PRIMAL
kitchen

FRANCHISE DISCLOSURE DOCUMENT

PRIMAL KITCHEN, LLC
(an Arizona limited liability company)
11445 E Via Linda #2-607
Scottsdale, AZ 85259
Tel (480) 471-5264
info@primalkitchenrestaurants com

Primal Kitchen, LLC, offers for sale a franchise to operate a fast-casual primal food restaurant attached to a dynamic grab and go café – ideal for consumers on the go Primal Kitchen stays true to the Paleo/Primal lifestyle while offering a menu to be enjoyed by the everyday restaurant goer All Primal Kitchen ingredients are selected according to the strictest standards of taste, natural healthfulness and phytonutrient potency

The total estimated investment necessary to begin operations of a single Primal Kitchen Restaurant franchise ranges from $338,900 - $511,600 This amount includes $40,000 that must be paid to the franchisor or an affiliate The total estimated investment necessary to begin operations of a Primal Kitchen Restaurant franchise pursuant to an Area Development Agreement ranges from $356,400 - $524,100 This includes $57,500 that must be paid to the franchisor or its affiliate

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English Read the Disclosure Document and all accompanying agreements carefully You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payments 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 Mario Altiery at Primal Kitchen, LLC, 11445 E Via Linda #2-607, Scottsdale, AZ 85259, (480) 471 5264, and primalkitchen@upsidefc 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 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

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS APRIL 8, 2017

STATE COVER PAGE

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

Call the state franchise administrator listed on EXHIBIT D for information about the franchisor, or about franchising in your state If you learn that anything in this Disclosure Document is untrue, contact the Federal Trade Commission and the state administrators listed on EXHIBIT D

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

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT AND THE AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY, FIRST, A FACE-TO-FACE MEETING, SECOND, NON-BINDING MEDIATION, AND THIRD, BINDING ARBITRATION, IN THE COUNTY IN WHICH OUR THEN-CURRENT HEADQUARTERS IS LOCATED OUT-OF-STATE MEDIATION/ARBITRATION MAY FORCE YOU TO ACCEPT LESS FAVORABLE SETTLEMENT DISPUTES IT MAY ALSO COST YOU MORE TO MEDIATE/ARBITRATE WITH US IN THE COUNTY IN WHICH OUR THEN-CURRENT HEADQUARTERS IS LOCATED THAN IN YOUR STATE YOU AND WE WILL GENERALLY BEAR EACH OF OUR OWN COSTS IN ANY DISPUTE, BUT THE ARBITRATOR CAN ASSESS COSTS AGAINST A LOSING PARTY

2 IF YOU ARE A CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY, WE WILL REQUIRE EACH OWNER OF A 10% OR MORE INTEREST IN YOU AND HIS/HER SPOUSE TO SIGN A GUARANTY AND ASSUMPTION OF OBLIGATIONS OF YOUR OBLIGATIONS CAUSING EACH OWNER (AND THE OWNERS' SPOUSE) TO BECOME JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT (IF APPLICABLE) THIS REQUIREMENT PLACES THE PERSONAL AND MARITAL ASSETS OF OWNERS AND SPOUSES AT RISK

3 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT PROVIDE THAT THE LAWS OF THE STATE OF ARIZONA GOVERN THE AGREEMENTS AND THAT LAW MAY NOT PROVIDE YOU WITH THE SAME RIGHTS AND PROTECTIONS AS YOUR LOCAL LAW YOU MAY WANT TO CONSULT AN ATTORNEY REGARDING COMPARISON OF THESE LAWS

4 THE FRANCHISOR HAS BEEN IN EXISTENCE FOR A SHORT PERIOD OF TIME, SINCE MARCH 2015 THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT

5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Dates See the next page for state effective dates

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Documents be registered or filed with the state or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

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

STATE	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of April 8, 2017

PRIMAL KITCHEN
FRANCHISE DISCLOSURE DOCUMENT
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ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, words such as "we," "us," "our," "Franchisor" or "Primal Kitchen" refer to Primal Kitchen, LLC, the franchisor Words such as "you," "your" and "Franchisee" refer to the purchaser of a Primal Kitchen Restaurant franchise Terms not defined in this Disclosure Document (including various capitalized terms) are defined in the Franchise Agreement attached as **Exhibit A** to this Disclosure Document (the "Franchise Agreement")

Franchisor, Parent and Affiliates

We are an Arizona limited liability company that was formed on March 17, 2015 We conduct business exclusively under the name "Primal Kitchen " Our principal place of business is 11445 E Via Linda #2-607, Scottsdale, AZ 85259 Our telephone number is (480) 471-5264

Our Affiliate, Primal Nutrition, Inc , was formed in California ("Licensor") in March 1999 Licensor has developed a line of products called Primal Kitchen Foods which you will be required to sell in the cafe area "Affiliate" means any person or entity that controls, is controlled by, or is under common control with, another party and has the power, direct or indirect, to dictate the management and policies of the other party by contract or otherwise

Pursuant to a license agreement dated February 10, 2016 (the "License Agreement"), we have been granted an exclusive license by Licensor to use the "Primal Kitchen", trade name, trademark and service mark (collectively, the "Marks") to grant franchises

We have no parents or predecessors We have offered franchises for sale since February, 2016 We do not operate any business of the type we franchise Neither we nor Licensor offer franchises in any other lines of business

Agent for Service of Process

The names and address of our agents for service of process are listed on **Exhibit D** to this Disclosure Document

The Business We Offer

We offer for sale a franchise to operate a fast-casual primal food restaurant attached to a dynamic grab and go cafe – ideal for consumers on the go Primal Kitchen stays true to the Paleo/Primal lifestyle while offering a menu to be enjoyed by the everyday restaurant goer All Primal Kitchen ingredients are selected according to the strictest standards of taste, natural healthfulness and phytonutrient potency (the "Primal Kitchen Restaurant") under the terms of a franchise agreement (the "Franchise Agreement") Primal Kitchen Restaurants are typically 2,600 - 3,200sq ft square feet and usually located in a shopping center We may, however, consider alternative sites on a case-by-case basis

The Franchise Agreement authorizes you to use the Marks in connection with your operation of a Primal Kitchen Restaurant Primal Kitchen Restaurants are established and operated under a comprehensive design that includes, but is not limited to including various business techniques and methods, trade secrets (including recipes), copyrights, ingredient lists, confidential and proprietary information and other intellectual property rights specifications and procedures for operations, quality customer service, management and financial control, training and assistance, and advertising and promotional programs (the "System") The System's standards, specifications and procedures (collectively, the "System Standards") are described in our confidential operations manual (the "Manual") The System, System Standards, and the Manual may be changed, improved and further developed by us

You will operate fast-casual healthy (Paleo) restaurant concept according to our System at your Primal Kitchen Restaurant You will sell all, and only the food and beverage products and other items, which are part of the Primal Kitchen standard menu

Each Primal Kitchen Franchisee is initially individually trained by us and has available ongoing assistance from us throughout the term of the Franchise Agreement

We offer the right to establish and operate a single Primal Kitchen Restaurant pursuant to the terms of the Franchise Agreement The Franchise Agreement is signed by us, by you, and by those of your principals whom we designate as the principal franchisee-operator(s) (the "Designated Operator(s)") of the Primal Kitchen Restaurant The Designated Operator(s) (there may be up to two such individuals but only one address to which we communicate in regards to the franchise) named has the authority to act for you in all matters relating to the Primal Kitchen Restaurant, including voting responsibilities By signing the Franchise Agreement, you and the Designated Operator(s) agree to be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and noncompetition, and to personally guarantee your performance under the Franchise Agreement Depending on the type of business activities, which must be fully disclosed prior to signing this document, in which you or your Designated Operator(s) may be involved, we may require you or your Designated Operator(s) to sign additional confidentiality and non competition agreements

In addition to offering franchises for individual Primal Kitchen Restaurants, we offer the right to develop and operate a minimum of three (3) Primal Kitchen Restaurants under the form of an area development agreement attached as **Exhibit B** (the "Area Development Agreement") The development schedule included in the Area Development Agreement (the "Development Schedule") will specify the dates by which you must open each Primal Kitchen Restaurant You will sign a then-current Franchise Agreement for each Primal Kitchen Restaurant you develop The number of Primal Kitchen Restaurants, the development area and schedule must be agreed upon by us prior to execution of the Area Development Agreement Before the execution of each Franchise Agreement, we will deliver to you a Disclosure Document describing the terms of our then-current Franchise Agreement and provide you with other relevant information

Franchisees may be individuals or entities which meet our then current requirements for nonindividual franchisees (or Area Developers) These requirements may include the signing of personal guarantees (Exhibit 5 to the Franchise Agreement) by some or all of the individuals holding an equity interest in the Franchisee or Area Developer In addition, you, and each affiliate who has a currently effective Franchise Agreement with us, must sign a General Release, in substantially the form attached as **Exhibit H** to this Disclosure Document, as a condition to entering into a new Franchise Agreement

This Disclosure Document sets forth the terms and conditions on which we currently offer franchises We reserve the right, in our sole discretion, to award, or not award, a Primal Kitchen Restaurant franchise to you, regardless of the stage of the franchise award process, costs expended by you or otherwise Also, there may be instances in which we will vary the terms on which we offer franchises to suit circumstances of a specific transaction

Market and Competition

Primal Kitchen Restaurants will compete with various established national, regional and local health food restaurants, cafes, and retail stores The market is well developed and very competitive

Franchisee Referral Program

We currently offer a national franchisee referral program (the "Franchisee Referral Program") that provides existing Primal Kitchen Franchisees the opportunity to earn an incentive of $5,000 for each new qualified candidate they refer/introduce to us, who meets our criteria for approval as a Primal Kitchen Franchisee, and who executes a Franchise Agreement and pays the applicable Initial Franchise Fee for a Primal Kitchen Restaurant within twelve (12) months of the date we receive the referral All existing Primal Kitchen Franchisees, who are in good standing, are eligible to participate Only one Franchisee may receive the $5,000 referral incentive for each qualified candidate This program is not intended to supplement or amend the Franchise Agreement or any other agreement and does not create any additional rights for Franchisee or any third party We may change or eliminate this program at any time without notification Franchisees are not our sales agents and are not authorized by us to qualify Primal Kitchen franchise candidates or to make statements on our behalf relating to the financial performance or prospects for success in operating a Primal Kitchen Restaurant Under the Franchisee Referral Program, existing franchisees are merely referring/introducing prospects to us We are solely responsible for the new franchisee qualification process and, if applicable, the sales process

Applicable Regulations

You must comply with federal, state, and local health and environmental safety regulations concerning the proper handling, cooking and serving of food products These regulations may include menu labeling laws, laws relating to the storage of food, use of appropriate cooking temperatures, and laws which effect how you train and supervise your staff You must also comply with all applicable federal and state employment laws, as well as building code laws which may affect how your unit looks, what signs you may display, and the amount and type of parking, drive-thru or hours of operation that you may keep State and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of the Primal Kitchen Restaurant, including those which (a) establish general standards, specifications and requirements for the construction, design and maintenance of the Authorized Location, (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for Restaurants, employee practices concerning the storage, handling, cooking and preparation of food, restrictions on smoking, availability of and requirements for public accommodations, including restrooms, (c) set standards pertaining to employee health and safety, (d) set standards and requirements for fire safety and general emergency preparedness, (e) govern the use of vending machines, (f) control the sale of alcoholic beverages, and (g) regulate the proper use, storage and disposal of waste, insecticides, and other hazardous materials

The Nutrition Labeling and Education Act (NLEA) sets regulations for food labeling, including nutritional label standards, nutrient content claims, and health claims NLEA applies to virtually all foods in the food supply, including food served and sold in cafes The Food and Drug Administration's *Nutritional Labeling Guide for Restaurants and Other Retail Establishments* provides answers to commonly asked questions regarding the application of NLEA

The Health Care Reform Bills that became law in March 2010 contain provisions that require disclosure of nutrition and calorie information in chains of more than 20 restaurants Certain state laws require each food facility that meets specified criteria (which cover franchised outlets with at least 19 other franchised outlets with the same name among certain other food facilities) to provide nutritional information that includes, per standard menu item, the total number of calories, grams of saturated fat, grams of trans fat, and milligrams of sodium and to have menu boards to include the total number of calories You should consult with your attorney concerning these and other local laws and ordinances that may affect your Primal Kitchen Restaurant You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Primal Kitchen Restaurant and should consider both their effect and cost of compliance

The Payment Card Industry Data Security Standard ("PCIDSS") requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment PCIDSS applies to all merchants, regardless of size or number of transactions that accept, transmit or store any cardholder data

ITEM 2 BUSINESS EXPERIENCE

Owner Mark Sisson

Mark Sisson has served as our owner in Studio City, California since our inception Mr Sisson founded Primal Nutrition, Inc , a company devoted to health education and designing state-of the-art supplements that address the challenges of living in the modern world in March 1999 and serves as its CEO in Malibu, California Mr Sisson is the author of a #1 best selling health book on Amazon com, The Primal Blueprint, as well as The Primal Blueprint Cookbook and the top-rated health and fitness blog MarksDailyApple com

Franchise Development Consultant Mario Altiery

Mario J Altiery, CFE has served as our Franchise Development Consultant since our inception in our Scottsdale, Arizona office In 2000, Mario Altiery founded Upside Group Franchise Consulting, a full service, boutique franchise consultancy in Scottsdale, Arizona Upside Group provides franchisors with comprehensive solutions including marketing, sales, development, day-to-day operations, strategic planning, and crisis control

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item

ITEM 4 BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

ITEM 5 INITIAL FEES

Franchise Agreement

Initial Franchise Fee You must pay us a lump sum, initial franchise fee (the "Initial Franchise Fee") in the amount of Forty Thousand Dollars ($40,000) to establish a single Primal Kitchen Restaurant under a Franchise Agreement The Initial Franchise Fee is payable upon execution of the Franchise Agreement It is fully earned by us when paid and is not refundable, in whole or in part, under any circumstances The Initial Franchise Fee is reduced by Five Thousand Dollars ($5,000) to Thirty Five Thousand ($35,000) if you wish to purchase additional Restaurants

The Initial Franchise Fee will reimburse us for out-of-pocket expenses that we incur in connection with the negotiation and execution of the Franchise Agreement and in complying with all federal and state laws and regulations related thereto, and for the following items

(i) Assistance and supervision we provide in the opening of your Primal Kitchen Restaurant (other than what is stated in the Franchise Agreement),

(ii) Legal and accounting fees and other costs incidental to compliance with federal, state and other laws,

(iii) Training of staff, including unit manager and experienced cooks in connection with the initial operation of your Primal Kitchen Restaurant (other than what is stated in the Franchise Agreement),

(iv) Enforcement and protection of the Primal Kitchen trademarks, trade names, service marks and commercial symbols, and

(v) Costs incidental to locating sources of supply and maintaining quality control of inventory items to be used by Franchisee

Area Development Agreement

Development Fee If you wish to reserve a development area, and open 2 or more Primal Kitchen Restaurants, you will sign an Area Development Agreement We will charge you the full initial franchise fee ($40,000) for the first unit, and $35,000 for each additional unit Upon execution of the Area Development Agreement, you will pay us a lump sum Development Fee ("Development Fee") in an amount equal to the full initial franchise fee ($40,000) plus $17,500 multiplied by the number of Primal Kitchen Restaurants to be opened pursuant to the Area Development Agreement The Development Fee is generally uniform but may vary based on negotiations between the parties

The Development Fee is fully earned by us when paid and is not refundable, in whole or in part, under any circumstances

Each time you sign a Franchise Agreement for a Primal Kitchen Restaurant, we will credit the amount paid for that Primal Kitchen Restaurant as part of the Development Fee against the amount of the Initial Franchise Fee owed for the Primal Kitchen Restaurant, and you will pay the remainder of the fee owed ($17,500) at that time

ITEM 6 OTHER FEES

Franchise Agreement

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Royalty Fee	5% of Gross Sales[2]	Payable monthly following the month in which the Royalties were earned	If any state imposes sales or other taxes on the royalty fees, then we have the right to collect this tax from you
Marketing Fund Contribution	2% of Gross Sales[2]	Paid in the same manner as Royalty Fees	We will not require you to contribute more than $60,000 in any one calendar year
Social Media Fee	$200 00	Paid in the same manner as Royalty Fees	
Local Advertising	2% to 5% of monthly Gross Sales[2]	Paid to third-party vendor	You must spend 5% until such time as local advertising expenditures reach $15,000 per quarter, or $60,000 annually Thereafter, you may reduce the percentage, so long as it achieves these dollar amounts

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Cooperative Advertising	Up to 7% of monthly Gross Sales[2]	Paid in the same manner as Royalty Fees	This fee would not be in addition to the other advertising fees It is our option to combine the national and local fees and allocate them
POS Monthly Fee	$150	Paid to third-party vendor	POS and Merchant Services
Internet Service Provider	$75	Paid to third-party vendor	
Supplies	$150 - $250	Monthly, as incurred	Office supplies, paper goods, janitorial supplies and other misc
Additional Training	$3,500[3]	30 days prior to commencement of training	We train your GM, Owner and Spouse, chef, and key staff, up to five people, without charge, with the exception of certain expenses (See Item 11)
Additional Assistance	$500 per day, plus travel expenses	30 days after billing	We provide additional assistance if requested, or if we, in our discretion, determine you require additional assistance (such as, if you are in default)
Management Fee	$750 per day, plus travel expenses	30 days after billing	We may provide management services if requested
Transfer Fee	50% of the then-current Initial Franchise Fee	Prior to consummation of transfer	Payable upon sale or transfer of franchise No charge if franchise transferred to an entity you control

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Interest on Late Payments	$300 per month plus 18% per annum or the maximum rate allowed by applicable law	Payment on Demand	Interest on all amounts owed us beginning from the date of the underpayment to the date of payment
Insurance Policies[4]	$500 $700	Monthly	Must have the policies prior to construction on your site
Renewal Fee	$5,000	30 days before renewal	
Audit Fees[5]	All costs of or relating to the audit, plus $5,000	As incurred	Payable only if audit is done because of your understatement of Gross Revenues by two percent (2%) or more
Cost of Enforcement or Defense	All costs including attorneys' fees	Upon settlement or conclusion of claim or action	You will reimburse us for all costs in enforcing our obligations concerning the Franchise Agreement if we prevail
Indemnification	All costs including attorneys' fees	Upon settlement or conclusion of claim or action	You will defend suits at your own cost and hold us harmless against suits involving damages resulting from your operation of the Franchised Business
Upgrades and Maintenance[6]	Cost of required changes or modifications to the System	At time of modification	You will make these expenditures as required to comply with our system standards and modifications to the system Payable to suppliers

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Real Estate Fee[7]	$6,000 to $12,000	At the time you look for a site	Payable to a 3rd party vendor

<u>Notes to Chart for Franchise Agreement</u>

(1) <u>General</u> All fees are uniformly imposed by and are payable to us All fees are nonrefundable You must participate in our electronic funds transfer program If we require it, you must sign and deliver to us an unconditional, irrevocable authorization to enable our financial institution to debit bank accounts at your bank in order to pay us any Royalties, and other amounts that you may owe us under the Franchise Agreement or any other agreement between you and us All Royalty Fees, advertising and marketing fees, if any, and other amounts due us must be received by us or credited to our account by pre-authorized bank debit before 5 00 p m on the day each such payment is due

(2) <u>Gross Sales</u> The term "Gross Sales" means the total revenues you receive from the sale of goods and services at or in connection with your Primal Kitchen Restaurant, less sales taxes or similar taxes or refunds (which, in any event, may not exceed 1% of sales for purposes of calculating Gross Sales)

(3) <u>Additional Training</u> If at any time after completion of the initial training, you request additional training for you or any of your supervisorial or managerial personnel or employ new supervisorial or managerial personnel requiring training, you shall pay us an Additional Training Fee of $3,500 and (i) reimburse us for our travel and lodging expenses plus all other expenses incurred by us in providing the training, if you choose to have us conduct the training at your Primal Kitchen Restaurant, or (ii) bear all of the expenses incurred by you and/or your supervisorial or managerial personnel in receiving the training, if you choose to have us conduct the training at a company owned Restaurant or other location designated by us

(4) <u>Insurance Policies</u> The minimum limits for coverage under many policies will vary depending on several factors, including the size of your Primal Kitchen Restaurant See Item 8 of this Disclosure Document for our minimum insurance requirements

(5) <u>Audit Fees</u> Costs relating to the audit shall include, without limitation, travel, lodging, wage expense and reasonable accounting and legal expense These costs will be in addition to any other remedies that we may have under the Franchise Agreement or law, including the $5,000 Fee we will access if audit is done because of your understatement of Gross Revenues by two percent (2%) or more

(6) Upgrades and Maintenance You must promptly repair or replace defective or obsolete equipment, signage, fixtures or any other item of the interior or exterior of your Primal Kitchen Restaurant that is in need of repair, refurbishing or redecorating in accordance with our established standards, which may be updated from time to time, or as may be required by your lease We may change or modify the System that is presently identified by the Marks including, the adoption and use of new or modified Marks or copyrighted materials You may be responsible for any reasonable conversion costs

(7) We require you to use a designated third-party vendor to assist in site selection If you purchase a single franchise, you will pay the vendor $6,000 for their services If you purchase two (2) units, you will pay $4,500 per unit, or $9,000 dollars If you purchase three (3) or more units, you will pay $4,000 for each site The vendor will provide the following services to assist you in identifying a site (i) Recruit and retain a top local broker in each target market, (ii) Provide comprehensive market plans for each target markets that include a demographic and psychographic hot spot mapping, competitor analysis, retail density information and key traffic drivers, (iii) Provide individual maps and demographic reports for Franchisee's target trade areas, (iv) Provide ongoing GIS support including cannibalization analysis to evaluate and manage current and future Primal Kitchen locations, (v) Manage and organize all site related information collected from local broker in personalized web portal, (vi) Review key attributes of considered sites to ensure they meet our site criteria, (vii) Provide customized, proprietary materials for each transaction including LOI template and work letter, site submission forms, tenant profile package, etc , (viii) Draft and negotiate letters of intent consistent with your and our objectives, (ix) Assemble site review package for franchisor site review and acceptance, (x) Offer ongoing counsel and strategy to you on development

Area Development Agreement

Type of Fee[1]	Amount	Due Date	Remarks
Assignment Fee[2]	Our incurred legal fees, plus $5,000 per unopened unit	On submitting application for consent to assignment	Payable when you want to sell/transfer the rights under your Area Development Agreement

(1) All fees are nonrefundable, the fees are cumulative of the fees you pay under each Franchise Agreement in connection with the operation of each Primal Kitchen Restaurant

(2) These fees are imposed by and are payable to us

(3) We require you to use a designated third-party vendor to assist in site selection If you purchase a single franchise, you will pay the vendor $6,000 for their services If you purchase two (2) units, you will pay $4,500 per unit, or $9,000 dollars If you purchase three (3) or more units, you will pay $4,000 for each site The vendor will provide the following services to assist you in identifying a site (i) Recruit and retain a top local broker in each target market, (

Type of Fee[1]	Amount	Due Date	Remarks
Indemnification	All costs, including attorneys' fees	As incurred	You must reimburse us for all damages arising from your activities
Real Estate Fee[3]	$6,000 to $12,000	At the time you look for a site	Payable to a 3rd party vendor

Notes to Chart for Area Development Agreement

(ii) Provide comprehensive market plans for each target markets that include a demographic and psychographic hot spot mapping, competitor analysis, retail density information and key traffic drivers, (iii) Provide individual maps and demographic reports for Franchisee's target trade areas, (iv) Provide ongoing GIS support including cannibalization analysis to evaluate and manage current and future Primal Kitchen locations, (v) Manage and organize all site related information collected from local broker in personalized web portal, (vi) Review key attributes of considered sites to ensure they meet our site criteria, (vii) Provide customized, proprietary materials for each transaction including LOI template and work letter, site submission forms, tenant profile package, etc , (viii) Draft and negotiate letters of intent consistent with your and our objectives, (ix) Assemble site review package for franchisor site review and acceptance, (x) Offer ongoing counsel and strategy to you on development

(1) All fees are nonrefundable, the fees are cumulative of the fees you pay under each Franchise Agreement in connection with the operation of each Primal Kitchen Restaurant

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR A PRIMAL KITCHEN RESTAURANT

Type Of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee[1]	$40,000	Lump Sum	At signing of Franchise Agreement	Us
Travel and Living Expenses while Training[2]	$3,000 - $4,000	As arranged	As incurred	Transportation Carriers, Hotels, etc

Type Of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Real Estate/Lease (3 months + deposit)[3]	$20,000 - $40,000	As arranged	At signing of Lease	Landlord
Build-Out/Leasehold Improvements[4]	$225,000 - $450,000	As arranged	As incurred	Approved Suppliers, Architects & Contractors
Furniture, Fixtures and Equipment[5]	$300,000 - $404,564	As arranged	As arranged	Approved Suppliers and Vendors
Opening Inventory[6]	$25,000 - $35,000	As arranged	As arranged	Approved Suppliers and Vendors
Signage[7]	$3,500 - $7,500	As arranged	As incurred	Approved Suppliers
Utility Deposits[7]	$500 - $1,000	As arranged	As incurred	Utility Suppliers
Business License and Permits[9]	$150 - $3,000	As arranged	As arranged	Local, State or Federal Government
Professional/Legal Fees	$2,500 - $5,000	As arranged	As incurred	Lawyers, Accountants, Architects Etc
Computer, POS System[10]	$6,000 $8,000	As arranged	As incurred	Approved Suppliers and Vendors
Internet Service Provider	$100	As arranged	As incurred	Approved Suppliers and Vendors
Music/Entertainment System	$8,000 - $12,000	As arranged	As incurred	Approved Suppliers and Vendors
Insurance[11]	$500 - $700	As arranged	Before opening your business	Insurance Carrier
Grand Opening Expenses[12]	$15,000 - $25,000	As arranged	As incurred	Vendors
Opening Payroll[13]	$21,000 - $30,000	As arranged	As incurred	Employees
Additional Funds (3 Months)[14]	$30,000	As arranged	As incurred	Employees, Vendors, Utilities
TOTAL ESTIMATED INITIAL INVESTMENT[15]	**$715,250 - $2,120,864**			

YOUR ESTIMATED INITIAL INVESTMENT PURSUANT TO AN AREA DEVELOPMENT AGREEMENT

Type Of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Development Fee[1]	$57,500	Lump Sum	At signing of Development Agreement	Us
Travel and Living Expenses while Training[2]	$3,000 - $4,000	As arranged	As incurred	Transportation Carriers, Hotels, etc
Real Estate/Lease (3 months + deposit)[3]	$20,000 - $40,000	As arranged	At signing of Lease	Landlord
Build-Out/Leasehold Improvements[4]	$225,000 - $450,000	As arranged	As incurred	Approved Suppliers, Architects & Contractors
Furniture, Fixtures and Equipment[5]	$300,000 - $404,564	As arranged	As arranged	Approved Suppliers and Vendors
Opening Inventory[6]	$25,000 - $35,000	As arranged	As arranged	Approved Suppliers and Vendors
Signage[7]	$3,500 - $7,500	As arranged	As incurred	Approved Suppliers
Utility Deposits[7]	$500 - $1,000	As arranged	As incurred	Utility Suppliers
Business License and Permits[9]	$150 - $3,000	As arranged	As arranged	Local, State or Federal Government
Professional/Legal Fees	$2,500 - $5,000	As arranged	As incurred	Lawyers, Accountants, Architects Etc
Computer, POS System[10]	$6,000 - $8,000	As arranged	As incurred	Approved Suppliers and Vendors
Internet Service Provider	$100	As arranged	As incurred	Approved Suppliers and Vendors
Music/Entertainment System	$8,000 - $12,000	As arranged	As incurred	Approved Suppliers and Vendors

Type Of Expenditure	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Insurance[11]	$500 - $700	As arranged	Before opening your business	Insurance Carrier
Grand Opening Expenses[12]	$15,000 - $25,000	As arranged	As incurred	Vendors
Opening Payroll[13]	$21,000 $30,000	As arranged	As incurred	Employees
Additional Funds (3 Months)[14]	$30,000	As arranged	As incurred	Employees, Vendors, Utilities
TOTAL ESTIMATED INITIAL INVESTMENT[15]	**$715,250 - $2,120,864**			

All amounts are uniformly imposed by us and are non-refundable unless otherwise noted Amounts payable to suppliers/vendors may be refundable according to arrangements you make with the vendor

NOTES TO CHARTS FOR YOUR INITIAL INVESTMENT

(1) Initial Franchise Fee and Development Fee The Initial Franchise Fee for a single Primal Kitchen Restaurant is $40,000 The Development Fee disclosed here is for a minimum of two (2) Primal Kitchen Restaurants developed under the Area Development Agreement and is due at the signing of the Area Development Agreement (Initial Franchise Fee of $40,000, plus deposit of $17,500 for additional franchise) The Initial Franchise Fee and the Development Fee are not refundable If you choose to develop additional Primal Kitchen Restaurants in your Development Area, you must pay an additional $17,500 Development Fee for each additional Primal Kitchen Restaurant The Initial Franchise Fee and the Development Fee are described in Item 5 of this Disclosure Document

(2) Travel and Living Expenses while Training As described in Item 11, we will train you and your supervisorial or managerial personnel, up to 5 people, at no charge, but you must all attend the training at the same time You are responsible for the wages, travel, and living expenses of the attendees The amount you will spend while training will depend on several factors, including the number of persons attending, the distance you must travel and the type of accommodations you choose, if any are needed The amount shown here is for two attendees

(3) Real Estate/Lease You must lease or purchase land and a building for the operation of your Primal Kitchen Restaurant The typical Primal Kitchen Restaurant is composed of a building having an area of typically 2,600 - 3,200sq ft square feet and usually located in a shopping center or commercial area with residential areas in close proximity Your Primal Kitchen Restaurant may be either a stand-alone unit or part of a shopping center Landlords may also 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 ("CAM Charges"), your pro rata share of the real estate taxes and insurance, and your pro rata share of HVAC and trash removal The actual amount you pay under the lease will vary depending on the size of your Primal Kitchen Restaurant, 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 area You may also be required to pay a security deposit equal to a month's rent This estimate covers the first 3 months of operation The cost of the real estate, if purchased, varies significantly from location to location

(4) <u>Build-Out/Leasehold Improvements</u> The cost of leasehold improvements will vary significantly depending upon many factors, including, without limitation, square footage, geographic area, market climate, labor market (e g , prevailing wage rates, union labor restrictions, etc), type and condition of the facility, location, condition of the leased premises and price difference between various suppliers and contractors, as does the cost of construction of the improvements The costs (range) associated with the Build-Out/Real Estate Leasehold Improvements in the above chart are based on a site that will be in a "vanilla shell" condition This includes, but is not limited to, having a concrete floor, demising walls in place that are taped and sanded, a suspended ceiling with grid and ceiling panels, 2x4 fluorescent lights per a minimum of 1 per 100 square feet, storefront with ADA accessible entry/door, 36 inch minimum wide rear door, ADA compliant bathroom, 200 amp electrical panel with service throughout the space, HVAC in place that operates at a minimum 1 ton per 150 square feet, electrical service to the storefront bulkhead for exterior sign hook-up and water and sewer services in place The costs of leasehold improvements are your sole responsibility and will vary depending upon your negotiations with the landlord or third parties prior to occupancy, or they may be financed through the landlord or third parties You may be able to negotiate for "tenant improvement" allowances that can help to reduce your net construction costs This is an important factor for you to consider in choosing a location You should consult with a qualified, licensed contractor for cost estimates specific to your site before signing the lease, since we cannot predict or warrant what future costs may be You are responsible for obtaining all necessary permits and licenses required for the location, construction, renovation or operation of your Primal Kitchen Restaurant

(5) <u>Furniture, Fixtures and Equipment</u> You must equip your Primal Kitchen Restaurant with all of the equipment, fixtures, smallwares, furnishings, and uniforms that we require for the opening and operation of your Primal Kitchen Restaurant Generally, a portion of the fixtures and equipment must be purchased from approved suppliers and the balance must conform to our specifications The estimate depends upon the size of your Primal Kitchen Restaurant, the existing supplies of such fixtures and equipment and the number of vendors then selling the fixtures and equipment, the quantity, types of and prices of fixtures and equipment may vary Payment and refund terms will have to be negotiated between the supplier and you

(6) <u>Opening Inventory</u> In order to open your Primal Kitchen Restaurant, you will be obligated to purchase an initial inventory The inventory items, quantity and price may vary based upon availability of supplies, the number of vendors selling such items, etc Payment terms for such items are usually cash on delivery or payment within a specified number of days (usually no more

than thirty (30) days) after delivery The approved and/or designated suppliers of such items include our Affiliates

(7) Signage You will need to purchase appropriate signage for your Primal Kitchen Restaurant that we approve The cost of your signage may be more or less than this estimate, and depends on the size, type and method of installation you choose Each location may have different restrictions it places on interior and exterior signage that may affect your costs

(8) Utility Deposits Typically, a utility deposit will be required only if you are a new customer of the utility company

(9) Business License and Permits The range of costs covers the expense to acquire the required local business permits We make no representations or assurances as to what (if any) licenses, permits, authorizations or otherwise may be required in connection with your Primal Kitchen Restaurant Our estimated costs include building permits, fire inspection, sales tax permit, and retail sales permits, as well as a liquor permit If an electrical permit is necessary, the costs may be more You should investigate applicable requirements in your area and the related costs, including receiving advice from regulatory agencies and your own lawyer, before making any commitments, whether to us or anyone else

(10) Computer and POS Systems You must acquire a computer and POS System, for use in the operation of your Primal Kitchen Restaurant to manage all of your scheduling, ordering, etc We will provide you with a Primal Kitchen e-mail that you must use to communicate with us

(11) Insurance The actual cost may be more than shown here You will need to check with your insurance carrier for actual premium quotes and costs, and for the actual amount of deposit Insurance costs can vary widely, based on the area in which your business is located, your experience with the insurance carrier, the loss experience of the carrier, the amount of deductibles and of coverage, and other factors beyond our control You should obtain appropriate advice from your own insurance professional before signing any binding documents or making any investments or other commitments, whether to us or anyone else

(12) Grand Opening Expenses Grand opening expenses include the actual grand opening event and the pre- and post-opening advertising that will continue during the initial three months after opening The expenses consist of wages for extra staff, pre and post-opening marketing, a radio remote, product discounts, promotional appearances, and giveaways

(13) Opening Payroll This is an estimate of funds you may need to cover payroll for your hourly employees if the Restaurant sales in the first three months of operation are insufficient to cover payroll

(14) Additional Funds This is an estimate of certain funds needed to cover your business (not personal) expenses during the first three months of operation of your Primal Kitchen Restaurant It includes payroll costs but not any draw or salary for you Your costs will depend upon your

management skill, experience and business acumen, local economic conditions, the prevailing wage rate, competition and sales of at your Primal Kitchen Restaurant during the period

This estimate does not guarantee that you will reach, and we're unable to reliably estimate when (if ever) you might reach, "break-even" or any other financial position, during that or any other time You will need capital to support on-going costs of your business, such as taxes, loan payments and other expenses, to the extent that revenues do not cover business costs New businesses (franchised or not) often have larger expenses than revenues

This amount is only an estimate, we cannot guarantee that the amounts specified will be adequate and you may need additional funds to open and operate We do not furnish, or authorize anyone else, to furnish estimates as to the capital or other reserve funds necessary to reach "break-even" or any other financial position, or when or if you may be profitable, nor should you rely on any such estimates In addition, the estimates presented relate only to costs associated with the franchised business and do not cover any personal, "living," unrelated business or other expenses you may have

The availability and terms of financing to you will depend upon factors such as the availability of financing in general, your credit-worthiness, the collateral security that you may have, and policies of lending institutions concerning the type of business you operate This estimate does not include any finance charge, interest, or debt service obligation

(15) Total Estimated Initial Investment All of the above figures are estimates of certain initial start-up expenses As noted above, it is not all-inclusive, and we cannot guarantee you will not have additional expenses in starting or operating your Primal Kitchen Restaurant The total listed above does not include compensation for your time or labor or any return on your investment Your costs will vary depending on such factors as how closely you follow our Primal Kitchen Restaurant System and program, your management and marketing skills, experience and general business ability, and local and general economic conditions, including disposable income You should review these figures carefully with a business advisor (such as an accountant) before making any commitments We compiled these estimates based on the combined experience of our and the Licensor's experience

We do not offer any financing, directly or indirectly, to Franchisees in connection with the initial investment specified herein

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases of Goods

You must purchase required products and supplies used in your Primal Kitchen Restaurant from suppliers that we approve, which include us or an affiliate ("Approved Suppliers"), including Licensor, which has developed a line of products called Primal Kitchen Foods which you will be required to sell in the cafe area All Primal Kitchen ingredients are selected according to the strictest standards of taste, natural healthfulness and phytonutrient potency Primal Kitchen ingredients are organic, when available

The Manual describes the standards for required products, performance, maintenance, design and appearance

We may designate a single supplier or multiple suppliers for any given item or service and may concentrate purchases with one or more suppliers in our business judgment From time-to-time, we will identify local or national suppliers for organic and/or seasonal items On notice by us, you will immediately cease and desist from using/offering any equipment, products, and/or services otherwise not authorized by us

We may modify our specifications, and may add new specifications in writing We will provide you with the names of these Approved Suppliers You may purchase these items from any supplier whose product, service or equipment meets our specifications

Approval of Alternate Suppliers

You can request the approval of an item, product, service or supplier by notifying us in writing and submitting such information and/or materials we may request We may require you to pre-pay any reasonable charges connected with our review and evaluation of any proposal These charges may include reimbursement for reasonable travel, accommodations and meal expenses for any personnel who are engaged in evaluating a supplier at your request We will notify you in writing of our approval or disapproval within 30 days after you make a written request (Franchise Agreement, Section 6 8C)

We may condition and/or revoke our approval of particular items or suppliers as we choose Designation of a supplier may be conditioned on factors established by us in our business judgment, including, without limitation, performance relating to quality of results, accuracy of results, frequency of delivery, standards of service, and payment or other consideration to us or parties designated by us We may approve, or revoke or deny approval, of particular items or suppliers in our business judgment We may designate a single or multiple suppliers for any given item or service and may concentrate purchases with one or more suppliers in our business judgment There is no assurance that we will designate more than one supplier for any item, including items for which we are the only designated supplier

Insurance

You are obligated to obtain and maintain, at your sole expense, all of the insurance coverages that we require Your policy or policies must be written by an insurance company licensed in the state in which you operate your Primal Kitchen Restaurant The insurance company must have at least an "A" Rating Classification as indicated in A M Best's Key Rating Guide, in accordance with standards and specifications set forth in the Manual The standards may vary depending on the size of your Primal Kitchen Restaurant and/or other factors, such as what is customary for businesses of your type in your area, but we typically require (i) All "Risks" or "Special" form coverage insurance on the Primal Kitchen Restaurant's glass, equipment, fixtures and leasehold improvements and other property used in the operation of the Primal Kitchen Restaurant, (ii) Workers' Compensation and Employer's Liability Insurance as required by law, (iii) Commercial General Liability Insurance with limits of $2,000,000 in the aggregate, each occurrence $1,000,000, including a per location or project aggregate, with the following coverages owners and contractors protective liability, broad form property damage, contractual liability, severability of interest clause, personal and advertising injury, and products/completed operations, medical payments and fire damage liability, insuring you and us against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from or occurring in the course of, or on or about or otherwise relating to the franchised business, and (iv) Business Interruption Insurance with coverage for a least 12 months for actual losses

We reserve the right from time to time to upgrade the insurance requirements as to policy limits, deductibles, scope of coverage, rating of carriers, etc We will provide you with written notice of any change in our insurance requirements You will have 60 days from receipt of such notice to revise your coverage, as specified in the notice

Your insurance must name us as an additional insured and contain a clause requiring notice to us thirty (30) days in advance of any cancellation or material change to any such policy The "Additional Insured Endorsement" must be approved in writing by us You must maintain such additional insured status for us on your general liability policies continuously during the term of the Franchise Agreement

The insurance policies described above are minimum insurance requirements and you may purchase and maintain additional insurance policies or insurance policies with greater coverage limits You must provide us with a current certificate of insurance, proof of endorsements and other evidence of compliance with these requirements at all times

Revenues from a Supplier

We may receive revenues from approved supplier(s) We have the right to receive promotional allowances and rebates, commissions and other consideration from suppliers

Revenue from Franchisee Purchases

We did not receive any revenue or material benefit from required purchases or leases by franchisees in our most recent fiscal year ended December 31,2016

We estimate that your required purchases, purchases from designated/approved suppliers and purchases that must meet our specifications in total will be about 50% to 75% of your total purchases to establish your Primal Kitchen Restaurant and about 80% to 90% of your purchases to continue the operation of the Primal Kitchen Restaurant

Negotiated Prices

We intend to negotiate purchase arrangements with vendors and suppliers for the benefit of our affiliates and franchisees There are no purchasing or distribution cooperatives, but franchisees will typically receive the same price discount as Primal Kitchen Restaurants owned and operated by our Affiliate We and our Affiliate receive no payments from any supplier, nor do we or our Affiliate receive any special discount on purchases from any supplier for ourselves or themselves, in connection with purchases from our franchisees

Material Benefits

We do not provide material benefits to you, for example, renewal or granting additional franchises, based on your purchase of particular products or services or use of particular suppliers, but the offer or sale of any products or services not approved by us shall constitute a material breach of the Franchise Agreement

Our Ownership Interest in a Supplier

Our owner has an ownership interest in Licensor, one of our Approved Suppliers

Computer System

You must acquire the computer system that we specify, including computer hardware and software, business management systems, and a point-of sale ("POS") reporting system The computer system is described in more detail in Item 11 of this Disclosure Document

