FRANCHISE DISCLOSURE DOCUMENT

The HBH Franchise Company, LLC
a Georgia limited liability company
3875 Mansell Road
Alpharetta, Georgia 30022-1532
Tel: (678) 966-3100
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www.honeybakedfranchise.com

The franchisee will operate a retail store and restaurant under the name "The Honey Baked Ham Co." that specializes in the sale of hams, turkeys and other products and serves sandwiches, salads, beverages and other menu items ("HoneyBaked Store" or "Store"). The total investment necessary to begin operation of a HoneyBaked Store ranges from $431,050 to $718,200. This includes initial fees of $52,700 to $58,100 that must be paid to us or our affiliates. If you sign an Area Development Agreement to develop one or more HoneyBaked Stores, you will pay a Development Fee to us in the amount of $15,000 for each HoneyBaked Store that you agree to develop.

This disclosure document summarizes certain provisions of your Area Development Agreement (the agreement that outlines how many units you are to open in a specified time period and the development area for those units) and Franchise Agreement (the agreement which defines your protected territory and your ongoing operating relationship), and other information in plain English. Read this disclosure document and all agreements carefully. You must receive this disclosure document at least 14 days before you sign a binding agreement or make any payment in connection with the franchise sale. **Note, however, that no governmental agency has verified the information 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 our Franchise Administration Department at 3875 Mansell Road, Alpharetta, Georgia 30022-1532, and (678) 966-3100.

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 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 visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: January 18, 2023 as amended June 27, 2023

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with the franchisor by litigation only in Georgia. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Georgia than in your own state.

2. **Choice of Law**. The Franchise Agreement states that Georgia law governs the agreement, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

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

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ITEM 1
THE FRANCHISOR, ANY PARENT, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, "we," "us," "our," or "HBH" means The HBH Franchise Company, LLC, the franchisor. "You" means the person or legal entity who buys the franchise. If you are a legal entity, the provisions of this disclosure document also apply to all of your direct and indirect equity owners.

The Franchisor. HBH is a Georgia limited liability company organized on July 8, 1998. Our principal place of business is 3875 Mansell Road, Alpharetta, Georgia 30022-1532. We do business under the names "HoneyBaked," "The Honey Baked Ham Co.," and "Honey Baked Ham." We began offering franchises for HoneyBaked Stores on August 5, 1998 and as of September 25, 2022, there were 215 franchised HoneyBaked Stores. We do not own any HoneyBaked Stores; however, as of September 25, 2022, our affiliate, The Honey Baked Ham Company, LLC ("HBH Co.") and its subsidiaries operated 225 HoneyBaked Stores, which we refer to in this disclosure document as "Company-Owned Stores". We generally do not engage in any business not described in this Item 1. Our agents for service of process are listed in Exhibit A.

HoneyBaked Stores. We offer franchises under this disclosure document ("Franchises") to establish and operate one or more HoneyBaked Stores. HoneyBaked Stores operate under the "Honey Baked Ham" and "The Honey Baked Ham Co." name and marks and certain other service marks, trademarks, trade names, logos and unique signs that may be developed in the future for use with the System ("Marks"). HoneyBaked Stores sell ham, turkey and other products that are produced utilizing trade secrets and proprietary processes and operate on-site cafés that serve sandwiches, salads, beverages and other menu items approved by HBH. HoneyBaked Stores operate under the HoneyBaked restaurant operating system ("System"), which is a business format utilizing certain common standards, specifications, methods, procedures, recipes, techniques, management systems and proprietary and trade secret information for the preparation and sale of specialty hams, turkeys and related food and beverage products and other items. The System is characterized by a distinctive building design, signage, specifications and appearance; uniform operating methods, procedures and techniques; and other confidential procedures, methods and techniques for inventory and cost controls, record keeping and reporting, personnel management and training, and purchasing, marketing, sales promotion and advertising. The standards and specifications for the System are detailed in the Franchise Operations Manual ("FOM").

