full force and effect. This Addendum may be executed in counterparts which, taken together, constitute a single document. Electronic execution is authorized, and photopies of the Addendum and signatures hereto have the same force and effect as originals.

Thus executed on the dates shown below and made effective as of the Effective Date.

POKE CO HOLDINGS, LLC,
a Connecticut limited liability company

FRANCHISEE:
[Name]

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT D
LIST OF EXISTING FRANCHISEES

LIST OF EXISTING FRANCHISEES AS OF DECEMBER 31, 2021

Sl. No.	Name of Franchisee	Address	State	Zip Code	Phone Number	Email
1.	Chi Hing Sze	386 Main St., Middletown,	CT	06457	(860) 316-5869	middletown@pokemoto.com
2.	Lem Group Inc.	970 Farmington Ave., West Hartford	CT	06107	(860) 904-2429	dave@pokemoto.com
3.	Kevin Glazier	255 Route 12, Gorton	CT	06340	(860) 440-8651	gorton@pokemoto.com
4.	Family Treehaus, LLC ⁱ	6135 Peachtree Pkwy., #605, Norcross	GA	30092	(770) 559-1206	georgia@pokemoto.com
5.	Marcuz, Inc.	274 Franklin Village Dr., Franklin	MA	02038	(508) 346-3365	jun@pokemoto.com
6.	MYSJ, Inc.	1250 S. Washington St., North Attleboro	MA	02760	(508) 699-2666	jun@pokemoto.com

FRANCHISEES THAT HAVE SIGNED THE FRANCHISE AGREEMENT BUT NOT OPENED THEIR SHOP AS OF DECEMBER 31, 2021

Sl. No.	Name of Franchisee	City	State	Phone Number	Email
1.	Tezar LLC	3 Bailey Dr., West Haven	CT	(201) 213-9752	tezar@pokemoto.com
2.	Danbury TG, LLC	Danbury*	CT	203-675-0717	jerlongwa@gmail.com
3.	LEM Group, LLC	196 Berlin Turnpike, Berlin	CT	(860) 904-2429	dave@pokemoto.com
4.	Fountain Pokemoto, LLC	Shelton*	CT	(860) 904-2429	dave@pokemoto.com
5.	Milford Eats, LLC	Milford*	CT	203-678-4991	healingisfeeling@gmail.com
6.	North Haven Eats, LLC	North Haven*	CT	203-678-4991	healingisfeeling@gmail.com
7.	Casa Moto, LLC	Middlesex County*	MA	860-751-9264	jjvaillette@gmail.com
8.	Casa Moto, LLC	Worcester County*	MA	860-751-9264	jjvaillette@gmail.com
9.	Trifecta, LLC	Hadley*	MA	413-523-5555	northampton.ma@pokemoto.com
10.	Trifecta, LLC	Amherst*	MA	413-523-5555	northampton.ma@pokemoto.com
11.	Poke MS, LLC	Oxford*	MS	704-654-9855	charlie@cwdelc.com

12.	Poke MS, LLC	Jackson*	MS	704-654-9855	charlie@cwdellc.com
13.	Poke MS, LLC	Madison*	MS	704-654-9855	charlie@cwdellc.com
14.	Luisse, LLC	Mamaroneck, NY*	NY	203-675-0717	jerlongwa@gmail.com
15.	Luisse, LLC	White Plains, NY*	NY	203-675-0717	jerlongwa@gmail.com

ⁱ This franchise agreement was terminated in 2022.

* The location of these Shops are to be determined.

EXHIBIT E
LIST OF FRANCHISEES WHO LEFT SYSTEM OR NOT COMMUNICATED WITH
FRANCHISOR

**LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM OR NOT COMMUNICATED
WITH FRANCHISOR**

FRANCHISEES:

Sl. No.	Name of Franchisee	Address 1	Address 2	Phone Number
1.	Family Treehaus, LLC ⁱ	6135 Peachtree Pkwy., #605	Norcross, GA 30092	(770) 559-1206

ⁱ This franchise agreement was terminated in 2022.

EXHIBIT F
TABLE OF CONTENTS OF OPERATIONS MANUAL

Table of Contents

Page

3 - Introduction, How to Use This Manual

4 - Welcome to Pokemoto!