Credit Cards

You are required to honor all credit, charge, courtesy and cash cards that we approve in writing To the extent you store, process, transmit or otherwise access or possess cardholder data in connection with the sale of products and services at your Primal Kitchen Restaurant, you are required to maintain the security of cardholder data and adhere to the then-current credit card security standards which can be found at www pcisecuritystandards org for the protection of cardholder data throughout the term of your Franchise Agreement You are responsible for the security of cardholder data in the possession or control of any of your employees that you engage to process credit cards You must, if we request that you do so, provide appropriate documentation to us to demonstrate compliance with applicable PCIDSS requirements by you and all your employees

Cooperatives

We do not currently operate or sponsor any purchasing cooperatives, but we plan to organize one or more in the future When possible, we attempt to negotiate bulk purchasing discounts with suppliers on behalf of our franchisees

Area Development Agreement

The Area Development Agreement does not require you to buy or lease from us or any designated or approved suppliers, any goods, services, supplies, fixtures, computer hardware and software, or real estate, according to our specifications However, you must follow our requirements under the Franchise Agreement for each Primal Kitchen Restaurant you develop

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ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement 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 and Area Development Agreement	Disclosure Document Item
a Site Selection and acquisition/lease	Sections 1 2, 6 1, 6 2 and 7 2 of Franchise Agreement Section I(a) and Exhibit A of Area Development Agreement	Items 7 and 11
b Pre-opening purchases/leases	Sections 6 1, 6 2, 7 2 and 8 4 of Franchise Agreement None in Area Development Agreement	Items 7and 8
c Site development and other preopening requirements	Sections 6 1 and 6 2 of Franchise Agreement Section VI of Area Development Agreement	Items 6, 7 and 11
d Initial and ongoing training	Sections 6 3, 6 4 and 6 5 of Franchise Agreement None in Area Development Agreement	Item 11
e Opening	Sections 2 2 and 6 9 of Franchise Agreement None in Area Development Agreement	Item 11
f Fees	Sections 3 2, 5, 9 1 and 14 2 of Franchise Agreement Section III of Area Development Agreement	Items 5 and 6
g Compliance with standards and policies / Operating Manual	Sections 1 2, 2 2, 4 2, 6 4, 6 6, 6 7, 7 1, 7 3, 7 4, 8 7 and 9 3 of Franchise Agreement Section VI of Area Development Agreement	Item 11
h Trademarks and proprietary information	Sections 1 1, 4, 12 1, 15 2 and 15 4 of Franchise Agreement Section VII of Area Development Agreement	Items 13 and 14

Obligation	Section in Franchise Agreement and Area Development Agreement	Disclosure Document Item
i Restrictions on products/services offered	Sections 1 3, 2 1, 2 2, 7 1, 8 1 and 8 4 of Franchise Agreement None in Area Development Agreement	Item 16
j Warranty and customer service requirements	Section 8 8 and 15 2 of Franchise Agreement None in Area Development Agreement	Not applicable
k Territorial development and sales quotas	Section 8 8 of Franchise Agreement Section IV of Area Development Agreement	Not applicable
l Ongoing product/service purchases	Sections 8 4 and 10 3 of Franchise Agreement None in Area Development Agreement	Not applicable
m Maintenance, appearance and remodeling requirements	Sections 3 2 and 7 4 of Franchise Agreement None in Area Development Agreement	Not applicable
n Insurance	Section 10 5 of Franchise Agreement None in Area Development Agreement	Item 7
o Advertising and Marketing Fund	Sections 5 4, 5 5, and 9 of Franchise Agreement None in Area Development Agreement	Item 6
p Indemnification	Sections 8 5 and 11 2 of Franchise Agreement Section XII of Area Development Agreement	Not applicable
q Owner's participation/ management/staffing	Sections 6 3 and 8 6 of Franchise Agreement None in Area Development Agreement	Item 11
r Records and reports	Sections 10 1 and 10 3 of Franchise Agreement None in Area Development Agreement	Item 6
s Inspections and audits	Sections 8 2 and 10 2 of Franchise Agreement None in Area Development Agreement	Item 6
t Transfer	Section 14 of Franchise Agreement Section IX of Area Development Agreement	Item 17

Obligation	Section in Franchise Agreement and Area Development Agreement	Disclosure Document Item
u Renewal	Section 3 2 of Franchise Agreement None in Area Development Agreement	Item 17
v Post-termination obligations	Sections 13 1 and 15 4 of Franchise Agreement	Item 17
	Section X of Area Development Agreement	
w Non-competition covenants	Sections 12 2 and 13 of Franchise Agreement Section X of Area Development Agreement	Item 17
x Dispute resolution	Section 16 of Franchise Agreement Section XIX of Area Development Agreement	Item 17
y Other Guarantee of Performance	Section 2 2B and Exhibit 5 of Franchise Agreement Section XX and Exhibit C of Area Development Agreement	

ITEM 10 FINANCING

We do not offer direct or indirect financing for any amount due under the Franchise Agreement or Area Development Agreement We do not guarantee your note, lease or any other obligation

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

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

A Pre-Opening Assistance

Before you open the Primal Kitchen Restaurant we will

1 Approve or disapprove a site for the Primal Kitchen Restaurant We will assist you in selecting a mutually acceptable site (Franchise Agreement, Section 6 1) Our approval will be based upon suitability for use as a restaurant and specialty item grocery store, population, spending habits, food and beverage sales of existing restaurants, traffic patterns, proximity to gyms and other demographic data

2 Assist you in the construction, design, planning and installation of your Primal Kitchen Restaurant The Primal Kitchen Restaurant location will be purchased or leased by you from independent third parties We will function in a consulting capacity only and shall not be responsible for overseeing the day to-day construction of your Primal Kitchen Restaurant or acting as construction manager We will provide our list of approved suppliers, as well as our list of approved items of equipment, fixtures, inventory, and supplies (Franchise Agreement, Section 6 2)

3 Provide you and your supervisorial or managerial personnel one (1) initial training course, provided, however, you and/or all of your supervisorial or managerial personnel attend the course simultaneously We do not charge for this training, but you must pay the travel, lodging, living and payroll expenses incurred in connection with such training (Franchise Agreement, Section 6 3)

4 Provide on-site pre-opening and opening supervision and assistance for approximately six (6) days You must pay the travel, lodging, living and payroll expenses incurred by our representative in connection with such training (Franchise Agreement, Section 6 4)

5 We will provide you with consultation and advice on your Grand Opening advertising, marketing and promotion (Franchise Agreement, Sections 6 10 and 9 5)

6 We will license you the use of our trademarks (Franchise Agreement, Section 4 2)

B Our Obligations During the Operation of the Franchised Business

During the operation of the Primal Kitchen Restaurant, we

1 At your request, we will provide additional training, at your cost and expense, for you or your employees, subject to the availability of our personnel for such training You will reimburse us for all costs we incur (Franchise Agreement, Section 6 5)

2 Will provide continuing advisory assistance and information to you in the development and operation of your Primal Kitchen Restaurant, as we deem advisable We may recommend fixed minimum or maximum prices for any products or services offered by the System We may set pricing for the products you offer and sell from your Primal Kitchen Restaurant (Franchise Agreement, Section 6 7)

3 Will specify or approve certain products, services, and suppliers to be used in your Primal Kitchen Restaurant (Franchise Agreement, Section 6 8)

4 Lend you a copy of our confidential operations Manual The Manual may be provided electronically, in which case, we will grant you online access to an electronic version of the Manual during the term of the Franchise Agreement If you in any way compromise the secure access to the online version of the Manual, including, allowing unauthorized users access to the Manual and its confidential contents, you will be required to pay us liquidated damages in the amount of $10,000, to compensate us for the breach and related damage to the System You must strictly comply with the Manual in operating your Primal Kitchen Restaurant We can change the Manual and you must comply with those changes when you receive them, but they will not materially change your rights and obligations under the Franchise Agreement (Franchise Agreement, Section 6 6)

5 Will provide regular consultation and advice to you in response to inquiries from you regarding administrative and operating issues that you bring to our attention We may make recommendations that we deem appropriate to assist your efforts However, you alone will establish all requirements, consistent with our policies, regarding (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees, (ii) the individuals to whom you will offer and sell your products and services, and (iii) the suppliers from whom you obtain any products or services used in or at the Primal Kitchen Restaurant for which we have not established Approved Suppliers (Franchise Agreement, Section 6 7)

6 We may prepare written or recorded marketing materials (such as newsletters, bulletins, etc) and will make them available to all Franchisees We may develop advertising, public relations, and promotion campaigns, and consult with you on an ongoing basis concerning the type, content, frequency and nature of the proposed advertising programs

C <u>Site Selection</u>

You will select the site for your Primal Kitchen Restaurant that complies with the Franchise Agreement and must receive our approval of your proposed location We may, at your request, work closely with and assist you in site selection and the review and negotiation of your lease by furnishing you with our confidential site evaluation criteria, by consulting with and counseling you and at our discretion, conducting field inspections of proposed sites at mutually convenient times Factors we consider in approving sites are demographics, density of population, traffic patterns and others, such as proximity to gyms [Franchise Agreement, Sections 6 1 and 15 2 (1)(j)]

We will advise you whether a proposed site is approved within approximately 21 days after receipt of the Location Report, Site Plan, and demographic report on the area and information relative to the site and location Depending upon the completeness of the information provided, the process may take less than 21 days or longer than 21 days, if more than 21 days is required, you will be advised in writing as to the reasons for the delay We can terminate your Franchise Agreement if you fail to open your Primal Kitchen Restaurant within nine (9) months from the date of your Franchise Agreement, or at our election, may charge you a monthly royalty of $3,500 for each month that you are not open (Franchise Agreement, Section 1 2)

We will not unreasonably withhold our approval to a location proposed by you

D Typical Length of Time before Operation

We anticipate that the typical length of time between the earlier of the signing of the Franchise Agreement or the first payment of consideration for the franchise and the opening of your Primal Kitchen Restaurant will be 6 to 7 months Factors that may affect the time period may include ability to locate a site, obtain a lease, obtain financing or building permits, zoning and local ordinances, delayed installation of equipment and fixtures, and scheduling and completion of training You must be open for business no later than nine (9) months after we accept your signed Franchise Agreement

E Computer System

You must acquire a computer for use in the operation of your Primal Kitchen Restaurant You must install and use the electronic data processing and communications hardware and software, including voicemail, business management systems, and POS System, as we may designate (collectively, the "Computer System") We estimate cost of the Computer System to be $2,500, and will include a late model computer with all-in-one fax, copier, scanner, and printer

You must also purchase an Aloha POS System for use in your Primal Kitchen Restaurant The Computer System must be equipped with a high-speed connection to the Internet and must include a local area network with a dedicated server We estimate the monthly fee for Internet access to be $75 per month You must install and use the electronic data processing and communications hardware and software, including voicemail, business management systems, and the online point-of-sale ("POS") reporting system designated by us The cost of the each online POS system through our approved supplier is approximately $3,500 with an ongoing monthly fee of $150 00 You are responsible for purchasing Aloha POS System from an Approved Supplier/Required Vendor We will help you set up the Aloha POS System as well as train you proficiently We shall have independent unlimited access to the data collected by your POS system

We reserve the right to change our specifications in the future to take advantage of technological advances or to adapt the system to meet operational needs and changes We may require you to bring any computer hardware and software, related peripheral equipment, communications systems into conformity with our then-current standards for new Primal Kitchen Restaurants

You are solely responsible for protecting yourself from Internet access and Internet content failures, disruptions and attacks by hackers and other unauthorized intruders and you shall waive any and all claims you may have against us as the direct or indirect result of such failures, disruptions or attacks

F Advertising

Social Media Fee and Marketing Fund

We will charge a $200 monthly social media fee and will establish a national Marketing Fund to promote Primal Kitchen Restaurants and the Primal Kitchen Brand When the national Marketing Fund is established, you will be required to make a contribution ("Marketing Fund Contribution") of two percent (2%) of your annual Gross Sales to the Marketing Fund Once established, the Marketing Fund may be used for (among other things) product development, signage, creation, production and distribution of marketing, advertising, public relations and other materials in any medium, including the Internet, administration expenses, legal fees incurred by or spent defending the Marketing Fund, brand/image campaigns, media, national, regional and other marketing programs and events, activities to promote current and/or future Primal Kitchen Restaurants, agency and consulting services, research, any expenses we approve and associated with franchisee advisory groups (when and if established), and all or portions of the salaries, benefits or expenses of people we employ who work on Marketing Fund matters (except that such salaries, benefits or expenses will be charged pro rata based on the time they spend on Marketing Fund matters) (Franchise Agreement, Sections 6 10 and 9 3)

A brief statement regarding the availability of Primal Kitchen Franchises may be included in advertising and other items produced using the Marketing Fund (Franchise Agreement, Section 9 3)

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

We will prepare, and furnish to you upon written request, an annual, unaudited statement of funds collected and costs incurred We are not required to have the Advertising Fund statements audited, but if we do so, any related accounting/auditing costs will be paid by the Marketing Fund (Franchise Agreement, Section 9 3)

Because we are a relatively new franchisor, the Marketing Fund is in the process of being established Therefore, during the fiscal year ended December 31, 2016, the Marketing Fund spent 0% of its contributions on production, 0% on media and public relations, 0% on administrative expenses, 0% on sponsorships, and 0% on internet related matters

Local Advertising

To support your Primal Kitchen Restaurant, you must spend at least five percent (5%) of your monthly Gross Sales on local advertising until such time as local advertising expenditures reach $15,000 per quarter, or $60,000 annually Thereafter, you may reduce the percentage, so long as the local advertising expenditures achieve these dollar amounts We anticipate that most of the local advertising will be spent on quarterly events and outreach, promotional give away, gift cards, etc How you spend the money is at your discretion, however you must participate at your cost in all promotions we designate for the market in which the Primal Kitchen Restaurant is located and shall be responsible for displaying all in-shop materials and the cost of products being promoted You must submit copies of all local advertising and promotional activities material to us in advance and obtain our written approval before using the advertising and promotional activities material (Franchise Agreement, Section 9 4)

Examples of local advertising include billboards, newspaper ads, bench signs, promotional activities, community event and youth sports team sponsorships, charitable sponsorships, radio, cable and television

All advertising pertaining to your Primal Kitchen Restaurant must be in good taste and not linked to controversial, unethical, immoral, illegal or inappropriate content We reserve the right to "occupy" any Social Media websites/pages and be the sole provider of information regarding Primal Kitchen Restaurants on such websites/pages (e g , a system-wide Facebook page) At our request, you will promptly modify or remove any online communication pertaining to your Primal Kitchen Restaurant that does not comply with the Franchise Agreement or the Manual (Franchise Agreement, Section 9 6)

Advertising Cooperative

In our discretion, we may combine the total of the required national and local advertising fees of up to seven percent (7%) If we determine to do so, our advertising promotion will not exceed the national and local advertising fee amounts and will not be in addition to those fees It is our option to combine all or part of the national Marketing Fund or the local advertising expenditure and allocate them temporarily

Grand Opening Advertising

Within ninety (90) days of the opening of your Primal Kitchen Restaurant, you will spend for "Grand Opening" advertising, marketing and promotion a minimum of Twenty Thousand Dollars ($20,000) Grand Opening includes the actual opening event and the pre- and post-opening advertising which will continue for the initial three months of opening It will be ongoing with various approved vendors The Grand Opening advertising amount accounts for extra staff, pre- and post opening marketing, discounts, possible public figures, and giveaways The Grand Opening shall be in the form, and using the advertising and promotional campaign and materials, reasonably designated or approved by us (Franchise Agreement, Section 9 5)

Franchisee Advisory Council

We reserve the right, if necessary and in our sole judgment, to establish a Franchisee Advertising Council The Franchisee Advertising Council will be composed of an elected body of franchisees for the purpose of providing us with input on advertising and marketing issues The Franchisee Advertising Council will operate under its own by laws and will be purely advisory in nature and will have no operational or decision making authority (Franchise Agreement, Section 9 7)

G <u>Operations Manual</u>

As stated above, we lend you one copy of the Manual during the term of your Franchise Agreement The Manual contains our mandatory and suggested specifications, standards and operating procedures and is made up of our entire collection of manuals, guidelines, standards and specifications provided to you relating to the development, design, construction and operation of a Primal Kitchen Restaurant If there is any dispute concerning the contents of the Manual, the terms of the master copy of the Manual maintained at our principal office will control As of the date of this Disclosure Document, the Manual consists of approximately 205 pages Its table of contents is attached to this Disclosure Document as **EXHIBIT G** (Franchise Agreement, Section 6 6)

H **Training Program**

Before the opening of your Primal Kitchen Restaurant, we will provide you and your supervisorial or managerial personnel with Initial Training at our corporate training facility, located in Scottsdale, Arizona We do not charge you a fee for the Initial Training Program

The length of the Initial Training Program is estimated to be 10 days, consisting of a combination of classroom training at our headquarters or such other location as we may designate (e g , your Primal Kitchen Restaurant) and on the job training conducted at your Primal Kitchen Restaurant The Initial Training will cover basic aspects of establishing and operating your Primal Kitchen Restaurant, including a point of sale computer system ("POS System"), recipes, forms, costs and cash control, purchasing, inventory control and disposition, customer service, marketing, selling skills, employee hiring, training and scheduling procedures, job functions and maintenance of quality standards All of the required Initial Training is mandatory

Any training we provide to any of your employees will be limited to training or guiding the employees regarding the delivery of approved services to clients in a manner that reflects the customer and service standards of the System You are, and will remain, the sole employer of your employees during all training programs, and you are solely responsible for all actions and employment decisions related to your employees You must ensure that all of your employees receive adequate training

Training requirements are communicated and updated through periodic memos, publications and manuals The following is an outline of the current Training Program

Training at Primal Kitchen Corporate Location (7-10 days)

Day	Location	Time	Supplemental Materials	Section of Module	Forms
Day 1		**8 hours**			
Introductions /paperwork	Classroom	2 hours	Training itinerary, and outstanding legal paperwork to be completed	N/A	New Franchisee Information form
Introductions to each other and corporate office staff/procedures	Classroom and corporate office	2 hours	Jumpstart Documentation, training workbook	N/A	

Jumpstart Manual review and question session	Classroom	2 hours	Jumpstart Documentation, training workbook	N/A	
Intranet/file sharing procedures	Classroom	2 hours	Laptop	N/A	Intranet Access Confirmation form
Day 2		**8 hours**			

Day	Location	Time	Supplemental Materials	Section of Module	Forms
Site Organization and Set-Up (i e most effective ways to set up tables, chairs, etc , to store food, smallwares, and dry goods, etc)	Classroom and in-store	3 hours	Operations, Construction Spec Module, training workbook	Operations Section 4, 12, Construction Specifications (all sections)	Site acceptance form (for reference only), lease agreement
Operations licenses and permits	Classroom	2 hours	Copy of your existing licenses, laptop	Operations Section 3	Proof of business insurance form, proof of business license form, Federal tax ID/EIN form, copy of FFL license, copies of other licenses and permits
Brand Guidelines and Usage	Classroom and in-store	3 hours	Brand Guidelines Documentation, Operations Documentation, training workbook	Operations Section 2, Brand Guidelines (all sections)	
Day 3		**8 hours**			
Finances	Classroom	2 hours	Quicken or other accounting software, Operations	Operations Section 3	Financial team setup form, copy of COA

Day	Location	Time	Supplemental Materials	Section of Module	Forms
Franchise Services	Classroom	1 hour	Operations Documentation, training workbook	Operations Section 2	
Vendor confirmation and selection	Classroom	2 hours	Operations Documentation, training workbook, laptop	Operations Section 4	Any new local vendor requests
Competition	Classroom	1 hour	Operations Documentation, training workbook, laptop	Operations Section 7, Marketing (all sections)	Competition Evaluation form
Hiring/role-playing interviews	Classroom and in-store	2 hours	Operations Documentation, HR Guide, training workbook	Operations Sections 9, 10, Human	Hiring Assignments form
				Resources (all sections)	
Day 4		**8 hours**			
Note This day might start early, depending on when we open For example, if we open at 6 a m , we might want to have franchisees come at 5 45 a m					
Opening the Restaurant	Classroom and in-store	4 hours	Ops Documentation, training workbook, POS software	Operations Section 12	Opening checklists
Initial marketing overview/PR	Classroom	1 hour	Marketing Guide, GO Documentation, training workbook	Marketing (all sections), Grand Opening Section 2	PR Worksheet form, all marketing forms
Administrative management (records, payroll, filing, etc)	Classroom and in-store	1 hour	Ops Documentation, training workbook, POS software	Operations Section 3	

Social media setup	Classroom	2 hours	Ops Documentation, Social Media Guide, training workbook	Social Media Guide (all sections)	
Day 5		**8 hours**			
Note This day might start early, depending on when we open For example, if we open at 6 a m , we might want to have franchisees come at 5 45 a m					
Event Marketing	Classroom and in-store	4 hours	Marketing Guide, Training Workbook	Event Marketing	
Grand opening prep	Classroom	4 hours	Grand Opening Documentation, training workbook	Grand Opening (all sections)	Grand Opening Preparation form
Day 6		**8 hours**			
Note This day might start late depending on when we close For example, if we close at 10 p m , we might want to have franchisees come at 2 p m so they can stay until 11 p m					
Daily operations (customer service, payment methods, cleaning, common problems, etc)	Classroom and in store	5 hours	Ops Documentation, training workbook, POS software	Operations Section 12	Royalties Payment form

Day	Location	Time	Supplemental Materials	Section of Module	Forms
Closing the Restaurant/nightly reconciliation	Classroom and in-store	3 hours	Ops Documentation, training workbook, POS software	Operations Section 12	Nightly Closing checklists
Day 7		**8 hours**			
Note This day might start late depending on when we close For example, if we close at 10 p m , we might want to have franchisees come at 2 p m so they can stay until 11 p m					
Purchasing, receiving, storing inventory	Classroom and in-store	2 hours	Ops Documentation, training workbook, POS software	Operations Section 4	Inventory sheets

Employee training	Classroom and in-store	2 hours	Ops Documentation, Employee Handbook, training workbook, POS software	Operations Section 11 and 12, Employee Handbook	Training evaluation form
Employee policies/legal	Classroom	1 hour	Ops Documentation, employee handbook, training workbook	Operations Section 11 and 12, Employee Handbook	Forms in employee handbook
Closing the store/nightly reconciliation	Classroom and in-store	3 hours	Ops Documentation, training workbook, POS software	Operations Section 12	Nightly Closing checklists
Day 8		**9 hours**			
Note We have flexibility on this day We might go through the entire menu in the classroom and then prepare the food all at once or split it up into two hours in the classroom, then two hours in the kitchen, etc This will depend on space and availability					
Menu Items	Classroom and in-store	2 hours	Menu Specs documentation, training workbook	Menu Specs (all sections)	
Menu Items Preparation	In-store	3 hours	Menu Specs documentation, training workbook	Menu Specs (all sections)	Recipe checklists
Cleaning and Equipment Maintenance	In-store	1 hour	Ops documentation,	Operations Section 5	
Day	**Location**	**Time**	**Supplemental Materials**	**Section of Module**	**Forms**
			training workbook		

Ongoing marketing efforts/PR/social media	Classroom	1 hour	Ops Documentation, training workbook, social media guide, samples of printed marketing materials, laptop	Operations Section 7 and 8	PR Worksheet form, all marketing forms
Brainstorm marketing/PR specific to franchisee's location	Classroom	1 hour	Laptop/notebook for notes		
Make preparations for shadow day	Classroom	1 hour	N/A		
Day 9		**8-10 hours**			
Note The last two days are shadow days On these days, your will perform all of the managerial functions with us, or a senior member of management will observe you and offer feedback					
Perform opening, closing, and all operational activities		8-10 hours			
Day 10		**8-11 hours**			
Perform opening and all operational activities		6 8 hours			
Final Exam	Classroom	2 hours			

You or your designated manager(s) must satisfactorily complete the initial training program to our satisfaction within the timeframe we establish You are responsible for all travel, lodging, food, wages, wage related expenses, and other expenses in connection with your training and your supervisorial or managerial personnel All supervisorial or managerial personnel employed after the initial Primal Kitchen Restaurant is opened will be required to complete the initial training program within 30 days following the commencement date of employment, at a location we designate (Franchise Agreement, Section 6 3)

All training will be under the direction of Mr Mario J Altiery, although our instructors are independent consultants All of our instructors will be subject matter specialists and will have at least 5 years of experience in the subject matter We will offer initial training on an as-needed basis Our primary instruction is through lecture, hands-on training, the Manual and other instructional materials we prepare specifically for the Primal Kitchen Training Program

If at any time after completion of the initial training, you request additional training for yourself or any of your employees or you employ new supervisorial or managerial personnel requiring training, you will reimburse us for all travel and lodging expenses plus all other expenses we incur if the training is conducted at your Primal Kitchen Restaurant, or bear all of the expenses incurred by you or your supervisorial or managerial personnel who receive the training, if you choose to have the training conducted at our corporate offices or other location we designate (Franchise Agreement, Section 6 5)

I <u>Gift Card Program</u>

We have instituted a program for all Primal Kitchen Franchisees to sell, issue, or redeem gift cards (the "Gift Card Program") You must participate by offering Primal Kitchen gift cards to your customers and/or honoring all Primal Kitchen gift cards presented to you as payment for products and services, regardless of whether the gift card was sold or issued by you or another Primal Kitchen Restaurant When you sell or issue a gift card, you will keep the amount paid in your account until the gift card is redeemed We will reconcile your account with us by (1) crediting you for the full value of all gift card transactions redeemed by you weekly from other Primal Kitchen Restaurants that issued the gift cards, and/or (2) debiting you for the full value of each gift card sold at your Primal Kitchen Restaurant, but redeemed at a different location You will pay Royalties on sales paid by redeemed gift cards in your Primal Kitchen Restaurant Primal Kitchen gift cards have no expiration date, therefore you remain liable for each gift card sold at your Primal Kitchen Restaurant upon it is redeemed for an undetermined amount of time If your Franchise Agreement is terminated and not renewed, you must pay us the full value of any outstanding gift cards sold at your Primal Kitchen Restaurant that were not redeemed before the termination of your Franchise Agreement

ITEM 12 TERRITORY

<u>Franchise Agreement</u>

You will operate the Primal Kitchen Restaurant at a specific location approved by us (an "Authorized Location")

So long as you are in good standing, you may receive a non-exclusive protected radius around your Authorized Location Depending on a number of factors, the protected radius will range from halfa-mile to three (3) miles, unless your Primal Kitchen Restaurant is located in a densely populated urban environment, such as a downtown metropolitan area, and, in such case, you will not receive any protected radius We will analyze a market or territory using a number of factors including population density, income, traffic patterns, number of residences versus businesses, and will determine, with you, prior to executing of the Franchise Agreement what radius, if any, your Primal Kitchen Restaurant will receive

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

If you have been granted a protected radius, neither we nor our affiliates will operate or establish, or authorize another Primal Kitchen franchisee to operate or establish, a Primal Kitchen Restaurant within your protected radius You may face competition from other franchisees, from Primal Kitchen Restaurants that we own, or from other competitive brands that we control outside your protected radius

Except as expressly provided in the Franchise Agreement, you have no right to exclude, control or impose conditions on the location, operation or otherwise of present or future Primal Kitchen Restaurants, using any of the other brands or Marks that we now, or in the future, may offer, and we may operate or license Primal Kitchen Restaurants or distribution channels of any type, licensed, franchised or company-owned, regardless of their location or proximity to the Premises and whether or not they provide services similar to those that you offer You do not have any rights with respect to other and/or related businesses, products and/or services, in which we may be involved, now or in the future

You, other Primal Kitchen Franchisees, we, and our affiliates are not prohibited from soliciting prospective customers wherever we live or work As such, you are not prevented from soliciting members who live or work inside the protected territories granted to other Primal Kitchen Franchisees, or territories held by us, or our Affiliates Similarly, other Primal Kitchen Franchisees, we, and our affiliates are not prohibited from soliciting members who live or work within your protected territory You are not entitled to any compensation, allowance, payment or other consideration on account of any members who live or work within your protected territory and who become members of Primal Kitchen Restaurants owned by others

We expressly reserve all other rights, and can (along with anyone we designate)

(1) own and/or operate, and/or authorize others to own and/or operate any kind of business using the Marks we have licensed to you, whether or not using the same Mark, including, without limitation, other franchises, whether or not using the same Mark and System licensed to you

(2) develop or become associated with other concepts (including dual branding and/or other franchise systems), whether or not using the System and/or the Marks, and award franchises under such other concepts for businesses located and/or operating anywhere

(3) acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere Such transactions may include (but are not limited to) arrangements involving competing outlets and brand conversions (to or from the Primal Kitchen Marks and System) You may be responsible for any reasonable conversion costs

<u>Internet Sales / Alternative Channels of Commerce</u>

We may sell products and services to customers located anywhere, even if such products and services are similar to what we sell to you and what you offer at your Primal Kitchen Restaurant We may use the internet or alternative channels of commerce to sell "Primal Kitchen" brand products and services You may only sell the products and services from your approved Primal Kitchen Restaurant location, and may only use the internet or alternative channels of commerce to offer or sell the products and services, as permitted by us We may require you to submit samples of all advertising and promotional materials (and any use of the Marks and/or other forms of commercial identification) for any media, including the Internet, World Wide Web or otherwise We retain the right to approve or disapprove of such advertising, in our sole discretion Any use of social media by you pertaining to your Primal Kitchen Restaurant must be in good taste and not linked to controversial, unethical, immoral, illegal or inappropriate content We reserve the right to "occupy" any social media websites/pages and be the sole provider of information regarding the Primal Kitchen Restaurant on such websites/pages (e g , a system-wide Facebook page) At our request, you will promptly modify or remove any online communication pertaining to your Primal Kitchen Restaurant that does not comply with the Franchise Agreement or the Manual

We do not have to pay you if we exercise any of these options You do not have any rights of first refusal or rights to acquire additional franchises

You may not relocate the Primal Kitchen Restaurant to any other location without our prior written consent If we approve any relocation of your Primal Kitchen Restaurant, you must de-identify the former location If you fail to de-identify your former Primal Kitchen Restaurant, you must reimburse and indemnify and hold us harmless from all costs and expenses, including attorney's fees, arising out of your failure to de identify

Area Development Agreement

You will receive a non-exclusive protected area (the "Designated Territory") under an Area Development Agreement The Designated Territory may be defined by zip code boundaries, county boundaries, highways, physical landforms, city or municipality boundaries and other factors we deem appropriate We and our affiliates retain all rights to engage in any and all activities we deem appropriate whenever and wherever we desire, including the right to

(1) establish and operate, and allow others to establish and operate, Primal Kitchen Restaurants using the Marks and the System, at any location outside the Designated Territory, on such terms and conditions we deem appropriate,

(2) establish and operate, and allow others to establish and operate, competitive businesses that may offer products and services which are identical or similar to products and services offered by Primal Kitchen Restaurants, under the Marks or other trade names, trademarks, service marks and commercial symbols different from the Marks,

(3) establish, and allow others to establish, other businesses and distribution channels, including, but not limited to, the Internet (excluding Primal Kitchen Restaurants in the Designated Territory), wherever located or operating and regardless of the nature or location of the customers with whom such other businesses and distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from Primal Kitchen Restaurants, and that sell products and/or services that are identical or similar to, and/or competitive with, those that Primal Kitchen Restaurants customarily sell,

(4) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Primal Kitchen Restaurants, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the

franchisees or licensees of these businesses) are located or operating (including in the Designated Territory),

(5) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Primal Kitchen Restaurants, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Designated Territory, and

(6) engage in all other activities not expressly prohibited by the Area Development Agreement
We are not required to pay you if we exercise any of the rights specified above inside your Protected Territory

We may reduce the number of Primal Kitchen Restaurants to be developed in your Designated Territory if you fail to (i) meet the development schedule under your Area Development Agreement, (ii) fail to comply with any other term or condition of your Area Development Agreement, or (iii) fail to comply with any individual franchise agreement between you and us

ITEM 13 TRADEMARKS

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

We have applied for registration of the following Mark on the Principal Register of the U S Patent and Trademark Office

MARK	APP NO	APP DATE
PRIMAL KITCHEN	86/456,726	November 17, 2014

Affidavits of use and incontestability will be filed at the time specified by law

There are no presently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, nor any pending material litigation involving any of the Marks which are relevant to their use in any state There are no pending interference actions or opposition or cancellation proceedings that significantly limit our rights to use or license the use of the Marks in any manner material to the System

The Franchise Agreement does not require us or Licensor to protect any of the rights which you have with respect to the Marks We are not obligated to indemnify you against or to reimburse you for any damages for which you may be held liable in any proceeding arising out of the use of the names or Marks or any costs incurred in the defense of any such claim The Franchise Agreement also permits us to terminate the Franchise Agreement in the event you do not comply with the quality and operating standards set forth in the Franchise Agreement

Licensor is the sole owner the Marks and certain proprietary rights and information in connection with formulae and recipes for the authorized products sold in and the System for the operation of Primal Kitchen Restaurants As described in Item 1, Licensor has granted us a non-exclusive right to grant a nonexclusive license of these rights to you under the Franchise Agreement You are required under the terms of the Franchise Agreement to acknowledge that you had no part in the creation or development of such proprietary rights and information and that the same constitute trade secrets owned or licensed by us You must use all Marks in compliance with your Franchise Agreement and the Manual You cannot use the "Primal Kitchen" name or any of the Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you You may not use the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us You must not establish a website on the Internet using any domain name containing the Marks or any variation thereof without our written consent We retain the sole right to advertise on the Internet and create a website using the Marks as domain names

If it becomes advisable, in our sole discretion, for us to modify or discontinue use of any of the Marks, or use one or more additional or substitute Mark, you must comply with our directions to modify or otherwise discontinue the use of such Mark within a reasonable time after notice by us We will not be obligated to compensate you for any costs it incurs in connection with any such modification or discontinuance

You cannot seek to register, re register, assert claim to ownership of, license or allow others to use or otherwise appropriate to itself any of the Marks or any mark or name confusingly similar to them, except insofar as such action inures to our benefit and has our prior written approval Upon the termination or cancellation of the Franchise Agreement, you must discontinue use of the Marks, remove copies, replicas, reproductions or simulations thereof from the premises and take all necessary steps to assign, transfer, or surrender to us all Marks which you may have used in connection with the Franchise Agreement

You must immediately notify us of any apparent infringement of or challenge to your use of the mark Although not obligated to do so, we will take any action deemed appropriate and will control any litigation or proceeding You must cooperate with any litigation relating to the Marks which we might undertake

Other than the license agreement with Licensor, there are no agreements currently in effect, which significantly limit our rights to use or license the use of the Marks

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not own any right in or to any patents or copyrights that are material to the franchise We do, however, claim common law copyright protection for the Manual You do not receive the right to use any item covered by a patent or copyright, but you can use the proprietary information in the Manual and that you receive in training There currently are no effective determinations of the Copyright Office (or any court regarding any of the copyrighted materials There are no agreements in effect which significantly limit our right to use or license the copyrighted materials Finally, there are no infringing uses actually known to us that could materially affect your use of the copyrighted materials in any state Other than the License Agreement with Licensor, no agreement requires us to protect or defend any copyrights or you in connection with any copyrights

Confidential Manuals

You must conduct business under your Franchise Agreement in the manner specified in the Manual or any other written or oral communication from us We may revise the Manual from time to time, and you must comply with each new or changed standard We will lend you a copy of the Manual after you complete our Initial Training Program You must treat the Manual and the information contained in it, as confidential You cannot copy these materials or show them to any unauthorized person The Manual will remain our sole property

Confidential Information

In general, our proprietary information includes "Confidential Information" as defined in Section 12 of the Franchise Agreement, some of which is contained in our Operations Manual, and includes, among other things, all information (current and future) relating to the operation of Primal Kitchen Restaurants and System, including, among other things, all (i) manuals, training, techniques, processes, policies, procedures, systems, data and know how regarding the development, marketing, operation and franchising of a Primal Kitchen Restaurant, (ii) designs, specifications and information about products and services and (iii) all information regarding customers and suppliers, including any statistical and/or financial information and all lists We disclose to you Confidential Information needed for the operation of a Primal Kitchen Restaurant, and you may learn additional information during the term of your franchise We have all rights to the Confidential Information and your only interest in the Confidential Information is the right to use it under your Franchise Agreement

You must use the Confidential Information only for the operation of your Primal Kitchen Restaurant under a Franchise Agreement, maintain the confidentiality of the Confidential Information, not make or distribute, or permit to be made or distributed, any unauthorized copies of any portion of the Confidential Information, and (iii) follow all prescribed procedures for prevention of unauthorized use or disclosure of the Confidential Information (Franchise Agreement, Section 12)

We may require that you and each of your managers and employees execute covenants of confidentiality that they do not disclose any Confidential Information We have the right to use and authorize others to use all ideas, techniques, methods and processes relating to the Primal Kitchen Restaurant that you or your employees conceive or develop

You also agree to fully and promptly disclose all ideas, techniques and other similar information relating to the franchised business that are conceived or developed by you and/or your employees We will have a perpetual right to use, and to authorize others to use, those ideas, etc without compensation or other obligation

You must also promptly tell us when you learn about the unauthorized use of this proprietary information We are not obligated to take any action, but we will respond to your notification of unauthorized use as we think appropriate

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

You have the option of being an "owner operator" or appointing a designated manager, trained and approved by us The Franchise Agreement generally requires you to apply your best full-time efforts to managing the day-to-day operations of your Primal Kitchen Restaurant You must be actively involved in the start-up operations of your Primal Kitchen Restaurant and must know how to operate each facet of the business Although we prefer that the Primal Kitchen Restaurant be under your direct, "on-premises" supervision, you may appoint a designated manager to operate your Primal Kitchen Restaurant, as long as they have successfully completed the Initial Training Program to our satisfaction

Upon our request, you will require the following persons to execute non-solicitation and noncompete covenants, in a form satisfactory to us, including covenants applicable upon the termination of a person's relationship with you (1) all supervisorial or managerial personnel of yours, (2) all officers, directors, members, partners, general partners, limited partners and holders of a beneficial interest of yours, and (3) the spouse of each such person

You are solely responsible for the soliciting, hiring, firing, disciplining, paying, scheduling and management of the employees of your Primal Kitchen Restaurant for the terms of their employment and for ensuring their compliance with any training or other requirements established by us You will keep us advised, in writing, of any designated manager involved in the operation of your Primal Kitchen Restaurant and their contact information

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

A fundamental requirement of you joining and remaining part of the System will be your commitment to the operation of your Primal Kitchen Restaurant according to then current System standards Your Primal Kitchen Restaurant must be constructed, improved and operated only in the manner we authorize

You must offer and sell only those authorized products and services ("Authorized Products"), and deal only with those suppliers that we authorize or approve

In conjunction with the offering of new Authorized Products, we may require you to comply with other requirements, such as training, marketing, equipment or smallwares purchases, or insurance, before we will allow you to offer the new products

You may not advertise, offer for sale or sell, any products and/or services that we have not authorized We reserve the right to add or change the types of Authorized Products at any time in our discretion There are no limits on our rights to do so

Your Primal Kitchen Restaurant is to be used solely for the operation of the business licensed under your Franchise Agreement, and you cannot use or permit the use of your Primal Kitchen Restaurant for any other purpose or activity at any time without our prior written approval

You must refrain from any merchandising, advertising, or promotional practice that is unethical or may be injurious to our business and/or other franchised businesses or to the goodwill associated with the Marks

We will not restrict you from offering products to customers, wherever located, or soliciting customers no matter whom they are or where they are located However, you may only offer products from your Authorized Location We reserve the right to offer products bearing the "Primal Kitchen" brand in Alternative Channels of Distribution You have no rights to offer products through Alternative Channels of Distribution (Please see Item 12 for additional information)

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a Length of the franchise term	Section 3 1	Term is 10 years
b Renewal or extension of term	Section 3 2	If you are in good standing, you can renew for two consecutive additional 5 year terms

Provision	Section in Franchise Agreement	Summary
c Requirements for renewal or extension	Sections 3 2, 3 3, 3 4	Meet renewal criteria, sign new agreement, be in good standing under all agreements, no history of default, sign a general release, pay renewal fee and remodel You may be required to sign a franchise agreement with materially different terms and conditions than those in your previous franchise agreement(s) If applicable law requires, we will give you additional notice
d Termination by franchisee	Section 15 1	Only if we are in default
e Termination by franchisor without cause	Not applicable	Not applicable
f Termination by franchisor with cause	Section 15 2	Material breach of the Franchise Agreement or other agreements, intentional, repeated defaults and others
g **"Cause"** defined – curable defaults	Section 15 2 (2)	You have 30 days to cure non-payment of fees (except as described below), failure to obtain our written approval or consent, acts that affect the goodwill associated with the Marks, failure to comply with any provision of the franchise agreement, failure to maintain books and records or comply with audit or inspection, failure to directly supervise day to day shop operations, failure of you or your managers to complete initial training, failure to maintain insurance, failure to obtain executed confidentiality and non-compete agreements, offer of unapproved goods or

Provision	Section in Franchise Agreement	Summary
		services, non-submission of reports and continued violations of laws regarding operating of your franchised location, and others You have 10 days from notice to cure delinquent payment of any amount owed us or our affiliates, or obtain adequate financing to cover development, opening and operation of your Primal Kitchen Restaurant, failure to pay any amounts when due for construction, leasing, financing, operations or supply of your Primal Kitchen Restaurant, closure of bank account without notice to us
h "**Cause**" defined – non curable defaults	Section 15 2 (1)	Non-curable defaults bankruptcy, insolvency or appointment of receiver or custodian, material misrepresentation or omission in applying for the franchise, unauthorized direct or indirect transfer, falsification of financial reports or records, abandonment of franchise or loss of lease, conviction or plead no contest to a felony, violation of any health or safety law, ordinance or regulation, or operation of the business in a manner presenting a health or safety hazard, failure to obtain suitable location and open for business within 12 months after signing franchise agreement, failure to comply with noncompete covenants, misuse of the Marks, System or other Confidential Information, repeated defaults even if cured
Provision	**Section in Franchise Agreement**	**Summary**

i Franchisee's obligation on termination/non-renewal	Sections 15 6, 12 and 13	Obligations include complete deidentification, transfer phone numbers, cease use of Marks, cancel assumed names, assignment of any leasehold interest, certain obligations continue, including non-competition and confidentiality provisions, payment of amounts due and, in certain instances, payment of a "Termination Fee"
j Assignment of contract by franchisor	Section 14 7	No restriction on our right to assign
k "Transfer" by franchisee definition	Section 14 1	Includes transfer of contract, assets or ownership change
l Franchisor approval of transfer by franchisee	Section 14 1	We have the right to approve all transfers but will not unreasonably withhold approval under certain conditions
m Conditions for franchisor approval of transfer	Section 14 3	Information regarding prospective Transferee is provided to us We have not exercised our right of first refusal New franchisee qualifies, completes initial training, transfer fee and training fees paid, all sums owed have been paid, be in good standing, general release, confidentiality and non compete agreements signed by you and all shareholders, members and partners, if required, transfer of sublease, personal guarantee by transferee, upgrade, refurbish or repair the premises to conform to our then current standards, and current agreements signed by new franchisee (also, see "n" below), and others Additional obligations apply to transfer to a corporation or limited liability company
n Franchisor's right to acquire franchisee's business	Section 14 2	We have a right of first refusal on any proposed transfer, upon the same terms and conditions offered by the proposed transferee