The Franchise Offered. When you are evaluating whether to purchase a Franchise, you will acquire confidential information about the System. You must sign a Confidentiality Agreement, which is attached as Exhibit B, before we will provide access to this information. You can buy a Franchise to develop and operate one Store, or, if you and the area in which you are interested meet certain qualifications, you can buy the rights to develop multiple Stores. You must sign an Area Development Agreement (Exhibit C) and pay the Development Fee (as described in Item 5) and we will identify a development schedule and a designated geographic area in which you will develop your Store(s) ("Development Area"). Thereafter, before you sign an agreement to lease or purchase the site for a Store, you must sign a Franchise Agreement (Exhibit D), which will govern your development and operation of the Store, and pay the Franchise Fee (as described in Item 5). For each Store that you develop under an Area Development Agreement, you must sign our then-current form of Franchise Agreement. That form of Franchise Agreement may differ from the form of Franchise Agreement included in this disclosure document as Exhibit D.

Regulation and Competition. In addition to laws and regulations that apply to businesses generally, the Stores are subject to various federal, state and local government regulations including those for construction, site location, the sale of food, and public health and safety codes and ordinances like the

United States Department of Agriculture rules regarding the preparation, labeling and sale of meat products. You will be responsible for keeping apprised of and complying with all applicable laws including, without limitation, the Americans with Disabilities Act.

The retail sale of specialty food products is highly competitive. Seasonal events and holidays, like Thanksgiving, Christmas and Easter, will affect your sales. You should anticipate that your sales will be significantly greater during these holiday seasons. Your competitors include fast food restaurants, cafés, sandwich shops, supermarkets, discount club chains, websites, grocery stores and specialty food stores that sell cured hams, turkeys and other specialty food products. Your competitors also include one existing Heavenly Ham franchisee of our affiliate, The HH Franchise Company, LLC, who sells similar products and who can solicit or accept orders within your Protected Territory (as specified in Exhibit A to the Franchise Agreement and as described in Item 12). The success of your Store may be affected by the specific site you select. Stores are typically located in shopping centers, but also may be located at freestanding locations.

Our Parents, Affiliates and Predecessors

Our sole member and parent is The Franchise Holding Company, LLC ("FHC"). FHC has not offered franchises in any line of business and does not fulfill nor guarantee any of our obligations. FHC shares our principal business address.

The sole member and parent of FHC is HBH Co. HBH Co. owns the System and the Marks and the CMS Point-of-Sale software that is used in HoneyBaked Stores. HBH Co. shares our principal business address. HBH Co. acquired the System and the Marks from the HBH Limited Partnership ("Limited Partnership") in a transaction that closed on May 4, 2015 (the "2015 Transaction"). HBH Co. also acquired the Company-Owned Stores in the 2015 Transaction from the Limited Partnership's licensees. In a license agreement dated May 4, 2015 (the "License Agreement"), HBH Co. granted a license to HBH to use and grant licenses to its franchisees to use the System and the Marks. Prior to May 4, 2015, HBH had a license from the Limited Partnership dating back to October 1998 to use and grant licenses to its franchisees to use the System and the Marks. HBH Co. has not offered franchises in any line of business and does not fulfill nor guarantee any obligation of HBH.

Our affiliate, The HH Franchise Company, LLC ("HHFC") is the franchisor of the Heavenly Ham system. HHFC is a Georgia limited liability company formed in May 2002. HHFC shares our principal business address. HHFC began offering franchises in May 2002. HHFC does not offer new Heavenly Ham Store franchises and HHFC has not offered franchises in any other line of business. As of the issuance date of this disclosure document, there is one franchised Heavenly Ham store.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer: James Dinkins

Mr. Dinkins has served as Chief Executive Officer for HBH Co. and Manager of HBH since May 2021. From January 2018 to August 2020, he was President, Coca Cola North America for The Coca Cola Company in Atlanta, Georgia. From June 1988 to June 1999 and from August 2002 to February 2021, he held various roles with The Coca Cola Company in Atlanta, Georgia including President of the Minute Maid Business Unit and Chief Retail Sales Officer for Coca Cola North America.