5-6 - Mission, Principles & Promises

7 - Support Resources

8 - Pre-Opening Obligations

9 - Franchisee Training Requirements

10-16 - Staffing Your Pokemoto

17-23 - Operations and Maintenance

24-32 - Equipment and Supplies

33-34 - Reports, Audits and Inspections

35-38 - Marketing

39-41 - Insurance

42 - Corporate Structure

43-44 - Trademarks and Trade Secrets

45-70 - Resources

EXHIBIT G

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

CALIFORNIA

Department of Financial Protection & Innovation
Commissioner of Financial Protection &
Innovation
1 (866) 275-2677

Los Angeles

320 West 4th Street
Suite 750
Los Angeles, California 90013
(213) 576-7505

Sacramento

2101 Arena Blvd.
Sacramento, California 95834
(916) 445-7205

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco

One Sansome Street, Ste. 600
San Francisco, California 94104
(415) 972-8559

CONNECTICUT

State of Connecticut
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8230

Agent: Banking Commissioner

HAWAII

(state administrator)

Business Registration Division
Securities Compliance Branch
Department of Commerce and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2722

(agent for service of process)

Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2744

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(state administrator)

Indiana Secretary of State
Securities Division, E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

(agent for service of process)

Indiana Secretary of State
200 West Washington Street, Room 201
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND

(state administrator)

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(agent for service of process)

Maryland Securities Commissioner
at the Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

(state administrator)

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 373-7177

(agent for service of process)

Michigan Department of Commerce,
Corporations, Securities & Commercial
Licensing Bureau
P.O. Box 30018
Lansing, Michigan 48909

MINNESOTA

(state administrator)

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

(agent for service of process)

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

NEW YORK

(state administrator)

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236

(agent for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA

(state administrator)

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol - Fifth Floor
Bismarck, North Dakota 58505
(701) 328-4712

(agent for service of process)

Securities Commissioner
600 East Boulevard Avenue
State Capitol - Fifth Floor
Bismarck, North Dakota 58505
(701) 328-4712

OREGON

Department of Business Services Division of
Finance & Corporate Securities
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(state administrator)

State Corporation Commission
Division of Securities
and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

(agent for service of process)

Clerk, State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON

(state administrator)

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

(agent for service of process)

Director
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501

WISCONSIN

(state administrator)

Securities and Franchise Registration
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-1064

(agent for service of process)

Office of the Secretary
Wisconsin Department of Financial Institutions
PO Box 8861
Madison, Wisconsin 53708-8861
(608) 261-9555

EXHIBIT H
FORM OF GENERAL RELEASE

FORM OF GENERAL RELEASE

Poke Co Holdings, LLC., a Connecticut limited liability company having its principal place of business located at 2600 South Shore Boulevard, Suite 300, League City, TX 77573 (the “we”) and _____, a _____ having its principal place of business at _____ (“you” or “your”), currently are parties to that certain [franchise agreement/area development agreement] (the “**Agreement**”) dated _____, 20 _____. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation]_____

_____. We have the right under the Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, managers, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our current and former officers, directors, owners, managers, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “Released Parties”) of and from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”), whether at law or in equity, that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Released Parties, including without limitation, any and all Claims in any way (1) arising out of or related to any of the Released Parties’ obligations under the Agreement, or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Released Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

IF THE FRANCHISE YOU OPERATE UNDER THE AGREEMENT IS LOCATED IN CALIFORNIA OR ANY OF THE RELEASING PARTIES IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN

EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE RELEASED PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE RELEASED PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the franchise you operate under the Agreement is located in Maryland or if any of the Releasing Parties is a resident of Maryland, the following shall apply:

All representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland franchise registration and disclosure law.

Nothing herein will amount to release of claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Release on the effective date stated below.

Witness:

FRANCHISEE:

Name: _____

Witness:

POKE CO HOLDINGS, LLC.:

By: _____
Name: _____
Title: _____

EXHIBIT I
STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT
AND AGREEMENT RIDERS

**ADDITIONAL DISCLOSURES FOR THE
FRANCHISE DISCLOSURE DOCUMENT OF
POKE CO HOLDINGS, LLC**

The following are additional disclosures for the Franchise Disclosure Document of Poke Co Holdings, LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

CALIFORNIA

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

2. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR MULTI-UNIT DEVELOPMENT AGREEMENT OR FRANCHISE AGREEMENT.

3. OUR WEBSITE, www.pokemoto.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL INNOVATION & PROTECTION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL INNOVATION & PROTECTION AT www.dfpi.ca.gov.