Provision	Section in Franchise Agreement	Summary
o Franchisor's option to purchase franchisee's business	Section 15 6 (I) (1)	We have the option, exercisable by giving 30 days written notice to purchase any and all inventory, equipment, furniture, fixtures, signs, sundries and supplies owned by you and used in your Primal Kitchen Restaurant, at the lesser of (i) your cost less depreciation computed on a reasonable straight line basis (as determined in accordance with generally accepted accounting principles and consistent with industry standards and customs) or (ii) fair market value of such assets, less (in either case) any outstanding liabilities of your Primal Kitchen Restaurant In addition, we have the option to assume your lease for the lease location of your Primal Kitchen Restaurant, or if an assignment is prohibited, as sublease for the full remaining term on the same terms and conditions as your lease
p Death or disability of franchisee	Section 14 5	If no heir or other principal person capable of operating your Primal Kitchen Restaurant, we shall have the right, but not the obligation, to immediately appoint a manager and commence operating your Primal Kitchen Restaurant on your behalf, and be paid all reasonable costs and expenses for such management assistance, including without limitation, the manager's salary, room and board, travel expenses and all other related expenses
q Non-competition covenants during the term of the franchise	Sections 13 1, 13 2	No involvement in Competing Business (as defined in the Franchise Agreement) No solicitation for employment or employment of any person who is employed by us or any of our other franchisees or was employed by such entity during the past year

Provision	Section in Franchise Agreement	Summary
r Non competition covenants after the franchise is terminated or expires	Section 13 1	For two (2) years after the expiration, termination, non-renewal or assignment No involvement in Competing Business anywhere within a 15-mile radius of any Primal Kitchen Restaurant whether franchised or owned by us or any of our affiliates
s Modification of the Franchise Agreement	Article 19	Only by a written agreement signed by both parties
t Integration/merger clause	Article 19	Only the terms of the Franchise Agreement are binding (subject to state law) Nothing in the Franchise Agreement is intended to disclaim the representations made in the disclosure document Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable
u Dispute resolution by arbitration or mediation	Article 16	Except for a few types of claims, all disputes are resolved through face-to-face meeting, mediation and, binding arbitration by a 3 member panel under the
		Rules of the AAA in Arizona, waiver of jury trial, waiver of class actions, limitation of types and amount of damages and periods to bring claims Neither, punitive damages nor attorneys' fees, may be awarded by the Panel and arbitrations will be conducted on an individual, not class-wide basis
v Choice of forum	Section 17 6	Franchise submits to jurisdiction in any state or federal court in Arizona, in the district where our principal place of business is located in connection with matters not subject to arbitration
w Choice of law	Section 17 5	Arizona law applies

AREA DEVELOPMENT AGREEMENT

This table lists certain important provisions of the Area Development Agreement and related agreements You should read these provisions in the agreements attached to this disclosure document

	PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
a	Length of the term of the Area Development Agreement	Section V	The rights granted under the Area Development Agreement expire on the date of our acceptance and signing of a Franchise Agreement for the last Primal Kitchen Restaurant to be developed
b	Renewal or extension of the term	Not Applicable	
c	Requirements for developer to renew or extend	Not Applicable	
d	Termination by developer	Not Applicable	The Area Development Agreement does not contain a provision allowing you to terminate the Area Development Agreement for any reason
e	Termination by franchisor without cause	Not Applicable	The Area Development Agreement does not provide for termination without cause
f	Termination by franchisor with cause	Section VIII	If you are in default of the Area Development Agreement, we will have cause to terminate the Area Development Agreement
g	"Cause" defined – curable defaults	Not Applicable	The Area Development Agreement does not provide for defaults which can be cured

PROVISION		SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
h	"Cause" defined – noncurable defaults	Section VIII	The Area Development Agreement will terminate automatically if you are adjudicated bankrupt or are otherwise involved in a bankruptcy proceeding, if a final judgment remains unsatisfied of record for 30 days or longer (unless bond is filed), if execution is levied against your business or property, if a mortgage or lien foreclosure suit is instituted against you and is not dismissed or in the process of being dismissed within 30 days, if you have failed to exercise options and enter into Franchise Agreements with us according to your Development Schedule, failed to comply with any other term or condition of the Area Development Agreement, make or attempt to make an unapproved transfer or assignment of the Area Development Agreement, or if you fail to comply with the terms and conditions of any Franchise Agreement or other agreement between you and us

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
i Developer's obligations on termination/ non-renewal	Section VIII(d)	You will lose your options to establish an individual Primal Kitchen Restaurant for which a Franchise Agreement has not been signed by us A default under the Area Development Agreement will not be considered a default under the Franchise Agreement, unless specified otherwise If you are in default of the Area Development Agreement, but are not in default under any one or all of your Franchise Agreements, you may continue to operate the existing Primal Kitchen Restaurant(s) under the terms of their separate Franchise Agreements
j Assignment of contract by franchisor	Paragraph IX(a)	No restriction on our right to assign
k "Transfer" by developer -	Section IX(c)	Includes transfer of assets and all rights
defined		under the contract or change of ownership
l Franchisor approval of transfer by developer	Section IX(c)	We have the right to approve all transfers by you, but will not unreasonably withhold approval

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
m Conditions for franchisor approval of transfer	Sections IX(c) and (e)	For a transfer to a third party, the transferee must meet our qualifications, successfully complete the training program and sign the current Area Development Agreement You will pay all sums owed to us and sign an agreement containing general release, as well as pay our then-current transfer fee You must give us 90 days written notice before any sale or assignment of the Area Development Agreement and 15 days written notice of any received offer to buy your interest in the Area Development Agreement You must give simultaneous written notice to us of any offer to sell an interest under the Area Development Agreement made by you
n Franchisor's right of first refusal to acquire developer's business	Section IX(e)	We have the right of first refusal to purchase your ownership interest or assets which are for sale and for which you have received a good faith offer to purchase
o Franchisor's option to purchase developer's business	Section IX(e)	We have 15 days from notice of the offer to purchase your ownership interest or your assets at the same terms as contained in the offer

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
p Death or disability of developer	Not Applicable	See rows k , l and m above While your death or disability is not specifically addressed in the Area Development Agreement, a transfer of shares upon the death of an owner of the area developer (or a transfer of the agreement upon your death if you are an individual) would be treated the same as any other transfer
q Non-competition covenants during the term of the franchise	Section X	You must not divert or attempt to divert any business or customer to a competitor, or perform any act which may harm the
		goodwill associated with the Marks and the System, employ or seek to employ any person then employed by us or another franchisee of a Primal Kitchen Restaurant or otherwise cause that person to leave his or her employ, or own or otherwise have more than 5% interest in any "competitive business " You will also be bound by and comply with the covenants in each Franchise Agreement you sign with us The covenants apply even if you have transferred your interest in the Area Development Agreement The term "Competitive Business" means any business (other than a Primal Kitchen Restaurant) principally offering products substantially similar to the products and services than being offered by the majority of Primal Kitchen Restaurants

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT	SUMMARY
r Non-competition covenants after the franchise is terminated or expires	Section X(b)	You must not own or operate a Competitive Business for two (2) years after the Area Development Agreement is terminated within the Designated Territory or within a 15 mile radius of any Primal Kitchen Restaurant You will also be bound by and comply with the covenants in each Franchise Agreement signed with us The covenants apply even if you have transferred your interest in the Area Development Agreement
s Modification of the Area Development Agreement	Section XVI	The Area Development Agreement can be modified only by written agreement between us and you
t Integration/ merger/clause	Section XVI	Only the terms of the Area Development Agreement are binding (subject to state law) However, nothing in the Area Development Agreement or any related agreement is intended to disclaim our representations made in the Disclosure Document
u Dispute resolution by arbitration or mediation	Section XIX	The Area Development Agreement is subject to mandatory binding arbitration
v Choice of forum	Section XIX(e)	Any action will be brought in the appropriate state or federal court nearest to our then current principal place of business
w Choice of law	Section XIX(h)	Arizona law applies (unless prohibited by laws of the state where your Primal Kitchen Restaurant is located)

ITEM 18 PUBLIC FIGURES

There are no arrangements that provide any compensation or other benefit to a public figure arising, in whole or in part, from (i) the use of the public figure in the name or symbol of the franchise, or (ii) the endorsement or recommendation of the franchise by the public figure in advertisements

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 Mr Mario J Altiery, 11445 E Via Linda #2-607, Scottsdale, AZ 85259, (480) 471-5264, the Federal Trade Commission, and the appropriate state regulatory agencies

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE NO 1
SYSTEM-WIDE OUTLET SUMMARY FOR FISCAL YEARS 2014 TO 2016

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE (+ or -)
Franchised	2014	0	0	0
	2015	0	0	0
	2016	0	0	0
Company-Owned				
	2014	0	0	0
	2015	0	0	0
	2016	0	0	0

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE (+ or -)
Total Outlets				
	2014	0	0	0
	2015	0	0	0
	2016	0	0	0

TABLE NO 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE) FOR FISCAL YEARS 2014 TO 2016

STATE	YEAR	NUMBER OF TRANSFERS
Total Outlets		
	2014	0
	2015	0
	2016	0

TABLE NO 3
STATUS OF FRANCHISED OUTLETS FOR FISCAL YEARS 2014 TO 2016

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
State								
	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
Total Outlets								
	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0

TABLE NO 4
STATUS OF COMPANY OWNED OUTLETS
FOR FISCAL YEARS 2014 TO 2016

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Total Outlets	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0

TABLE NO 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2016

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE NEXT FISCAL YEAR
State	0		0
AZ	0	2	0
CA	0	2	0
CO	0	1	0
TX	0	2	0
Total Outlets	0	7	0

A list of the names, addresses and telephone numbers of our current franchisees as of the Issuance Date of this Disclosure Document is attached as **Exhibit I**

A list of the names, addresses and telephone numbers of our franchisees who have had a franchise terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date of this franchise disclosure document, is attached as **Exhibit J**

There are no trademark-specific advisory councils that have asked to be included in this Disclosure Document

In some instances, current and former franchisees sign provisions restricting their ability to speak only about their experience with your Primal Kitchen Restaurants 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

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

ITEM 21 FINANCIAL STATEMENTS

We have not been in business for three years or more and cannot include all the financial statements required by the Rule for our last three fiscal years Attached to this disclosure document as **Exhibit C** are our audited financial statements for the periods ending December 31, 2015 and December 31, 2016 Our fiscal year ends on December 31

ITEM 22 CONTRACTS

The following agreements are attached to this Disclosure Document

Exhibit A	Franchise Agreement and Exhibits
	Exhibit 1 The Authorized Location and Protected Radius
	Exhibit 2 Electronic Funds Transfer Agreement
	Exhibit 3 Electronic Debit Authorization
	Exhibit 4 Telephone Listing Agreement
	Exhibit 5 Guarantee, Indemnification, Acknowledgment
	Exhibit 6 Lease Addendum
	Exhibit 7 Confidentiality Agreement
	Exhibit 8 Confidentiality and Non-Competition Agreement
	Exhibit 9 ADA Certification Form
Exhibit B	Area Development Agreement
Exhibit E	State-Specific Addenda
Exhibit F	Statement of Prospective Franchisee
Exhibit H	Form of General Release

ITEM 23 RECEIPTS

Our and your copies of the Disclosure Document Receipt are located on the last two pages of this Disclosure Document

EXHIBIT A
TO FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT AND RELATED EXHIBITS PRIMAL KITCHEN

FRANCHISE AGREEMENT PRIMAL KITCHEN FRANCHISE AGREEMENT
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EXHIBITS

PRIMAL KITCHEN
FRANCHISE AGREEMENT

This Primal Kitchen Franchise Agreement (this "Agreement") is entered into as of the ____ day of ____________________, 20___ between Primal Kitchen, LLC, an Arizona limited liability company ("Franchisor") and ______________________________, or his/her/their assignee, if a partnership, corporation or limited liability company is later formed ("Franchisee"), upon the following terms, conditions, covenants and agreements

INTRODUCTION

A Franchisor developed a system, including various business techniques and methods, trade secrets (including recipes), copyrights (possibly patentable ideas), ingredient lists, confidential and proprietary information and other intellectual property rights (collectively, the "System") for the establishment and operation of distinctive fast-casual primal food restaurants attached to a dynamic grab and go cafes ("Primal Kitchen Restaurants") identified by the "Primal Kitchen" trade name, logo and other trademarks and service marks and related trade dress, as licensed hereunder (the "Marks")

B The System includes the Marks and trade secrets, proprietary methods and information and procedures for the establishment and operation of a Primal Kitchen Restaurant, including, without limitation, confidential manuals (collectively, the "Manual"), recipes, ingredients, menu specifications, marketing, advertising and sales promotions, equipment, furniture and fixtures, cost controls, accounting and reporting procedures, personnel management, training methods, distinctive interior design and display procedures, and color scheme and decor

C Pursuant to a written agreement dated February 10, 2016, Franchisor has licensed from Primal Nutrition, Inc ("Licensor") the exclusive rights to license the Marks in connection with its franchise program Franchisor grants to qualified persons who are willing to undertake the required investment and effort, a license to open and operate a Primal Kitchen Restaurant

D Franchisee desires to obtain a license to use the System in the development and operation of a Primal Kitchen Restaurant at the location specified in this Agreement (the "Primal Kitchen Restaurant")

E Franchisor is entering into this Agreement in reliance upon the representations of Franchisee as to itself and to the person(s) who will participate in the ownership and management of the Primal Kitchen Restaurant

F Franchisee has independently investigated the business contemplated by this Agreement, and recognizes that the nature of the business may change over time, that an investment in a Primal Kitchen Restaurant involves business risks and that the venture's success depends primarily upon Franchisee's business abilities and efforts

G Franchisee acknowledges having received a copy of Franchisor's Franchise Disclosure Document and having had an adequate opportunity to investigate the business contemplated by this Agreement and to discuss the terms and conditions of this Agreement with financial and legal advisors of Franchisee's choosing at least fourteen (14) days prior to signing Franchisee confirms that it is not relying upon any representation as to profits and/or sales volume that Franchisee may achieve nor upon any representations or promises by Franchisor that are not contained in this Agreement

NOW, THEREFORE, in consideration of the premises and of the considerations set below, the parties agree as follows

1 GRANT OF LICENSE, LOCATION

1 1 **Grant** Subject to any pre-existing rights of Licensor, Franchisor, or other affiliates of Franchisor to the rights of Franchisor to distribute any products or services through any "Alternative Channels of Distribution" (as defined herein) and subject to the rights otherwise reserved by Franchisor in this Agreement, Franchisor grants to Franchisee, subject to the terms and conditions of this Agreement, the non-exclusive right and license to

A Establish and operate a single Primal Kitchen Restaurant, utilizing only the System and the Marks, at a location that has been authorized by Franchisor (the "Authorized Location"), in accordance with the provisions and for the term specified in this Agreement,

B Use the Marks of Franchisor under the terms of this Agreement to identify and promote the Primal Kitchen Restaurant offered hereunder, and

C Use the proprietary business methods and know-how as set forth periodically in the Manual, other manuals, training programs, or otherwise communicated to Franchisee

1 2 **Site Approval Process** Before Franchisor considers approving a location for the Primal Kitchen Restaurant, Franchisee must submit to Franchisor a complete report containing all information Franchisor may reasonably request concerning the proposed location, including, without limitation, population density, demographics, proximity to other Primal Kitchen Restaurants, available parking, traffic flow and entrance to and exit from the site (the "Location Report") Franchisor shall deliver to Franchisee written approval or disapproval of a proposed location within 21 days after Franchisor receives the Location Report Franchisor's approval of the proposed site shall be deemed to be a binding addendum to this Agreement upon Franchisor and Franchisee's execution of Exhibit 1, which is attached hereto and incorporated herein by reference, and which will set forth the Authorized Location Franchisor agrees not to unreasonably withhold approval of a site that meets its site criteria Franchisee acknowledges that Franchisor's approval of a proposed site is permission only and not an assurance or guaranty to Franchisee of the availability, suitability or success of a location, and cannot create a liability for Franchisor While Franchisor will provide site selection assistance as specified in Section 6 1 herein, Franchisee alone is ultimately responsible for selecting and developing an acceptable location for the Primal Kitchen Restaurant Unless Franchisor waives the requirement, Franchisee will employ and pay a site selection and development vendor that Franchisor approves Franchisee agrees to hold Franchisor harmless with respect to the selection of the Authorized Location by Franchisee Franchisee must obtain

lawful possession of an Authorized Location by lease, purchase or other method and open for regular, continuous business within nine (9) months of the date that Franchisor accepts this Agreement The opening date may be extended an additional three (3) months, at Franchisor's sole discretion, to assist Franchisee in selecting a site that meets Franchisor's site criteria However, Franchisor may, at its discretion, charge Franchisee a royalty of $3,500 per month for each month that Franchisee fails to open for business, commencing with the tenth month after Franchisor accepts this Agreement Franchisor has the right to terminate this Agreement if Franchisee fails to select a site for the Primal Kitchen Restaurant that meets Franchisor's approval, within the time period allotted above

1 3 **Authorized Location & Protected Radius**

A If the Authorized Location has not been identified at the time this Agreement is signed, Franchisee must identify a site approved by Franchisor within the following Designated Market Area

____

Once the Authorized Location for the Primal Kitchen Restaurant has been identified in the Authorized Location Addendum, attached hereto as Exhibit 1, Franchisor agrees that, so long as Franchisee is in good standing, neither it nor its affiliates will operate or establish, or authorize another Primal Kitchen franchisee to operate or establish, a Primal Kitchen Restaurant using the System or Marks within a certain radius ("Protected Radius"), ranging from half-a mile to three (3) miles, around the Authorized Location (as measured from the outside walls of the Primal Kitchen Restaurant) in suburban environments In dense urban environments, such as, downtown metropolitan areas, Franchisee will not receive any protected radius/territory and Franchisor may authorize locations within a few blocks of each other The Protected Radius, if any, will be defined in Exhibit 1, hereto

1 4 **Rights Reserved to Franchisor**

A Except for the right to operate a single Primal Kitchen Restaurant from the Authorized Location, Franchisee is not granted any rights to use the System and Marks in connection with any other channel of commerce or method of distribution, including, without limitation, distribution of products or services through any temporary or mobile facilities, sales through retail stores that do not operate under the Marks, sales made at wholesale, or sales via the Internet (collectively, the "Alternative Channels of Distribution"), all such rights being retained by Franchisor

B Franchisor reserves all rights not expressly granted to Franchisee under this Agreement, and specifically reserves the rights to operate, or to license others to operate

(i) any kind of business in any Protected Radius awarded to Franchisee selling to customers located anywhere, whether or not using the Primal Kitchen brand and System, except for a Primal Kitchen Restaurant in Franchisee's Protected Radius, and

(ii) any kind of business anywhere outside of any Protected Radius awarded to Franchisee selling to customers located anywhere, whether or not using the Primal Kitchen brand and System, including without limitation, Primal Kitchen Restaurants

C If Franchisor chooses to grant Franchisee rights relating to an "Alternative Channel of Distribution," Franchisee shall have no protected area whatsoever with respect to such Alternative Channel of Distribution, unless a mutually executed special addendum to this Agreement specifies a protected area for an Alternative Channel of Distribution Such a protected area, if any, shall be determined by Franchisor in its sole discretion

D Notwithstanding anything to the contrary in this Agreement or otherwise, Franchisor and/or any of Franchisor's affiliates can acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere, and including arrangements in which (i) other units are (or are not) converted to the Primal Kitchen brand or other format (including using the System and/or Marks) and/or (ii) Franchisor and/or any of Franchisor's affiliates are acquired, and/or company-owned, franchised or other businesses are converted to another format, maintained under the System or otherwise All Primal Kitchen Restaurants owned by Franchisee will fully participate in any such conversion at Franchisee's expense, which shall not exceed $25,000 Franchisee shall have a period of twelve (12) months to complete the conversion

E Franchisee acknowledges and agrees that if the System is converted to a different format or brand name, Franchisor may immediately commence to promote and market the new format and/or brand name Franchisor may direct that funds from the Marketing Fund, as described in Paragraph 6 10, be used likewise, even though Franchisee defers the conversion of its Primal Kitchen Restaurant to the new format and/or brand name, and Franchisee shall be obligated to continue to make contributions to the Marketing Fund

2 ACCEPTANCE BY FRANCHISEE

2 1 **Acceptance By Franchisee** Franchisee accepts this Agreement and the license granted herein and agrees to develop and operate the Primal Kitchen Restaurant on the terms and conditions specified herein Franchisee agrees to follow the System requirements relative to all of its operations, including, without limitation, its facilities, staff, advertising, operations and all other aspects of Franchisor's business and the System now in effect and changed periodically Franchisee, all its active owners and supervisorial or managerial personnel shall attend and complete Franchisor's training program to Franchisor's satisfaction

2 2 **Conditions** The rights being licensed herein are subject, without limitation, to the following conditions

A Franchisee's business and the Primal Kitchen Restaurant shall be identified only by those

Marks approved in writing by Franchisor with at least one outside sign as designated by Franchisor

B Concurrently, with the signing of this Agreement, Franchisee must execute a personal guaranty in the form attached hereto as Exhibit 5 ("Personal Guaranty") In the event Franchisee is a legal entity having more than one owner, all owners, shareholders, partners, joint venturers, and any other person who directly or indirectly owns a 10% or greater interest in Franchisee (the "Owners") must execute the Personal Guaranty Any person or entity that at any time after the date of this Agreement becomes an Owner, pursuant to Section 14 or otherwise, shall, as a condition of becoming an Owner, execute Franchisor's then current form of Personal Guaranty

C Franchisee shall submit the lease for the Primal Kitchen Restaurant to Franchisor for its written consent before Franchisee executes the lease for the Authorized Location The lease must contain the provisions outlined in Paragraph 7 2 A and Exhibit 6 ("Lease Addendum")

D Franchisee agrees that it shall open the Primal Kitchen Restaurant for regular, continuous business no later than twelve (12) months after this Agreement is signed by Franchisor Franchisor may in its sole discretion extend the opening date an additional 3 months if necessary to assist Franchisee in selecting a site that meets Franchisor's approval

E Franchisee agrees at all times to comply with the Manual, standards, authorized products, operating systems, and other aspects of the System (collectively, the System Standards") prescribed by Franchisor, which are subject to change at Franchisor's discretion

F Franchisee agrees to execute any exhibits, addendum, attachments and agreements to this Agreement requiring Franchisee's signature

3 TERM AND RENEWAL

3 1 **Term** The term of this Agreement shall be for a period of ten (10) years beginning on the date this Agreement is accepted by Franchisor, provided, however, the term of this Agreement shall be shortened (but not extended) to conform to the term of the lease for the Authorized Location (if the lease is shorter than ten (10) years)

3 2 **Renewal** Unless terminated at an earlier date, upon the expiration of the initial term, Franchisee shall have the right to renew this Agreement for two (2) consecutive additional five (5) year terms, or for option terms equal to the new or extended term of the lease for the Authorized Location (or suitable alternative location approved by Franchisor), subject to satisfaction of each of the following conditions

A Prior to each such renewal, Franchisee shall execute Franchisor's standard form franchise agreement being offered at the time of each such renewal The provisions of each such renewal franchise agreement may differ from and shall supersede this Agreement in all respects, including, without limitation, changes in royalty and advertising fees, except that Franchisee shall pay the renewal fee specified in Paragraph 3 2 G instead of the initial franchise fee Franchisee's failure or refusal to execute and return Franchisor's then current standard form Franchise Agreement to Franchisor within thirty (30) days after receipt by Franchisee shall constitute Franchisee's election not to renew,

B Franchisee shall demonstrate that it has the right to remain in possession of the Authorized Location for the duration of the renewal term, or that it has been able to secure and develop an alternative site acceptable to Franchisor,

C In consideration of each such renewal of the franchise, Franchisee shall execute a general release in the form and substance satisfactory to us, releasing any and all claims against us and our affiliates, officers, directors, employees and agents,

D At Franchisee's sole expense, Franchisee and Franchisee's supervisorial or managerial personnel shall complete such training as Franchisor may require to bring Franchisee into conformity with the then current qualifications and training requirements for new franchisees,

E Franchisee shall have completed or made arrangements to make, at Franchisee's expense such renovation and modernization of the Primal Kitchen Restaurant, including the interior and exterior of the building, grounds, leasehold improvements, signs, furnishings, fixtures, equipment, uniforms and decor as Franchisor reasonably requires so the Primal Kitchen Restaurant conforms with the then current standards and image of Franchisor,

F Franchisee, during the term of this Agreement, shall have substantially complied with all of the provisions of this Agreement and all other agreements with Franchisor, and shall be in compliance with the Manual and with Franchisor's policies, standards and specifications on the date of the notice of renewal and at the expiration of the initial term,

G Franchisee shall pay to Franchisor a renewal fee ("Renewal Fee") in the amount of $5,000, and

H Franchisee shall have given Franchisor written notice of renewal not less than 90 or more than 180 days before expiration of the initial term

I For any lease term which extends the underlying lease for a period of time in excess of the remaining term of the Franchise Agreement, or any renewal period for the Franchise Agreement, Franchisee must obtain Franchisor's prior written consent to permit either the extended lease term or any additional franchise term

3 3 **Franchisor's Refusal to Renew Franchise** Franchisor may refuse to renew the franchise if Franchisee is in default under this Agreement, or any other agreement with Franchisor or an affiliate of Franchisor, or if Franchisee fails to satisfy any of the foregoing conditions Subject to the above, Franchisor will not unreasonably deny renewal of a Franchise

3 4 **Notice of Expiration Required by Law** If applicable law requires that Franchisor give a longer period of notice to Franchisee than herein provided prior to the expiration of the initial term or any additional term, Franchisor will give such additional required notice If Franchisor does not give such required additional notice, this Agreement shall remain in effect on a month-to-month basis until Franchisee has received such required notice

4 TRADEMARK STANDARDS

4 1 **Name and Ownership** Franchisee acknowledges the validity of the Mark "Primal Kitchen" and all other Marks that now or in the future are or will be part of the System and agrees and recognizes that the Marks are the sole and exclusive property of Franchisor and/or the affiliates of Franchisor Franchisee further acknowledges that Franchisee's right to use the Marks is derived solely from this Agreement and is limited to the conduct of the Primal Kitchen Restaurant pursuant to and in compliance with this Agreement and all applicable standards, specifications and operating procedures prescribed by Franchisor from time to time Any unauthorized use of the Marks by Franchisee shall be a breach of this Agreement and an infringement of the rights of Franchisor and its affiliates Franchisee's use of the Marks inures to the benefit of Franchisor, which owns all goodwill now and hereafter associated with the Marks Franchisee agrees not to contest ownership or registration of the Marks Franchisor (and/or its affiliates) owns all right, title and interest in and to the Marks, and Franchisee has and acquires hereby only the qualified license granted in this Agreement

4 2 **Use**

A Franchisee shall not use any Mark as part of any corporate or business name with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form Franchisee shall display and use the Marks only in the manner and form prescribed or authorized by Franchisor and shall conduct no other business than that prescribed by Franchisor Franchisee shall not use any other mark, name, commercial symbol or logotype in connection with the operation of and shall not market any product relating to the Primal Kitchen Restaurant without Franchisor's written consent, and if such consent is granted, such product must be marketed in a manner acceptable to Franchisor Franchisor may also permit Franchisee to use from time to time other trademarks, service marks, trade names and commercial symbols as may be designated in writing

B Franchisee agrees to give such notices of trademark and service mark registrations and copyrights as Franchisor specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law

C Franchisee is prohibited from using the Marks in advertising, promotion or otherwise, without the appropriate "©" or "®" (copyright and registration marks) or the designations "TM" or "SM" (trademark and service mark), where applicable

4 3 **Litigation** Franchisee agrees to notify Franchisor immediately in writing if it becomes aware that any person who is not a licensee of Franchisor is using or infringing upon any of the Marks Franchisee may not communicate with any person other than Franchisor and its counsel in connection with any such use or infringement Franchisor will have discretion to determine what steps, if any, are to be taken in any instance of unauthorized use or infringement of any of its Marks and will have complete control of any litigation or settlement in connection with any claim of an infringement or unfair competition or unauthorized use with respect to the Marks Franchisee, at Franchisee's own expense will execute any and all instruments and documents and will assist and cooperate with any suit or other action undertaken by Franchisor with respect to such unauthorized use or infringement such as by giving testimony or furnishing documents or other evidence Franchisor will be responsible for legal expenses incurred by Franchisor in connection with any litigation or other legal proceeding involving such third party Franchisor shall not be liable for any legal expenses of Franchisee unless approved in writing by Franchisor in its discretion

4 4 **Modification, Discontinuance or Substitution** Franchisor reserves the right, if necessary in Franchisor's sole judgment, to change the principal Mark(s) of the System on a national or regional basis, and promptly upon notice, Franchisee shall at its expense adopt a new principal Mark(s) designated by Franchisor to identify a Primal Kitchen Restaurant Franchisor shall have no liability or obligation whatsoever with respect to Franchisee's change of any Mark Franchisor shall have no liability for any expenses or damages incurred by Franchisee as a result of Franchisor's election to change the use of any or all of the Marks

4 5 **Franchisor's Revenues** Franchisor and its affiliates may offer to sell to Franchisee at a reasonable profit various goods and services, and reserve the right to receive fees or other consideration in connection with "Primal Kitchen" sales promotion and advertising programs or from System vendors

5 FEES

5 1 **Initial Franchise Fee** Franchisee agrees to pay Franchisor an Initial Franchise Fee in the sum of Forty Thousand Dollars ($40,000) for a single Primal Kitchen Restaurant, upon execution of this Agreement in the form of a cashier's check The Initial Franchise Fee shall be fully earned by Franchisor upon payment and is not refundable, in whole or in part, under any circumstances

If you wish to reserve a development area, and open 2 or more Primal Kitchen Restaurants, you will sign an Area Development Agreement We will charge you the full initial franchise fee ($40,000) for the first unit, and $35,000 for each additional unit Upon execution of the Area Development Agreement, you will pay us a lump sum Development Fee ("Development Fee") in an amount equal to the full initial franchise fee ($40,000) plus $17,500 multiplied by the number of Primal Kitchen Restaurants to be opened pursuant to the Area Development Agreement The Development Fee is generally uniform but may vary based on negotiations between the parties

The Development Fee is fully earned by us when paid and is not refundable, in whole or in part, under any circumstances

Each time you sign a Franchise Agreement for a Primal Kitchen Restaurant, we will credit the amount paid for that Primal Kitchen Restaurant as part of the Development Fee against the amount of the Initial Franchise Fee owed for the Primal Kitchen Restaurant, and you will pay the remainder of the fee owed ($17,500) at that time

5 2 **Royalty Fee** Beginning from the day the Primal Kitchen Restaurant first opens for business and continuing during the Term of this Agreement, Franchisee agrees to pay Franchisor weekly, without setoff, credit or deduction of any nature, a royalty fee (the "Royalty Fee") The Royalty Fee will be equal to five percent (5%) of Franchisee's Gross Sales (as that term is defined in Section 5 3, below) Franchisee agrees to pay the Royalty Fee by Monday of each week following the week in which the royalties were earned, using the method of payment as specified in Section 5 6 below

5 3 **Gross Sales** As used in this Agreement, the term "Gross Sales" shall mean and include the total actual gross charges for all products and services sold to customers of the Primal Kitchen Restaurant, for cash or credit, whether such sales are made at or from the premises of the Primal Kitchen Restaurant, or any other location or other channels of distribution, including, but not limited to, catering, and temporary promotions and events, but excluding sales, use, service or excise taxes collected from customers and paid to the appropriate taxing authority, and customer refunds and adjustments (except that the calculation of such refunds or adjustments shall not exceed one percent (1%) of Gross Sales)

5 4 **Social Media Fee and Marketing Fund Contribution** We will charge a $200 monthly social media fee and will establish a national Marketing Fund to promote Primal Kitchen Restaurants and the Primal Kitchen Brand When Franchisor establishes a Marketing Fund to advertise and promote Primal Kitchen Restaurants, Franchisee agrees to pay Franchisor, monthly, during the term of this Agreement, 2% of Franchisee's Gross Sales, without set-off, credit or deduction of any nature, for national advertising and marketing services ("Marketing Fund Contribution"), at the same time and in the same manner as the Royalty Fee is paid The Marketing Fund Contribution shall be expended in accordance with Section 9 3 herein

5 5 **Local Advertising Expenses** Franchisee agrees spend such amounts monthly as necessary to continuously promote the Primal Kitchen Restaurant Franchisor believes that the minimum effective amount for local advertising is approximately $15,000 per quarter, or $60,000 per year Franchisee must spend a minimum of five percent (5%) of Franchisee's monthly Gross Sales on local advertising until such point as such percentage equals $15,000 per quarter and $60,000 per year At that point, Franchisee will be permitted to reduce the percentage amount of Gross Sales spent on local advertising, so

long as Franchisee continues to spend at least $15,000 per quarter, and $60,000 per year, regardless of percentage In no event, will the percentage spent on local advertising be less than two percent (2%) of Gross Sales (See Section 9 4 for more details on Local Advertising)

5 6 **Electronic Transfer**

A Unless Franchisor in its discretion specifies otherwise, Franchisee agrees to pay the Royalty Fee, Marketing Fund Contribution and any other fees owed to Franchisor, by pre-authorized electronic debit to Franchisor's bank or other financial institution account

B For purposes of this Agreement, each week shall end at midnight Sunday

C Franchisee agrees to complete and execute an "Electronic Funds Transfer Agreement" (attached as Exhibit 2 to this Agreement) and any other form, including, without limitation, an "Electronic Debit Authorization" (attached as Exhibit 3 to this Agreement) prescribed by Franchisor in its discretion for the purpose of authorizing an electronic debit, and to submit any information required by Franchisor for such authorization By signing the Electronic Funds Transfer Agreement and the Electronic Debit Authorization, Franchisee gives authorization to permit Franchisor to debit electronically Franchisee's bank account Franchisee agrees to maintain an account at a bank or other financial institution that has the capacity to perform electronic debits to its account

D Franchisee agrees to install at its expense and use such pre-authorized payment and computerized point of sales systems, credit verification systems, automatic payment systems, electronic funds transfer systems, or automatic banking system as Franchisor in its discretion may require This requirement may be specified by Franchisor to fulfill any business purpose reasonably related to the operation of the Primal Kitchen Restaurant and the System or to permit Franchisee to make all required payments to Franchisor by automatic bank transfer

E Franchisee agrees to maintain account balances sufficient to make all payments due to Franchisor by electronic transfer Any insufficiency shall constitute a default in payment pursuant to Paragraph 15 2(2) of this Agreement Any charges incurred by Franchisor due to a shortage of funds in Franchisee's bank account shall be promptly reimbursed by Franchisee to Franchisor

5 7 **Interest and Late Charges** Amounts due to Franchisor (except interest on unpaid amounts due) not paid when due shall bear interest from the date due until paid at the lesser of one and one-half percent (1 5%) per month, or the highest rate of interest allowed by law Franchisor may also recover its reasonable attorneys' fees, costs and other expenses incurred in collecting amounts owed by Franchisee, as well as charge $300 per month in its discretion for late payments

5 8 **No Accord or Satisfaction** If Franchisee pays, or Franchisor otherwise receives, a lesser amount than the full amount due under this Agreement for any payment due hereunder, such payment or receipt shall be applied against the earliest amount due Franchisor Franchisor may accept any check or payment in any amount without prejudice to Franchisor's right to recover the balance of the amount due or to pursue any other right or remedy No endorsement or statement on any check or payment or in any letter accompanying any check or payment or elsewhere shall constitute or be construed as an accord or satisfaction

6 FRANCHISOR SERVICES

6 1 **Site Selection and Lease Negotiations** Franchisee is responsible for locating, obtaining and evaluating the suitability and prospects of the Primal Kitchen Restaurant location, and for the review and negotiation of Franchisee's lease However, Franchisor, at Franchisee's request, will work closely with and assist Franchisee in site selection and the review and negotiation of Franchisee's lease by furnishing Franchisee with Franchisor's confidential site evaluation criteria, by consulting with and counseling Franchisee, and, at Franchisor's discretion, conducting field inspections of proposed sites at mutually convenient times Franchisor must approve Franchisee's site selection Franchisor agrees not to withhold approval unreasonably of a site that meets its site criteria Franchisee acknowledges that Franchisor's approval of a proposed site is permission only and not an assurance or guaranty to Franchisee of the availability, suitability or success of a location, and cannot create a liability for Franchisor If Franchisor and Franchisee are not able to agree upon a site for the Primal Kitchen Restaurant within the time period allotted in Section 1 2, Franchisor may terminate this Agreement

6 2 **Unit Development** Franchisor shall consult and advise Franchisee on proper display of the Marks, layout and design, procurement of equipment, furniture, fixtures and initial inventories, recruiting personnel, and managing construction or remodeling of the Primal Kitchen Restaurant After Franchisee has executed a lease for the Authorized Location, Franchisor shall deliver to Franchisee specifications and standards for building, equipment, furnishings, fixtures, layout, design and signs relating to the Authorized Location and shall provide reasonable consultation in connection with the development of the Primal Kitchen Restaurant, including names of recommended architects and contractors if Franchisor has contacts in Franchisee's area Franchisor shall at its corporate headquarters or at such other place as designated by Franchisor review Franchisee's plans and assist Franchisee in selecting the plan most suitable for the Primal Kitchen Restaurant Franchisor will provide Franchisee with its guidelines for purchasing or leasing equipment, signage, fixtures, inventory and supplies, hiring employees, etc Franchisee's architect must make any layout, design and specifications provided by Franchisor site specific Franchisee agrees to make no changes, alterations or modifications whatsoever to the selected layout and design without obtaining prior written consent from Franchisor If there is a conflict between Franchisee and Franchisor regarding the layout and design of the Primal Kitchen Restaurant, Franchisor's recommendations shall control

6 3 **Initial Training** Before the opening of the Primal Kitchen Restaurant, and at no charge beyond the Initial Franchise Fee, Franchisor will provide initial training (the "Initial Training") at its corporate training facility located in Scottsdale, Arizona, or at another location designated by Franchisor, which may include, but is not limited to, Franchisee's Primal Kitchen Restaurant Franchisor will provide Franchisee and Franchisee's supervisorial or managerial personnel, up to a maximum of five (5) people, one (1) initial training course All individuals must attend the same training course at the same time The length of the Initial Training Program is estimated to be 10 days, consisting of a combination of classroom training at Franchisor's headquarters or such other location as designated by Franchisor and on the job training conducted at Franchisee's Primal Kitchen Restaurant The Initial Training will cover basic aspects of establishing and operating the Primal Kitchen Restaurant, including a point of sale computer system ("POS System"), recipes, forms, costs and cash control, purchasing, inventory control and disposition, customer service, marketing, selling skills, employee hiring, training and scheduling procedures, job functions and maintenance of quality standards All of the required Initial Training is mandatory Franchisee, or its designated manager(s), must satisfactorily complete such course within the timeframe established by Franchisor Franchisee is responsible for all travel, lodging, food, wages, wage related expenses, and other expenses in connection with said training for Franchisee and Franchisee's supervisorial or managerial personnel Franchisee agrees that it will require all supervisorial or managerial personnel hired after the Primal Kitchen Restaurant is opened to complete Franchisor's Initial Training Program within 30 days following the commencement date of employment, at a location designated by Franchisor

6 4 **Opening Training** To facilitate the opening of the Primal Kitchen Restaurant, Franchisor will send at least one (1) of its representatives to the Primal Kitchen Restaurant to provide opening training for Franchisee and Franchisee's employees for approximately six (6) days Franchisor will determine, in its discretion, the number of representatives to be sent and the time to be spent in training Franchisee shall bear all expenses of Franchisor's representative(s) with respect to the opening training at the Primal Kitchen Restaurant

6 5 **Additional Training** If at any time after completion of the Initial Training Program, Franchisee requests additional training for Franchisee or any of its employees or employs new supervisorial or managerial personnel requiring training, Franchisee shall pay to Franchisor an Additional Training Fee of $3,500 and (i) reimburse Franchisor for its travel and lodging expenses plus all other expenses incurred by Franchisor in providing the training, if Franchisee chooses to have Franchisor conduct the training at the Primal Kitchen Restaurant, or (ii) bear all of the expenses incurred by Franchisee and/or its supervisorial or managerial personnel in receiving the training, if Franchisee chooses to have Franchisor conduct the training at Franchisor's corporate headquarters or other location designated by Franchisor

6 6 **Operations Manual** Franchisor's proprietary Operations Manual consist of a series of modules, presentations and materials that are accessible by Franchisee on-line, in a password protected environment Franchisor will grant Franchisee on-line access to