Chief Operating Officer: Daniel McAleenan

Mr. McAleenan has served as Chief Operating Officer of HBH Co. since October 2020. From May 2018 to September 2020, he was Senior Vice President of Store Operations for HBH Co. From April 2017 to May 2018, he served as Vice President of Store Operations for HBH Co.

Chief Financial Officer: Kenneth Marshall

Mr. Marshall has served as Chief Financial Officer for HBH Co. since October 2021. From March 2008 to October 2021, he served as Senior Vice President of Equifax Inc. in Atlanta, Georgia.

Chief Marketing Officer: Robert K. McLaughlin, III

Mr. McLaughlin has served as Chief Marketing Officer of HBH Co. since June 2022. From October 2019 to June 2022, he was Vice President and Global Brand Head for Motto by Hilton in McLean, Virginia. He held various roles for Hilton Worldwide Holdings in McLean, Virginia including Vice President, LifeStyle Brand Development from March 2018 to October 2019, Senior Director, Brand Management of Tru by Hilton from February 2017 to March 2018, Director, Brand Management for Tru by Hilton from January 2016 to February 2017, Director of Digital, Loyalty, Marketing, and Partnership Strategy from August 2015 to January 2016; and Senior Manager Global Brand Strategy from July 2013 to August 2015.

General Counsel: Stephen Johnson

Mr. Johnson has served as General Counsel for HBH Co. since December 2019. From December 2009 to December 2019, Mr. Johnson was a Partner with Cushing, Morris, Armbruster & Montgomery, LLP in Atlanta, Georgia.

Senior Vice President, Franchise: Rick Gestring

Mr. Gestring has served as Senior Vice President, Franchise for HBH Co. since July 2022. From July 2020 to March 2022, he was Chief Restaurant Officer for Blaze Pizza, LLC in Pasadena, California. From December 2018 to December 2019 Mr. Gestring served as Vice President of Operations Services for Dunkin' Brands Group, Inc. in Boston, Massachusetts. From July 2009 to November 2018, he served as Vice President of Guest Experience and Operations Services with Arby's Restaurant Group in Atlanta, Georgia.

Senior Field Marketing Manager: Olivia Cochran

Ms. Cochran has served as Senior Field Marketing Manager since December 2021. From September 2019 to December 2021, she served as National Marketing Manager for HBH Co. From February 2016 to September 2019, she served as Marketing Coordinator, Marketing Communications Specialist for The Krystal Company in Dunwoody, Georgia.

Senior Training Manager: Lisa Hubbert

Ms. Hubbert has served as Senior Training Manager for HBH Co. since October 2017. From May 2015 to October 2017, she served as Training Manager for HBH Co. From October 2010 to May 2015, Ms. Hubbert served as Training Manager for The Original Honey Baked Ham Co. of Georgia, Inc.

Franchise Sales Development Manager: Scott Temme

Mr. Temme has served as Franchise Sales Development Manager for HBH Co. since September 2022. From October 2021 to September 2022, he served as Franchise Operation Development Manager for HBH Co. From July 2018 to September 2021, he served as Franchise Business Leader for HBH Co. He has served as President / Consultant for Mass Holdings Inc. d/b/a Tropical Smoothie Café in Atlanta, Georgia since July 2014.

Construction Manager: Michael Huntington

Mr. Huntington has served as Construction Manager for HBH Co. since February 2023. From October 2021 to February 2023, he served as Construction Manager for Adaptive Construction Management in Dallas, Texas. From April 2018 to November 2020 he served as Construction Manager for Raising Cane's Restaurants, LLC in Plano, Texas. From February 2017 to January 2019, he served as Construction Manager for United States Beef Corp. (dba Arby's) in Tulsa, Oklahoma.

Senior Director of Development and Facilities: Christopher Gates

Mr. Gates has served Senior Director of Development and Facilities for HBH Co. since October 2022. From June 2019 to October 2022, he served as Director of Development and Facilities for HBH Co. From July 2008 to December 2018, he served as Director of Real Estate and Construction for Monument Restaurants, LLC in Richmond, Virginia.