4. The following is added to the end of Item 3:

Neither we, our predecessor or affiliates nor any person in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. Sections 78a *et seq.*, suspending or expelling such persons from membership in that association or exchange.

5. The following paragraphs are added at the end of Item 17:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, and the law applies, the law will control.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement contains a covenant not to compete that extends beyond termination of the franchise. This provision might not be enforceable under California law.

The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 et seq.).

The Franchise Agreement requires application of the laws of the State of Texas. This provision might not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then current principal place of business (currently, League City, Texas), with costs being borne as provided in the Franchise Agreement. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

Under the Franchise Agreement, we reserve the right to require that franchisees comply with maximum and minimum prices it sets for goods and services. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the California's Cartwright Act (Cal. Bus. and Prof. Code §§ 16700 to 16770).

ILLINOIS

1. The following language is added to the end of Item 17:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside 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 rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

MARYLAND

1. The following is added to the end of the “Summary” section of Item 17(m) titled “Conditions for franchisor approval of transfer”:

Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the “Summary” section of Item 17(h), titled “Cause’ defined – non-curable defaults”:

The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The following is added to the end of the “Summary” section of Item 17(v), titled “Choice of forum”:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA

1. “Renewal, Termination, Transfer and Dispute Resolution”. The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days’ notice for non-renewal of the Franchise

Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring the Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE DEVELOPER OR FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to us, our predecessor, our parent, affiliates, the persons identified in Item 2, or an affiliate offering franchises under our *principal trademark*:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion,

misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations. In addition, no such party has civil actions pending against that party, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

- B. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices; or comparable allegations.
- C. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

- 3. The following is added to the end of Item 4:

Except as provided above, with regard to us, our affiliate, our predecessor, officers or general partners, or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this Disclosure Document, no such party, has during the 10-year period immediately before the date of the Franchise Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; or (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

- 4. The following is added to the end of the “Summary” sections of Item 17(c), entitled “Requirements for franchisee to renew or extend”, and Item 17(m), entitled “Conditions for

franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

5. The following is added to the end of the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the Franchise Agreement on any grounds available by law.

6. The following is added to the end of the “Summary” section of Item 17(j), titled “Assignment of contract by franchisor”:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and financially able to assume our obligations under the Franchise Agreement.

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

However, the governing choice of law and choice of forum shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

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

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The following is added to the end of the “Summary” section of Item 17(r), titled “Non-competition covenants after the franchise is terminated or expires”:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

3. The “Summary” section of Item 17(u), titled “Dispute resolution by arbitration or mediation” is deleted and replaced with the following:

To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

4. The “Summary” section of Item 17(v), titled “Choice of forum”, is deleted and replaced with the following:

Litigation generally must be in the state where our or, as applicable, our successor’s or assign’s then-current principal place of business is located (currently Denver, Colorado), except that, subject to your arbitration obligation, and to the extent required by North Dakota Franchise Investment Law you may bring an action in North Dakota.

5. The “Summary” section of Item 17(w), titled “Choice of law”, is deleted and replaced with the following:

Except as otherwise required by North Dakota law, the laws of the State of Texas shall apply.

RHODE ISLAND

1. The following language is added to the end of Item 17:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act. To the extent required by applicable law Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.”

VIRGINIA

1. The following information is added to the end of the “Summary” section of Item 17(e), titled “Termination by franchisor without cause”:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON

1. The following paragraphs are added at the end of Item 17:

The Securities Division of the State of Washington Department of Financial Institutions requires the following language:

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

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

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

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

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

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

limitations are void and unenforceable in Washington.

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

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**RIDER TO THE POKE CO HOLDINGS, LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

THIS RIDER (this “Rider”) is made and entered into by and between **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company with its principal business address at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (“we”) and _____
_____, a(n) _____
_____, having its principal business address at _____
_____. (“you”).

1. BACKGROUND. We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland; or (b) the Pokemoto Shop that you develop under the Franchise Agreement is or will be operated in the State of Maryland; or (c) the offer to sell is made in the State of Maryland; or (d) the offer to buy is accepted in the State of Maryland.