Franchisor's Manual during the term of this Agreement The Manual is anticipated to codify existing mandatory and suggested specifications, standards and operating procedures currently prescribed by Franchisor Franchisee acknowledges that Franchisor may from time to time revise its System as well as the contents of the Manual, and Franchisee agrees to comply with each new or changed standard and specification upon notice from Franchisor Any required specifications, standards, and/or operating procedures exist to protect Franchisor's interests in the Marks and in the System and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those day-to-day operational matters that are reserved to Franchisee The Manual shall remain the sole property of Franchisor and shall be kept confidential by Franchisee both during the term of this Agreement and subsequent to the termination, expiration, or non-renewal of this Agreement In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained at Franchisor's principal office shall be controlling The Manual may be provided electronically, in which case, Franchisor will grant Franchisee online access to an electronic version of the Manual, during the term of this Agreement If Franchisee in any way compromises the secure access to the online version of the Manual, including, but not limited to, allowing unauthorized users access to the Manual and its confidential contents, Franchisee will be required to pay Franchisor liquidated damages in the amount of $10,000, to compensate Franchisor for the breach and related damage to the System

6 7 **Continuing Services** Franchisor shall provide such continuing advisory assistance and information to Franchisee in the development and operation of the Primal Kitchen Restaurant as Franchisor deems advisable Such assistance may be provided, in Franchisor's discretion, by Franchisor's directives, System bulletins, meetings and seminars, telephone, computer, e-mail, fax, personal visits, newsletters or manuals Franchisor may provide regular consultation and advice to Franchisee in response to inquiries from Franchisee regarding administrative and operating issues that Franchisee brings to Franchisor's attention Franchisor may make recommendations that it deems appropriate to assist Franchisee's efforts However, Franchisee alone will establish all requirements, consistent with Franchisor's policies, regarding (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees, (ii) the individuals to whom Franchisee will offer and sell its products and services, and (iii) the suppliers from whom Franchisee obtains any products or services used in or at the Primal Kitchen Restaurant for which Franchisor has not established Approved Suppliers The rendering of any consultation, advise, assistance, consent, approval or services by Franchisor, as set forth in this Agreement, does not constitute any assurance or guaranty that such consultation, advice, assistance, consent, approval or services will result in any level of success of Franchisee's business Any Franchisor services set forth in this Agreement may be provided by Franchisor and/or representative(s) or designee(s) of Franchisor Franchisor will set pricing for the products Franchisee offers and sells from the Primal Kitchen Restaurant

6 8 **Approved/Designated Suppliers, Products and Services**

A Franchisor shall provide and from time to time, add to, alter or delete, at Franchisor's discretion, lists of specifications, approved distributors and suppliers, approved services, products, materials and supplies, and training that may benefit Franchisee in the operation of the Primal Kitchen Restaurant Franchisor has the right to require that Franchisee obtain products/services specified by Franchisor from time to time exclusively from suppliers designated or approved by Franchisor ("Approved Suppliers") Franchisor has the right to designate or approve a single or multiple suppliers for any specified product/service and to designate a single supplier as an exclusive supplier of a required product or service Approved Suppliers may include, and may be limited to, Franchisor and/or companies affiliated with Franchisor Franchisee must not offer or sell any products or services not approved by Franchisor If Franchisor disapproves a particular item, Franchisee agrees not to use it

B Designation or approval of a supplier may be conditioned on factors established by Franchisor as it considers appropriate, including without limitation, performance relating to frequency of delivery, standards of service, inability to maintain quality/adequate supply of goods, inability to meet or maintain acceptable pricing, and payment or other consideration to Franchisor or parties designated by Franchisor Franchisor can approve, or revoke or deny approval, of particular items or suppliers in its sole discretion Franchisor and its affiliates reserve the right to receive rebates, incentive amounts, discounts and other economic benefits from any supplier and have the right to realize a profit on the sales of products and/or services to Franchisee

C Franchisee can request the approval of an item, product, service or supplier by notifying
Franchisor in writing and submitting such information and/or materials Franchisor may request Franchisor may require Franchisee to pre-pay any reasonable charges connected with Franchisor's review and evaluation of any proposal These charges may include reimbursement for reasonable travel, accommodations and meal expenses, for any personnel who are engaged in evaluating a supplier at Franchisee's request Franchisor will notify Franchisee in writing of Franchisor's approval or disapproval within 90 days after Franchisee makes a written request

6 9 **Pricing** To promote a consistent consumer experience, and to maximize the value of limited advertising expenditures, Franchisor may, from time to time, typically in conjunction with a limited-time promotion or for core menu product offerings, recommend fixed minimum or maximum prices for any products or services offered by the System Franchisee is obligated to use the "recommended" prices to be charged at the Primal Kitchen Restaurant Consistent with State or Federal law, we reserve the right to change our pricing program in the future, and may require uniform menu pricing at some future date

6 10 **Marketing Fund** Franchisor will maintain and administer a Marketing Fund for such advertising or public relations programs as Franchisor, in its discretion, may deem necessary or appropriate to advertise and promote the Primal Kitchen Brand pursuant to Paragraph 9 3 of this Agreement

6 11 **Grand Opening Advertısıng Assistance** Franchısor shall consult and advıse Franchısee on the advertısıng, marketıng and promotıon for the Grand Openıng of the Prımal Kıtchen Restaurant pursuant to Paragraph 9 5 of thıs Agreement, and Franchısor shall supply Franchısee wıth an ınıtıal supply of forms, marketıng materıals, and standards and specıfıcatıons for statıonary and other prınted materıals to be used ın the Franchıse Busıness

6 12 **Websites** As used ın thıs Agreement, the term "**Website**" means an ınteractıve electronıc document, serıes of symbols, or otherwıse, that ıs contaıned ın a network of computers lınked by communıcatıons software The term Websıte ıncludes, but ıs not lımıted to, Internet and World Wıde Web home pages In connectıon wıth any Websıte, Franchısee agrees to the followıng

6 12 1 Franchısor shall have the rıght, but not the oblıgatıon, to establısh and maıntaın a Websıte, whıch may, wıthout lımıtatıon, promote the Proprıetary Marks, Prımal Kıtchen Restaurants, the franchısıng of Prımal Kıtchen Restaurants, and/or the System Franchısor shall have the sole rıght to control all aspects of the Websıte, ıncludıng wıthout lımıtatıon ıts desıgn, content, functıonalıty, lınks to the websıtes of thırd partıes, legal notıces, and polıcıes and terms of usage, Franchısor shall also have the rıght to dıscontınue operatıon of the websıte

6 12 2 Franchısor shall have the rıght, but not the oblıgatıon, to desıgnate one or more web page(s) to descrıbe Franchısee and/or the Franchısed Restaurant, wıth such web page(s) to be located wıthın Franchısor's Websıte Franchısee shall comply wıth Franchısor's polıcıes wıth respect to the creatıon, maıntenance and content of any such web pages, and Franchısor shall have the rıght to refuse to post and/or dıscontınue postıng any content and/or the operatıon of any web page

6 12 3 Franchısee shall not establısh a separate Websıte, wıthout Franchısor's prıor wrıtten approval (whıch Franchısor shall not be oblıgated to provıde) If approved to establısh a Websıte, Franchısee shall comply wıth Franchısor's polıcıes, standards and specıfıcatıons wıth respect to the creatıon, maıntenance and content of any such Websıte Franchısee specıfıcally acknowledges and agrees that any Websıte owned or maıntaıned by or for the benefıt of Franchısee shall be deemed "advertısıng" under thıs Agreement, and wıll be subject to (among other thıngs) Franchısor's approval

6 12 4 Franchısor shall have the rıght to modıfy the provısıons of thıs Sectıon 6 12 relatıng to Websıtes as Franchısor shall solely determıne ıs necessary or approprıate

7 FACILITY STANDARDS, LEASE AND CONSTRUCTION

7 1 **Facılıty Specıfıcatıons** Franchısee acknowledges and agrees that the Prımal Kıtchen Restaurant shall meet the followıng condıtıons

A The Prımal Kıtchen Restaurant shall be laıd out, desıgned, constructed or ımproved, equıpped and furnıshed ın accordance wıth Franchısor's standards and specifications Equipment, furnishings, fixtures, decor and signs for the Primal Kitchen Restaurant shall be purchased from suppliers approved by Franchisor Franchisee may not remodel or alter the Primal Kitchen Restaurant, or change its equipment, furniture or fixtures, without Franchisor's prior written consent Franchisee must obtain necessary permits, licenses and other legal or architectural requirements The Primal Kitchen Restaurant shall contain or display only signage that Franchisor has specifically approved or designed, and shall use only the type and style of menu board designated or approved by Franchisor

B The Primal Kitchen Restaurant shall be maintained in accordance with standards and specifications established by Franchisor or prescribed after inspection of the Primal Kitchen Restaurant Franchisee shall promptly repair or replace defective or obsolete equipment, signage, fixtures or any other item of the interior or exterior that is in need of repair, refurbishing or redecorating in accordance with such standards established (and updated from time to time) by Franchisor or as may be required by Franchisee's lease

C The Primal Kitchen Restaurant shall contain signage prominently identifying Franchisee by name as an independently owned and operated franchisee of Franchisor

D Franchisor may place, in a conspicuous location, informational materials, including, without limitation, a discrete brochure rack on the customer counter and various signage and/or language on the front doors and/or windows relating to its franchise opportunities at any time during the term of this Agreement and any extensions to this Agreement

7 2 **Lease**

A Franchisee is solely responsible for purchasing or leasing a suitable site for the Primal Kitchen Restaurant Franchisee must submit the purchase agreement or lease for the Primal Kitchen Restaurant to Franchisor for its written consent before Franchisee executes the purchase agreement or lease for the Authorized Location Franchisor will not withhold consent arbitrarily, however, any lease must contain substantially the following provisions (1) "The leased premises will be used only for the operation of a Primal Kitchen Restaurant Franchise," (2) "The employees of Franchisor will have the right to enter the leased premises to make any modifications necessary to protect the System and proprietary marks thereof," (3) "Lessee agrees that Lessor may, upon request of Franchisor disclose to said Franchisor all reports, information or data in lessor's possession with respect to sales made in, upon or from the leased premises," and (4) a conditional assignment clause to be contained in a lease addendum, in a form approved by Franchisor, which shall provide that Franchisor (or its designee) may, upon termination, expiration, non renewal or proposed assignment of this Agreement, at Franchisor's sole option, take an assignment of Franchisee's interest thereunder, without the consent of the Lessor or property owner, without liability for accrued obligations, payment of additional consideration or increase in rent, and at any time thereafter, reassign the lease to a new franchisee Franchisor's execution of this Agreement is conditioned upon the above-referenced lease addendum in the form attached hereto, as Exhibit 6 ("Lease Addendum"), which shall be signed by Franchisee and attached and made part of the lease for the Primal Kitchen Restaurant Franchisee acknowledges that it has been advised to have any lease reviewed by Franchisee's own legal counsel

B Franchisee may not terminate, renew or in any way alter or amend the lease for the Primal Kitchen Restaurant during the term thereof, or any renewal term thereof, without Franchisor's written consent, except as otherwise provided in this Agreement Franchisee may not sublicense or assign rights granted in this Agreement except in accordance with Article 14

C Franchisee's execution of a lease for the Primal Kitchen Restaurant shall constitute (1) acceptance by Franchisee of such site and location and the terms of such lease, and (2) a waiver of any claim or right against Franchisor relating to the choice of such site and location or the terms of such lease

D Franchisee shall provide Franchisor with a copy of Franchisee's fully executed lease with all exhibits and attachments thereto for the Primal Kitchen Restaurant promptly after execution

E Franchisee acknowledges that it has been advised to have any lease reviewed by Franchisee's own legal counsel

7 3 **Development of the Primal Kitchen Restaurant** Franchisee agrees that after obtaining possession of the Authorized Location, Franchisee will complete promptly the following actions, at Franchisee's sole expense

A Obtain any standard plans and/or specifications for the Primal Kitchen Restaurant from Franchisor,

B Employ a qualified licensed architect, as required by state or local codes to prepare, in accordance with Franchisor's specifications and standards all requisite drawings, designs, plans and specifications for the Primal Kitchen Restaurant location,

C Submit to Franchisor all requisite drawings, designs, plans and specifications, including signage, prepared by such architect,

D Obtain approval of such requisite drawings, designs, plans and specifications, including signage, from the Franchisor, lessor and local authorities prior to commencement of construction of the Primal Kitchen Restaurant

E Obtain all permits and certifications required for lawful construction and operation of the Primal Kitchen Restaurant, including, without limitation, zoning, building, access, sign, fire and health requirements, F Construct the Primal Kitchen Restaurant under the supervision of a licensed general contractor in full and strict accordance with all legal requirements and with the plans and specifications approved by Franchisor, lessor and local authorities,

G Obtain or require the contractor to obtain payment and performance bonds,

H Obtain all customary contractor's sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services for the Primal Kitchen Restaurant,

I Obtain or have the contractor obtain Builder's Risk Insurance naming Franchisor as a loss payee,

J Complete the construction or remodeling of the Primal Kitchen Restaurant in full and strict compliance with plans and specifications approved by Franchisor, landlord for the site, and with all applicable ordinances, building codes and permit requirements,

K Purchase or lease, in accordance with Franchisor's standards and specifications, all equipment, furniture, fixtures, inventory, supplies and signs required for the Primal Kitchen Restaurant,

L Hire and train the initial supervisorial and managerial personnel according to Franchisor's standards and specifications,

M Complete development of and have the Primal Kitchen Restaurant open for business not later than nine (9) months after the date that Franchisor accepts this Agreement unless Franchisor extends the opening date, but in no event later than fifteen (15) months after the date that Franchisor accepts this Agreement, and

N Not later than 90 days after the Primal Kitchen Restaurant opens for business, furnish to Franchisor an itemized breakdown of the costs incurred by Franchisee in developing the Primal Kitchen Restaurant, including design, construction, equipment, furniture, fixtures, signage, inventory and supplies

7 4 **Franchisee's Responsibility** Notwithstanding the foregoing, Franchisee acknowledges and agrees that although Franchisor may provide Franchisee with various standard or sample plans and specifications with respect to constructing and equipping the Primal Kitchen Restaurant, it is Franchisee's sole responsibility to construct and equip the Primal Kitchen Restaurant in compliance with all applicable federal, state and local laws and regulations, including, without limitation, all building codes, fire and safety codes, environmental laws, Occupational Safety and Health Administration laws, health laws, sanitation laws, Americans with Disabilities Act and all other requirements that may be prescribed by any federal, state or local governmental agency Franchisee agrees to execute the ADA Certification Form attached to this Agreement as Exhibit 9 Franchisor makes no representations or warranties that any of the standard or sample plans and specifications provided to Franchisee comply with such laws and regulations Franchisee agrees to indemnify, defend and hold harmless Franchisor with respect to any

standard or sample plans and specifications provided by Franchisor and with respect to the constructing and equipping of the Primal Kitchen Restaurant

8 FACILITY IMAGE AND OPERATING STANDARDS

Franchisee will be serving food to people Few relationships are more intimate and important to people than the relationship between a cook / restaurateur and the customers who eat his or her food The food must be stored, prepared and served properly to ensure safety of customers and quality of product Franchisee, by initialing below, acknowledges that every aspect of the operation of the Primal Kitchen Restaurant, from maintenance of kitchen equipment, to intake of product, its storing, cooking and serving, and all related operational and facility guidelines are critical to ensure safety of guests

I have read this statement, and agree to comply with each of its requirements and all those set forth below **Your Initials __________ / __________**

8 1 **Compliance** Franchisee acknowledges and agrees that every detail regarding the appearance and operation of the Primal Kitchen Restaurant is important to Franchisor, the System and other Primal Kitchen Franchisees in order to maintain high and uniform operating standards, to increase demand for the products and services sold by all franchisees, and to protect Franchisor's reputation and goodwill, and, accordingly, Franchisee agrees to comply strictly at all times with the requirements of this Agreement and Franchisor's standards and specifications (whether contained in the Manual or any other written or oral communication to Franchisee by Franchisor) relating to the appearance or operation of the Primal Kitchen Restaurant Franchisee further agrees to promptly implement any changes in operational and facility requirements when prescribed by Franchisor, even if additional investment or expenditures are required Franchisee acknowledges that others may operate under different forms of agreement with Franchisor, and that the rights and obligations of the parties to other agreements may differ from those hereunder

8 2 **Franchisor's Right to Inspection** To determine whether Franchisee is complying with this Agreement and Franchisor's standards and specifications, Franchisor reserves the right to supervise, determine and approve the standards of appearance, quality and service pertinent to the Primal Kitchen Restaurant including, without limitation, the right at any reasonable time and without prior notice to Franchisee to (1) inspect and examine the business premises, equipment, facilities and operation of the Primal Kitchen Restaurant, (2) interview Franchisee and Franchisee's employees, (3) interview Franchisee's customers, suppliers and any other person with whom Franchisee does business, (4) confer with members and staff of government agencies with authority over Franchisee about matters relevant to the Primal Kitchen Restaurant, and (5) use "mystery shoppers," who may pose as customers and evaluate Franchisee and Franchisee's operations

8 3 **Franchisor's Notice of Deficiency** If at any time in Franchisor's sole judgment, Franchisee fails to comply with this Agreement or Franchisor's standards and specifications, Franchisor shall notify Franchisee specifying both the time period and the action to be taken by Franchisee to correct such noncompliance If Franchisee fails or refuses to correct the non-compliance within the required period of time, Franchisor shall have the right, in addition to all other remedies, to take such corrective action as is, in the sole determination of Franchisor, necessary and appropriate to bring the Primal Kitchen Restaurant

in compliance with Franchisor's specifications, standards, methods, policies and procedures, and Franchisee shall pay the entire cost thereof to Franchisor on demand

8 4 <u>Adherence to Good Business Practices</u> Franchisee shall adhere to good business practices, observing high standards of honesty, integrity, fair dealing and ethical business conduct in all business dealings with customers, employees, landlords, vendors and Franchisor

8 5 <u>Personnel</u> Franchisee agrees to employ in the operation of the Primal Kitchen Restaurant only persons of high character and ability who maintain and exhibit traits of enthusiasm, cleanliness, neatness, friendliness, honesty and loyalty, it being recognized by Franchisee that such persons are necessary in order to promote and maintain customer satisfaction and the goodwill of the Primal Kitchen Restaurant Franchisee agrees to staff the Primal Kitchen Restaurant at all times with a sufficient number of qualified, competent personnel who have been trained in accordance with Franchisor's standards and who shall wear Franchisor's approved uniforms during working hours All employees Franchisee hires or employs at the Primal Kitchen Restaurant will be Franchisee's employees and Franchisee's employees alone, and will not, for any purpose, be deemed to be Franchisor's employees or subject to Franchisor's direct or indirect control, most particularly with respect to any mandated or other insurance coverage, taxes or contributions, or requirements regarding withholdings, levied or fixed by any governmental authority Franchisee will file its own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation insurance payments for its employees and operations Franchisor will not have the power to hire or fire Franchisee's employees Franchisor's authority under this Agreement to train and approve Franchisee's supervisorial or managerial personnel for qualification to perform certain functions at the Primal Kitchen Restaurant does not directly or indirectly vest Franchisor with the power to hire, fire or control any of Franchisee's personnel Franchisee will be solely responsible for all hiring and employment decisions and functions relating to the Primal Kitchen Restaurant, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision and discipline of employees, regardless of whether you have received advice from us on these subjects or not Franchisee shall engage in no discriminatory employment practices and shall in every way comply with all applicable laws, rules and regulations of federal, state and local governmental agencies, including, without limitation, all wage-hour, civil rights, immigration, employee safety and related employment and payroll related laws Franchisee shall make all necessary filings with, and to pay all taxes and fees due to, the Internal Revenue Service and all other federal, state and local governmental agencies or entities to which filings and payments are required Any guidance Franchisor may give Franchisee regarding employment policies should be considered merely examples Franchisee will be responsible for establishing and implementing its own employment policies, and should do so in consultation with local legal counsel experienced in employment law

8 6 <u>Products and Services to be Offered for Sale</u>

A Franchisee acknowledges that the presentation of a uniform image to the public and the offering of uniform product lines is an essential element of a successful franchise system In order to insure consistency, quality and uniformity throughout the System, Franchisee agrees (1) to sell or offer for sale only items, products and services that have been expressly approved for sale by Franchisor, (2) to sell or offer for sale all menu items, products and services required by Franchisor, (3) not to deviate from Franchisor's methods, standards and specifications regarding, without limitation, ingredients, methods of preparation and service, and weight, quality and dimensions of products served, and (4) to discontinue selling and offering for sale any menu items, products or services that Franchisor may, in its discretion, disapprove at any time Franchisor shall assist Franchisee in obtaining items, products and services that conform to Franchisor's quality standards and specifications Franchisor shall supply Franchisee with a list of Approved Suppliers from which Franchisee is required to purchase items, products or services for the Primal Kitchen Restaurant Franchisor may change this list from time to time, and upon notification to Franchisee, Franchisee shall only purchase items, products or services from Approved Suppliers as specified on the changed list All of the packaging materials, paper and plastic products used in the operation of the Primal Kitchen Restaurant that are available imprinted must be imprinted with the Marks and other insignias as prescribed by Franchisor from time to time Franchisee agrees to keep the Primal Kitchen Restaurant well stocked and be able at all times during business hours to provide customers with all menu items specified by Franchisor Franchisor shall determine at its discretion whether Franchisee is adequately stocked

B In order to maintain consistency of product, quality, taste and identity of the "Primal Kitchen" brand, Franchisee agrees that all products, except those products specifically approved in writing by Franchisor, must be purchased exclusively from Approved Suppliers

C If Franchisee proposes to offer for sale any items, products or services that have not been approved by Franchisor, Franchisee shall first notify Franchisor in writing and submit sufficient information, specifications and samples concerning such product and/or supplier and/or service for a determination by the Franchisor whether such product or supplier or service complies with the Franchisor's specifications and standards and/or whether such supplier meets the Franchisor's Approved Supplier criteria Franchisor shall, within ninety (90) days, notify Franchisee whether or not such proposed product and/or supplier or service is approved, as determined in Franchisor's discretion Franchisor may from time to time prescribe procedures for the submission of requests for approved products and/or suppliers or services and obligations that Approved Suppliers must assume (which may be incorporated in a written agreement to be executed by Approved Suppliers) Franchisor reserves the right to revoke its approval of a previously authorized supplier, product or service when Franchisor determines in its discretion that such supplier, product or service is not meeting the specifications and standards established by Franchisor If Franchisor modifies its list of approved products, and/or suppliers and/or services, Franchisee shall not, after receipt in writing of such modification, reorder any product or utilize any supplier, product or service that is no longer approved

D Franchisee acknowledges and agrees that the offer or sale of any products or services not approved by Franchisor shall constitute a material breach of this Agreement

E Franchisee acknowledges and agrees that Franchisor may become an Approved Supplier for products, logo items, menu boards, in shop signage and artwork, that Franchisor may derive income from the sale of such items, and that the price charged by Franchisor may reflect an ordinary and reasonable profit consistent with a business of the kind that produces and/or supplies such items

F Franchisee may only sell the products and services from the Primal Kitchen Restaurant's Authorized Location, and may not use the internet or alternative channels of commerce to offer or sell the products and services unless permitted by Franchisor Nothing in the foregoing shall prohibit Franchisee from obtaining customers over the Internet provided Franchisee's Internet presence and content comply with the requirements of this Agreement

G Franchisee acknowledges and agrees that Franchisor retains the right, in Franchisor's sole discretion, to offer products or services using the System and the Marks, or under a different format or brand name, in alternative channels of commerce, or in alternative methods of distribution, including, without limitation, distribution of products or services through supermarkets, grocery stores, convenience stores, gasoline stations, discount stores, kiosks, mobile kitchens, catering trucks, street vendor carts, stadiums, convention centers, concert halls, amusement parks, fair grounds, public gatherings, mail order facilities, internet based facilities, or onsite services for business locations

8 7 **<u>Compliance with Laws</u>**

A Franchisee agrees to comply with all federal, state and local laws, rules, and regulations and shall as soon as practicable, but in any event prior to the opening for business of the Primal Kitchen Restaurant, obtain all municipal and state permits, certificates or licenses necessary to operate the Primal Kitchen Restaurant and shall file and publish, if required by applicable law, a certificate of doing business (whether under a fictitious name or otherwise) Franchisee shall make all such permits, licenses and certificates available for inspection by representatives of Franchisor prior to the opening for business of the Primal Kitchen Restaurant and thereafter at all times during Franchisee's business hours Franchisee shall operate and maintain the Primal Kitchen Restaurant in strict compliance with all building codes, fire and safety codes, environmental laws, Occupational Safety and Health Administration laws, health laws, sanitation laws, Americans with Disabilities Act and any other requirements that may be prescribed by any federal, state or local governmental agency Franchisee agrees to provide immediately Franchisor with a copy of any notice received by Franchisee from any state, local or governmental agency pertaining to compliance with any codes or requirements, or the failure to comply with any codes or requirements, at the Primal Kitchen Restaurant Franchisee must at all times be current in its knowledge and understanding of all laws as they relate to the operation of the Primal Kitchen Restaurant Franchisee hereby certifies and represents that Franchisee, and any of its affiliates, any of its partners, members, shareholders or other equity owners, and their respective employees, officers, directors representatives or agents, are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control Franchisee hereby agrees to defend, indemnify and hold harmless Franchisor and its current and former affiliates and their respective past and present owners, officers, directors, agents, representatives, heirs, administrators, successors and assigns, from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorneys' fees and costs) arising from or related to any breach of the certifications set forth in this paragraph

B Franchisee shall manage the Primal Kitchen Restaurant and its staff in compliance with all laws, the Manual and any other written or oral communication to Franchisee as prescribed by Franchisor Franchisee agrees to abide by all employment laws, including, without limitation, Title VII of the Civil Rights Act, Family and Medical Leave Act, Americans with Disabilities Act, Consolidated Omnibus Budget Reconciliation Act, Fair Labor Standards Act, all state wage and hour laws, Internal Revenue Code and the immigration laws Franchisor may from time to time provide information or training to assist Franchisee in gaining knowledge about applicable laws, but this does not in any way relieve Franchisee of its full responsibility and sole obligation to comply with such laws

C Franchisee shall honor all credit, charge, courtesy and cash cards that Franchisor approves in writing To the extent Franchisee stores, processes, transmits or otherwise accesses or possesses cardholder data in connection with the sale of products and services at the Primal Kitchen Restaurant, Franchisee is required to maintain the security of cardholder data and adhere to the then-current credit card security standards which can be found at www pcisecuritystandards org for the protection of cardholder data throughout the Term of this Agreement Franchisee is responsible for the security of cardholder data in the possession or control of any of its employees that Franchisee engages to process credit cards At Franchisor's request, Franchisee agrees to provide appropriate documentation to Franchisor to demonstrate compliance by Franchisee and all its employees with applicable "Payment Card Industry Data Security Standard" requirements

8 8 **Operational Efforts** Franchisee shall apply Franchisee's best, full time efforts to the development, management and operation of the Primal Kitchen Restaurant and shall at all times, faithfully, honestly and diligently perform Franchisee's obligations as outlined in this Agreement Franchisee shall at all times be responsible for the direct, day-to day, full time supervision responsibilities of the Primal Kitchen Restaurant Franchisee must attend and successfully complete Franchisor's Initial Training program Franchisee agrees to keep the Primal Kitchen Restaurant opened for the hours stated in the Manual and as deemed appropriate by Franchisor

8 7 **Good Standing** Franchisee will be considered in "Good Standing" if Franchisee is not in default of any obligation to Franchisor or any of Franchisor's affiliates, whether arising under this Agreement or any other agreement between Franchisee and Franchisor (or any of Franchisor's affiliates), the Manual or other System requirements

9 ADVERTISING

9 1 **General** All advertising and promotion by Franchisee shall be clear and factual and not misleading and shall conform to the highest standards of ethical advertising and to advertising and promotion policies prescribed from time to time by Franchisor Franchisee shall not use any advertising or promotional materials that have not been approved by Franchisor in writing Franchisee shall not enter into any agreement with any advertising agency without the prior written approval of Franchisor, which may be withheld in Franchisor's discretion Franchisee shall not advertise or use in advertising or in any other form of promotion the Marks of Franchisor without the Franchisor's written approval or without appropriate "©" or "®" copyright and registration marks or the designations "™ or "℠ where applicable Franchisor may provide Franchisee with graphic designs, layouts and written copy for advertisements

Franchisee will be responsible to pay production costs for each item such as camera ready ad slicks and typesetting of specific ads for the Primal Kitchen Restaurant address Franchisee is prohibited from advertising the Primal Kitchen Restaurant in any manner on the Internet, World Wide Web or through any other electronic means without the prior written consent from Franchisor

9 2 No Warranty Franchisor does not warrant or represent that any of the advertising or promotional activities, materials or campaigns will be successful or will achieve any particular result

9 3 Marketing Fund

A Franchisor may establish and administer an advertising, publicity and marketing fund (the "Marketing Fund") to promote the Primal Kitchen Brand When the Marketing Fund is established, Franchisee will be required to make a contribution ("Marketing Fund Contribution") of two percent (2%) of its annual Gross Sales (as defined in Section 5 4) to the Marketing Fund However, once you have achieved three million dollars ($3,000,000) in Gross Sales in any calendar year, and have contributed two percent (2%) or sixty thousand dollars to the Marketing Fund, we will not require you to make additional contributions that year Such Marketing Fund Contribution will be payable to Franchisor, weekly, from the day the Primal Kitchen Restaurant is first opened for business

B Franchisor has sole discretion over all matters relating to the Marketing Fund, and all related matters (consistent with its purposes and the provisions of this Agreement) The Marketing Fund may be used for (among other things) product development, signage, creation, production and distribution of marketing, advertising, public relations and other materials in any medium, including the Internet, administration expenses, legal fees incurred by or spent defending the Marketing Fund, brand/image campaigns, media, national, regional and other marketing programs, activities to promote current and/or future franchisees and the Brand, agency and consulting services, research, any expenses approved by Franchisor and associated with franchisee advisory groups (if any), and all or portions of the salaries, benefits or expenses of people Franchisor employs who work on Marketing Fund matters (except that such salaries, benefits or expenses will be charged pro rata based on the time they spend on Marketing Fund matters) Among other things, Marketing Fund Contributions may be used for website development/operation and to pay Internet, Intranet, URL, 1-800 or similar number, and other charges, fees and/or expenses A brief statement regarding the availability of Primal Kitchen Franchises may be included in advertising and other items produced using the Marketing Fund

C Franchisor and/or any affiliate can provide goods, services, materials, etc (including administrative services and/or "in-house advertising agency" services) and be compensated and/or reimbursed for the same by the Marketing Fund, provided that any such compensation must be reasonable in amount Franchisor can arrange for goods, services, materials, etc (including administrative services) to be provided by independent persons/companies and all related costs, fees, etc will be paid by the Marketing Fund

D The Marketing Fund will be accounted for separately and may be used to pay all administrative and other costs of the Marketing Fund related to its activities and purposes and/or as authorized by the relevant Franchise Agreements All taxes of any kind incurred in connection with or related to the Marketing Fund, its activities, contributions to the Marketing Fund and/or any other Fund aspect, whether imposed on Franchisor, the Marketing Fund or any other related party, will be the sole responsibility of the Marketing Fund Franchisor will prepare financial statements for the Marketing Fund annually, which will be furnished to Franchisee upon written request Such statements may be audited and any related accounting/auditing costs will be paid by the Marketing Fund Funds in the Marketing Fund must be expended, prior to termination of the Marketing Fund, only for the purposes authorized by the relevant Franchise Agreement(s) No profit, gain or other benefit will directly accrue to Franchisor from the Marketing Fund All interest earned on monies contributed to, or held in, the Marketing Fund will be remitted to the Marketing Fund and will be subject to the restrictions of the relevant Franchise Agreement(s)

E Subject to the express requirements of this Agreement that contributions made by Franchisee will only be spent as authorized herein, Franchisee agrees that Franchisor may deny access to, and the benefits of, any and all programs and/or materials created by the Marketing Fund to any Primal Kitchen Franchisee who is not in Good Standing

F **Advertising Cooperative** In Franchisor's discretion, it may combine the total of the required national and local advertising fees of up to seven percent (7%) If Franchisor determines to do so, Franchisor's advertising promotion will not exceed the national and local advertising fee amounts and will not be in addition to those fees It is Franchisor's option to combine all or part of the national Marketing Fund or the local advertising expenditure and allocate them temporarily

9 4 <u>**Local Advertising**</u> Local advertising is at the discretion of the Franchisee, provided, however, that (1) Franchisee spends a minimum of five percent (5%) of Franchisee's monthly Gross Sales for local advertising and promotional activities (subject to volume step-downs as described below), and (2) Franchisee agrees to participate at Franchisee's cost in all promotions designated by Franchisor for the market in which the Primal Kitchen Restaurant is located and shall be responsible for displaying all in-shop materials and the cost of products being promoted Franchisor believes that the minimum effective amount for local advertising is approximately $15,000 per quarter, or $60,000 per year Franchisee must spend a minimum of five percent (5%) of Franchisee's monthly Gross Sales on local advertising until such point as such percentage equals $15,000 per quarter and $60,000 per year At that point, Franchisee will be permitted to reduce the percentage amount of Gross Sales spent on local advertising, so long as Franchisee continues to spend at least $15,000 per quarter, and $60,000 per year, regardless of percentage In no event, will the percentage spent on local advertising be less than two percent (2%) of Gross Sales Franchisor anticipates that most of the local advertising will be spent on quarterly events and outreach, promotional give away, gift cards, etc Franchisee agrees to submit copies of all local advertising and promotional activities material to Franchisor in advance and obtain written approval from Franchisor before using the advertising and promotional marketing material

9 5 <u>**Grand Opening Advertising**</u> Within ninety (90) days of the opening of the Primal Kitchen Restaurant, Franchise will spend for "Grand Opening" advertising, marketing and promotion a minimum of Twenty Thousand Dollars ($20,000) Grand Opening includes the actual opening event and the pre and post-opening advertising which will continue for the initial three months of opening It will be ongoing with various approved vendors The Grand Opening advertising amount accounts for extra staff, pre- and post-

opening marketing, discounts, possible public figures, and giveaways The Grand Opening shall be in the form, and using the advertising and promotional campaign and materials, reasonably designated or approved by Franchisor

9 6 **Social Media Activities** As used in this Agreement, the term "Social Media" is defined as a network of services, including, but not limited to, blogs, microblogs, and social networking sites (such as Facebook and LinkedIn), video-sharing and photo-sharing sites (such as YouTube and Flickr), review sites (such as Yelp and Urbanspoon), marketplace sites (such as eBay and Craigslist), Wikis, chat rooms and virtual worlds, that allows participants to communicate online and form communities around shared interests and experiences While it can be a very effective tool for building brand awareness, it can also be devastating to a brand if used improperly Therefore, Franchisee must strictly follow the Social Media guidelines, code of conduct, and etiquette as set forth in the Manual Any use of Social Media by Franchisee pertaining to the Primal Kitchen Restaurant must be in good taste and not linked to controversial, unethical, immoral, illegal or inappropriate content Franchisor reserves the right to "occupy" any Social Media websites/pages and be the sole provider of information regarding the Primal Kitchen Restaurant on such websites/pages (e g , a system-wide Facebook page) At Franchisor's request, Franchisee will promptly modify or remove any online communication pertaining to the Primal Kitchen Restaurant that does not comply with this Agreement or the Manual

9 7 **Franchisee Advertising Council** Franchisor reserves the right, if necessary and in Franchisor's sole judgment, to establish a Franchisee Advertising Council The Franchisee Advertising Council will be composed of an elected body of franchisees for the purpose of providing Franchisor with input on advertising and marketing issues The Franchisee Advertising Council will operate under its own by-laws and will be purely advisory in nature and will have no operational or decision-making authority

10 FINANCIAL STANDARDS

10 1 **Records and Reports** Franchisee shall maintain and preserve for the duration of the Term and for three years thereafter, or for such period as may be required by law (whichever is greater) such financial information relating to the Primal Kitchen Restaurant as Franchisor may periodically require, including without limitation, Franchisee's sales and use tax returns, register tapes and reports, sales reports, purchase records, and full, complete and accurate books, records and accounts prepared in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor Franchisee shall maintain its financial books and records with standard business accounting software (e g , QuickBooks) or use a professional bookkeeper Franchisee shall provide Franchisor with monthly and annual balance sheets and income statements prepared in accordance with generally accepted accounting principles If requested by Franchisor, monthly financial statements shall be delivered to Franchisor within twenty-one (21) days following the end of each month, and the year-end financial statements shall be delivered to Franchisor within sixty (60) days after the end of Franchisee's fiscal year Each report and financial statement submitted by Franchisee shall be verified as correct and signed by Franchisee Franchisee shall immediately report to Franchisor any events or developments that may have a material adverse impact on the operation of the Primal Kitchen Restaurant or Franchisee's performance under this Agreement In addition, Franchisee shall submit to Franchisor copies of all sales tax and income tax returns at the same time as the original is filed with the taxing authority Franchisee agrees that its financial records shall be accurate and up-to-date at all times Franchisee agrees to promptly furnish any

and all financial information relating to the Primal Kitchen Restaurant and each of Franchisee's owners to Franchisor on request

10 2 **Right to Conduct Audit or Review** Franchisor shall have the right, in its sole determination, to require a review by such representative(s) as Franchisor shall choose, or request copies of all information pertaining to the Primal Kitchen Restaurant including, without limitation financial records, books, tax returns, papers, and point-of-sale system of Franchisee at any time during normal business hours without prior notice for the purpose of accurately tracking unit and System-wide sales, sales increases or decreases, effectiveness of advertising and promotions, and for other reasonable business purposes Such review will take place at the Primal Kitchen Restaurant, and Franchisee agrees to provide all information pertaining to the Primal Kitchen Restaurant requested by Franchisor during its review If the review is done because of Franchisee's understatement of Gross Revenues by two percent (2%) or more, Franchisee shall reimburse Franchisor for all costs of the audit or review including, without limitation, travel, lodging, wage expense and reasonable accounting and legal expense, plus a fee of $5,000 The foregoing remedies shall be in addition to any other remedies Franchisor may have under this Agreement or applicable law

10 3 **Computer System, Equipment and Software**

A Franchisee must acquire a computer for use in the operation of the Primal Kitchen Restaurant Franchisee shall install and use the electronic data processing and communications hardware and software, including voicemail, business management systems, and an Aloha point-of-sale ("POS") reporting system (collectively, the "Computer System") Franchisee agrees to maintain broadband connection to the required Computer System and to any other specified points of connection according to Franchisor's standards and specifications Franchisor shall have access to Franchisee's POS or Computer System 24/7, 365 days a year for purposes of polling data and information, and to ensure compliance with System standards Franchisee must upgrade and maintain the computer hardware and software and the POS system in the Primal Kitchen Restaurant, as required by Franchisor from time to time, and pay any fees associated with such upgrades Franchisor reserves the right, at its sole discretion, to apply such upgrades or changes automatically and without notice in the event that Franchisee fails to promptly take action to operate the Primal Kitchen Restaurant to required standards

B Franchisee agrees to record all of its receipts, expenses, invoices, customer lists, and employee schedules and other business information promptly in the Computer System and use the software and POS system that Franchisor specifies or otherwise approves Franchisor reserves the right to change the Computer System, and the accounting, business operations, customer service and other software at any time

C Data, including names, addresses, contact information, and credit card or payment information of customers of the Primal Kitchen Restaurant will be captured on the required software, and will become the joint property of Franchisee and Franchisor during the Term of this Agreement Franchisee will provide Franchisor with any passwords necessary to access the business information for the Primal Kitchen Restaurant that is stored on the required software and online Franchisor may use such information to communicate directly to the customers of the Primal Kitchen Restaurant and to provide updates, information, newsletters, and special offers to the customers Upon expiration or termination of this Agreement, Franchisee shall have no further access or rights to the customer information and Franchisor shall be the sole owner of such information

D Obtaining and operating the Computer System and the POS system and software will be the Franchisee's responsibility and expense Franchisee agrees to provide Franchisor with an e-mail address for communication

E Franchisee and Franchisor 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, Franchisee agrees that Franchisor shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System, and Franchisee agrees that it shall abide by those reasonable new standards established by Franchisor as if this Section 10 3 was periodically revised by Franchisor for that purpose

10 4 Gift Card Program Franchisee agrees to participate in any gift card program instituted by Franchisor for all Primal Kitchen Franchisees to sell, issue, or redeem gift cards (the "Gift Card Program") Franchisee shall sell or otherwise issue Primal Kitchen gift cards to its customers and honor all Primal Kitchen gift cards presented at the Primal Kitchen Restaurant as payment for products and services, regardless of whether the gift card was sold or issued by Franchisee or another Primal Kitchen Restaurant When Franchisee sells or issues a gift card, Franchisee will keep the amount paid in its account until the gift card is redeemed Franchisor will reconcile Franchisee's account with Franchisor by (1) crediting Franchisee for the full value of all gift card transactions redeemed by Franchisee weekly from other Primal Kitchen Restaurants that issued the gift cards, and/or (2) debiting Franchisee for the full value of each gift card sold at the Primal Kitchen Restaurant, but redeemed at a different location Franchisee will pay Royalties on sales paid by redeemed gift cards in the Primal Kitchen Restaurant The Primal Kitchen gift cards have no expiration date, therefore Franchisee will remain liable for each gift card sold at the Primal Kitchen Restaurant upon it is redeemed for an undetermined amount of time If this Agreement is terminated and not renewed, Franchisee must pay Franchisor the full value of any outstanding gift cards sold at the Primal Kitchen Restaurant that were not redeemed before the termination of this Agreement

10 5 Insurance

A Prior to construction on the Premises, and prior to the opening for business of the Primal Kitchen Restaurant and throughout the entire term of this Agreement, Franchisee will keep in force at Franchisee's own expense and by advance payment of the premium, the following insurance coverage

(1) Worker's compensation, employer's liability, and such insurance to meet statutory requirements,

(2) Commercial General Liability Insurance, Occurrence form, including a per location or project aggregate, with the following coverages owners and contractors protective liability, broad form property damage, contractual liability, severability of interest clause, personal and advertising injury, and products/completed operations, medical payments and fire damage liability, insuring you and

us against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from or occurring in the course of, or on or about or otherwise relating to the Primal Kitchen Restaurant including general aggregate coverage in the following limits

Required Coverage	Minimum Limits of Coverage
General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,000,000
Each Occurrence	$1,000,000
Damage to Rented Premises (each occurrence)	$100,000
Medical Expense (any one person)	$2,500

(3) "ALL RISK" or special property coverage of not less than current replacement cost of the Primal Kitchen Restaurant's glass, equipment, fixtures and leasehold improvements sufficient in the amount to restore the Primal Kitchen Restaurant to full operations, and

(4) Business interruption insurance with coverage for at least twelve (12) months for actual losses, (For purposes of this Agreement, "Gross Sales shall include any proceeds received by Franchisee in connection with a "business interruption" insurance claim)

B All insurance policies must be written by an insurance company licensed in the state in which you operate the Primal Kitchen Restaurant The insurance company must have at least an "A" Rating Classification as indicated in A M Best's Key Rating Guide

C Franchisor reserves the right from time to time to upgrade the insurance requirements as to policy limits, deductibles, scope of coverage, rating of carriers, etc Within sixty (60) days of receipt of notice from Franchisor, Franchisee agrees to revise its coverage, as specified in any notice from Franchisor

D Franchisee's obligation to obtain and maintain the forgoing insurance policy or policies in the amounts specified shall not be limited by reason of any insurance that may be maintained by Franchisor nor relieve Franchisee of liability under the indemnity provisions set forth in this Agreement Franchisee's insurance procurement obligations under this Section 10 5 are separate and independent of Franchisee's indemnity obligations

E Additional Insured Endorsement All insurance shall name Franchisor as an additional insured, waive any subrogation rights or other rights to assert a claim back against Franchisor and shall contain a clause requiring notice to Franchisor thirty (30) days in advance of any cancellation or material change to any such policy The "Additional Insured Endorsement" must be approved in writing by Franchisor and name Franchisor and its respective officers, directors, partners, members, affiliates, subsidiaries and employees as additional insureds Additional insured status shall include, without limitation, coverage for ongoing and completed operations The additional insured endorsement form shall be ISO CG 20 26 or any other form approved in writing by Franchisor that provides comparable coverage Additional insured coverage shall not be limited to vicarious liability and shall extend to (and there shall be no endorsement limiting coverage for) the negligent acts, errors or omissions of Franchisor or other additional insureds Franchisee shall maintain such additional insured status for Franchisor on its general liability policies continuously during the term of this Agreement

Franchisee's failure to obtain or the lapse of any of the required insurance coverage shall be grounds for the immediate termination of this Agreement pursuant to Paragraph 15 2, and Franchisee agrees that any losses, claims or causes of action arising after the lapse of or termination of insurance coverage will be the sole responsibility of Franchisee and that Franchisee will hold Franchisor harmless from all such losses, claims and/or causes of action In addition, but not to the exclusion of the foregoing remedy, if Franchisee fails to procure or maintain the required insurance, Franchisor shall have the right and authority, but not the obligation, to procure immediately the insurance and Franchisee shall reimburse Franchisor for the cost of the insurance plus reasonable expenses immediately upon written notice Franchisee is required to submit to Franchisor a copy of a Certificate of Insurance, with Franchisor as an additional insured, showing compliance with the foregoing requirements at least thirty (30) days before Franchisee commences operation of the Primal Kitchen Restaurant Franchisor shall have a security interest in all insurance proceeds to the extent Franchisee has any outstanding obligations to Franchisor

The insurance policies described above are minimum insurance requirements and Franchisee may purchase and maintain additional insurance policies or insurance policies with greater coverage limits Franchisee must provide Franchisor with a current certificate of insurance, proof of endorsement and other evidence of compliance with these requirements at all times

11 RELATIONSHIP OF THE PARTIES, INDEMNIFICATION

11 1 **Independent Contractor** The only relationship between Franchisor and Franchisee created by this Agreement is that of independent contractor, that the business conducted by Franchisee is completely separate and apart from any business that may be operated by Franchisor and that nothing in this Agreement shall create a fiduciary relationship between them or constitute either party as agent, legal representative, subsidiary, joint venturer, partner, employee, servant or fiduciary of the other party for any purpose whatsoever Franchisee shall hold itself out to the public as an independent contractor operating the business pursuant to a license from Franchisor, and Franchisee agrees to take such action including exhibiting a notice to that effect in such content, form and place as Franchisor may specify It is further specifically agreed that Franchisee is not an affiliate of Franchisor and that neither party shall have authority to act for the other in any manner to create any obligations or indebtedness that would be binding upon the other party Neither party shall be in any way responsible for any acts and/or omissions of the other, its agents, servants or employees and no representation to anyone will be made by either party that would create an implied or apparent agency or other similar relationship by and between the parties

11 2 **Indemnification** Franchisee shall indemnify, defend and hold harmless Franchisor, its affiliates, and their respective officers, directors and employees, past and present owners against any and all suits, claims, liabilities, costs and expenses, including, without limitation, attorneys'

fees in any way relating to, arising out of or in conjunction with Franchisee's conduct of the business licensed hereunder, or Franchisee's or Franchisee's employees' actions or inactions Franchisor reserves the right to appoint its own attorney Franchisee waives and releases all claims against Franchisor for damages to property or injuries to persons arising out of the operation of the Primal Kitchen Restaurant, including any such claims currently unknown to Franchisee and arising at any time during the term of this Agreement

12 CONFIDENTIAL INFORMATION

12 1 **Franchisor's Confidential Information**

A Franchisee acknowledges and agrees that all information relating to the System and to the development and operation of the Primal Kitchen Restaurant, including, without limitation, the Manual, Franchisor's training program, customer and supplier lists, recipes, or other information or knowhow distinctive to the Primal Kitchen Restaurant (all of the preceding information is referred to herein as the "Confidential Information") are considered to be proprietary and trade secrets of Franchisor Franchisee agrees that all Confidential Information is to be held in the strictest of confidence during and after the term of this Agreement and is not to be divulged to anyone directly or indirectly at any time, except to the Primal Kitchen Restaurant's employees with a need to know the information in order to operate the Primal Kitchen Restaurant Franchisee shall not acquire any interest in the Confidential Information other than the right to utilize it in the Primal Kitchen Restaurant and agrees not to copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, nor otherwise make them available to any unauthorized person, nor use them in any other business or in any manner not specifically authorized or approved in writing by Franchisor Franchisee shall adopt and implement all reasonable procedures to prevent unauthorized use, duplication or disclosure of Franchisor's Confidential Information If Franchisee or Franchisee's employees learn about an unauthorized use of any trade secret or confidential materials, Franchisee must promptly notify Franchisor Franchisor is not obligated to take any action, but will respond to the information as it deems appropriate If Franchisee at any time conducts, owns, consults with, is employed by or otherwise assists a similar or competitive business to that franchised hereunder, the doctrine of "inevitable disclosure" will apply, and it will be presumed that Franchisee is in violation of this covenant, and in such case, it shall be Franchisee's burden to prove that Franchisee is not in violation of this covenant

B Franchisee agrees that any new concept, process or improvement in the operation or promotion of the Primal Kitchen Restaurant developed by or on behalf of Franchisee that relates to or enhances the System, or any aspect of Franchisor's business, shall be the sole property of Franchisor, and Franchisee shall promptly notify Franchisor and shall provide Franchisor with all necessary information and execute all necessary documents with respect thereto, without compensation Franchisee acknowledges that Franchisor may utilize or disclose such information to other Franchisees We may require that you and each of your managers and employees execute covenants of confidentiality, in the form attached hereto as Exhibit 7, that they do not disclose any Confidential Information

12 2 **No Other Interests** Franchisee further acknowledges that Franchisor would be unable to protect its Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among System Restaurants if Franchisor's Franchisees were permitted to hold an interest in other similar businesses and

otherwise to compete with Franchisor Therefore, during the term of this Agreement, Franchisee must comply with the competitive covenant provisions of Article 13 herein

12 3 **Injunctive Relief** Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising out of this Agreement, shall not constitute a defense to the enforcement of this Article 12 Franchisee acknowledges and agrees that any failure to comply with the requirements of this Article 12 will cause Franchisor irreparable injury for which no adequate remedy at law is available, and Franchisee accordingly agrees that Franchisor shall be entitled to injunctive relief as specified in Paragraph 16 2 herein to enforce the terms of this Article 12 Franchisee shall pay all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Franchisor in connection with the enforcement of this Article 12 The foregoing remedies shall be in addition to any other remedies Franchisor may have under this Agreement or applicable law

13 COVENANTS NOT TO COMPETE

13 1 **Sole Business Activity and Non-Competition Covenants of Franchisee** Franchisor and Franchisee agree that Franchisee shall devote its full-time efforts to the franchised business and that, during the term of the Franchise, unless agreed to in writing, in advance by Franchisor, Franchisee shall not actively manage or engage in another business of any kind, but rather, shall devote its best efforts and full-time effort to the management of the Franchise Further, to prevent a conflict of interest and unfair competition based upon Franchisee's knowledge and use of the System, the Marks, and other Confidential Information, Franchisee, including all officers, directors, holders of beneficial interests of Franchisee, members, general partners, any limited partners and their respective spouses and immediate family members, covenant and agree, pursuant to this Agreement, that Franchisee, shall not without Franchisor's prior written consent, directly or indirectly, as an individual, owner, partner, stockholder, member, employer, employee, consultant, or in any other capacity, participate in or share the earnings or profits of any restaurant business, related business, restaurant marketing or consulting business, business offering products of a similar nature to those of the , or in any business or entity which franchises, licenses or otherwise grants to others the right to operate such aforementioned businesses (i) during the term of this Agreement and any extensions or renewals, at any location other than the Primal Kitchen Restaurant, (ii) for two (2) years after the expiration, termination or non-renewal (by Franchisor or by Franchisee for any reason) of this Agreement anywhere within a fifteen (15) mile radius of any Primal Kitchen Restaurant whether franchised or owned by Franchisor or any of Franchisor's affiliates, and (iii) for two (2) years after Franchisee has assigned its interest in this Agreement anywhere within a fifteen (15) mile radius of any the Primal Kitchen Restaurant whether franchised or owned by Franchisor or any of Franchisor's affiliates

13 2 **Non-Solicitation Covenants** Franchisee agrees not to employ or seek to employ any person employed by Franchisor or by any other Franchisee of Franchisor, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment during the term of this Agreement Franchisee acknowledges that Franchisor has the right to offer to sell or to sell a Primal Kitchen Franchise to any employee of Franchisee

13 3 **Covenants of Affiliates of Franchisee** Upon Franchisor's request, Franchisee shall require the following persons to execute covenants, in the form attached hereto as Exhibit 8, similar to those set forth in this Article 13 (including covenants applicable upon the termination of a person's relationship with Franchisee) (1) all managers and field operations supervisors of Franchisee, (2) all officers, directors, members, partners, general partners, limited partners and holders of a beneficial interest of Franchisee, and (3) the spouse of each such person

13 4 **Enforcement of Covenants**

A Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising out of this Agreement, shall not constitute a defense to the enforcement of the covenants in this Article 13 Franchisee acknowledges and agrees that in view of the nature of the System and the business of Franchisor, the restrictions contained in this Article 13 are reasonable and necessary to protect the legitimate interests of System and Franchisor Franchisee further acknowledges and agrees that Franchisee's violation of the terms of this Article 13 will cause irreparable injury to Franchisor for which no adequate remedy at law is available, and Franchisee accordingly agrees that Franchisor shall be entitled to preliminary and permanent injunctive relief and damages, as well as, an equitable accounting of all earnings, profits, and other benefits arising from such violation, which remedies shall be cumulative and in addition to any other rights or remedies to which Franchisor shall be entitled Franchisee agrees to waive any bond that may be required or imposed in connection with the issuance of any preliminary or provisional relief Franchisee shall pay all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Franchisor in connection with the enforcement of this Article 13 If Franchisee violates any restriction contained in this Article 13, and it is necessary for Franchisor to seek equitable relief, the restrictions contained herein shall remain in effect until two (2) years after such relief is granted If Franchisee contests the enforcement of Article 13 and enforcement is delayed pending litigation, and if Franchisor prevails, the period of non-competition shall be extended for an additional period equal to the period of time that enforcement of this Article 13 is delayed

B Franchisee agrees that the provisions of this covenant not to compete are reasonable If, however, any court should find this Article 13 or any portion of this Article 13 to be unenforceable and/or unreasonable, the court is authorized and directed to reduce the scope or duration (or both) of the provision(s) in issue to the extent necessary to render it enforceable and/or reasonable and to enforce the provision so revised

C Franchisor shall have the right, in Franchisor's discretion, to reduce the scope of any covenant not to compete set forth in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee shall comply with any covenant as so modified

14 TRANSFER OF INTEREST

14 1 **Franchisor's Approval Required** All rights and interests of Franchisee arising from this Agreement are personal to Franchisee and except as otherwise provided in this Article

14, Franchisee shall not, without Franchisor's prior written consent, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, pledge or encumber its interest in this Agreement, in the license granted hereby, in the assets of the Primal Kitchen Restaurant, any of its rights hereunder, or in the lease for the premises at which the Primal Kitchen Restaurant is located, and any purported sale, assignment, transfer, pledge or encumbrances shall be null and void If Franchisee is a corporation, limited liability, partnership, or an individual or group of individuals, any assignment (or new issuance), directly or indirectly, occurring as a result of a single transaction or a series of transactions that alters the Percentage of Ownership Interest reflected in Paragraph 17 9 of this Agreement must promptly be reported to Franchisor and is a "transfer" within the meaning of this Article 14

14 2 **Right of First Refusal**

A No transfer by Franchisee shall be permitted nor be binding on Franchisor unless a written offer has been made to Franchisor of the proposed transfer Franchisee shall provide Franchisor the following (i) a purchase agreement or letter of intent signed by the proposed transferee and by Franchisee specifying all the terms and conditions of the offer, (ii) the name, address and telephone number of the proposed assignee, (iii) a copy of the most recent income statement and the income statement from the Primal Kitchen Restaurant's last fiscal year end, (iv) financial statements of the proposed transferee, and (v) any other information or documents as may be reasonably be requested by Franchisor Franchisor shall have thirty (30) days from receipt of all of the above information to accept the offer, by written notice to Franchisee, upon the same terms and conditions offered by the proposed transferee

B In the event that Franchisor does not exercise its right of first refusal and the offer changes in any way, or another offer is made to Franchisee, this new offer must also be presented to Franchisor Franchisor has thirty (30) days to accept the new offer, by written notice to Franchisee, upon the same terms and conditions offered by the proposed transferee Any offer that Franchisor does not match must be transacted within ninety (90) days from the date that Franchisor informs Franchisee of its intent not to exercise its right of first refusal If the transaction does not take place within ninety (90) days, Franchisor has the right to re-evaluate and match the offer if it elects to do so by notice to Franchisee

14 3 **Conditions for Approval of Transfer** If the required offer has been made and the offer has not been accepted by Franchisor within the acceptance period, Franchisor shall not unreasonably withhold its approval of the transfer, provided that the prospective transferee, in Franchisor's reasonable judgment, is of good moral character and reputation, has no conflicting interests, has a good credit rating and sufficient and competent business experience, aptitude and financial resources acceptable to Franchisor's then current standards for franchisees, will devote best efforts to management of the Primal Kitchen Restaurant, and further provided that the Franchisor shall require that the following conditions be met prior to or concurrently with the effective date of the transfer

A The transferee shall be approved in writing by Franchisor,

B The transfer is upon terms and conditions that are not more favorable to the transferee than the terms and conditions offered to Franchisor, C Franchisee shall have satisfied all outstanding obligations, monetary or otherwise, of Franchisee to Franchisor and its affiliates,

D Franchisee shall have substantially complied with all of the terms and conditions of this Agreement and any amendments hereof, and is not in default of any provision of this Agreement,

E Franchisee, including all its shareholders, members or partners shall execute and deliver to Franchisor a general release, in a form prescribed by Franchisor, of all claims against Franchisor and its affiliates, officers, directors, shareholders, members, and their employees in their corporate and individual capacities,

F If required by lease, the Lessor of the premises of the Primal Kitchen Restaurant has consented to Franchisee's transfer or sublease of said premises, a copy of which consent shall be provided to Franchisor (which lease shall continue to have the riders or addenda protecting Franchisor's interest, as set forth in Paragraph 7 2),

G At the time the proposed transfer is first presented to Franchisor for approval or disapproval, Franchisee shall pay Franchisor a transfer fee and amount equal to fifty percent (50%) of the then-current franchise fee, ("Transfer Fee") which will be used to defray expenses incurred by Franchisor in connection with the transfer, including without limitation, legal and accounting fees, overhead, credit and other investigation charges and evaluation of the transferee and terms of the transfer, and a new franchisee training fee of Five Thousand Dollars ($5,000), which will be used to help defray the expenses incurred by Franchisor in providing training to the new franchisee The Transfer Fee is refundable if the proposed transfer is not approved by Franchisor The new franchisee training fee is refundable prior to the commencement of training, after any training has commenced, the new franchisee training fee is not refundable,

H Franchisee, including all its shareholders, members or partners shall execute an indemnity agreement regarding Franchisee's operations prior to the transfer and a confidentiality and noncompetition covenant in favor of Franchisor and transferee in accordance with the provisions of Articles 12 and 13 herein, effective the date of the assignment,

I Franchisee shall enter into an agreement with Franchisor agreeing to subordinate any obligations which transferee owes to Franchisee to the obligations which transferee owes to Franchisor, including, without limitation, any royalties/Flat Rate Fees and any advertising or marketing fees,

J Franchisee and transferee may not create a security interest in any of the assets of the Primal Kitchen Restaurant to be executed by the prospective transferee, unless the secured party agrees that in the event of a default by Franchisee under any documents related to the security interest, Franchisor shall have the right and option to be substituted as obligor to the secured party and to cure any default of Franchisee,

K Prior to the closing of the sale to the transferee, the transferee, and other individual(s) who will be supervisorial or managerial personnel of the Primal Kitchen Restaurant must attend and satisfactorily complete Franchisor's initial training program (as specified in Paragraph 6 3 of this Agreement) at a time and place designated by Franchisor, at the prospective transferee's sole cost and expense,

L The transferee shall execute, for a term ending on the expiration date of this Agreement, Franchisor's then current standard form Franchise Agreement, which may materially differ from the terms of this Agreement, provided, however, that transferee shall not be required to pay an Initial Franchise Fee and that the Primal Kitchen Restaurant provided for in this Agreement shall remain the same,

M The transferee, including all current and future shareholders, members or partners that will become the new Franchisee shall personally guarantee performance of the Franchise Agreement in a form prescribed by Franchisor,

N The transferee, at its expense, shall upgrade, refurbish and repair the Primal Kitchen Restaurant as Franchisor may prescribe to conform to then-current standards and specifications of the System and shall complete the upgrade, refurbish and repair within a time specified by Franchisor, and

O If transferee is a corporation or limited liability company, transferee shall have

(1) All stock certificates representing shares in the corporation or evidence of ownership in the limited liability company, whichever is applicable, clearly indicating that they are subject to the terms of this Agreement,

(2) No new common or preferred voting shares in the corporation or similar interests in the limited liability company, whichever is applicable, can be issued to any person, trust, foundation, corporation or other entity without Franchisor's prior written approval,

(3) All shareholders, officers, directors and any beneficial owners of the transferee corporation, or all members or beneficial owners of the transferee limited liability company, whichever is applicable, must personally guarantee the corporation's or limited liability company's performance of its obligations under the Franchise Agreement,

(4) Transferee shall provide Franchisor with a copy of the fully-executed legal documents that reflect the formation of the business entity, including evidence of distribution of ownership, and

(5) Regardless of the foregoing, nothing contained herein shall be construed to permit Franchisee to disclose any Confidential Information to a prospective transferee without the express written consent of Franchisor

14 4 **Permitted Transfers to a Corporation, LLC or Affiliate Company** If Franchisee is an individual or partnership, and desires to assign and transfer its rights, assets and obligations under this Agreement to

a corporation or limited liability company that is wholly-owned by Franchisee and formed for the convenience of ownership, it may if the following conditions are met

A Franchisee obtains Franchisor's prior written consent on Franchisor's form and execute Franchisor's form of general release in favor of Franchisor,

B Franchisee's corporation or limited liability company is newly organized and its activities are confined exclusively to acting as a Primal Kitchen Franchisee under this Agreement,

C Franchisee is in full compliance with this Agreement,

D Franchisee is current in meeting all financial obligations to Franchisor and its affiliates,

E Franchisee shall own and control all of the equity and voting power of all issued and outstanding stock of the transferee corporation or all of the equity and voting power of the limited liability company and, if Franchisee is more than one individual, each individual shall have the same proportionate ownership interest in the corporation or limited liability company as he or she had in Franchisee prior to the transfer,

F Franchisee actively manages the corporation or limited liability company and continues to devote his best efforts to the development and operation of the license and the business of the Primal Kitchen Restaurant,

G Franchisee executes a written assignment to said transferee corporation or limited liability company, and Franchisee and all shareholders of the transferee corporation or all members of the limited liability company, execute a document in a form prescribed by Franchisor in which they agree to remain jointly and severally liable for full payment and performance and all obligations under this Agreement,

H Franchisee submits to Franchisor a copy of Franchisee's Articles of Incorporation, partnership documents, operating agreement, bylaws, or a copy of those fully-executed legal documents that reflect the formation of such entity, including evidence of distribution of ownership Franchisee must also provide Franchisor with a certificate of good standing from the state where Franchisee's entity is formed,

I No new common or preferred voting shares in said corporation, or any similar interests in said limited liability company, whichever is applicable, are issued to any person, partner, partnership, trust, foundation, corporation, limited liability company or other entity of any kind without Franchisor's prior written consent, which consent will not be unreasonably withheld, and then only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the stock or membership interests, whichever is applicable, and

J The corporate or limited liability company name of Franchisee's business entity may not include the words "Primal Kitchen", or any of the Marks licensed under this Agreement

K If all of the above conditions are met and transfer to said corporation or limited liability company is approved by Franchisor, the Transfer Fee shall be waived in this transaction only, and the Five Thousand Dollar ($5,000) new franchisee training fee shall be waived only if no new management personnel of Franchisee requires the completion of the initial training provided by Franchisor

14 5 **Death or Disability of Franchisee** In the event of the death or disability of Franchisee, if an individual, or of a stockholder of a corporate Franchisee, or of a partner of a Franchisee which is a partnership, or a member of a Franchisee which is a limited liability company, the transfer of Franchisee's or the deceased stockholder's, partner's or member's interest in this Agreement to his or her heirs, trust, personal representative or conservators, as applicable, must occur within six (6) months of the death or disability, but, shall not be deemed a transfer by Franchisee (provided that the responsible supervisorial or managerial personnel or agents of Franchisee have been satisfactorily trained at Franchisor's Initial Training) nor obligate Franchisee to pay any Transfer Fee (provided, however, the $5,000 new franchisee training fee shall be payable if there is to be new management of the Primal Kitchen Restaurant who have not previously received the initial training provided by Franchisor) nor give rise to Franchisor's right of first refusal, although such refusal right or obligation to pay shall apply to any proposed transfer by such heirs, trust, personal representative or conservators, provided however, if Franchisor determines (I) there is no imminent transfer to a qualified successor or (ii) there is no heir or other principal person capable of operating the Primal Kitchen Restaurant, Franchisor shall have the right, but not the obligation, to immediately appoint a manager and commence operating the Primal Kitchen Restaurant on behalf of Franchisee Franchisee shall be obligated to, and shall pay to Franchisor all reasonable costs and expenses for such management assistance, including without limitation, the manager's salary, room and board, travel expenses and all other related expenses of the Franchisor appointed manager Operation of the Primal Kitchen Restaurant during any such period shall be for and on behalf of Franchisee, provided that Franchisor shall only have a duty to utilize reasonable efforts and shall not be liable to Franchisee or its owners for any debts, loses or obligations incurred by the Primal Kitchen Restaurant, or to any creditor of Franchisee for any supplies, inventory, equipment, furniture, fixtures or services purchased by the Primal Kitchen Restaurant during any period in which it is managed by a Franchisor appointed manager Franchisor may, in its sole discretion, extend the six (6) month period of time for completing a transfer contemplated by this Section

14 6 **Relocation** Except in cases when Franchisee is in default of its lease, if the Primal Kitchen Restaurant location is lost through condemnation, loss of lease, fire or other casualty, Franchisee may identify a new Authorized Location within the same Designated Market Area in which the Primal Kitchen Restaurant was located, subject to consent of Franchisor Franchisee must apply for Franchisor's consent to relocate at the new the Primal Kitchen Restaurant location and execute a general release in favor of Franchisor, both in the form prescribed by Franchisor Franchisor will consent to or reject Franchisee's relocation application in accordance with its then-current relocation and closure policy If the Primal Kitchen Restaurant is temporarily closed pending relocation, Franchisee may not assign any interest in the franchise to another party or entity until such time as the Primal Kitchen Restaurant is once again in operation, as determined by Franchisor Any such relocation shall be at Franchisee's sole expense and Franchisor shall have the right to charge Franchisee for any costs incurred by Franchisor, and a reasonable fee for its services, in connection with any such relocation

14 7 **Transfer by Franchisor** Franchisor shall have the right to transfer or assign all or any part of its rights or obligations herein to any person or legal entity, directly or indirectly, by merger, assignment, pledge or other means

15 DEFAULT AND TERMINATION OF AGREEMENT

15 1 **Termination of Franchise by Franchisee** If Franchisee is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure or remedy such breach within ninety (90) days after written notice thereof delivered from Franchisee, Franchisee may terminate this Agreement Such termination will be effective thirty (30) days after delivery to Franchisor of notice that such breach has not been cured or remedied and Franchisee elects to terminate this Agreement A termination by Franchisee for any other reasons shall be deemed a termination by Franchisee without cause

15 2 **Termination of Franchise by Franchisor** Franchisor shall have the right to terminate this Agreement for "good cause" upon delivering notice of termination to Franchisee For purposes of this Agreement, "good cause" shall include, without limitation (1) a material breach of this Agreement or any other agreement between Franchisee and Franchisor or any of Franchisor's affiliates, (2) intentional, repeated or continuous breach of any provision of this Agreement or any other agreement between Franchisee and Franchisor or any of Franchisor's affiliates, and (3) the breaches set forth below

(1) **Immediate Termination** Franchisee shall be deemed to be in default and Franchisor may terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon receipt of notice by Franchisee, and such termination shall be for good cause where the grounds for termination are

(a) Franchisee has made any material misrepresentation or omission in applying for the franchise or in executing or performing under this Agreement or any other agreement between Franchisee and Franchisor or any of Franchisor's affiliates,

(b) Franchisee becomes insolvent by reason of Franchisee's inability to pay debts as they become due, or makes an assignment for the benefit of creditors or makes an admission of Franchisee's inability to pay obligations as they become due,

(c) Franchisee files a petition in bankruptcy, or an involuntary petition in bankruptcy is filed against Franchisee or a receiver is appointed for Franchisee's business, or a final judgment remains unsatisfied or of record for 30 days or longer, or if Franchisee is a corporation, limited liability company or partnership, Franchisee is dissolved,

(d) Franchisee voluntarily abandons or discontinues to actively operate the Primal Kitchen Restaurant for two (2) business days or more in any twelve

(12) month period, and it is readily apparent that Franchise
store and has discontinued operations,

ed or abandoned the

(e) Franchisee or any of its principal offic

managing

members is convicted of or pleads no contest to a felony or other crime or offens
the reputation of the System or the goodwill associated with the Marks,

rtners, or

(f) Franchisee makes an unauthorized direct or in

attempted or

ct

purported transfer of this Agreement, or makes an unauthorized direct or indirect transfe
or purported transfer of an ownership interest in the Franchise, or fails or refuses to transfer t
or the interest in the Franchise of a deceased or disabled controlling owner thereof as require

(g) Franchisee falsifies any financial reports or records req
be provided by Franchisee to Franchisor under this Agreement,

(h) Franchisee's disclosure, utilization, or duplication of any portion

of the System,

the Manual or other proprietary or Confidential Information relating to the Primal Kitchen Restaurant that is contrary to the provisions of this Agreement,

(i) Franchisee violates any health or safety law, ordinance or

regulation or operates

the Primal Kitchen Restaurant in a manner that presents a health or safety hazard to its customers or to the public,

(j) Franchisee fails to obtain lawful possession of an acceptable

location and to open

for business as the Primal Kitchen Restaurant within twelve (12) months after this Agreement is accepted by Franchisor,

(k) Franchisee defaults under the lease agreement or otherwise

loses the right to

possess the premises at the location at which the Primal Kitchen Restaurant is located,

(l) Franchisee fails to comply with the covenants not to compete as

required in Article 13

herein, or

(m) Franchisee, after curing a default pursuant to Paragraph 15 2(2)

herein, commits

the same act of default again within any twelve (12) consecutive month period whether or not such default is cured after notice thereof is delivered to Franchisee, or if Franchisee received three (3) or more default notices from Franchisor within any twelve (12) consecutive monthly period whether or not such defaults were related to the same problem or were cured after notice thereof was delivered to Franchisee

(2) **Termination with Notice** In addition to the provisions of Paragraph 15 2(1), if Franchisee shall be in default under the terms of this Agreement and the default shall not be cured or remedied (to Franchisor's satisfaction) within thirty (30) days after receipt of written notice from Franchisor (and 10 days prior notice in the event of a default described in Subparagraphs (f), (g) and (h) below), in addition to all other remedies available to Franchisor at law or in equity, Franchisor may immediately terminate this Agreement If any such default is not cured within the specified cure period, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of the cure period Franchisee shall be in default, and each of the following shall constitute good cause for termination under this Agreement

(a) Failure, refusal or neglect by Franchisee to obtain Franchisor's prior written approval or consent any time such approval or consent is required by this Agreement,

(b) The commission by Franchisee of any act or practice that impairs or imminently threatens to impair the goodwill associated with the Marks, as determined by Franchisor,

(c) Franchisee's failure to comply with any provision of this Agreement that does not otherwise provide for immediate termination, or Franchisee's bad faith in carrying out the terms of this Agreement,

(d) Failure by Franchisee to maintain books and financial records for the Primal Kitchen Restaurant suitable for proper financial audit or failure by Franchisee to permit Franchisor to carry out its rights to conduct an inspection or audit as provided in this Agreement or failure by Franchisee to submit as required by this Agreement all reports, records and information of the Primal Kitchen Restaurant,

(e) Franchisee and, if Franchisee has elected not to directly supervise "on-premises" the day-to-day shop operations, Franchisee's supervisorial or managerial personnel fail to complete, to Franchisor's satisfaction, the initial training program as provided in this Agreement,

(f) Franchisee fails to pay when due any amount owing to Franchisor or its affiliates under this Agreement or any other agreement, or is unable to obtain adequate financing to cover all costs of developing, opening and operating the Primal Kitchen Restaurant,

(g) Franchisee fails to pay when due any amounts owing to any person or entity in connection with the construction, leasing, financing, operation or supply of the Primal Kitchen Restaurant,

(h) Franchisee closes any bank account without completing all of the following forthwith after such closing (i) immediately notifying Franchisor thereof in writing, (ii) immediately establishing another bank account, and (iii) executing and delivering to Franchisor all documents necessary for Franchisor to begin and continue making withdrawals from such bank account by electronic funds transfer as Exhibit 2 to this Agreement permits,

(i) Franchisee fails to maintain or suffers cancellation of any insurance coverage
required under this Agreement,

(j) Any transfer or attempted transfer by Franchisee or any partner, member or
shareholder in Franchisee of any rights or obligations under this Agreement to any third party without the prior written consent of Franchisor,

(k) Franchisee fails to obtain execution of the confidentiality and non-competition
covenants as required in Articles 12 and 13 herein,

(l) Franchisee fails to execute any exhibits, addendum, attachments, or agreements
to this Agreement requiring Franchisee's signature,

(m) Franchisee offers in conjunction with the operation of the Primal Kitchen Restaurant products or services that have not been approved by Franchisor,

(n) If Franchisee, by act or omission, permits a continued violation in connection with
the operation of the Primal Kitchen Restaurant of any law, ordinance, rule or regulation of a governmental agency, in the absence of a good faith dispute over its application or legality and without promptly resorting to an appropriate administrative or judicial forum for relief there from,

(o) Franchisee fails to comply with any provisions, standards or procedures
prescribed by Franchisor in the Manual or otherwise in writing, or

(p) Franchisee failures to abide by the pertinent marketing and advertising
requirements and procedures and participate in marketing programs for the business as established by Franchisor

15 3 **Cross-Default** If there are now, or hereafter shall be, other Franchise Agreements or any other agreements in effect between Franchisee and Franchisor and/or any of Franchisor's affiliates, a default by Franchisee under the terms and conditions of this or any other such agreement, shall at the option of Franchisor, constitute a default under all such agreements

15 4 **State Laws** Notwithstanding anything to the contrary in this Article 15, in the event any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this Agreement or the parties hereto shall limit Franchisor's rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the requirements of such laws and regulations, but in such event the provisions of the Agreement thus affected shall be amended only to the extent necessary to bring it within the requirements of the law or regulation

15 5 **Subsequent Defaults** The description of any default in any notice served by Franchisor hereunder upon Franchisee shall in no way preclude Franchisor from specifying additional or supplemental defaults in any action, arbitration, hearing or suit relating to this Agreement or the termination thereof

15 6 **Obligations of Franchisee Upon Termination, Expiration or Non-Renewal** Immediately upon termination, expiration or non-renewal of this Agreement for any reason

A All rights, privileges and licenses granted by Franchisor to Franchisee shall immediately cease and be null and void and of no further force and effect, and all such rights, privileges and licenses shall immediately revert to Franchisor,

B Franchisee shall cease to be an authorized Primal Kitchen franchise owner, and unless Franchisor exercises its rights under Paragraph 15 6 I shall immediately, at its own expense, remove all signs, obliterate or remove all letterheads, labels or any other item or form of identification that would in any way link or associate Franchisee, its goods and/or services with Franchisor, and shall immediately cease to use, in any manner, the Marks, System and any other copyrighted information or materials or any confidential information Franchisee obtained as a result of the franchise granted to Franchisee,

C Franchisee shall immediately terminate all advertising and promotional efforts and any other act that would in any way indicate that Franchisee is or was ever an authorized Primal Kitchen Franchisee, Franchisee shall also comply as to the terms of the Telephone Listing Agreement attached hereto as Exhibit 4,

D Franchisee shall cancel any assumed name of Franchisee or equivalent registration that contains any Proprietary Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after termination, expiration or nonrenewal of this Agreement,

E Franchisee agrees not to use any reproduction, counterfeit, copy, or colorable imitation of the Marks that is likely to cause confusion, mistake or deception, or that is likely to dilute Franchisor's rights in and to the Marks, and further agrees not to use any trade dress or designation of origin or description or representation that falsely suggests or represents an association or connection with Franchisor, F Franchisee shall pay all sums owing to Franchisor In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including reasonable legal fees, incurred by Franchisor as a result of the default,

G Franchisee shall comply with the covenants set forth in Articles 12 and 13 of this Agreement, and

H Franchisee shall, at Franchisor's option, assign to Franchisor any interest that Franchisee has in any lease for the premises of the Primal Kitchen Restaurant,

I (1) Upon the termination, expiration or non-renewal of this Agreement by Franchisor or Franchisee for any reason, Franchisor shall have the option, exercisable by giving written notice thereof within thirty (30) days from the date of such termination, expiration or non-renewal to purchase any and all inventory, equipment, furniture, fixtures, signs, sundries and supplies owned by Franchisee and used in the Primal Kitchen Restaurant, at the lesser of (i) Franchisee's cost less depreciation computed on a reasonable straight line basis (as determined in accordance with generally accepted accounting principles and consistent with industry standards and customs) or (ii) fair market value of such assets, less (in either case) any outstanding liabilities of the Primal Kitchen Restaurant In addition, Franchisor shall have the option to assume Franchisee's lease for the lease location of the Primal Kitchen Restaurant, or if an assignment is prohibited, a sublease for the full remaining term on the same terms and conditions as Franchisee's lease No value will be attributed to the value of the Marks or the system or to the assignment of the lease (or sublease) for the premises or the assignment of any other assets used in conjunction with the Primal Kitchen Restaurant, and Franchisor will not be required to pay any separate consideration for any such assignment or sublease

(2) If the parties cannot agree on fair market value within thirty (30) days of Franchisor's notice of intent to purchase, fair market value shall be determined by an experienced, professional and impartial third party appraiser without regard to goodwill or going concern value, designated by Franchisor and acceptable to Franchisee, whose determination shall be final and binding on both parties The cost of such appraisal shall be borne equally by Franchisor and Franchisee If the parties cannot agree upon an appraiser one shall be appointed by the American Arbitration Association, upon petition of either party

(3) Franchisor shall have the right to withhold from the purchase price funds sufficient to pay all outstanding debts and liabilities of Franchisee and the Primal Kitchen Restaurant and to pay such debts and liabilities from such funds If such liabilities exceed the purchase price of the inventory, equipment, furniture, fixtures and signs, Franchisor shall apply the purchase price in such a manner as Franchisor, in its own discretion, shall determine In no event, however, shall Franchisor become liable for any of the debts and liabilities of Franchisee or the Primal Kitchen Restaurant and Franchisee shall remain responsible for all outstanding debts and liabilities of the Primal Kitchen Restaurant that remain unsatisfied subsequent to the distribution by Franchisor of the purchase price of the funds The purchase price shall be paid in cash at the closing of the purchase, which shall take place no later than ninety (90) days after receipt by Franchisee of Franchisor's notice of exercise of this option to purchase the inventory,

equipment, furniture, sundries and signs at which time Franchisee shall deliver instruments transferring to Franchisor or its nominee (1) good and merchantable title to the inventory, equipment, furniture, sundries and signs purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor), with all sales and other transfer taxes paid by Franchisee, and (2) all licenses and permits which may be assigned or transferred In the event that Franchisee cannot deliver clear title to all of the inventory, equipment, furniture, sundries and signs purchased as aforesaid, or in the event there shall be other unresolved issues, the closing of the sale shall be accomplished through an escrow arrangement Further, Franchisee and Franchisor shall, prior to closing, comply with the applicable Bulk Sales provisions of the Uniform Commercial Code as enacted in the state where the Primal Kitchen Restaurant is located If Franchisor exercises this option to purchase the inventory, equipment, furniture, fixtures, sundries and signs pending the closing of such purchase as herein above provided, Franchisor shall have the right to appoint a manager to maintain the operation of the Primal Kitchen Restaurant, in accordance with the relevant provisions of Article 14 hereof Alternatively, Franchisor may require Franchisee to close the Primal Kitchen Restaurant during such time period without removing therefrom any inventory, equipment, furniture, sundries and signs Franchisee shall maintain in force all insurance policies required by Article 10 hereof until the date of closing

J (1) Franchisee shall furnish to Franchisor within thirty (30) days after the effective date of termination, expiration or non-renewal evidence satisfactory to Franchisor of Franchisee's compliance with all obligations under this Paragraph 15 6,

(2) Termination, expiration or non-renewal of this Agreement shall not affect, modify or discharge any claims, rights, causes of action or remedies, which Franchisor may have against Franchisee, whether under this Agreement or otherwise, for any reason whatsoever, whether such claims or rights arise before or after termination

15 7 __Franchisor's Rights and Remedies in Addition to Termination__ If Franchisee shall be in default in the performance of any of its obligations or breach any term or condition of this Agreement, in addition to Franchisor's right to terminate this Agreement, and without limiting any other rights or remedies to which Franchisor may be entitled at law or in equity, Franchisor may, at its election, immediately or at any time thereafter, and without notice to Franchisee cure such default for the account of and on behalf of Franchisee including, without limitation, entering upon and taking possession of the Primal Kitchen Restaurant and to taking in the name of Franchisee, all other actions necessary to effect the provisions of this Agreement and any such entry or other action shall not be deemed a trespass or other illegal act, and Franchisor shall not be liable in any manner to Franchisee for so doing, and Franchisee shall pay the entire cost thereof to Franchisor on demand, including reasonable compensation to Franchisor for the management of the Primal Kitchen Restaurant

16 RESOLUTION OF DISPUTES

16 1 __Claim Process__ You and we believe that it is important to resolve any disputes amicably, quickly, cost effectively and professionally and to return to business as soon as possible You and we have agreed that the provisions of this Article 16 support these mutual objectives and, therefore, agree as follows

Any litigation, claim, dispute, suit, action, controversy, or proceeding of any type whatsoever including any claim for equitable relief and/or where either party is acting as a "private attorney general," suing pursuant to a statutory claim or otherwise, between or involving you and us on whatever theory and/or facts based, and whether or not arising out of this Agreement, ("Claim") will be processed in the following manner, you and we each expressly waiving all rights to any court proceeding, except as expressly provided below at Section 16 2 shall

(1) First, be discussed in a face to-face meeting held within thirty (30) days after either you or we give written notice to the other proposing such a meeting

(2) Second, if not resolved, be submitted to non-binding mediation for a minimum of four (4) hours before (i) Franchise Arbitration and Mediation, Inc ("FAM") or its successor (or an organization designated by FAM or its successor), or (ii) any other mediation organization approved by all parties, or (iii) by the American Arbitration Association or its successor (or an organization designated by its successor), if FAM cannot conduct such mediation and the parties cannot agree on a mediation organization We will share the costs of the first four (4) hours of any mediation, and no mediation is required to extend beyond such four (4) hour period Any mediation/arbitration (and any appeal of arbitration) will be conducted by a mediator/arbitrator experienced in franchising Any party may be represented by counsel and may, with permission of the mediator, bring persons appropriate to the proceeding