2. RELEASES. The following is added to the end of Sections 3.2.7 and 14.2.2(c) of the Franchise Agreement:

Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

3. TERMINATION OF AGREEMENT BY US. The following is added to the end of Section 17.1.1 of the Franchise Agreement:

The provisions in this Agreement which provide for termination upon your bankruptcy might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

4. CONSENT TO JURISDICTION. Section 19.8 of the Franchise Agreement is supplemented by adding the following to the end of the Section:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. ARBITRATION. Section 19.7 of the Franchise Agreement is supplemented by adding the following to the end of the Section:

A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. RELEASES. The Franchise Agreement is further amended to state that “All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**RIDER TO THE POKE CO HOLDINGS, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER (this “Rider”) is made and entered into by and between **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company with its principal business address at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (“we”) and _____ a(n) _____, having its principal business address at _____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the Pokemoto Shop that you will develop under the Franchise Agreement will be operated wholly or partly in the State of Minnesota; and/or (b) you either a resident of, domiciled in, or actually present in the State of Minnesota.

2. **RELEASES.** The following is added to the end of Sections 3.2.7 and 14.2.2(c) of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **RENEWAL AND TERMINATION.** The following is added to the end of Sections 3.2 and 17.1 of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of this Agreement.

4. **MINNESOTA LAW.** Notwithstanding anything to the contrary contained in the Franchise Agreement, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring you to waive your rights to a jury trial or to waive your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties or judgment notes.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**RIDER TO THE POKE CO HOLDINGS, LLC
FRANCHISE AGREEMENT
FOR USE IN NEW YORK**

THIS RIDER (this “Rider”) is made and entered into by and between **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company with its principal business address at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (“we”) and _____ a(n) _____, having its principal business address at _____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, (the “Franchise Agreement”) that has been signed concurrently with this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) an offer to sell is made in the State of New York; or (b) an offer to buy is accepted in the State of New York; or (c) if you are domiciled in the State of New York, the Pokemoto Shop that you develop under your Franchise Agreement is or will be operated in the State of New York.

2. **TRANSFER BY US.** The following language is added to the end of Section 14.1 of the Franchise Agreement:

However, to the extent required by applicable law, no transfer will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. **RELEASES.** The following language is added to the end of Sections 3.2.7 and 14.2.2(c) of the Franchise Agreement:

Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

4. **TERMINATION OF AGREEMENT - BY YOU.** The following language is added to the end of Section 14.2.1 of the Franchise Agreement:

You also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

5. **GOVERNING LAW.** The following statement is added at the end of Section 19.8 of the Franchise Agreement:

This Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law, as amended, and the regulations issued thereunder.

6. **CONSENT TO JURISDICTION.** The following is added to the end of Sections 19.7 and 19.8 of the Franchise Agreement:

This Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law, as amended, and the regulations issued thereunder.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**RIDER TO THE POKE CO HOLDINGS, LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA**

THIS RIDER (this “Rider”) is made and entered into by and between **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company with its principal business address at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (“we”) and _____ a(n) _____, having its principal business address at _____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) an offer to sell is made in the State of North Dakota; or (b) an offer to buy is accepted in the State of North Dakota; or (c) if you are domiciled in the State of North Dakota, the Pokemoto Shop that you develop under your Franchise Agreement is or will be operated in the State of North Dakota.

2. **RELEASES.** The following is added to the end of Sections 3.2.7 and 14.2.2(c) of the Franchise Agreement:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. **COVENANT NOT TO COMPETE / NON-INTERFERENCE.** The following is added to the end of Section 10.3of the Franchise Agreement:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

4. **LOST REVENUE DAMAGES.** The following language is added to the end of Section 18.15 of the Franchise Agreement:

We and you acknowledge that certain parts of this provision might not be enforceable under the North Dakota Franchise Investment Law. However, we and you agree to enforce the provision to the extent the law allows.

5. **ARBITRATION.** The following language is added to the end of Section 19.7 of the Franchise Agreement:

Notwithstanding the foregoing, to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which we and you mutually agree.

6. **GOVERNING LAW.** Section 19.8 of the Franchise Agreement is deleted and replaced with the following:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other United States federal law, this Agreement, the franchise and all claims arising from the relationship between us and you will be governed by the laws of the State of Colorado, without regard to its conflict of laws rules, except as otherwise required by North Dakota Law, and except that (1) any state law regulating the offer or sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section, and (2) the enforceability of those provisions of this Agreement which relate to restrictions on you and your owners' competitive activities will be governed by the laws of the state in which your Restaurant is located.