(3) Third, be submitted to and finally resolved by binding arbitration before and in accordance with the arbitration rules of the American Arbitration Association Arbitration in Scottsdale, Arizona or at such other place as shall be designated by Franchisor Judgment upon the award rendered by the arbitrator shall be entered in any Court having jurisdiction thereof Franchisor and Franchisee agree that any arbitration between Franchisor and Franchisee shall be of Franchisee's individual claim and that the claim subject to arbitration shall not be arbitrated on a class wide basis This arbitration provision shall be deemed to be self-executing, and in the event either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party notwithstanding said failure to appear In no event shall Franchisor be liable to Franchisee for punitive damages in any action arising out of or relating to this Agreement, or any breach, termination or cancellation hereof

16 2 **Other Proceedings** Notwithstanding Paragraph 16 1, upon a breach or threatened breach of this Agreement by Franchisee, Franchisor is entitled to injunctive or other extraordinary relief in any court of competent jurisdiction restraining such breach without bond (and if such bond is required by a court of competent jurisdiction, Franchisor and Franchisee agree that the sum of $100 shall be sufficient bond for such purpose) and without regard to adequacy of its legal remedies Interim equitable relief is available to Franchisor in addition to other remedies or rights Franchisor may have Franchisor is also entitled to proceed in court in lieu of arbitration to obtain a decree of specific performance requiring that each provision of this Agreement be honored, carried out and enforced as written and to obtain a declaratory judgment or other appropriate relief if there is a controversy over interpretation of this Agreement or the rights and obligations of the parties Notwithstanding Paragraph 16 1, Franchisor may also proceed in a civil action in court against Franchisee to collect sums of money due Franchisor or to protect or enforce its rights in or under the Marks Except as provided in Paragraph 16 1, any legal proceeding involving any dispute between the parties to this Agreement must be

venued exclusively and solely in federal or state court in Scottsdale, Arizona Franchisee consents to jurisdiction and venue in any such action

16 3 **Limitation of Actions** Franchisor and the Franchisee agree that no action (whether for arbitration, damages, injunctive, equitable or other relief, including, without limitation, rescission) will be maintained by any party to enforce any liability or obligation of the other party, whether arising from this Agreement or otherwise, unless brought before the expiration of the earlier of one (1) year after the date of discovery of the facts resulting in such alleged liability or obligation or two (2) years after the date of the first act or omission giving rise to such alleged liability or obligation, except that where State or Federal law mandates or makes possible by notice or otherwise a shorter period, such shorter period shall apply

16 4 **Jury Trial Waiver Franchisee and Franchisor each knowingly waive all rights to a court trial** (except as expressly provided in this Agreement), understanding that arbitration may be less formal than a court or jury trial, may use different rules of procedure and evidence and that appeal is generally less available, but still strongly preferring mediation and/or arbitration as provided in this Agreement, and the terms of this Agreement (including but not limited to this Section 16) shall control with respect to any matters of choice of law Nothing in this or any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document it furnished to Franchisee

16 5 **Class Action Waiver** Franchisor and Franchisee agree that all proceeding and claims between the parties shall be filed and prosecuted separately and individually and not as a class action, or any representative capacity, and shall not be or remain consolidated with claims asserted by or against any others

16 6 **Attorneys' Fees and Costs**

A If legal action or arbitration is necessary to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable compensation for preparation, investigation, court costs, arbitration costs (if applicable) and reasonable attorney's fees, as fixed by a court of competent jurisdiction

B Separate and distinct from the right of a prevailing party to recover expenses, costs and fees in connection with any legal proceeding or arbitration, the prevailing party shall also be entitled to receive all expenses, costs and reasonable attorney's fees incurred in connection with the enforcement of any arbitration award or judgment entered Furthermore, the right to recover post-arbitration award and post-judgment expenses, costs and attorney's fees shall be severable and shall survive any award or judgment and shall not be deemed merged into such judgment

17 MISCELLANEOUS PROVISIONS

17 1 **Severability** Except as provided in Paragraph 13 4, each article, section, paragraph, term and provision of this Agreement, or any portion thereof, shall be considered severable and if, for any reason, any such portion of this Agreement is held by an arbitrator or by a court of competent jurisdiction to be unenforceable due to any applicable existing or future law or regulation, such portion shall not impair the operation of or have any effect upon, the remaining portions of this Agreement which will remain in full force and effect and bind the parties hereto, although the invalid portion shall be deemed not part of this Agreement from the time so directed by the court No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but, each shall be cumulative of every other right or remedy

17 2 **Waiver and Delay** Franchisor and Franchisee may, by written instrument, unilaterally waive any obligation or restriction upon the other under this Agreement No failure, refusal or neglect of Franchisor to exercise any right, power, remedy or option reserved to it under this Agreement, or to insist upon strict compliance by Franchisee with any obligation, condition, specification, standard or operating procedure in this Agreement, shall constitute a waiver of any provision of this Agreement and the right of Franchisor to demand exact compliance with this Agreement, or to declare any subsequent breach or default or nullify the effectiveness of any provision of this Agreement Subsequent acceptance by Franchisor of any payment(s) due it under this Agreement shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement

17 3 **Rights of Parties Are Cumulative** The rights of Franchisor and Franchisee under this Agreement are cumulative and no exercise or enforcement by the Franchisor or Franchisee of any right or remedy under this Agreement shall preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy under this Agreement or which Franchisor or Franchisee is entitled by law to enforce,

17 4 **Parties Affected** This Agreement binds the parties and, subject to Article 14, their successors and assigns No person may acquire from Franchisee any interest in this Agreement except in accordance with Article 14 If Franchisee consists of more than one person or entity, or a combination thereof, the obligations and liabilities to Franchisor of each such person or entity are joint and several Each shareholder or equity owner of a five percent (5%) or greater interest in Franchisee must sign the guaranty of this Agreement designated by Franchisor, in the form attached as Exhibit 5 to this Agreement

17 5 **Governing Law**

This Agreement and all related Agreements take effect upon their acceptance and execution by Franchisor in the State of Arizona and any matter whatsoever which arises out of or is connected any way with the Agreement or the franchise shall be governed by and interpreted and construed under the laws of Arizona, which laws shall prevail in the event of any conflict of law, provided, however, that if any provision of this Agreement would not be enforceable under the laws of Arizona, then such provisions shall be interpreted and construed under the laws of the state where the Primal Kitchen Restaurant is located

17 6 <u>Choice of Forum</u>

A Franchisee acknowledges and agrees that this Agreement is entered into in Arizona and that any action brought by either party against the other for the purpose of enforcing the terms and provisions of this Agreement (which is not to be arbitrated pursuant hereto or pursuant to law) shall be instituted solely in a state or federal court having subject matter jurisdiction thereof only in Arizona in the judicial district in which Franchisor has its principal place of business and in no other court and that Franchisee irrevocably waives any objection Franchisee may have to the exclusive jurisdiction or the exclusive venue of such court

B If Franchisee institutes any arbitration or other legal proceedings in any venue or other court other than those specified, Franchisee shall assume all of Franchisor's costs in connection therewith, including, without limitation, reasonable attorney fees regardless of the outcome of such arbitration or legal proceedings

17 7 <u>No Withholding Payments Owed</u> Franchisee shall not, on the grounds of alleged nonperformance by Franchisor of any of its obligations under this Agreement, withhold payments of the royalty fee, any advertising or marketing fees, or any other amounts due the Franchisor or any affiliate of Franchisor

17 8 <u>Amendment</u> This Agreement may not be amended except in writing signed by Franchisor and Franchisee

17 9 <u>Designation of Responsible Parties</u> Franchisee represents and warrants to Franchisor that the list below states (i) the name, mailing address and equity interest of each person holding any shares or other form of ownership, or security interest convertible into an equity interest, in Franchisee, showing percentage of ownership held by each and (ii) the name and mailing address of the individual(s) who will be the principal franchisee-operator(s) (the "Designated Operator(s)") of the business franchised hereunder The Designated Operator(s) (there may be up to two such individuals but only one address to which Franchisor communicates in regards to the franchise) named has the authority to act for Franchisee in all matters relating to the Primal Kitchen Restaurant, including voting responsibilities Only those individuals who are party to this Agreement and have an ownership interest in the franchise entity may be listed as a Designated Operator(s) Franchisee shall promptly notify Franchisor of any change in any such information Any change in the Designated Operator(s) or in shareholder information is subject to Article 14 and the training requirements of this Agreement

Franchisee is a ☐ ____________________, organized under the laws of ________________________, or ☐ Franchisee is an individual or group of individuals, and hereby represents and warrants that the information stated below is true and accurate as of the date set forth below

Shareholder, Partner, Member or Individual Name and Address | **Percentage of Ownership Interest**

______________________________ | ____________

Shareholder, Partner, Member or Individual Name and Address | **Percentage of Ownership Interest**

______________________________ | ____________
______________________________ | ____________
______________________________ | ____________

Designated Operator(s) ______________________________

17 10 **Franchisor's Discretion** Except as otherwise specifically referenced herein, all acts, decisions, determinations, specifications, prescriptions, authorizations, approvals, consents and similar acts by Franchisor may be taken or exercised in the sole and absolute discretion of Franchisor, regardless of the impact upon Franchisee Franchisee acknowledges and agrees that when Franchisor exercises its discretion or judgment, its decisions may be for the benefit of Franchisor or the Primal Kitchen Franchise network and may not be in the best interest of Franchisee as an individual franchise owner

17 11 **Titles for Convenience Only** Paragraph titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Agreement

17 12 **Gender** All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context or sense of this Agreement or any section may require

17 13 **Counterparts** This Agreement may be executed in any number of copies, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument

17 14 **Notices**

A All notices which the parties hereto may be required or permitted to give under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, postage paid, or by reliable overnight delivery service, addressed as follows

If to Franchisor

Primal Kitchen, LLC
Attention Mario J Altiery

4516 Mission Blvd, Suite C
Scottsdale, Arizona 92109

If to Franchisee

____
____
____

B The addressees herein given for notices may be changed at any time by either party by written notice given to the other party as herein provided Notices delivered by certified or registered mail shall be deemed to have been given three (3) business days after postmark by United States Postal Service, or the next business day after deposit with reliable overnight delivery service or when delivered by hand

17 15 **Further Assurances** The parties to this Agreement agree to execute such other documents and perform such further acts as may be necessary or desirable to carry out the purposes of this Agreement

17 16 **Time is of the Essence** Franchisor and Franchisee agree that time is of the essence with respect to all terms and conditions in this Agreement

17 17 **Consumer Price Index** Amounts specified as being subject to inflation adjustment may be adjusted by us annually in our Business Judgment in proportion to the changes in the Consumer Price Index (U S Average, all items) maintained by the U S Department of Labor (or any Successor index) as compared to the previous year We are not required to adjust any amounts downward We will notify you of any such percentage increase adjustment

17 18 **No Recourse Against Nonparty Affiliates** All claims, obligations, liabilities, or causes of action (whether in contract or in tort, in law or in equity, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement, or the negotiation, execution, or performance of this Agreement (including any representation or warranty made in, in connection with, or as an inducement to this Agreement, but not including separate undertakings such as guarantees of performance, personal guaranties, or corporate guarantees), may be made only against (and are those solely of) the entities that are expressly identified as parties in the preamble to this Agreement ("Contracting Parties") No person who is not a Contracting Party, including without limitation any director, officer, employee, incorporator, member, partner, manager, stockholder, affiliate, agent, attorney, or representative of, and any financial advisor or lender to, any of the foregoing ("Nonparty Affiliates"), shall have any liability (whether in contract or in tort, in law or in equity, or granted by statute) for any claims, causes of action, obligations, or liabilities arising under, out of, in connection with, or related in any manner to this Agreement or based on, in respect of, or by reason of this Agreement or its negotiation, execution, performance, or breach, and, to the maximum extent permitted by law, each Contracting Party hereby waives and releases all such liabilities, claims, causes of action, and obligations against any such Nonparty Affiliates, unless such liabilities, claims, causes of action, and obligations arise from deliberately fraudulent acts Without limiting the foregoing, to the maximum extent permitted by law, (a) each Contracting Party hereby waives and releases any and all rights, claims, demands or causes of action that may

otherwise be available at law or in equity, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose liability of a Contracting Party on any Nonparty Affiliate, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise, and (b) each Contracting Party disclaims any reliance upon any Nonparty Affiliates with to the performance of this Agreement or any representation or warranty made in, in connection with, or as an inducement to this Agreement Nothing herein is intended to prevent a Contracting Party from pursuing any distinct legal rights it may have against a Nonparty Affiliate which arise from a separate document, such as a guaranty of performance, personal guaranty, corporate guaranty or similar agreement Notwithstanding any other provision of this Agreement which limits the right of prospective third party beneficiaries, any Nonparty Affiliate may rely on this provision and enforce it against any Contracting Party or other person or entity

18 ACKNOWLEDGMENTS

18 1 A THE SUBMISSION OF THE AGREEMENT DOES NOT CONSTITUTE AN OFFER AND THIS AGREEMENT SHALL BECOME EFFECTIVE ONLY UPON THE EXECUTION HEREOF BY THE FRANCHISOR AND THE FRANCHISEE THE DATE OF EXECUTION BY THE FRANCHISOR SHALL BE CONSIDERED TO BE THE DATE OF EXECUTION OF THIS AGREEMENT

B THIS AGREEMENT SHALL NOT BE BINDING ON THE FRANCHISOR UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF THE FRANCHISOR

18 2 FRANCHISEE ACKNOWLEDGES THAT THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED TO BE UNDERTAKEN BY FRANCHISEE UNDER THIS AGREEMENT IS SPECULATIVE, WILL BE OPERATED IN A HIGHLY COMPETITIVE MARKETPLACE AND VOLATILE ECONOMY, AND THAT ITS FINANCIAL RESULTS, INCLUDING ITS ULTIMATE SUCCESS OR FAILURE, WILL DEPEND UPON FRANCHISEE'S MANAGERIAL AND FINANCIAL CAPABILITIES, LOCAL MARKET CONDITIONS AND OTHER FACTORS FRANCHISEE ACKNOWLEDGES, THEREFORE, THAT FRANCHISOR CANNOT AND DOES NOT GUARANTEE OR REPRESENT THAT THE PRIMAL KITCHEN WILL BE PROFITABLE OR SUCCESSFUL

18 3 FRANCHISEE ACKNOWLEDGES THAT IT HAS ENTERED INTO THIS AGREEMENT AFTER MAKING AN INDEPENDENT INVESTIGATION OF FRANCHISOR'S OPERATIONS AND THE MARKET AREA IN WHICH FRANCHISEE WILL OPERATE THE PRIMAL KITCHEN, AND NOT UPON ANY REPRESENTATION, FACT, PROMISE OR ASSURANCE MADE BY THE FRANCHISOR OR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES OR AGENTS AS TO GROSS REVENUES, COSTS, VOLUME, POTENTIAL EARNINGS OR PROFITS THAT FRANCHISEE MIGHT DERIVE FROM THE OPERATION OF A THE PRIMAL KITCHEN FRANCHISE FRANCHISEE FURTHER ACKNOWLEDGES THAT THE FRANCHISOR AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS HAVE NOT MADE ANY OTHER REPRESENTATION ABOUT THE FRANCHISE WHICH IS NOT EXPRESSLY SET FORTH HEREIN OR IN THE FRANCHISOR'S UNIFORM FRANCHISE OFFERING CIRCULAR, INCLUDING EXHIBITS AND ADDENDUM, TO INDUCE THE FRANCHISEE TO ACCEPT THIS FRANCHISE AND EXECUTE THIS AGREEMENT

18 4 A FRANCHISEE REPRESENTS AND ACKNOWLEDGES THAT IT HAS RECEIVED FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) DAYS PRIOR TO THE DATE OF EXECUTION OF THIS AGREEMENT, AND THAT A COPY OF THIS AGREEMENT WITH ALL BLANKS FILLED, INCLUDING EXHIBITS AND ADDENDUM WAS RECEIVED FROM FRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED FRANCHISEE REPRESENTS IT HAS READ THIS AGREEMENT, FRANCHISOR'S UNIFORM FRANCHISE OFFERING CIRCULAR, EXHIBITS, ADDENDUM AND OTHER INFORMATION FRANCHISEE DEEMS RELEVANT IN ITS ENTIRETY, AND HAS BEEN GIVEN THE OPPORTUNITY TO CLARIFY ANY PROVISIONS THAT FRANCHISEE DID NOT UNDERSTAND AND TO CONSULT WITH AN INDEPENDENT LEGAL OR OTHER PROFESSIONAL ADVISOR

B FRANCHISEE FURTHER REPRESENTS THAT IT UNDERSTANDS AND ACCEPTS THE TERMS, CONDITIONS, COVENANTS AND OBLIGATIONS OF THIS AGREEMENT AS BEING REASONABLY NECESSARY TO (1) MAINTAIN THE FRANCHISOR'S HIGH STANDARDS OF QUALITY AND SERVICE, (2) MAINTAIN UNIFORMITY OF THOSE STANDARDS AT ALL THE PRIMAL KITCHEN RESTAURANTS, AND (3) PROTECT AND PRESERVE THE GOODWILL OF THE MARKS, AND THAT FAILURE TO MAINTAIN THE FRANCHISOR'S STANDARDS WILL RESULT IN TERMINATION OF THIS AGREEMENT

18 5 FRANCHISEE ACKNOWLEDGES THAT THE COVENANTS NOT TO COMPETE SET FORTH IN THIS AGREEMENT ARE FAIR AND REASONABLE, AND WILL NOT IMPOSE ANY UNDUE HARDSHIP ON THE FRANCHISEE, SINCE THE FRANCHISEE HAS OTHER CONSIDERABLE SKILLS, EXPERIENCE AND EDUCATION WHICH AFFORD THE FRANCHISEE THE OPPORTUNITY TO DERIVE INCOME FROM SUCH OTHER ENDEAVORS

18 6 FRANCHISEE REPRESENTS TO THE FRANCHISOR THAT ALL INFORMATION SET FORTH IN ANY AND ALL APPLICATIONS, FINANCIAL STATEMENTS AND SUBMISSIONS TO THE FRANCHISOR BY THE FRANCHISEE ARE TRUE, COMPLETE AND ACCURATE IN ALL RESPECTS, AND THE FRANCHISEE EXPRESSLY ACKNOWLEDGES THAT THE FRANCHISOR IS RELYING UPON TRUTHFULNESS, COMPLETENESS AND ACCURACY OF SUCH INFORMATION

18 7 FRANCHISEE ACKNOWLEDGES THAT THE EXECUTION OF THIS AGREEMENT IS THE WHOLLY VOLUNTARY ACT OF THE PERSONS WHO SIGNED THIS AGREEMENT

19 ENTIRE AGREEMENT

This Agreement, the documents referred to herein, and the exhibits hereto, constitute the entire and only agreement between the parties concerning the granting, awarding and licensing of Franchisee as an authorized Primal Kitchen Franchisee at the Primal Kitchen Restaurant authorized location, and supersede all prior and contemporaneous agreements There are no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, between the parties other than those set forth herein Except for those permitted to be made unilaterally by Franchisor 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 This Agreement does not alter agreements between Franchisor and Franchisee for other locations Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim representations Franchisor made to Franchisee in the Franchise Disclosure Document or in any related document that Franchisor heretofore furnished to Franchisee

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below to be effective upon execution by Franchisor

PRIMAL KITCHEN, LLC

By ____________________

Title ____________________

Accepted ____________________

"FRANCHISEE"

If Franchisee is an individual

Signature ____________________

Date ____________________

Signature ____________________

Date ____________________

If Franchisee is a corporation or other entity

____

[Name of Franchisee]

By ____________________

Title ____________________

Date ____________________

EXHIBIT 1 TO
PRIMAL KITCHEN FRANCHISE AGREEMENT

THE AUTHORIZED LOCATION AND PROTECTED RADIUS

This Addendum is made to the Primal Kitchen Franchise Agreement dated ____________________ (the "Franchise Agreement") between Primal Kitchen, LLC (the "Franchisor") and ____ (the "Franchisee")

1 **Preservation of Agreement** Except as specifically set forth in this Addendum, the Franchise Agreement shall remain in full force and effect in accordance with its terms and conditions This Addendum is attached to and upon execution becomes an integral part of the Franchise Agreement

2 **Authorized Location** The parties hereto agree that the Authorized Location referred to in Paragraph 1 2 of the Franchise Agreement shall be the following address

____

____

3 **Protected Radius, if any** The parties hereto agree that Franchisee will receive a non-exclusive protected radius, if any, of____________________ around the Authorized Location

This Addendum is agreed to and accepted by the parties this ___ day of ________________, 20__

PRIMAL KITCHEN, LLC

By ____________________________

Title ____________________________

FRANCHISEE

By ____________________________

Title ____________________________

By ____________________________

Title ______________________________

EXHIBIT 2 TO
PRIMAL KITCHEN FRANCHISE AGREEMENT

ELECTRONIC FUNDS TRANSFER AGREEMENT

This Electronic Funds Transfer Agreement (the "Agreement") is made on t ____________________, 20__ by and between Primal Kitchen, LLC (the "Fra ______________________________________ or their assignee, if a partnership, c of limited liability company is later formed (the "Franchisee")

Whereas, Franchisor and Franchisee are parties to the Primal Kitchen Franchise Agreement exe even date herewith (the "Franchise Agreement") and desire to enter into an Addendum to the Fr Agreement,

Now, therefore, in consideration of the mutual promises contained herein and as an induceme to Franchisor to execute the Franchise Agreement, the parties agree as follows

A Franchisee shall pay any and all fees and other charges in connection with this Addendum and the Franchise Agreement (including, without limitation, the Continuing Royalty Fees, the Social Media Fee, Advertising and National Marketing Fund Fees and any applicable late fees and interest charges) by electronic, computer, wire, automated transfer, ACH debiting, and bank clearing services (collectively "electronic funds transfers" or "EFT"'), and Franchisee shall undertake all action necessary to accomplish such transfers

B Upon execution and delivery of this Agreement, Franchisee shall execute and deliver two (2) originals of the "Electronic Debit Authorization" attached as Exhibit 3 to the Franchise Agreement, which authorizes Franchisee's bank or other financial institution to accept debit originations, electronic debit entries, or other EFT, and electronically deposit fees and contributions owing Franchisor directly to Franchisor's bank account(s) Upon Franchisor's request, Franchisee shall deliver to Franchisor all additional information that Franchisor deems necessary (including, without limitation, financial institution of origin and relevant accounts and ABA/transit numbers for any new bank accounts that Franchisee opens after the date of this Addendum) in connection with such EFT

C By executing this Addendum, Franchisee authorizes Franchisor to withdraw funds at such days and times as Franchisor shall determine via EFT from Franchisee's bank account for all fees and other charges in connection with the Franchise Agreement and this Addendum, as described in the first sentence of this Paragraph Franchisee authorizes weekly ACH debits via EFT based on an amount equal to (1) the Flat Rate set forth in the Franchise Agreement

D If Franchisor has not received by 5 00 P M Wednesday an amount equal to (1) the Flat Rate then Franchisor shall be entitled to withdraw by EFT from Franchisee's bank account(s) the amount due

E Franchisee is responsible for paying all service charges and other fees imposed or otherwise resulting from action by Franchisee's bank in connection with EFT by Franchisor, including, without limitation, any and all service charges and other fees arising in connection with any EFT by Franchisor not being honored or processed by Franchisee's bank for any reason and a Fifty Dollar ($50) charge by Franchisor for processing the EFT Upon written notice by Franchisor to Franchisee, Franchisee may be required to pay any amount(s) due under the Franchise Agreement and/or this Addendum directly to Franchisor by check or other non electronic means in lieu of EFT at Franchisor's discretion It shall be a non curable event of default under Article 15 of the Franchise Agreement if Franchisee closes any bank account without completing all of the following forthwith after such closing (1) immediately notifying Franchisor thereof in writing, (2) immediately establishing another bank account, and (3) executing and delivering to Franchisor all documents necessary for Franchisor to begin and continue making withdrawals from such bank account by EFT as this Addendum permits

F Except as specifically set forth in this Addendum, the Franchise Agreement shall remain in full force and effect in accordance with its terms and conditions This Addendum is attached to and upon execution becomes an integral part of the Franchise Agreement

G Wherefore, the parties have set forth their hand and seal on the day and date first above written

PRIMAL KITCHEN, LLC

By ____________________

Title ____________________

FRANCHISEE

By ____________________

By ____________________

EXHIBIT 3 TO
PRIMAL KITCHEN FRANCHISE AGREEMENT

ELECTRONIC DEBIT AUTHORIZATION

FRANCHISOR Primal Kitchen, LLC
FRANCHISOR ID NUMBER ____________________

The undersigned hereby authorizes Primal Kitchen, LLC (the "Franchisor"), to initiate debit entries to the undersigned's checking account indicated below and the depository named below (the "Depository"), to debit the same to such account

Depository Name ______________________________ Branch
____
City State and Zip Code ______________________________
______________________________ Transit/ABA
No ____________________
Account Number ______________________________

This authority is to remain in full force and effect until the underlying obligations under the Franchise Agreement have been satisfied in full or released in writing by Franchisor

This authorization further confirms my understanding of Exhibit 2 to the Franchise Agreement signed by me/us in which I/we expressly agree that this authorization shall apply to any and all Depositories and bank accounts with which I/we open accounts during the term of the Franchisee Agreement and any renewals Without limiting the generality of the forgoing, I/we understand that if I/we close any bank account, I/we are obligated immediately to (i) notify Franchisor thereof in writing, (ii) establish another bank account, and (iii) execute and deliver to Franchisor all documents necessary for Franchisor to begin and continue making withdrawals from such bank account/depository by ACH debiting or other electronic means I/we specifically agree and declare that this Authorization shall be the only written authorization needed from me/us in order to initiate debit entries/ACH debit originations to my/our bank account(s) established with any Depository in the future

DATE ______________________________

ID NUMBER ______________________________

PRINT NAME(S) SIGNATURE(S)

____________________ ____________________

____________________ ____________________

PRIMAL KITCHEN FRANCHISE AGREEMENT
EXHIBIT 4 TO

TELEPHONE LISTING AGREEMENT

This Telephone Listing Agreement (the "Agreement") is made on this ___day of _______________, 20__, by and between Primal Kitchen, LLC (the "Franchisor"), and ____________________, or his assignee, if a partnership, corporation or limited liability company is later formed (the "Franchisee")

Recitals

WHEREAS, Franchisor is the franchisor of the Primal Kitchen Franchise System throughout the United States of America and it and/or its Affiliates own the service marks, trademarks, and trade names related to the operation of the franchised business (collectively the "Marks"), and

WHEREAS, Franchisee has executed a Primal Kitchen Franchise Agreement dated _______________, 20__ (the "Franchise Agreement"), under which Franchisee is granted a franchise (the "Franchise") involving certain rights to use the Marks in Franchisee's business telephone listings to promote the Primal Kitchen Restaurant

NOW, THEREFORE, in consideration of the Recitals above and the terms below, Franchisor and Franchisee agree

1 Franchisee is authorized to continue using the Marks until the Franchise Agreement is terminated or expires

2 Franchisee is authorized to obtain telephone service for the Primal Kitchen Restaurant That service is not to be used in conjunction with any other business

3 Franchisee is authorized to obtain various yellow page, white page, information listings and yellow page advertising under the trade name "Primal Kitchen", or any other Marks that Franchisor may authorize Franchisee to use in conjunction with the Primal Kitchen Restaurant No additional listings may be used with any telephone number(s) assigned to the Primal Kitchen Restaurant, without Franchisor's prior written consent

4 Franchisee must pay all charges for telephone service, white page, yellow page, information listings and yellow page advertisements

5 On termination or expiration of the Franchise Agreement, Franchisee acknowledges that its right to the use any of the Marks made available by Franchisor to Franchisee for use under the Franchise Agreement will immediately end, and that all telephone numbers appearing under the Marks will immediately become the property of Franchisor, and Franchisee irrevocably releases

to Franchisor all rights to and use of all telephone numbers associated with the Marks then listed Franchisee irrevocably authorizes the telephone company, on notification by Franchisor of termination or expiration of the Franchise, to transfer or assign all of those telephone numbers to Franchisor or to disconnect those telephone numbers and assign them to Franchisor or to transfer calls coming to those disconnected numbers to any telephone numbers issued by the telephone company to Franchisor, without need for any further document(s) from Franchisee

6 Franchisee irrevocably releases the telephone company, Franchisor and their respective successors, assigns, directors, officers, employees and agents, from liability of any kind that may result directly from Franchisor's exercise of its rights under this Agreement or from the telephone company's cooperation with Franchisor in effecting the terms of this Agreement

7 The undersigned agree to the terms of this Agreement

FRANCHISOR

Primal Kitchen, LLC

By ____________________

Title ____________________

FRANCHISEE

By ____________________

By ____________________

EXHIBIT 5 TO

GUARANTEE, INDEMNIFICATION AND ACKNOWLEDGEMENT

For value received, and in consideration for, and as an inducement to Primal Kitchen, LLC (the "Franchisor") to execute the Primal Kitchen Franchise Agreement (the "Franchise Agreement"), of even date herewith, by and between Franchisor and ______________ or his assignee, if a partnership, corporation or limited liability company is later formed (the "Franchisee"), ________________ (the "Guarantor(s)"), jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns the full and timely performance by Franchisee of each obligation undertaken by Franchisee under the terms of the Franchise Agreement, including all of Franchisee's monetary obligations arising under or by virtue of the Franchise Agreement

Upon demand by Franchisor, Guarantor(s) will immediately make each payment required of Franchisee under the Franchise Agreement Guarantor(s) hereby waive any right to require Franchisor to (a) proceed against Franchisee for any payment required under the Franchise Agreement, (b) proceed against or exhaust any security from Franchisee, or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee Without affecting the obligations of Guarantor(s) under this Guarantee, Indemnification and Acknowledgment, Franchisor may, without notice to Guarantor(s), extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust or compromise any claims against Franchisee

Guarantor(s) waive notice of amendment of the Franchise Agreement and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Franchise Agreement

Guarantor(s) hereby agree to defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, without limitation, reasonable attorney's fees, reasonable costs of investigations, court costs, and arbitration fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Franchise Agreement, any amendment, or any other agreement executed by Franchisee referred to therein

Guarantor(s) hereby acknowledge and agree to be individually bound by all covenants contained in the Franchise Agreement and all terms and conditions of the Franchise Agreement requiring Franchisee not to disclose confidential information

This Guarantee shall terminate upon the expiration or termination of the Franchise Agreement, except that all obligations and liabilities of Guarantor(s) that arise from events that occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by Guarantor(s), and all covenants that by their terms continue in force after termination or expiration of the Franchise Agreement shall remain in force according to their terms Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guarantee, but only for defaults and obligations existing at the time of death, and the obligations of the other Guarantor(s) will continue in full force and effect

The validity of this Guarantee and the obligations of Guarantor(s) hereunder shall in no way be terminated, restricted, diminished, affected or impaired by reason of any action that Franchisor might take or be forced to take against Franchisee, or by reason of any waiver or failure to enforce any of the rights or remedies reserved to Franchisor in the Franchise Agreement or otherwise

The use of the singular herein shall include the plural Each term used in this Guarantee, unless otherwise defined herein, shall have the same meaning as when used in the Franchise Agreement

This Guarantee is to be performed in Scottsdale, Arizona and shall be governed by and construed in accordance with the laws of the State of Arizona Guarantor(s) specifically agree that the state and federal courts situated in Scottsdale, Arizona shall have exclusive jurisdiction over Guarantor(s) and this Guarantee, and further agree that any action relating to this Guarantee may be brought solely in either the Arizona State court or the United States District Court in which Franchisor has jurisdiction In connection therewith, each of the undersigned hereby appoints the Secretary of State for the State of Arizona as his agent for service of process to receive summons issued by the court in connection with any such litigation Notwithstanding the foregoing, Franchisor and Guarantor(s) agree that any dispute under this Guarantee shall be resolved by arbitration pursuant to Article 16 of the Franchise Agreement (except as otherwise provided in Article 16 of the Franchise Agreement)

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Franchise Agreement

WITNESS	GUARANTOR
________________________	By ____________________
________________________	
	SS # ____________________
	DOB ____________________
	Driver's License No ____________________

WITNESS	GUARANTOR
________________________	By ____________________
________________________	
	SS # ____________________
	DOB ____________________
	Driver's License No ____________________

EXHIBIT 6 TO

PRIMAL KITCHEN FRANCHISE AGREEMENT

ADDENDUM TO LEASE

This Addendum to Lease (this "Addendum") modifies and supplements that certain lease dated ________________________ and entered into by Tenant and Landlord concerning the Location at ____(the "Lease")

Landlord and Tenant, intending that Primal Kitchen, LLC, an Arizona limited liability company, ("Franchisor") (and its successors and assigns) be a third-party beneficiary of this Addendum, agree as follows

(1) Landlord shall, during the term of the Lease and thereafter, provide Franchisor all sales and other information it may have, whether provided by Tenant or otherwise, related to the operation of Tenant's Primal Kitchen Restaurant as Franchisor may reasonably request,

(2) Tenant may display the trademarks, service marks and other commercial symbols owned by Franchisor and used to identify the service and/or products offered at the Primal Kitchen Restaurant, including the name "Primal Kitchen", the Primal Kitchen design and image developed and licensed by Franchisor, as it currently exists and as it may be revised and further developed by Franchisor from time to time, and certain associated logos in accordance with the specifications required by the Primal Kitchen Manual, subject only to the provisions of applicable law and in accordance with provisions in the Lease no less favorable than those applied to other tenants of Landlord,

(3) Tenant shall not, and the Landlord shall not permit the tenant to, sublease or assign all or any part of the Lease or the Premises, or extend the term or renew the Lease, without Franchisor's prior written consent,

(4) Landlord shall concurrently provide Franchisor with a copy of any written default notice sent to Tenant and thereupon grant Franchisor the right (but not the obligation) to cure any deficiency or default under the Lease, should Tenant fail to do so, within five (5) days after the expiration of the period in which Tenant may cure the default,

(5) The Premises shall be used only for the operation of a Primal Kitchen Restaurant,

(6) Tenant may, without Landlord's consent (but subject to providing Landlord with written notice thereof), at any time assign this Lease or sublease the whole or any part of the Premises to Franchisor or any successor, subsidiary or affiliate of Franchisor,

(7) In the event of an assignment of the Lease to Franchisor as described in (6) above, Franchisor may further assign this Lease, subject to Landlord's consent, such consent not to be unreasonably withheld based on the remaining obligations of assignee under the Lease, to a duly

authorized franchisee of Franchisor, and thereupon Franchisor shall be released from any further liability under the Lease,

(8) Until changed by Franchisor, notice to Franchisor shall be sent as follows

Primal Kitchen, LLC
Attention Mario J Altiery
4516 Mission Blvd, Suite C
Scottsdale, Arizona 92109

(9) None of the provisions in this Addendum or any rights granted Franchisor hereunder, may be amended absent Franchisor's prior written consent

AGREED

TENANT	LANDLORD
By ______________________________	By ______________________________
Its ______________________________	Its ______________________________
Date ____________________________	Date ____________________________

PRIMAL KITCHEN FRANCHISE AGREEMENT
EXHIBIT 7 TO

CONFIDENTIALITY AGREEMENT

This "Agreement" is made and entered into as of this ___ day of ____________, 20___, by and among Franchisee, Covenantor, and Primal Kitchen, LLC, an Arizona limited liability company ("Franchisor")

"Franchisee" ____

"Covenantor" __________________________, employed or engaged by Franchisee as ___________

____

Address ____

1 **PREAMBLES**

Franchisor has executed or intends to execute a "Franchise Agreement" with Franchisee under which Franchisor grants to Franchisee certain rights with regard to the operation of a "Primal Kitchen Restaurant" Before allowing Covenantor to have access to the Confidential Information (as defined below) and as a material term of the Franchise Agreement necessary to protect Franchisor's confidential know-how and distinctive systems, designs, decor, trade dress, specifications, standards and procedures authorized or required by Franchisor from time to time for use in the operation of Franchisee's Primal Kitchen Restaurant (the "Restaurant") and Franchisor's proprietary rights in and Franchisee's right to use the Confidential Information, Franchisor and Franchisee require that Covenantor enter into this Agreement

To induce Franchisor to enter into the Franchise Agreement and/or to avoid a material breach thereof Franchisor, Franchisee and Covenantor desire and consider it to be in Covenantor's best interests that Covenantor enter into this Agreement Due to the nature of Franchisor's and Franchisee's business any use or disclosure of the Confidential Information other than in accordance with this Agreement will cause Franchisor and Franchisee substantial harm

PROTECTION OF CONFIDENTIAL INFORMATION

Covenantor acknowledges and agrees that Franchisor possesses certain confidential and proprietary information in which Franchisor possesses valuable industrial and intellectual property rights consisting of the methods, techniques, formats, specifications, procedures, information, systems, methods of business management, sales and promotion techniques and knowledge of and experience in the operation and franchising of Primal Kitchen Restaurants (the "Confidential Information") Franchisor and Franchisee will disclose such parts of the Confidential Information as are required for Covenantor to perform his/her obligations to Franchisee in furnishing Covenantor the training program, the Manual (as defined in the Franchise Agreement) and in guidance furnished to Covenantor for his/her performance of services to Franchisee

Covenantor agrees to use the Confidential Information only to the extent reasonably necessary to perform Covenantor's duties for Franchisee taking into consideration the confidential nature of the Confidential Information Covenantor may disclose the Confidential Information only as agent for Franchisee Covenantor acknowledges and agrees that the unauthorized use or duplication of the Confidential Information, including, without limitation, in connection with any other business would be detrimental to Franchisor and Franchisee and would constitute a breach of Covenantor's obligations of confidentiality and an unfair method of competition with Franchisor and other Primal Kitchen Restaurants owned by Franchisor, its affiliates or franchisees

Covenantor acknowledges and agrees that the Confidential Information is confidential to and a valuable asset of Franchisor The Confidential Information will be disclosed to Covenantor solely on the condition that Covenantor agrees to the terms and conditions of this Agreement Covenantor therefore agrees that during the term of the Franchise Agreement and thereafter, he/she (a) will not use the Confidential Information in any other business or capacity, (b) will maintain the absolute confidentiality of the Confidential Information, (c) will not make unauthorized copies of any portion of the Confidential Information disclosed or recorded in written or other tangible form, and (d) will adopt and implement all reasonable procedures prescribed from time to time by Franchisor and Franchisee to prevent unauthorized use or disclosure of or access to the Confidential Information

Notwithstanding anything to the contrary contained in this Agreement the restrictions on Covenantor's disclosure and use of the Confidential Information shall not apply to the following (a) information, methods, procedures, techniques and knowledge which are or become generally known or easily accessible other than by Covenantor's breach of an obligation of confidentiality, and (b) the disclosure of the Confidential Information pursuant to applicable law or in judicial or administrative proceedings to the extent that Covenantor is legally compelled or required by a regulatory body to disclose such information, provided Covenantor has notified Franchisor and Franchisee prior to disclosure and shall have used his/her best efforts to obtain, and shall have afforded Franchisor and Franchisee the opportunity to obtain, an appropriate assurance reasonably satisfactory to Franchisor of confidential treatment for the information required to be so disclosed

SURRENDER OF DOCUMENTS

Covenantor agrees that as of the date on which Covenantor ceases to perform services for Franchisee in connection with the Restaurant, Covenantor shall immediately cease to use the Confidential Information disclosed to or otherwise learned or acquired by Covenantor and return to Franchisee or to Franchisor if directed by Franchisor all copies of the Confidential Information loaned or made available to Covenantor

COSTS AND ATTORNEYS' FEES

In the event that Franchisor or Franchisee is required to enforce this Agreement in an action against Covenantor, Covenantor shall reimburse Franchisor and/or Franchisee if it/they prevail (whether or not awarded a money judgment) for its/their reasonable attorneys' fees, whether such fees are incurred before, during or after any trial or administrative proceeding or on appeal

WAIVER

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right or remedy at any other time or times

SEVERABILITY

Each section, paragraph, term and provision of this Agreement and any portion thereof shall be considered severable and if for any reason any such provision is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not impair the operation of or have any other effect upon such other portions of this Agreement as may remain otherwise intelligible Such other portions shall continue to be given full force and effect and bind the parties hereto Any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires if Covenantor is a party thereto or upon Covenantor's receipt of a notice from Franchisor that it will not enforce the section, paragraph, term or provision in question

RIGHTS OF PARTIES ARE CUMULATIVE

The rights of the parties hereunder are cumulative and no exercise or enforcement by a party hereto of any right or remedy granted hereunder shall preclude the exercise or enforcement by them of any other right or remedy hereunder or which they are entitled by law to enforce

BENEFIT

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns In the event Franchisor does not execute this Agreement (regardless of the reason) Franchisor shall be deemed a third party beneficiary of this Agreement and shall have the right to enforce this Agreement directly

EFFECTIVENESS

This Agreement shall be enforceable and effective when signed by Covenantor regardless of whether and when Franchisor or Franchisee signs this Agreement

GOVERNING LAW/CONSENT TO JURISDICTION

This Agreement and the relationship between the parties hereto shall be construed and governed in accordance with the internal laws of the state in which the Restaurant is located without regard to its conflicts of laws principles Covenantor and Franchisee agree that they shall institute and that Franchisor may institute any action against any of the parties hereto in any state or federal court of general jurisdiction in the state court of general jurisdiction or the Federal District Court nearest to Franchisor's principal place of business at the time such action is filed Covenantor and Franchisee irrevocably submit to the jurisdiction of such courts and waive any objections to either the jurisdiction or venue of such court

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple counterparts as of the day and year first above written

Covenantor

____

Print name of **Covenantor**

Franchisee

____

Print name of **Franchisee**

EXHIBIT 8 TO
PRIMAL KITCHEN FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

This "Agreement" is made and entered into as of this _____ day of ______________, 20___, by and among Franchisee, Covenantor and Primal Kitchen, LLC, an Arizona limited liability company ("Franchisor")

"Franchisee" ____

"Covenantor" _______________________________________, being [an owner], [an officer], [a director] [general partner], [managing member] or [manager] of Franchisee

Address ____

____

____

1 **PREAMBLES**

Franchisor has executed or intends to execute a "Franchise Agreement" with Franchisee under which Franchisor grants to Franchisee certain rights with regard to a "Primal Kitchen Restaurant" Before allowing Covenantor to have access to the Confidential Information (as defined below) and as a material term of the Franchise Agreement necessary to protect Franchisor's confidential know-how and distinctive systems, designs, decor, trade dress, specifications, standards and procedures authorized or required by Franchisor from time to time for use in the operation of Franchisee's Primal Kitchen Restaurant, (the "Restaurant") and Franchisor's proprietary rights in and Franchisee's right to use the Confidential Information, Franchisor and Franchisee require that Covenantor enter into this Agreement

To induce Franchisor to enter into the Franchise Agreement and/or to avoid a material breach thereof Franchisor, Franchisee and Covenantor desire and consider it to be in Covenantor's best interests that Covenantor enter into this Agreement Due to the nature of Franchisor's and Franchisee's business any use or disclosure of the Confidential Information other than in accordance with this Agreement will cause Franchisor and Franchisee substantial harm

PROTECTION OF CONFIDENTIAL INFORMATION

Covenantor acknowledges and agrees that Franchisor possesses certain confidential and proprietary information in which Franchisor possesses valuable industrial and intellectual property rights consisting of the methods, techniques, formats, specifications, procedures, information, systems, methods of business management, sales and promotion techniques and knowledge of and experience in the operation and franchising of Primal Kitchen Restaurants (the "Confidential Information") Franchisor and Franchisee will disclose such parts of the Confidential Information as are required for Covenantor to perform its obligations to Franchisee in furnishing Covenantor the training program, the Operating Manual (as defined in the Franchise Agreement) and in guidance furnished to Covenantor for his/her performance of services to Franchisee

Covenantor agrees to use the Confidential Information only to the extent reasonably necessary to perform Covenantor's duties for Franchisee taking into consideration the confidential nature of the Confidential Information Covenantor may disclose the Confidential Information only as agent for Franchisee Covenantor acknowledges and agrees that the unauthorized use or duplication of the Confidential Information, including, without limitation, in connection with any other business would be detrimental to Franchisor and Franchisee and would constitute a breach of Covenantor's obligations of confidentiality and an unfair method of competition with Franchisor and other Primal Kitchen Restaurants owned by Franchisor, its affiliates or franchisees

Covenantor acknowledges and agrees that the Confidential Information is confidential to and a valuable asset of Franchisor The Confidential Information will be disclosed to Covenantor solely on the condition that Covenantor agrees to the terms and conditions of this Agreement Covenantor therefore agrees that during the term of the Franchise Agreement and thereafter, he/she (a) will not use the Confidential Information in any other business or capacity, (b) will maintain the absolute confidentiality of the Confidential Information, (c) will not make unauthorized copies of any portion of the Confidential Information disclosed or recorded in written or other tangible form, and (d) will adopt and implement all reasonable procedures prescribed from time to time by Franchisor and Franchisee to prevent unauthorized use or disclosure of or access to the Confidential Information

Notwithstanding anything to the contrary contained in this Agreement the restrictions on Covenantor's disclosure and use of the Confidential Information shall not apply to the following (a) information, methods, procedures, techniques and knowledge which are or become generally known or easily accessible other than by Covenantor's breach of an obligation of confidentiality, and (b) the disclosure of the Confidential Information pursuant to applicable law or in judicial or administrative proceedings to the extent that Covenantor is legally compelled or required by a regulatory body to disclose such information, provided Covenantor has notified Franchisor and Franchisee prior to disclosure and shall have used his/her best efforts to obtain, and shall have afforded Franchisor and Franchisee the opportunity to obtain, an appropriate assurance reasonably satisfactory to Franchisor of confidential treatment for the information required to be so disclosed

IN-TERM RESTRICTIVE COVENANT

Covenantor acknowledges and agrees that Franchisor and Franchisee would be unable to protect the Confidential Information against unauthorized use or disclosure and Franchisor would be unable to achieve a free exchange of ideas and information among the Primal Kitchen Restaurants if persons authorized to use the Confidential Information were permitted to engage in, have ownership interests in or perform services for Competitive Businesses (as defined below) Covenantor therefore agrees that for as long as Covenantor is an owner, director, officer, general partner, managing member or manager of Franchisee or is otherwise employed or engaged by Franchisee, Covenantor shall not, without Franchisor's prior written consent, directly or indirectly (through a member of the immediate family or otherwise), have any interest as an owner of (except of publicly-traded securities or interests in other Primal Kitchen Restaurants pursuant to other franchise agreements with Franchisor or its affiliates), or assist or perform services as a director, officer, employee, consultant, representative, agent or in any other capacity, for, any business principally offering products substantially similar to the products then being offered by the majority of Primal Kitchen Restaurants (a "Competitive Business"), nor will Covenantor, without the prior written consist of Franchisor, have any interest, as aforesaid, in, or serve in any capacity, any entity which franchises or otherwise grants to others the right to operate a Competitive Business

RESTRICTIVE COVENANT UPON TERMINATION OR EXPIRATION OF THE FRANCHISE AGREEMENT OR COVENANTOR'S ASSOCIATION WITH FRANCHISEE

Upon the first to occur of (a) termination or expiration without renewal of the Franchise Agreement, or (b) the date as of which Covenantor ceases to be an owner, director, officer, general partner, managing member or manager of, or otherwise employed or engaged by, Franchisee (both referred to herein as a "Termination Event"), Covenantor agrees that, for a period of two (2) years commencing on the effective date of a Termination Event, Covenantor shall not (through a member of the immediate family or otherwise) have any interest as an owner of (except of publicly-traded securities or interests in other Primal Kitchen Restaurants pursuant to other franchise agreements with Franchisor or its affiliates), or assist or perform services as a director, officer, employee, consultant, representative, agent or in any other capacity for, any Competitive Business located within a fifteen (15) mile radius from any concept (including, but not limited to, Primal Kitchen Restaurants) franchised or owned and operated by Franchisor, its parent, or any of its affiliates, nor will Covenantor have any interest, as aforesaid, in, or serve in any capacity, any entity which franchises or otherwise grants to others the right to operate a Competitive Business

Covenantor recognizes the broad scope of the restrictive covenants set forth in Sections 3 and 4 of this Agreement, but agrees that they are reasonable If any court or tribunal of competent jurisdiction shall refuse to enforce any such covenant because it is more extensive whether as to time limit, geographic area, scope of business or otherwise than is deemed reasonable, it is expressly understood and agreed that such covenants shall not be void, but that the restrictions contained therein shall be deemed reduced to the extent necessary to permit the enforcement of such covenants

Covenantor expressly acknowledges and agrees that Covenantor possesses skills and abilities of a general nature and has opportunities for exploiting such skills Consequently enforcement of the covenants made in Sections 3 and 4 of this Agreement will not deprive Covenantor of the ability to earn a living

SURRENDER OF DOCUMENTS

Covenantor agrees that, as of the effective date of a Termination Event, Covenantor shall immediately cease to use the Confidential Information disclosed to or otherwise learned or acquired by Covenantor and return to Franchisee or to Franchisor if directed by Franchisor all copies of the Confidential Information loaned or made available to Covenantor

COSTS AND ATTORNEYS' FEES

In the event that Franchisor or Franchisee is required to enforce this Agreement in an action against Covenantor, Covenantor shall reimburse Franchisor and/or Franchisee if it/they prevail (whether or not awarded a money judgment) for its/their reasonable attorneys' fees, whether such fees are incurred before, during or after any trial or administrative proceeding or on appeal

WAIVER

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right or remedy at any other time or times

SEVERABILITY

Each section, paragraph, term and provision of this Agreement and any portion thereof shall be considered severable and if for any reason any such provision is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not impair the operation of or have any other effect upon such other portions of this Agreement as may remain otherwise intelligible Such other portions shall continue to be given full force and effect and bind the parties hereto Any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires if Covenantor is a party thereto or upon Covenantor's receipt of a notice from Franchisor that it will not enforce the section, paragraph, term or provision in question

RIGHTS OF PARTIES ARE CUMULATIVE

The rights of the parties hereunder are cumulative and no exercise or enforcement by a party hereto of any right or remedy granted hereunder shall preclude the exercise or enforcement by them of any other right or remedy hereunder or which they are entitled by law to enforce

BENEFIT

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns In the event Franchisor does not execute this Agreement (regardless of the reason) Franchisor shall be deemed a third party beneficiary of this Agreement and shall have the right to enforce this Agreement directly

EFFECTIVENESS

This Agreement shall be enforceable and effective when signed by Covenantor regardless of whether and when Franchisor or Franchisee signs this Agreement

GOVERNING LAW/CONSENT TO JURISDICTION

This Agreement and the relationship between the parties hereto shall be construed and governed in accordance with the laws of the state in which the Restaurant is located without regard to its conflict of laws principles Covenantor and Franchisee agree that they shall institute and that Franchisor may institute any action against any of the parties hereto in any state or federal court of general jurisdiction in the state court of general jurisdiction or the Federal District Court nearest to Franchisor's principal place of business at the time such action is filed Covenantor and Franchisee irrevocably submit to the jurisdiction of such courts and waive any objections to either the jurisdiction or venue of such court

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple counterparts as of the day and year first above written

COVENANTOR

____

Print name of Covenantor

____

Signature of Covenantor

FRANCHISEE

____

Print name of Franchisee

By ____________________________

Print Name ________________________

Title ____________________________

FRANCHISOR

Primal Kitchen, LLC
an Arizona limited liability company

By ____________________________

Print Name ________________________

Title ____________________________

EXHIBIT 9 TO
PRIMAL KITCHEN FRANCHISE AGREEMENT

ADA CERTIFICATION FORM

Primal Kitchen, LLC, an Arizona limited liability company, (the "Franchisor") and ____ (the "Franchisee") are parties to a franchise agreement dated ________, 20__ (the "Franchise Agreement") for the operation of a Primal Kitchen Restaurant at the location identified below (the "Restaurant")

____

(PRIMAL KITCHEN RESTAURANT ADDRESS)

ADA Certification

In accordance with Section 7 4 of the Franchise Agreement, Franchisee certifies to Franchisor that to the best of Franchisee's knowledge, the Restaurant 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 Franchisor does not constitute ownership, control, leasing or operation of the Restaurant by Franchisor Franchisee acknowledges that Franchisor has relied on the information contained in this certification Furthermore, Franchisee agrees to indemnify Franchisor and each of Franchisor's affiliates, and each of their respective officers, directors, members, shareholders, representatives, employees and agents, in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by such indemnified party(ies) as a result of any matters associated with Franchisee's compliance (or failure to comply) with the Americans with Disabilities Act, as well as the costs, including attorneys' fees, related to the same

In the event of any dispute concerning or relating to this document and/or any of the transactions and/or matters to which it may apply, such dispute will be resolved in accordance with the dispute resolution provisions of the Franchise Agreement, including Article 16 of the Franchise Agreement Terms not defined in this document shall have the same meaning as they do in the Franchise Agreement

[Signatures on Following Page]

All signers are jointly and severally responsible for the representations and promises described in this Acknowledgment and Certification Form

"FRANCHISEE"

If Franchisee is an individual

Individually ______________________
Print Name ______________________
Date ______________________

Individually ______________________
Print Name ______________________
Date ______________________

If Franchisee is a corporation or other entity

____
[Name of Franchisee]

By ______________________
____

____
Print Name Title
______________________ Date

All Owners of Business Entity Franchisee must sign this Agreement

"Owner"
Individually ______________________ Print
Name ______________________
Date ______________________

"Owner"
Individually ______________________ Print
Name ______________________
Date ______________________

EXHIBIT B
TO FRANCHISE DISCLOSURE DOCUMENT

AREA DEVELOPMENT AGREEMENT

PRIMAL KITCHEN

AREA DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

EXHIBITS

PRIMAL KITCHEN
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into this ____day of ____________, by and between Primal Kitchen, LLC, an Arizona limited liability company ("Franchisor) and ____________________________, a/an __________________________________

________ ("Developer")

RECITALS

A WHEREAS, Franchisor developed a system, including various business techniques and methods, trade secrets (including recipes), copyrights (possibly patentable ideas), ingredient lists, confidential and proprietary information and other intellectual property rights (collectively, the "System") for the establishment and operation of distinctive fast-casual primal food restaurants attached to a dynamic grab and go cafes ("Primal Kitchen Restaurants") identified by the "Primal Kitchen" trade name, logo and other trademarks and service marks and related trade dress, as licensed hereunder (the "Marks")

B **WHEREAS,** the System includes the Marks and trade secrets, proprietary methods and information and procedures for the establishment and operation of Primal Kitchen Restaurants, including, without limitation, confidential manuals (collectively, the "Manual"), recipes, ingredients, menu specifications, marketing, advertising and sales promotions, equipment, furniture and fixtures, cost controls, accounting and reporting procedures, personnel management, training methods, distinctive interior design and display procedures, and color scheme and decor

C **WHEREAS,** Franchisor has licensed from Licensor the non exclusive rights to franchise the System and the Marks in connection with its franchise program Franchisor grants to qualified persons who are willing to undertake the required investment and effort, a license to establish and operate a Primal Kitchen Restaurant

D **WHEREAS,** Developer has applied for an option to obtain licenses to establish and operate a minimum of three (3) Primal Kitchen Restaurants within a specified territory and such application has been approved by Franchisor in reliance upon all of the representations made therein

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other set forth in this Agreement, hereby agree as follows

I **GRANT**

(a) Franchisor hereby grants to Developer, pursuant to the terms and conditions of this Agreement, options to obtain licenses to establish and operate a minimum of three (3) Primal Kitchen Restaurants within the territory described in Exhibit A attached hereto and incorporated herein by this reference (the "Designated Territory")

(b) Developer shall be bound by the Development Schedule ("Development Schedule") set forth in Exhibit B Time is of the essence to this Agreement Each Primal Kitchen Restaurant shall be established and operated pursuant to a separate franchise agreement ("Franchise Agreement") to be entered into by Developer and Franchisor Each Franchise Agreement shall be in Franchisor's then-current form of the Franchise Agreement Developer acknowledges and agrees that all Franchise Agreements entered into in connection with the Primal Kitchen Restaurants within the Designated Territory are independent of this Agreement The continued existence of such Franchise Agreement shall not depend on the continuing existence of this Agreement

(c) This Agreement is not a Franchise Agreement, and Developer shall have no right to use the Marks in any manner by virtue hereof or to engage in the business of offering, selling or distributing goods or services under the Marks or the System in any manner

(d) Developer shall have no right under this Agreement to license others to operate a business or use the System or the Marks

II <u>NO EXCLUSIVITY</u>

(a) Developer receives no exclusive rights to the Designated Territory under this Agreement So long as Developer is in good standing and in compliance with this Agreement, Franchisor will not establish or license another to establish a Primal Kitchen Restaurant in the Designated Territory

(b) During the term of this Agreement, Franchisor reserves the right to

(i) establish and operate, and allow others to establish and operate, Primal Kitchen Restaurants using the Marks and the System, at any location outside the Designated Territory, on such terms and conditions Franchisor deems appropriate,

(ii) establish and operate, and allow others to establish and operate, Competitive Businesses that may offer products and services which are identical or similar to products and services offered by Primal Kitchen Restaurants, under trade names, trademarks, service marks and commercial symbols different from the Marks outside the Designated Territory,

(iii) establish, and allow others to establish, other businesses and distribution channels (including, but not limited to, temporary or mobile facilities, sales through retail stores that do not operate under the Marks, sales made at wholesale, or sales via the Internet), wherever located or operating and regardless of the nature or location of the customers with whom such other businesses and distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from Primal Kitchen Restaurants, and that sell products and/or services that are identical or similar to, and/or competitive with, those that Primal Kitchen Restaurants customarily sell,

(iv) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Primal Kitchen Restaurants, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Designated Territory),

(v) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Primal Kitchen Restaurants, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Designated Territory, and

(vi) engage in all other activities not expressly prohibited by this Agreement

III **DEVELOPMENT FEE**

(a) As consideration for the rights and options granted herein, Developer shall pay to Franchisor a development fee (the "Development Fee") in the amount of _______________($______), which amount is equal to $40,000 as an initial franchise fee for the first unit, and $17,500 multiplied by the additional number of Primal Kitchen Restaurants to be developed under the terms of this Agreement within the Designated Territory The Development Fee is fully earned by Franchisor when paid and is nonrefundable

(b) The $17,500 Development Fee for each additional unit shall be applied to the Initial Franchise Fee due for each of the additional Primal Kitchen Restaurants developed hereunder, upon the execution of the Franchise Agreement You will pay us the remaining $17,500 at the time you sign each additional franchise agreement

(c) Developer shall submit a separate application for each Primal Kitchen Restaurant to be established within the Designated Territory by Developer Upon approval of the site for the Primal Kitchen Restaurant by Franchisor, a separate Franchise Agreement shall be executed for such Primal Kitchen Restaurant Each time Developer signs a Franchise Agreement for a Primal Kitchen Restaurant developed hereunder, Franchisor will credit the amount paid for that Primal Kitchen Restaurant as part of the Development Fee against the Initial Franchise Fee due for such Primal Kitchen Restaurant, and the remaining fee will be due Upon the execution of each Franchise Agreement, the terms and conditions of such Franchise Agreement shall control the establishment and operation of such Primal Kitchen Restaurant

IV **DEVELOPMENT SCHEDULE AND MANNER OF EXERCISING OPTIONS**

(a) Developer agrees to have open and in operation at the end of each development period set forth on the Development Schedule the cumulative number of Primal Kitchen Restaurants set forth on the Development Schedule During each Development Period, Developer shall exercise options by entering into Franchise Agreements with Franchisor pursuant to this Agreement for the number of Primal Kitchen Restaurants described under the Development Schedule and have such number of Primal Kitchen Restaurants open for business Developer shall at all times after the expiration of each of the Development

Periods continuously maintain in operation pursuant to each Franchise Agreement at least the number of Primal Kitchen Restaurants set forth on the Development Schedule, provided however that such obligation does not apply to Primal Kitchen Restaurants that are transferred in accordance with the provisions of the Franchise Agreement, or are closed due to force majeure

(b) Developer shall exercise each option granted herein only as follows

(i) By giving Franchisor written notice of Developer's intention to exercise such option at least thirty (30) days before the execution of the Franchise Agreement for the applicable business, and

(ii) By executing the then-current form of the Franchise Agreement for the applicable Primal Kitchen Restaurant and complying with its terms, including, without limitation, the payment of the unpaid balance of the applicable Initial Franchise Fee

(c) Franchisor shall execute the Franchise Agreement only if (i) Developer is in compliance with all requirements and obligations of this Agreement and all other agreements between Franchisor and Developer, and (ii) Developer is in strict compliance with all of Developer's respective obligations under each Franchise Agreement, including, without limitation, its financial obligations and obligation to operate each Primal Kitchen Restaurant in compliance with the System In order to meet the Development Schedule, the Franchise Agreement must be executed by Developer and Franchisor and the Primal Kitchen Restaurant to be operated under such Franchise Agreement must be open for business within the applicable Development Period Developer must comply with all of the terms and conditions of each Franchise Agreement

V <u>TERM</u>

Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all rights granted hereunder to Developer shall expire on the date of Franchisor's acceptance and execution of a Franchise Agreement for the last of the Primal Kitchen Restaurants to be established pursuant to the Development Schedule

VI <u>DEVELOPER'S DUTIES</u>

Developer shall perform the following obligations

(a) Developer shall comply with all terms and conditions set forth in this Agreement

(b) Developer shall comply with all of the terms and conditions of each Franchise Agreement, including, without limitation, the operating requirements specified in each Franchise Agreement However, Developer will not be required to attend the initial franchisee training conducted by Franchisor in connection with the second or any subsequent Primal Kitchen Restaurant

(c) At Franchisor's option, at any time during this Agreement, Franchisor may require Developer to engage a district manager to oversee the development and operation of Developer's Primal Kitchen Restaurant Such district manager shall be in addition to, not in lieu of, the managers responsible for the day to day operations of the Primal Kitchen Restaurants, as required under the Franchise Agreements

(d) Developer shall at all times preserve in confidence any and all materials and information furnished or disclosed to Developer by Franchisor, and Developer shall disclose such information or materials only to such of Developer's employees or agents who must have access to it in connection with their employment All of Developer's employees or agents who must have access to such information or materials shall be required to execute nondisclosure agreements in the form acceptable to Franchisor Developer shall not at any time, without Franchisor's 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

(e) Developer shall comply with all requirements of federal, state and local laws, rules and regulations

(f) Developer shall return to Franchisor all manuals and other confidential information that Developer received from Franchisor in the course of operating the Primal Kitchen Restaurant when Developer leaves the System

VII <u>PROPRIETARY MARKS/CONFIDENTIALITY</u>

Notwithstanding any provision to the contrary under this Agreement, it is understood and agreed that this Agreement does not grant Developer any right to use the Marks or to use any of Franchisor's confidential information Further, it is understood and agreed that this Agreement does not grant Developer, and Developer does not have any right to, any copyright or patent which Franchisor now owns or may hereinafter own Rights to the Marks, confidential information or copyrights are granted only under the Franchise Agreements to be executed by Franchisor and Developer

VIII <u>DEFAULT AND TERMINATION</u>

(a) The options granted to Developer in this Agreement have been granted in reliance on Developer's representations and warranties, and strictly on the conditions set forth in this Agreement, including, without limitation, the condition that Developer strictly complies with the Development Schedule

(b) Developer shall be deemed in default under this Agreement, and all rights granted herein to Developer shall automatically terminate without notice (i) if Developer is adjudicated bankrupt, becomes insolvent, commits any affirmative action of insolvency or files any action or petition of insolvency, or if a receiver (permanent or temporary) of Developer's property or any part thereof is appointed by a court of competent authority or if Developer makes a general assignment for the benefit of Developer's creditors, (ii) if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed), (iii) if execution is levied against Developer's business or property, or, (iv) if suit to foreclose any lien or mortgage against Developer's premises or equipment is instituted against Developer and not dismissed within thirty (30) days, or is not in the process of being dismissed, provided, however, that Franchisor reserves the right to be named as trustee or receiver in any voluntary petition for bankruptcy or insolvency filed by Developer

(c) If Developer (i) fails to exercise options and enter into Franchise Agreements with Franchisor pursuant to this Agreement for a Primal Kitchen Restaurant within any Options Period, as set forth on the Development Schedule, (ii) fails to comply with any other term or condition of this Agreement, or (iii) makes or attempts to make a transfer or assignment in violation of this Agreement or if Developer fails to comply with the terms and conditions of any individual Franchise Agreement with Franchisor or of any other agreement to which Developer and Franchisor are parties, any such event shall constitute a default under this Agreement Upon any such default, Franchisor, in Franchisor's discretion, may do any one or more of the following

(i) Terminate this Agreement and all rights granted hereunder to Developer without affording Developer any opportunity to cure the default effective immediately upon receipt by Developer of written notice from Franchisor,

(ii) Reduce the number of Primal Kitchen Restaurants, without refunding any of the Development Fee, which are subject to options granted to Developer pursuant to this Agreement, or

(iii) Exercise any other rights and remedies that Franchisor may have

(d) Upon termination of this Agreement, all remaining options granted Developer to establish Primal Kitchen Restaurants under this Agreement shall automatically be null and void Developer shall have no right to establish or operate any Primal Kitchen Restaurant for which a Franchise Agreement has not been executed by Franchisor Notwithstanding the above, the terms and conditions of each Franchise Agreement must be complied with by Developer thereunder and shall control in determining whether any default exists under such Franchise Agreement

(e) No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted by law or equity

IX TRANSFERABILITY

(a) Developer acknowledges that Franchisor maintains a staff to manage and operate the franchise system and that staff customers can change as employees come and go Developer represents that Developer has not signed this Agreement in reliance on any particular owners, directors, officers or employees remaining with Franchisor in that capacity Franchisor may change Franchisor's ownership or form and/or assign this Agreement and any other agreement to a third party without restriction

(b) Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer and are granted in reliance upon Developer's personal qualifications Developer has represented and hereby represents to Franchisor that Developer is entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the developmental or option rights hereunder

(c) Neither Developer, nor any of Developer's partners (if Developer is a partnership), customers (if Developer is a limited liability company) or shareholders (if Developer is a corporation), without Franchisor's prior written consent, by operation of law or otherwise, shall sell, assign, transfer, convey, give away or encumber to any person, firm or corporation, all or any part of Developer's interest in this Agreement or Developer's interest in the rights granted hereby or Developer's interest in any proprietorship, partnership, limited liability company, corporation or other entity which owns any interest in such rights, nor offer, permit or suffer the same to be sold, assigned, transferred, conveyed, given away or encumbered in any way to any person, firm or corporation Developer may not, without Franchisor's prior written consent, fractionalize any of Developer's rights granted pursuant to this Agreement Any purported assignment of any of Developer's or any of Developer's partner's, member's or shareholder's rights herein not having the aforesaid consent shall be null and void and shall constitute a material default hereunder Any assignment or transfer may only be made if the proposed assignees or transferees (i) are of good moral character and have sufficient business experience, aptitude and financial resources, (ii) otherwise meet Franchisor's then applicable standards for developers, (iii) are willing to assume all of Developer's obligations hereunder and to execute and be bound by all provisions of Franchisor's then current form of the Area Development Agreement for a term equal to the remaining term hereof, and (iv) willing to assume all of Developer's obligations under each and every Franchise Agreement Developer entered with Franchisor As a condition to granting Franchisor's approval of any such assignment or transfer, Franchisor may require Developer or the assignee or transferee to pay to Franchisor, Franchisor's then-current assignment fee to defray expenses incurred by Franchisor in connection with the assignment or transfer, legal and accounting fees, credit and other investigation charges and evaluation of the assignee or transferee and the terms of the assignment or transfer Franchisor shall have the right to require Developer and Developer's owners to execute a general release of Franchisor and Franchisor's owners, directors, officers, successors and assigns, in form and content satisfactory to Franchisor as a condition to Franchisor's approval of the assignment of this Agreement or ownership of Developer

(d) This Agreement may be assigned to a partnership, limited liability company or corporation which conducts no business other than the business contemplated hereunder and the operation of the Primal Kitchen Restaurant(s), which is/are actively managed by Developer and in which Developer owns and controls, and continues to own throughout the term of this Agreement, not less than fifty-one percent (51%) of the general partnership interest, limited liability company interest or the corporate equity and voting power, provided that all partners, customers or shareholders shall execute an assignment agreement in a form approved by Franchisor undertaking to be bound jointly and severally by all provisions of this Agreement and all issued and outstanding stock certificates of such corporation or other evidence of ownership interest in a partnership or limited liability company shall bear a legend reflecting or referring to the restrictions of this Agreement as designated by Franchisor

(e) If Developer or Developer's owners shall at any time determine to sell the rights under this Agreement or any of Developer's respective ownership interests in Developer or any of Developer's assets (except in the ordinary course of business), Developer or Developer's owners shall obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to Franchisor, which shall, for a period of fifteen (15) days from the date of delivery of such offer, have the right, exercisable by written notice to Developer or Developer's owners, to purchase such rights under this Agreement or such ownership interests for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer and that Franchisor shall have not less than sixty (60) days to prepare for closing If Franchisor does not exercise this right of first refusal, Developer or Developer's owners, as applicable, may complete the sale of such interest in this Agreement or such ownership interest, subject to Franchisor's approval of the purchaser as provided in this <u>Section IX</u>, provided that if such sale is not completed within ninety (90) days after delivery of such offer to Franchisor, Franchisor shall again have the right of first refusal provided herein

(f) Developer must give Franchisor ninety (90) days' written notice prior to any sale or assignment of a full or partial interest in Developer by Developer or any of Developer's owners The purpose of this Subsection is to enable Franchisor to comply with any applicable state or federal franchise disclosure laws Developer agrees to indemnify and hold Franchisor harmless for Developer's failure to comply with this Subsection

(g) Developer must, within fifteen (15) days of receipt of an offer to buy, give Franchisor written notice whenever Developer or any of Developer's owners have received an offer to buy Developer's or such owner's interest in this Agreement or an interest in Developer itself or any options pursuant to this Agreement Developer must also give Franchisor written notice simultaneously with an offer to sell any interest in this Agreement or an interest in Developer or any options pursuant to this Agreement, made by, for or on behalf of Developer or any of Developer's owners

(h) No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Agreement or in the options granted thereby, shall relieve Developer and the shareholders, customers or partners participating in any transfer, of the obligations of the covenants not to compete with Franchisor contained in this Agreement except where Franchisor shall expressly authorize in writing

X COVENANTS

(a) Developer acknowledges that Franchisor has granted Developer the rights under this Agreement in consideration of and reliance upon Developer's agreement to deal exclusively with Franchisor Developer therefore agrees that, during this Agreement's term, neither Developer, any of Developer's owners, nor any of Developer's or Developer's owners' immediate family customers will

(i) have any direct or indirect interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this Subsection),

(ii) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating,

(iii) recruit or hire any person then employed, or who was employed within the immediately preceding twenty-four (24) months, at a Primal Kitchen Restaurant operated by Franchisor, any of Franchisor's affiliates, or by a franchisee without obtaining the employer's prior written permission,

(iv) divert or attempt to divert any actual or potential business or customer of a Primal Kitchen Restaurant to a Competitive Business, or

(v) engage in any other activity which might injure the goodwill of the Marks and/or the System

The term "Competitive Business" means any business (other than a Primal Kitchen Restaurant) principally offering products and services substantially similar to the products and services then being offered by the majority of the Primal Kitchen Restaurants

(b) Developer covenants that, except as otherwise approved in writing by Franchisor, Developer shall not, for a period of two (2) year after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for itself, or through, on behalf of or in conjunction with any person, persons, partnership, limited liability company or corporation, own, maintain, engage in, consult with or have any interest in any Competitive Business within the Designated Territory or within a fifteen (15) mile radius of any other Primal Kitchen Restaurant in operation or under construction on the later of the effective date of termination or expiration of this Agreement or on the date on which all persons restricted by this Subsection begin to comply with this Subsection

(c) Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Section X is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Developer expressly agrees 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 X

(d) Developer understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section X (a) or X (b) of this Agreement, or any portion thereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof, and Developer agrees that Developer shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section XVI hereof

(e) Franchisor shall have the right to require all of Developer's personnel performing managerial or supervisory functions and all personnel receiving special training from Franchisor to execute similar covenants in a form satisfactory to Franchisor

(f) In addition to the foregoing covenants, Developer shall be bound by and comply with the covenants contained in each Franchise Agreement executed by Franchisor and Developer

XI NOTICES

All written notices permitted or required to be delivered by the provisions of this Agreement, shall be deemed so delivered on the date when hand delivered, one (1) day after sending by telegraph or after the date of deposit, if deposited with a commercial delivery service which guarantees next day delivery, or three (3) days after placed in the mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most-current principal business address of which the notifying party has been notified

XII **INDEPENDENT CONTRACTOR AND INDEMNIFICATION**

(a) It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other

(b) Developer shall hold itself out to the public to be an independent contractor operating pursuant to this Agreement Developer agrees to take such actions as shall be necessary to that end

(c) Developer understands and agrees that nothing in this Agreement authorizes Developer to make any contract, agreement, warranty or representation on Franchisor's behalf or to incur any debt or other obligation in Franchisor's name and that Franchisor assumes no liability for, nor shall Franchisor be deemed liable by reason of, any act or omission of Developer in Developer's conduct of any Primal Kitchen Restaurant or any claim or judgment arising therefrom Developer shall indemnify and hold Franchisor harmless against any and all such claims directly or indirectly from, as a result of or in connection with Developer's operations hereunder or under any Franchise Agreement, as well as the costs, including attorneys' fees, of defending against them

(d) Developer acknowledges that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at Franchisor's sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any developer based upon the peculiarities of the particular location or circumstance, business potential, population of trade area, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of Developer's business under any Franchise Agreement Developer shall not be entitled to require Franchisor to disclose or grant to Developer a like or similar variation hereunder to that which may be accorded to any other developer

XIII **APPROVALS**

(a) Whenever this Agreement requires Franchisor's prior approval or consent, Developer shall make a timely written request to Franchisor therefor, and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing

(b) Franchisor makes no warranties or guarantees upon which Developer may rely and assumes no liability or obligation to Developer or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Developer in connection with this Agreement or by reason of any neglect, delay or denial of any request therefor

XIV **NON-WAIVER**

No failure by Franchisor to exercise any power reserved to Franchisor in this Agreement or to insist upon compliance by Developer with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's rights to demand exact compliance with the terms of this Agreement Waiver by Franchisor of any particular default shall not affect or impair Franchisor's right in respect to any subsequent default of the same or of a different nature, nor shall any delay, forbearance or omission by Franchisor to exercise any power or right arising out of any breach or default by Developer of any of the terms, provisions or covenants of this Agreement, affect or impair Franchisor's rights, nor shall the same constitute a waiver by Franchisor of any rights hereunder or rights to declare any subsequent breach or default

XV SEVERABILITY AND CONSTRUCTION

(a) Each provision of this Agreement shall be deemed severable from the others

(b) Nothing in this Agreement shall confer upon any person or legal entity other than the parties hereto and such of their respective successors and assigns as may be contemplated by Section IX hereof, any rights or remedies under or by reason of this Agreement

(c) All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof

(d) All references herein to gender and number shall be construed to include such other gender and number as the context may require and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by Developer shall be deemed jointly and severally undertaken by all the parties hereto which execute this Agreement on Developer's behalf

(e) This Agreement may be executed in duplicate and each copy so executed shall be deemed an original

(f) Nothing contained herein shall be deemed a waiver of any rights Developer may have to rely on information contained in the franchise disclosure document

XVI ENTIRE AGREEMENT

This Agreement constitutes the entire, full and complete agreement between the parties hereto concerning the subject matter hereof, and supersedes all prior agreements However, nothing contained herein shall be deemed a waiver of any rights Developer may have to rely on information contained in the franchise disclosure document No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by themselves or their authorized officers or agents in writing

XVII SUPERIORITY OF FRANCHISE AGREEMENT

For each Primal Kitchen Restaurant developed in the Designated Territory, a separate Franchise Agreement shall be executed and any individual Initial Franchise Fee as prescribed by Franchisor shall be paid to Franchisor It is understood and agreed by Developer that any and all Franchise Agreements executed in connection with the Primal Kitchen Restaurant(s) within the Designated Territory are independent of this Agreement The continued existence of any such Franchise Agreement shall not depend on the continuing existence of this Agreement If any conflict shall arise in connection with this Agreement and any Franchise Agreement executed within the Designated Territory, the latter shall have precedence and superiority over the former

XVIII **ENFORCEMENT**

(a) No right or remedy conferred upon or reserved to Franchisor or Developer by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy

(b) Nothing in this Agreement bars Franchisor's right to obtain specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause Franchisor, the Marks and/or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions (subject to Franchisor's obligation to arbitrate the underlying claim if required by Section XIX) Developer agrees that Franchisor may obtain such injunctive relief in addition to such further or other relief as may be available at law or in equity Developer agrees that Franchisor will not be required to post a bond to obtain injunctive relief and that Developer's only remedy if an injunction is entered against Developer will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby)

XIX **DISPUTE RESOLUTION**

For the purposes of this Section XIX, "Developer" shall be deemed to include its owners, affiliates and its respective employees, and "Franchisor" shall be deemed to include Franchisor, its parent, and its affiliates

(a) MEDIATION, MANDATORY BINDING ARBITRATION, AND WAIVER OF COURT TRIAL

Developer and Franchisor believe that it is important to resolve any disputes amicably, quickly, cost effectively and professionally and to return to business as soon as possible Developer and Franchisor have agreed that the provisions of this Section XIX support these mutual objectives and, therefore, agree as follows

(1) **Claim Process** Any litigation, claim, dispute, suit, action, controversy, or proceeding of any type whatsoever, including any claim for equitable relief and/or where Developer is acting as a "private attorney general," suing pursuant to a statutory claim or otherwise, between or involving Developer and Franchisor on whatever theory and/or facts based, and whether or not arising out of this Agreement, ("Claim") will be processed in the following manner, Developer and Franchisor each expressly waiving all rights to any court proceeding, except as expressly provided below at Section XIX (4)

(i) First, discussed in a face-to-face meeting held within thirty (30) days after either Developer or Franchisor give written notice to the other proposing such a meeting

(ii) Second, if not resolved, submitted to non-binding mediation Developer and Franchisor will split the costs and each will bear their own expenses of any mediation Any mediation/arbitration will be conducted by a mediator/arbitrator experienced in franchising Any party may be represented by counsel and may, with permission of the mediator, bring persons appropriate to the proceeding If both Developer and Franchisor do not want to participate in mediation, then they may proceed to arbitration as provided below

(iii) Third, submitted to and finally resolved by binding arbitration before a single arbitrator in the county where Franchisor's then-current headquarters is located, and in accordance with the arbitration rules of the American Arbitration Association or its successor On election by any party, arbitration and/or any other remedy allowed by this Agreement may proceed forward at the same time as mediation Judgment on any preliminary or final arbitration award will be final and binding, and may be entered in any court having jurisdiction

(2) **Confidentiality** The parties to any meeting/mediation/arbitration will sign confidentiality agreements, excepting only public disclosures and filings as are required by law

(3) **Fees and Costs** The parties will bear their own fees and costs, including attorneys' fees, provided that for matters not settled through agreement of the parties, the arbitrator may assess all, or any portion, of the fees and costs incurred in connection with any arbitration against the party who does not prevail

(4) **Disputes Not Subject to the Mediation/Arbitration Process** Claims or disputes relating primarily to (a) the validity of the Marks and/or any intellectual property licensed to Developer, and (b) injunctive relief for health and safety issues and violations, may be subjected to court proceedings, at Franchisor's sole election, provided that only the portion of any claim or dispute relating primarily to the validity of the Marks and/or any intellectual property licensed to Developer and requesting equitable relief shall be subject to court action, and any portion of such claim seeking monetary damages will be subject to the Claim Process outlined above

(5) **Intentions of Developer and Franchisor** Developer and Franchisor mutually agree (and have expressly had a meeting of the minds) that, notwithstanding any contrary provisions of state, federal or other law, and/or any statements in Franchisor's Franchise Disclosure Document required by a state or the Federal government as a condition to registration or for some other purpose

(i) all issues relating to arbitration and/or the enforcement of arbitration-related provisions of this Agreement will be decided by the arbitrator (including all Claims that any terms were procured by fraud or similar means) and governed only by the Federal Arbitration Act (9 U S C § 1 et seq) and the federal common law of arbitration and exclusive of state statutes and/or common law, (ii) all provisions of this Agreement shall be fully enforced, including (but not limited to) those relating to arbitration, waiver of jury trial, limitation of damages, venue, choice of laws, and shortened periods in which to bring Claims,

(iii) Developer and Franchisor intend to rely on federal preemption under the Federal Arbitration Act (9 U S C § 1 et seq) and, as a result, the provisions of this Agreement will be enforced only according to its terms,

(iv) Developer and Franchisor each knowingly waive all rights to a court trial (except as expressly provided in this Agreement), understanding that arbitration may be less formal than a court or jury trial, may use different rules of procedure and evidence and that appeal is generally less available, but still strongly preferring mediation and/or arbitration as provided in this Agreement, and

(v) the terms of this Agreement (including but not limited to this Section XIX) shall control with respect to any matters of choice of law Nothing in this or any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document it furnished to Developer

(b) VENUE

Without in any way limiting or otherwise affecting the obligations of Developer and Franchisor under Section XIX (a) above, Developer and Franchisor agree that any litigation will be brought in a court of competent jurisdiction in the county where Franchisor's then-current headquarters is located

(c) TERMS APPLICABLE TO ALL PROCEEDINGS, WAIVER OF TRIAL BY JURY, CERTAIN CLAIMS, AND CLASS ACTION RIGHTS

With respect to any arbitration, litigation or other proceeding of any kind, Developer and Franchisor

(1) **knowingly waive all rights to trial by jury**, and

(2) **will pursue any proceeding on an individual basis only, and not on a class-wide or multiple plaintiff basis**

(d) LIMITATIONS ON CLAIMS

Neither party may make claims for emotional distress, whether negligent or intentional, nor punitive damages

(e) PERIODS IN WHICH TO MAKE CLAIMS

No arbitration, action or suit (whether by way of claim, counter-claim, cross-complaint, raised as an affirmative defense, offset or otherwise) by either Developer or Franchisor will be permitted against the other, whether for damages, rescission, injunctive or any other legal and/or equitable relief, in respect of any alleged breach of this Agreement, or any other Claim of any type, unless such party commences such arbitration proceeding, action or suit before the expiration of the earlier of

(1) One (1) year after the date on which the state of facts giving rise to the cause of action comes to the attention of, or should reasonably have come to the attention of, such party, or

(2) Eighteen (18) months after the initial occurrence of any act or omission giving rise to the cause of action, whenever discovered

The above periods may begin to run, and will not be tolled, even though the claiming party was not aware of the legal theories, statutes, regulations, case law or otherwise on which a claim might be based If any federal, state or provincial law provides for a shorter limitation period than is described in this Section, then such shorter period will govern The time period for actions for indemnity shall not begin to run until the indemnified party(ies) have been found liable and any time for appeals has run in the underlying action

(f) <u>SEVERABILITY OF PROVISIONS</u>

Each provision of this Agreement, and any portion of any provision, is severable (including, but not limited to, any provision related to dispute resolution)

(g) <u>CHOICE OF LAWS</u>

Developer and Franchisor agree on the practical business importance of certainty as to the law applicable to their relationship and its possible effect on the development and competitive position of the System Therefore, Developer and Franchisor also agree that, except with respect to the applicability of the Federal Arbitration Act, 9 U S C § 1 et seq and the effect of federal pre-emption of state law by such Act, and except to the extent governed by the United States Trademark Act and other federal laws and as otherwise expressly provided in this Agreement, this Agreement and all other matters, including, but not limited to respective rights and obligations, concerning Developer and Franchisor, will be governed by, and construed and enforced in accordance with, the laws of <u>Arizona</u>, except that the provisions of any law of that state regarding franchises (including, without limitation, registration, disclosure, and/or relationship laws) shall **<u>not</u>** apply unless that state's jurisdictional, definitional and other requirements are met independently of, and without reference to, this Section XIX (g) Developer and Franchisor agree that this provision shall be enforced without regard to the laws of Arizona relating to conflicts of laws or choice of law