7. **CONSENT TO JURISDICTION.** The following is added to the end of Section 19.8 of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, and subject to your arbitration obligations, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

8. **WAIVER OF PUNITIVE DAMAGES.** To the extent required by the North Dakota Franchise Investment Law, Section 19.10 of the Franchise Agreement is deleted.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**RIDER TO THE POKE CO HOLDINGS, LLC
FRANCHISE AGREEMENT
FOR USE IN VIRGINIA**

THIS RIDER (this “Rider”) is made and entered into by and between **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company with its principal business address at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (“we”) and _____ a(n) _____, having its principal business address at _____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____, (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms an integral part of the Franchise Agreement. This Rider supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Franchise Agreement. This Rider is being signed because the Pokemoto® Shop that you will operate under the Franchise Agreement will be established or maintained in Virginia.

2. **TERMINATION BY EITHER PARTY.** The following language is added to Section 17 of the Franchise Agreement:

Under 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 does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**RIDER TO THE POKE CO HOLDINGS, LLC
FRANCHISE AGREEMENT, REPRESENTATION STATEMENT, AND
RELATED AGREEMENTS**

FOR USE IN WASHINGTON

THIS RIDER (this “Rider”) is made and entered into by and between **POKE CO HOLDINGS, LLC**, a Connecticut limited liability company with its principal business address at 2600 South Shore Boulevard, Suite 300, League City, Texas 77573 (“we”) and _____

_____, a(n) _____
_____, having its principal business address at

 (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer is directed into the State of Washington and is received where it is directed; or (b) you are a resident of the State of Washington; or (d) the Pokemoto Shop that you develop under your Franchise Agreement is or will be located or operated, wholly or partly, in the State of Washington.

2. **WASHINGTON LAW.** The following paragraphs are added to the end of the Franchise Agreement:

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

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

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

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

not be enforceable.

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

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

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

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

POKE CO HOLDINGS, LLC

a Connecticut limited liability company

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	April 29, 2022
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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

EXHIBIT J
RECEIPTS

**RECEIPT
(OUR COPY)**

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

If Poke Co Holdings, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Poke Co Holdings, LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Under New York law, we must provide this disclosure document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Poke Co Holdings, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit G.

Issuance Date: **April 29, 2022**

The franchisor is Poke Co Holdings, LLC., located at 2600 South Shore Boulevard, Suite 300, League City, TX 77573. Its telephone number is 682-708-8250

☐ Michael J. Roper
2600 South Shore Boulevard, Suite
300, League City, TX 77573
682-708-8250

☐ Mike Spavelko
2600 South Shore Boulevard,
Suite 300, League City, TX 77573
682-708-8250

☐ _____
2600 South Shore Boulevard,
Suite 300, League City, TX 77573
682-708-8250

See Exhibit G for Poke Co Holdings, LLC's registered agents authorized to receive service of process.

I have received a disclosure document dated **April 29, 2022** that included the following Exhibits:

Exhibit A	Financial Statements	Exhibit F	Table of Contents of Operations Materials
Exhibit B	Franchise Agreement	Exhibit G	State Administrators and Agents for Service of Process
Exhibit C	Veteran's Incentive Program Addendum	Exhibit H	Sample General Release
Exhibit D	List of Existing Franchisees	Exhibit I	State Riders and Addenda
Exhibit E	List of Franchisees Who Have Left The System	Exhibit J	Receipts

Date

Signature

Printed Name

Date

Signature

Printed Name

Please sign this copy of the receipt, print the date on which you received this disclosure document, and return it, by mail to Poke Co Holdings, LLC, 2600 South Shore Boulevard, Suite 300, League City, TX 77573, Attn: Legal. Tel: 682-708-8250. Email: info@pokemoto.com.

**RECEIPT
(YOUR COPY)**

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

If Poke Co Holdings, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Poke Co Holdings, LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Michigan law, we must give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Under New York law, we must provide this disclosure document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Poke Co Holdings, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit G.

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☐ _____
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Exhibit D	List of Existing Franchisees	Exhibit I	State Riders and Addenda
Exhibit E	List of Franchisees Who Have Left The System	Exhibit J	Receipts

Date

Signature

Printed Name

Date

Signature

Printed Name

PLEASE SIGN THIS COPY OF THE RECEIPT, PRINT THE DATE ON WHICH YOU RECEIVED THIS DISCLOSURE DOCUMENT AND KEEP IT FOR YOUR RECORDS.