XX <u>"DEVELOPER" DEFINED AND GUARANTY</u>

If two or more persons are at any time parties to this Agreement, whether as partners or joint venturers, their obligations and liabilities to Franchisor will be joint and several References to "owner" mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in Developer (or a transferee of this Agreement or an ownership interest in Developer), including, without limitation, any person who has a direct or indirect interest in Developer (or a transferee) or this Agreement and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets References to a "controlling ownership interest" in Developer or one of Developer's owners (if an entity) mean the percent of the voting shares or other voting rights that results from dividing one hundred percent (100%) of the ownership interests by the number of owners In the case of a proposed transfer of an ownership interest in Developer or one of Developer's owners, the determination of whether a "controlling ownership interest" is involved must be made as of both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer) "Person" means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity Unless otherwise specified, all references to a number of days shall mean calendar days and not business days

XXI ELECTRONIC MAIL

(a) Developer acknowledges and agrees that exchanging information with Franchisor by email is efficient and desirable for day-to-day communications and that Franchisor and Developer may utilize e-mail for such communications Developer authorizes the transmission of e-mail by Franchisor and Franchisor's employees, vendors, and affiliates ("Official Senders") to Developer during the term of this Agreement Developer further agrees that (a) Official Senders are authorized to send e-mails to those of Developer's employees as Developer may occasionally authorize for the purpose of communicating with Franchisor, (b) Developer will cause Developer's officers, directors and employees to give their consent to Official Senders' transmission of e-mails to them, (c) Developer will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with Developer, and (d) Developer will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the term of this Agreement

(b) This consent given in this Section shall not apply to the provision of notice by either party under this Agreement pursuant to Section XI unless Franchisor and Developer otherwise agree in a written document manually signed by both parties

XXII ACKNOWLEDGMENTS

Developer acknowledges

(a) That Developer has independently investigated this franchise opportunity and recognizes that, like any other business, the nature of the business a Primal Kitchen Restaurant conducts may, and probably will, evolve and change over time

(b) That an investment in a Primal Kitchen Restaurant involves business risks that could result in the loss of a significant portion or all of Developer's investment

(c) That Developer's business abilities and efforts are vital to Developer's success and the success of Developer's business

(d) That Developer has not received from Franchisor, and is not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of a Primal Kitchen Restaurant, that any information Developer has acquired from other Developers/Franchisees regarding their sales, profits, or cash flows was not information obtained from Franchisor, and that Franchisor makes no representation about that information's accuracy

(e) That in all of their dealings with Developer, Franchisor's officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between Developer and them as a result of this Agreement are deemed to be only between Developer and Franchisor

(f) That Developer has represented to Franchisor, to induce Franchisor's entry into this Agreement, that all statements Developer has made and all materials Developer has given Franchisor are accurate and complete and that Developer has made no misrepresentations or material omissions in obtaining the franchise

(g) That Developer has read this Agreement and Franchisor's franchise disclosure document and understands and accepts that this Agreement's terms and covenants are reasonably necessary for Franchisor to maintain Franchisor's high standards of quality and service, as well as the uniformity of those standards at each Primal Kitchen Restaurant, and to protect and preserve the goodwill of the Marks

(h) That Franchisor has not made any representation, warranty, or other claim regarding this franchise opportunity, other than those made in this Agreement and Franchisor's franchise disclosure document, and that Developer has independently evaluated this opportunity, including by using Developer's business professionals and advisors, and has relied solely upon those evaluations in deciding to enter into this Agreement

(i) That Developer has been afforded an opportunity to ask any questions Developer has and to review any materials of interest to Developer concerning this franchise opportunity

(j) That Developer has been afforded an opportunity, and has been encouraged by Franchisor, to have this Agreement and all other agreements and materials Franchisor has given or made available to Developer reviewed by an attorney and has either done so or elected not to do so

(k) That Developer has a net worth which is sufficient to make the investment in the franchise opportunity represented by this Agreement, and Developer will have sufficient funds to meet all of Developer's obligations under this Agreement

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in duplicate on the day and year first above written

PRIMAL KITCHEN, LLC
an Arizona limited liability company

By ______________________________

Title ______________________________

DATED ______________________________

DEVELOPER

(IF DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Name]

By ______________________________

Title ______________________________

DATED ______________________________

(IF DEVELOPER IS AN INDIVIDUAL AND NOT A LEGAL ENTITY)

______
[Signature]

______
[Print Name]

______
[Signature]

______
[Print Name]

DATED ______________________________

EXHIBIT A TO THE AREA DEVELOPMENT AGREEMENT

DESCRIPTION OF DESIGNATED TERRITORY

____

____

____

____

____

PRIMAL KITCHEN, LLC
an Arizona limited liability company

By ______________________________

______
Title ______________________________

DATED ______________________________

DEVELOPER

(IF DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

[Name]

By ______________________________

Title ______________________________

DATED ______________________________

(IF DEVELOPER IS AN INDIVIDUAL AND NOT A LEGAL ENTITY)

______
[Signature]

______
[Print Name]

______
[Signature]

______
[Print Name]

EXHIBIT B TO AREA DEVELOPMENT AGREEMENT

DEVELOPMENT SCHEDULE

At the dates set forth below, Developer is obligated by Section IV of the Area Development Agreement to have open and in operation the number of Primal Kitchen Restaurants as indicated below

Development Period	Date Development Period Commences	Date Development Period Ends	Cumulative Number of Restaurants to be Open and in Operation
First	__________, 20__	__________, 20__	______________
Second	__________, 20__	__________, 20__	______________
Third	__________, 20__	__________, 20__	______________

____

FRANCHISOR

______________________________ Title

PRIMAL KITCHEN, LLC
an Arizona limited liability company

By

DATED ______________________
DEVELOPER

(IF DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

______
[Name]

By

____

Title ____________________________

DATED ____________________________

(IF DEVELOPER IS AN INDIVIDUAL AND NOT A
LEGAL ENTITY)

______
[Signature]

______
[Print Name]

______
[Signature]

______
[Print Name]

DATED ____________________________

EXHIBIT C TO THE AREA DEVELOPMENT AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of ____________, 20 __, by ____

In consideration of, and as an inducement to, the execution of that certain Area Development Agreement (the "Agreement") on this date by **PRIMAL KITCHEN, LLC** ("Franchisor"), each of the undersigned personally and unconditionally (a) guarantees to Franchisor and Franchisor's successors and assigns, for the term of the Agreement and afterward as provided in the Agreement, that ______________________________ ("Developer") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non competition, confidentiality, transfer, and arbitration requirements

Each of the undersigned consents and agrees that (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Developer and among other guarantors, (2) he or she will render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so, (3) this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Developer or any other person, and (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which Franchisor may from time to time grant to Developer or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement

Each of the undersigned waives (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Developer arising as a result of the undersigned's execution of and performance under this Guaranty, and (ii) acceptance and notice of acceptance by Franchisor of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled

Each of the undersigned represents and warrants that, if no signature appears below for such undersigned's spouse, such undersigned is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate

If Franchisor is required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, Franchisor shall be entitled to reimbursement of Franchisor's costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', 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 Franchisor is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs

Guarantor agrees to be personally bound by the arbitration obligations under Section XIX of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section XIX of the Agreement in accordance with its terms

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed

GUARANTOR(S)

______________________ Signature	Signature ______________________
Name ______________________	Name ______________________
______________________ Signature	Signature ______________________
Name ______________________	Name ______________________

The undersigned, as the spouse of the Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty

Name of Guarantor

Name of Guarantor's Spouse

Signature of Guarantor's Spouse

Name of Guarantor

Name of Guarantor's Spouse

Signature of Guarantor's Spouse

EXHIBIT C
TO FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

EXHIBIT D
TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA
Commissioner of Business Oversight
One Sansome Street
Suite 600
San Francisco, CA 94104
Tel (415) 972-8559
Fax (415) 972-8590
Toll Free (866) 275-2677

CONNECTICUT
Department of Banking
Securities and Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103-1800
Tel (860) 240 8230

FLORIDA
Tom Kenny, Regulatory Consultant
Department of Agriculture & Consumer Services
Division of Consumer Services
P O Box 6700
Tallahassee, Florida 32314
Tel (850) 488-2221
Fax (850) 410 3804

HAWAII
(for service of process)
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203 Honolulu,
Hawaii 96813

(state agency)
Department of Commerce &
Consumer Affairs
King Kalakaua Building
335 Merchant Street, Rm 203 Honolulu,
Hawaii 96813
Tel (808)586-2722
Fax (808) 587-7559

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

INDIANA
(for service of process)
Indiana Secretary of State
201 State House
Indianapolis, Indiana 46204

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

IOWA
Dennis Britson
Director of Regulated Industries Unit
Iowa Securities Bureau
340 Maple
Des Moines, Iowa 50319-0066
Tel (515) 281-4441 Fax (515)
281-3059 email
iowasec@iid state ia us

MARYLAND
(for service of process)
Maryland Securities Commissioner
Division of Securities
200 St Paul Place
Baltimore, Maryland 21202-2020

(state agency)
Office of the Attorney General

Division of Securities
200 St Paul Place
Baltimore, Maryland 21202-2020
Tel (410) 576-6360

MICHIGAN
(for service of process)
Michigan Department of Consumer and Industry Services
Bureau of Commercial Services
Corporations Division
PO Box 30054
Lansing, Michigan 48909
Tel (517) 241-6470

MICHIGAN
(state agency)
Department of the Attorney General
Consumer Protection Division
Antitrust and Franchise Section
670 Law Building
Lansing, MI 48913
Tel (517) 373-7117

MINNESOTA

Commissioner of Commerce
85 Seventh Place East, Suite 500
St Paul, MN 55101-2198
Tel (651) 296-6328

NEBRASKA
Gene Schenkelberg, Securities Analyst
Department of Banking & Finance
1200 N Street, Suite 311
P O Box 95006
Lincoln, Nebraska 68509
Tel (402) 417-3445

NEW YORK
(for service of process)
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001

(state agency)

NORTH DAKOTA
(for service of process)
North Dakota Securities Commissioner
North Dakota Securities Department
600 East Boulevard, 5th Floor
Bismarck, North Dakota 58505-0510

(state agency)
North Dakota Securities Department
600 East Boulevard, 5th Floor
Bismarck, North Dakota 58505-0510
Tel (701) 328-4712

OREGON
Director, Department of Consumer & Business Services
Division of Finance & Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
Tel (503) 378-4140
Fax (503) 947-7862
Email dcbs dfcsmail@state or us

RHODE ISLAND
Director
Securities Division
Department of Business Regulation,
Building 69, First Floor
John O Pastore Center
1511 Pontiac Avenue,
Cranston, Rhode Island 02920
Tel (401) 462 9582

SOUTH DAKOTA
Director, Department of Labor and Regulation
Division of Securities
124 S Euclid, Suite 104
Pierre, South Dakota 57501
Tel (605) 773 4823

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
120 Broadway, 23rd Floor
New York, New York 10271
Tel (212) 416-8236

TEXAS
Statutory Document Section
Secretary of State
1719 Brazos
Austin, Texas 78701
Attn Dorothy Wilson
Tel (512) 475-1769

UTAH
Director, Division of Consumer Protection
Utah Dept of Commerce
160 East Three Hundred South
SM Box 146704
Salt Lake City, Utah 84114-6704
Tel (801) 530-6601
Fax (801) 530-6001

VIRGINIA
(for service of process)
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

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

WASHINGTON
(for service of process)
Administrator
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

WASHINGTON
(state agency) Administrator
Department of Financial Institutions
Securities Division
P O Box 9033
Olympia, Washington 98507-9033
Tel (360) 902 8760
Fax (360) 902-0524

WISCONSIN
(for service of process)
Securities and Franchise Registration
Wisconsin Securities Commission
201 West Washington Avenue, Suite 300
Madison, Wisconsin 53703

(state agency)
Franchise Registration
Division Of Securities
Wisconsin Department Of Financial Institutions
201 West Washington Ave, Suite 300
Madison, Wisconsin 53703
(608) 266-1064

EXHIBIT E

TO FRANCHISE DISCLOSURE DOCUMENT

STATE-SPECIFIC ADDENDA

ADDITIONAL STATE DISCLOSURES

If the franchise is located in or if franchisee is a resident of any of the following states, then the designated provisions in the Uniform Franchise Disclosure Document ("Disclosure Document") and Franchise Agreement will be amended as follows

CALIFORNIA

ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Business Oversight, prior to a solicitation of a proposed material modification of an existing franchise

Our website has not been reviewed or approved by the California Department of Business Oversight Any complaints concerning the content of this website may be directed to the California Department of Corporations at www dbo ca gov

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

1 The following language is added to the end of Item 3 of the Disclosure Document

Neither Primal Kitchen, LLC, nor any person identified in Item 2, or an affiliate or franchise broker offering franchises under our principal trademark is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, 15 U S C A 78a et seq , suspending or expelling such person from membership in such association or exchange

2 The following paragraphs are added at the end of Item 17 of the Disclosure Document

The Franchise Agreement requires Franchisee to execute 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

California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or non-renewal of a franchise If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control

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

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise This provision may not be enforceable under California law but we will enforce it to the extent enforceable

The Franchise Agreement requires binding arbitration The arbitration will occur in Scottsdale, Arizona, with the costs being borne by the non prevailing party The prevailing party shall be entitled to recover reasonable compensation for expenses, costs and fees in connection with arbitration, including reasonable attorney's fees 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 a franchise agreement restricting venue to a forum outside the State of California

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

HAWAII

ADDENDUM TO DISCLOSURE DOCUMENT

These franchises will be/ have been filed under the Franchise Investment Law of the State of Hawaii Filing does not constitute approval, recommendation or endorsement by the Director of Commerce and Consumer Affairs or a finding by the Director of Commerce and Consumer Affairs that the information provided herein is true, complete, and not misleading

The Franchise Investment Law makes it unlawful to offer or sell any franchise in this state without first providing to the prospective franchisee, or subfranchisor, at least seven days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, or subfranchisor, whichever occurs first, a copy of the Disclosure Document, together with an copy of all proposed agreements relating to the sale of the franchise

This Disclosure Document contains a summary only of certain material provisions of the franchise agreement The contract or agreement should be referred to for a statement of all rights, conditions, restrictions and obligations of both the franchisor and the franchisee

ILLINOIS

ADDENDUM TO DISCLOSURE DOCUMENT

1 The "Summary" section of Item 17(v), entitled Choice of forum, is deleted in its entirety

2 The "Summary" section of Item 17(w), entitled Choice of law, is deleted and replaced with the following

Illinois law applies

3 Illinois law governs the agreement(s) between the parties to this franchise

4 Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void, provided that arbitration may take place outside of Illinois 815 ILCS 705/4 (West 2010)

5 Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void 815 ILCS 705/41 (West 2010)

ILLINOIS

AMENDMENT TO FRANCHISE AGREEMENT

The Franchise Agreement is specifically amended as follows

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987 (as amended), the parties to the attached Franchise Agreement ("**Agreement**") agree as follows

1 Section 19, "**ENTIRE AGREEMENT**" is amended by adding the following

No other representation has induced Franchisee to execute this Agreement and there are no representations (except for those made in the Franchise Disclosure Document that Franchisee received from Franchisor), inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect with reference to this Agreement or otherwise

2 Section 17 5, "**GOVERNING LAW,**" is deleted in its entirety 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), THE FEDERAL ARBITRATION ACT, OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE RIGHTS OF THE PARTIES HEREUNDER SHALL BE INTERPRETED AND CONSTRUED UNDER THE LAWS OF THE STATE OF ILLINOIS

3 Section 17 6, "**CHOICE OF FORUM,**" is deleted in its entirety

4 Under the law of Illinois, any condition, stipulation or provision that purports to bind a person acquiring a franchise to waive compliance with the Franchise Disclosure Act of Illinois is void Accordingly, insofar as the Franchise Agreement requires you to waive your rights under the Illinois franchise law, these requirements are deleted from the Franchise Agreement This provision will not prevent the franchisor from requiring you to sign a general release of claims as part of a negotiated settlement of a dispute or actual lawsuit filed under any of the provisions of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC Franchisee ______________________________

By ____________________________________

By ____________________________________

Title ____________________________________ Title ____________________________________

MARYLAND

ADDENDUM TO DISCLOSURE DOCUMENT

1 The "**Summary**" section of Item 17(c) entitled **Requirements for you to renew or extend**, and the "Summary" section of Item 17(m) entitled **Conditions for our approval of transfer**, is amended by adding the following

Any general release you sign shall not apply to the extent prohibited by the Maryland Franchise Registration and Disclosure Law

2 The "**Summary**" section of Item 17(h) entitled **"Cause" defined (defaults which cannot be cured)**, is amended by adding the following

The Franchise Agreement provides for termination upon your 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 are added to the end of the chart in Item 17

Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law

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

AMENDMENT TO FRANCHISE AGREEMENT

The Franchise Agreement is specifically amended as follows

MARYLAND

Any provision requiring Franchisee to execute a general release of any and all claims against Franchisor shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law

Termination upon bankruptcy of the Franchisee might not be enforceable under federal bankruptcy law (11 U S C Sections 101 et seq), but Franchisor intends to enforce it to the extent enforceable

Sections 16 3 shall be supplemented by the following additional language

> PROVIDED, HOWEVER, THAT THIS LIMITATION OF CLAIMS SHALL NOT ACT TO REDUCE THE THREE (3) YEAR STATUTE OF LIMITATIONS AFFORDED FRANCHISEE FOR BRINGING A CLAIM UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW

Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchasing a franchise Any provision of this Franchise Agreement which requires a prospective franchisee to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law in order to purchase a franchise 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

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC Franchisee ______________________________

By ____________________________________

By ____________________________________

MARYLAND

Title ______________________ Title ______________________

AMENDMENT TO DISCLOSURE QUESTIONNAIRE

The Franchisee Disclosure Questionnaire is specifically amended as follows

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law (as amended), Md Code Bus Reg Sections 14-201 through 14-233, the following paragraph is added to the Franchisee Disclosure Questionnaire

> Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchasing a franchise Representations in this questionnaire 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

____

Name of Franchisee/Applicant

Date ______________________

____

Signature

____

Name and Title of Person Signing

MICHIGAN

ADDENDUM TO DISCLOSURE DOCUMENT

The following disclosures are required by the State of Michigan

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

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

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 this 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 The 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

1) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards

2) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor

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

4) 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 a provision has been made for providing the required contractual services

2 If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000 00 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

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

Any questions regarding this notice should be direct to

State of Michigan
Consumer Protection Division
Attention Franchise
670 G Mennen Williams Building
525 West Ottawa

Lansing, MI 48933
(517) 373 1160

Note Despite paragraph F above, we intend to enforce fully the provisions of the arbitration section contained in the Franchise Agreement We believe that paragraph F is unconstitutional and cannot preclude us from enforcing our arbitration section You acknowledge that we will seek to enforce this section as well

MINNESOTA

ADDENDUM TO DISCLOSURE DOCUMENT

In accordance with the requirements of the state of Minnesota the following disclosure should be read in conjunction with the Disclosure Document Any inconsistency with the information contained in the Disclosure Document will be resolved in favor of this Minnesota Addendum

1 Item 13 **Trademarks** is amended by adding the following

As required by the Minnesota Franchise Act, Minn Stat Sec 80C 12(g), we will reimburse you for any of your costs incurred in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by us, and so long as we are timely notified of the claim and are given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim

2 Item 17 **Renewal, Termination, Transfer and Dispute Resolution** is amended by adding the following

A **Renewal and Termination**
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 for nonrenewal of the Agreement

B **Choice of Forum and Choice of Law**
Minnesota Statutes, Section 80C 21 and Minnesota Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

C **Releases**

A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn Stat , Chapter 80C, Section 80C 22

These franchises have been registered under the Minnesota Franchise Act, registration does not constitute approval, recommendation, or endorsement by the Commissioner of Commerce of Minnesota or a finding by the Commissioner that the information provided herein is true, complete, and not misleading

The Minnesota Franchise Act makes it unlawful to offer or sell any franchise in this state which is subject to registration without first providing to the franchisee, at least 7 days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least 7 days prior to the payment of any consideration, by the franchisee, whichever occurs first, a copy of this Disclosure Document, together with a copy of all proposed agreements relating to the franchise This Disclosure Document contains a summary only of certain material provisions of the Franchise Agreement The contract or agreement should be referred to for an understanding of all rights and obligations of both the franchisor and the franchisee

MINNESOTA

AMENDMENT TO FRANCHISE AGREEMENT

The Franchise Agreement is specifically amended as follows

In recognition of the Minnesota Franchise Law, Minn Stat , Chapter 80C, Sections 80C 01 through 80C 22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860 4400, et seq , the parties to the attached Franchise Agreement ("Agreement") agree as follows

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

As required by Minnesota Franchise Act, Minn Stat Sec 80C 12(g), Franchisor will reimburse Franchisee for any costs incurred by Franchisee in the defense of Franchisee's right to use the Marks, so long as Franchisee was using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim

A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn Stat , Chapter 80C, Section 80C 22

Minnesota Statutes, Section 80C 21 and Minnesota Rule 2860 4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

To the extent governed by Minn Rule 2860 4400J, Franchisee shall not be deemed to have waived any rights under Minnesota law Franchisee shall not be deemed to have consented to Franchisor obtaining injunctive relief, although Franchisor may seek injunctive relief A court or the arbitrators shall determine whether to require a bond as a condition of injunctive relief

Pursuant to Minnesota Statutes, Section 80C 17, Subd 5 , Section 16 3, Limitation of Actions, shall be supplemented by the following additional language "Provided, however, no action may be commenced more than three years after the cause of action accrues "

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC

By ______________________________

____

Franchisee ______________________________

Title

By ______________________________

Title ______________________________

NEW YORK

ADDENDUM TO DISCLOSURE DOCUMENT

The Disclosure Document is amended as follows

1 All references made herein to a Disclosure Document shall be amended to Offering Prospectus

2 The following paragraphs are added to the Disclosure Document Cover Page

INFORMATION COMPARING FRANCHISORS IS AVAILABLE CALL THE STATE ADMINISTRATORS LISTED IN <u>EXHIBIT D</u> 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 THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23^{RD} FLOOR, NEW YORK, NEW YORK, 10271-0332

WE MAY, IF WE CHOOSE, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS HOWEVER, WE CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS

WE REPRESENT THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT

3 Item 3 **<u>Litigation</u>** is amended by the addition of the following language

Neither we, our predecessors, any person identified in Item 2, nor an affiliate offering franchises under our principal trademark has an administrative, criminal or civil action pending against it, him, or her alleging a felony, a violation of franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations In addition, neither we, our predecessors any person identified in Item 2, or an affiliate offering franchises under our principal trademark has any pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations

Neither we, our predecessors, any person identified in Item 2, nor an affiliate offering franchises under our principal trademark 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, unfair or deceptive practices or comparable allegations

Neither we, our predecessors, any person identified in Item 2, nor an affiliate offering franchises under our principal trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under 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

4 The following paragraph is added to Item 4 **Bankruptcy**

Except as disclosed above, neither we nor any of our affiliates, predecessors, officers, or general partners have, during the 10-year period immediately before the date of the Disclosure Document (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, (b) obtained a discharge of its debts under the U S Bankruptcy Code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within 1 year after the officer or general partner of ours held this position in such company or partnership

5 The following language is added to the end of Item 5 **Initial Franchise Fee**

The initial franchise fee shall be used to compensate us for our costs in providing training materials, evaluating the site, and other services we provide to you prior to and as you begin operating your business

6 Item 7 **Initial Investment** is amended by the addition of the following language

There are no other direct or indirect payments to us in conjunction with the purchase of the franchise

7 The "Summary" section of Item 17(s) entitled **Modification of the Franchise Agreement** will be amended by adding the following language

We have the right to modify or revise lists of specifications, the Confidential Operations Manual, or any part of the System, provided that any revisions or modifications will not unreasonably increase your obligation or place an excessive and unreasonable economic burden on your operations

8 The "Summary" section of Items 17(c) entitled **Requirements for you to renew or extent** and 17(m) entitled **Conditions for our approval of transfer** will be amended by adding the following language

All rights enjoyed by the Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the GBL of the State of New York and the regulations issued thereunder shall remain in force, it being the intent of this provision that the non-waiver provisions of GBL Section 687 4 and 687 5 be satisfied

9 The "Summary" section of Items 17(d), entitled **Termination by franchisee,** will be amended by adding the following language

The Franchisee may terminate the agreement on any grounds available by law

10 The "Summary" section of Items 17(j), entitled **Assignment of contract by franchisor**, will be amended by adding the following language

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement

11 The "Summary" section of Items 17(w), entitled **Choice of law**, will be amended by adding the following language

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

NORTH DAKOTA

ADDENDUM TO DISCLOSURE DOCUMENT

1 The followıng language ıs added to the "Summary" sectıon of Item 17(c) entıtled **Requırements for you to renew or extend** and Item 17(m) entıtled **Condıtıons for our approval of a transfer**

The executıon of a general release upon renewal, assıgnment or termınatıon wıll be ınapplıcable to franchıses operatıng under the North Dakota Franchıse Investment Law

2 The applıcable portıon of the "Summary" sectıon of Item 17(ı) entıtled **Your oblıgatıons on termınation/non-renewal** ıs amended to read as follows

If we prevaıl ın any enforcement actıon, you wıll pay all damages and costs we ıncur ın enforcıng the termınatıon provısıons of the Franchıse Agreement

3 The followıng ıs added to the "Summary" sectıon of Item 17(u) entıtled **Dıspute resolutıon by arbıtration or medıation**

To the extent requıred by the North Dakota Franchıse Investment Law (unless such requırement ıs preempted by the Federal Arbıtratıon Act), arbıtratıon wıll be at a sıte to whıch we and you mutually agree

4 The followıng ıs added to the "Summary" sectıon of Item 17(r) entıtled **Non-competıtıon covenants after the franchıse ıs termınated or expıres**

Covenants not to compete upon termınatıon or expıratıon of the Franchıse Agreement are generally unenforceable ın the State of North Dakota except ın lımıted ınstances as provıded by law

5 The followıng ıs added to the "Summary" sectıon of Item 17(v) entıtled **Choıce of forum**

However, to the extent allowed by the North Dakota Franchıse Investment Law, you may commence any cause of actıon agaınst us ın any court of competent ȷurısdıctıon, ıncludıng the state or federal courts of North Dakota

NORTH DAKOTA

AMENDMENT TO FRANCHISE AGREEMENT

1 The followıng ıs added to Sectıon 3 2, **"RENEWAL"** and Sectıon 14 **"TRANSFER OF INTEREST"**

> The executıon of a general release upon renewal, assıgnment or termınatıon wıll be ınapplıcable to franchıses operatıng under the North Dakota Franchıse Investment Law

2 The followıng ıs added to Sectıon 17 6, **"CHOICE OF FORUM"**

> However, to the extent allows by the North Dakota Franchıse ınvestment Law, Franchısee may

commence any cause of action against Franchisor in any court of competent jurisdiction, including the state or federal courts of North Dakota

3 The following is added to Section 16 1, "**MANDATORY BINDING ARBITRATION**"

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 Franchisor and Franchisee mutually agree

4 Section 18, "**ACKNOWLEDGMENTS**" is amended by the addition of the following language to the original language that appears therein to read as follows

Franchisee acknowledges that Franchisee received a copy of this Agreement, the attachments hereto, if any, and agreements relating thereto, if any, at least seven (7) days prior to the date on which this Agreement was executed

5 Section 13 1 (regarding post-term restrictions) is amended by the addition of the following language to the original language that appears therein

Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC Franchisee ______________________________

By ______________________________
By ____________________________________

Title ____________________________ Title ___________________________________

<u>RHODE ISLAND</u>

ADDENDUM TO DISCLOSURE DOCUMENT

The following language is added to Item 17(v) entitled **<u>Choice of forum</u>**

, except as otherwise required by the Rhode Island Franchise Investment Act **<u>RHODE ISLAND</u>**

AMENDMENT TO FRANCHISE AGREEMENT

In recognition of the requirements of the Rhode Island Franchise Investment Act (Section 19-28 1-14), the parties to the attached Franchise Agreement agree as follows

Section 17 6, "**CHOICE OF FORUM**" is amended by adding the following

§ 19-24 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 "

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC Franchisee ______________________

By ______________________

By ______________________

Title ______________________ Title ______________________

<u>**SOUTH DAKOTA**</u>

AMENDMENT TO FRANCHISE AGREEMENT

The Franchise Agreement is specifically amended as follows

The following provisions shall apply and supersede any provision in the Franchise Agreement to the contrary

1 Franchise registration, employment, covenants not to compete and other matters of local concern will be governed by the laws of the State of South Dakota As to contractual and all other matters, the Franchise Agreement will be and remain subject to the construction, enforcement and interpretation of the laws of the State specified in <u>Article 16</u> of this Agreement Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of South Dakota, is deleted from any Franchise Agreement issued in the State of South Dakota

2 Any provision that provides that the parties' waive their right to claim punitive, exemplary, incidental, indirect, or consequential damages or any provision that provides that parties' waive their right to a jury trial may not be enforceable under South Dakota law

3 No release language set forth in the Franchise Agreement shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of South Dakota

4 Termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards, and failure to make Royalty payments contained in the Franchise Agreement shall afford you thirty (30) days written notice with an opportunity to cure the default before termination

5 To the extent this Amendment is inconsistent with any terms or conditions of the Franchise Agreement, schedules or attachments thereto, or the Disclosure Document, the terms of this Amendment shall govern

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC Franchisee ______________________

By ______________________

By ______________________

Title ______________________ Title ______________________

VIRGINIA

ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for PRIMAL KITCHEN, LLC for use in the Commonwealth of Virginia shall be amended as follows

The following statement is added to Item 17 h

> "Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any ground 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

ADDENDUM TO DISCLOSURE DOCUMENT

The following paragraph is added at the end of Item 17

> If any of the provisions in this Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of Revised Code of Washington Section 19 100 180 or any other requirements of the Washington Franchise Investment Protection Act (the "**Act**"), the provisions of the Act will prevail over the inconsistent terms of the Disclosure Document or Franchise Agreement

WASHINGTON

AMENDMENT TO FRANCHISE AGREEMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act (RCW 19 100 180), the parties to the attached Franchise Agreement agree as follows

The state of Washington has a statute, RCW 19 100 180, which 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 involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

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

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

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms

PRIMAL KITCHEN, LLC Franchisee ______________________________

By ______________________________

By ____________________________________

Title ____________________________ Title ____________________________________

EXHIBIT F
TO FRANCHISE DISCLOSURE DOCUMENT

STATEMENT OF PROSPECTIVE FRANCHISEE

PRIMAL KITCHEN
STATEMENT OF PROSPECTIVE FRANCHISEE

[Note Dates and Answers Must Be Completed in the Prospective Franchisee's <u>Own</u> Handwriting]

Since the Prospective Franchisee (also called "me," "our," "us," "we" and/or "I" in this document) and Primal Kitchen, LLC (also called the "Franchisor") both have an interest in making sure that no misunderstandings exist between them, and to verify that no violations of law might have occurred, and understanding that the Franchisor is relying on the statements I/we make in this document, I/we assure the Franchisor as follows

A <u>The following dates and information are true and correct</u>

1	______________, 20___	**Initials** ______________	The date on which I/we received a Uniform Franchise Disclosure Document about a Franchise
2	______________, 20___	**Initials** ______________	The date when I/we received a fully completed copy (other than signatures) of the Franchise Agreement and all other documents I/we later signed
3	______________, 20___	**Initials** ______________	The earliest date on which I/we signed the Franchise Agreement or <u>any</u> other binding document (not including any Letter or other Acknowledgment of Receipt)
4	______________, 20___	**Initials** ______________	The earliest date on which I/we delivered cash, check or other consideration to the Franchisor, or any other person or company

B <u>Representations and Other Matters</u>

1 No oral, written, visual or other promises, agreements, commitments, representations, understandings, "side deals," options, rights of-first-refusal or otherwise of any type (collectively, the "representations"), including, <u>but not limited to</u>, any which expanded upon or were inconsistent with the Disclosure Document, the Franchise Agreement, or any other written documents, have been made to or with me/us with respect to <u>any</u> matter (including, <u>but not limited to</u>, advertising, marketing, site location and/or development, operational, marketing or administrative assistance, exclusive rights or exclusive or protected territory or otherwise) nor have I/we relied in any way on any such representations, except as expressly set forth in the Franchise Agreement, or a written Addendum thereto signed by the Prospective Franchisee and the Franchisor, except as follows

____

(If none, the Prospective Franchisee should write NONE in his/her/their own handwriting)

Prospective Franchisee's Initials ______________________________

2 No oral, written, visual or other claim, guarantee or representation (including, <u>but not limited to</u>, charts, tables, spreadsheets or mathematical calculations to demonstrate actual or possible results based on a combination of variables, such as multiples of price and quantity to reflect gross sales, or otherwise), which stated or suggested any specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained), from franchised or non-franchised units, was made to me/us by Franchisor, its affiliates or agents/representatives, nor have I/we relied in any way on any such, except for information (if any) expressly set forth in Item 19 of the Franchisor's Disclosure Document (or an exhibit referred to therein), except as follows

____

Prospective Franchisee's Initials __________________________

3 No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including, <u>but not limited to,</u> the Prospective Franchisee obtaining any financing, the Prospective Franchisee's selection, purchase, lease or otherwise of a location, any operational matters or otherwise) or the Prospective Franchisee fully performing any of the Prospective Franchisee's obligations, nor is the Prospective Franchisee relying on the Franchisor or any other entity to provide or arrange financing of any type, nor have I/we relied in any way on such, except as expressly set forth in the Franchise Agreement or a written Addendum thereto signed by the Prospective Franchisee and the Franchisor, except as follows

____

(If none, the Prospective Franchisee should write NONE in his/her/their own handwriting)

Prospective Franchisee's Initials __________________________

4 The individuals signing for the "Prospective Franchisee" constitute all of the executive officers, partners, shareholders, investors and/or principals of the Prospective Franchisee and each of such individuals has received the Uniform Franchise Disclosure Document and all exhibits and carefully read, discussed, understands and agrees to the Franchise Agreement, Area Development Agreement, each written Addendum and any Personal Guarantees

Prospective Franchisee's Initials __________________________

5 I/we have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and the Franchisor has <u>strongly</u> recommended that I/we obtain such independent professional advice I/we have also been <u>strongly</u> advised by the Franchisor to discuss my/our proposed purchase of, or investment in, a Primal Kitchen Restaurant with existing Franchisees prior to signing any binding documents or paying any sums and I/we have been supplied with a list of existing Primal Kitchen Franchisees

Prospective Franchisee's Initials __________________________

6 I confirm that, as advised, I've spoken with past and/or existing Primal Kitchen Franchisees, and that I made the decision as to which, and how many, Primal Kitchen Franchisees to speak with

Prospective Franchisee's Initials ______________________________

7 I/we understand that entry into any business venture necessarily involves some unavoidable risk of loss or failure, the purchase of a Primal Kitchen Restaurant (or any other) is a speculative investment, an investment beyond that outlined in the Disclosure Document may be required to succeed, there exists no guaranty against possible loss or failure in this or any other business and the most important factors in the success of any Primal Kitchen Restaurant, including the one to be operated by me/us, are my/our personal business, marketing, sales, management, judgment and other skills

Prospective Franchisee's Initials ______________________________

8 I/we understand and agree that the Franchisor does not furnish or endorse, or authorize its salespersons or others to furnish or endorse, any oral, written or other information concerning actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained), from franchised or non-franchised units, that such information (if any) not expressly set forth in Item 19 of the Franchisor's Disclosure Document (or an exhibit referred to therein) is not reliable and that I/we have not relied on it, that no such results can be assured or estimated and that actual results will vary from unit to unit, Franchise to Franchise, and may vary significantly

Prospective Franchisee's Initials ______________________________

If there are any matters inconsistent with the statements in this document, or if anyone has suggested that I sign this document without all of its statements being true, correct and complete, I/we will (a) **immediately** inform the Franchisor's attorney and an officer of the Franchisor and (b) make a written statement regarding such next to my signature below so that the Franchisor may address and resolve any such issue(s) at this time and before either party goes forward

I/we understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete

Date ________________________

PROSPECTIVE FRANCHISEE (Individual)

____

Signature

____

Printed Name

____

Signature

____

Printed Name

PROSPECTIVE FRANCHISEE (Corp , LLC or Partnership) – Must be accompanied by appropriate personal guarantee(s)

____

Legal Name of Entity

a ______________________________

State of incorporation, formation, etc

By ______________________________

Its ______________________________

EXHIBIT G
TO FRANCHISE DISCLOSURE DOCUMENT

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6 C BUSINESS INSURANCE AND POLICY REQUIREMENTS
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7 B FINANCIAL ACCOUNTS
7 C ROYALTY PAYMENTS
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7 F BUSINESS CREDIT CARD
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7 H CHART OF ACCOUNTS/GENERAL LEDGER
7 I FINANCIAL REPORTING
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8 B FRANCHISOR STANDARDS AND SPECIFICATIONS
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EXHIBIT H
TO FRANCHISE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

GENERAL RELEASE

(FRANCHISEE") and ______________________, an individual ("GUARANTOR") enter into this General Release on _________________, with reference to the following facts

1 On ______________________, **Primal Kitchen, LLC,** an Arizona limited liability company, ("**FRANCHISOR**") and FRANCHISEE entered into a Franchise Agreement (the "**Franchise Agreement**") to operate a Primal Kitchen Franchised Restaurant Business located at ______________________ (the "**Premises**") GUARANTOR guaranteed FRANCHISEE's performance under the Franchise Agreement pursuant to a Guarantee and Assumption of Obligations (the "**Guarantee**") In consideration of FRANCHISOR'S processing and approval of _________________________________, the Franchise Agreement provides that FRANCHISEE must sign this General Release as a condition to such ______________________ All capitalized terms not otherwise defined in this General Release shall have the same meaning as in the Franchise Agreement and/or the Guarantee

2 For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FRANCHISEE and GUARANTOR hereby release and forever discharge FRANCHISOR, its parents and subsidiaries and the directors, officers, employees, attorneys and agents of said corporations, and each of them, from any and all claims, obligations, liabilities, demands, costs, expenses, damages, actions and causes of action, of whatever nature, character or description, known or unknown (collectively "**Damages**"), which arose on or before the date of this General Release, including any Damages with respect to the Franchise Agreement, the Franchised Business, the Premises, and the Guarantee FRANCHISEE waives any right or benefit which FRANCHISEE or GUARANTOR may have under applicable law

3 This General Release sets forth the entire agreement and understanding of the parties regarding the subject matter of this General Release and any agreement, representation or understanding, express or implied, heretofore made by any party or exchanged between the parties are hereby waived and canceled

4 This Agreement shall be binding upon each of the parties to this General Release and their respective heirs, executors, administrators, personal representatives, successors and assigns

[Signatures on Following Page]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year set forth above

FRANCHISEE

By ______________________________________

Print Name ________________________________

Title _____________________________________

GUARANTOR

____________________________________, an individual

H-2

EXHIBIT I
TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF CURRENT FRANCHISEES AND THEIR OUTLETS

None

EXHIBIT J
TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO CEASED TO DO BUSINESS UNDER THE FRANCHISE AGREEMENT

None

EXHIBIT K
TO FRANCHISE DISCLOSURE DOCUMENT

RECEIPT

EXHIBIT L
TO FRANCHISE DISCLOSURE DOCUMENT

ITEM 23 RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language Read this Disclosure Document and all agreements carefully

If Primal Kitchen, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale

New York and Oklahoma require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise agreement, or other agreement, or the payment of any consideration that relates to the franchise relationship

Michigan and Oregon require that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise agreement, or other agreement, or the payment of any consideration, whichever comes first

If Primal Kitchen, 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 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 D

The franchisor is Primal Kitchen, LLC, located at 11445 E Via Linda #2-607, Scottsdale 85259 The names, principal business addresses and telephone numbers of each Franchise Seller offering the Franchise are Mr Mark Sisson and Mr Mario J Altiery, 11445 E Via Linda #2-607, Scottsdale, Arizona 85259, (480) 471-5264, primalkitchen@upsidefc com

Issuance Date April 8, 2017 Primal Kitchen, LLC authorizes the agents listed in Exhibit D to receive service of process for it

I have received a Disclosure Document dated April 8,, 2017 This Disclosure Document included the following Exhibits

EXHIBIT A	FRANCHISE AGREEMENT
EXHIBIT B	AREA DEVELOPMENT AGREEMENT
EXHIBIT C	FINANCIAL STATEMENTS
EXHIBIT D	LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS
EXHIBIT E	STATE-SPECIFIC ADDENDA
EXHIBIT F	STATEMENT OF PROSPECTIVE FRANCHISEE
EXHIBIT G	TABLE OF CONTENTS OF THE OPERATIONS MANUAL
EXHIBIT H	FORM OF GENERAL RELEASE
EXHIBIT I	LIST OF FRANCHISEES AND THEIR OUTLETS
EXHIBIT J	LIST OF FRANCHISEES WHO CEASED TO DO BUSINESS UNDER THE FRANCHISE AGREEMENT
EXHIBIT K	RECEIPTS

(Print Name) (Signature)

Date

Keep this copy for your records

ITEM 23 RECEIPT

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If Primal Kitchen, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale

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EXHIBIT J	LIST OF FRANCHISEES WHO CEASED TO DO BUSINESS UNDER THE FRANCHISE AGREEMENT
EXHIBIT K	RECEIPTS

______ ____________ ________________________

(Print Name) (Signature)

________________________ ________________________

Date Address

Please sign this copy of the receipt, date your signature, and return it to Mr Mario J Altiery at Primal Kitchen, LLC, 11445 E Via Linda #2-607, Scottsdale 85259, (480) 471-5264, primalkitchen@upsidefc com