Director of Retail Store Marketing: Jason Simons

Mr. Simons has served as the Director of Retail Store Marketing for HBH Co. since May 2015. From May 2014 to May 2015, Mr. Simons served as Director of Retail Store Marketing for The Original Honey Baked Ham Co. of Georgia, Inc. From February 2011 to May 2014, he served as Senior Franchise Marketing Manager for The Original Honey Baked Ham Co. of Georgia, Inc.

Director of Franchise Operations: Bill Adams

Mr. Adams has served as Director of Franchise Operations for HBH Co. since January 2023. From September 2022 to January 2023, he served as Director of Franchise for USA Insulation Franchise, LLC in Reading, Pennsylvania. From January 2016 to August 2022, he served as Director of Franchise Operations for Inspire Brands, Inc. in Reading, Pennsylvania.

ITEM 3
LITIGATION

Concluded Matter

Colleen & Gerald Randall Enterprises, LLC and Catering Gardens, LLC v. The HBH Franchise Company, LLC, No. 14EV001258F (Fulton Co. Georgia). This lawsuit was filed on June 10, 2014 by two former HoneyBaked franchisees owned by Colleen and Gerald Randall. (A similar suit was filed in federal court in 2013 and voluntarily dismissed when it became evident that the federal court lacked jurisdiction.) The suit arose primarily out of the Randalls' franchise in Palm Coast, Florida. They alleged that HBH made improper claims of start-up costs and revenues when they purchased the franchise in 2007, that HBH required them to open at a substandard site, that HBH provided inadequate training, and that HBH refused to approve their transfer of the store to an employee. They also contended that they sought and were granted the right to open another store in Palatka, Florida, after operating it as a kiosk for two holiday seasons, but that it turned

out that the store was within the territory of another franchisee (which happened to be owned in part by Colleen Randall's sister). The Complaint contained twelve counts, alleging breach of contract, fraud, negligent fraud, fraudulent omission, wrongful failure to approve transfer, and wrongful termination. HBH filed a motion to dismiss the complaint for failure to state a claim upon which relief may be granted. By Order dated September 25, 2014, the Court denied the motion. HBH filed an Answer denying the material allegations of the Complaint and asserting counterclaims on October 15, 2014. HBH agreed to mediate the dispute and, at the mediation, agreed to pay the plaintiffs $150,000 to settle the case in order to avoid the cost and time required to defend the case.

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Other than this action, 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

Development Fee. When you sign the Area Development Agreement, you must pay a fee in the amount of $15,000 for each Store that you agree to develop ("Development Fee"). If you are an existing franchisee and you operate at least one Store, we will reduce the Development Fee for each Store you agree to develop to $5,000. The Development Fee is fully earned when paid, is not refundable under any circumstances, and is not credited against any other fees paid to us.

Franchise Fee. When you sign the Franchise Agreement for a Store, you will pay an initial franchise fee in the amount of $15,000 ("Franchise Fee"). The Franchise Fee is fully earned when paid, is not refundable under any circumstances, and is not credited against any other fees paid to us.

Opening Inventory, Smallwares, Products, Supplies, and Training Materials. Before you open your Store, you must purchase an initial inventory of ham, turkey, other protein products such as pot roast, BBQ roast and ribs, side dishes, desserts, condiments, bags, boxes and other paper and plastic supplies, lunch products including drinks, bread, supplies, smallwares, training materials and produce with an estimated cost of $15,000 to $20,000 payable to suppliers, vendors and HBH. Of these purchases, the typical costs for the initial inventory of supplies, smallwares, and training materials payable to HBH will range from $7,500 to $9,100 depending upon your projected needs.

Computer Hardware, Software and CMS Point of Sale System. Before you open your Store, you must purchase the hardware, software, and CMS Point of Sale System described in Item 11 from HBH, a designated affiliate of HBH or other manufacturers and suppliers. The cost of these items (excluding costs and expenses of installation by HBH or others, if required) is currently $15,200 to $19,000.

VetFran Program. HBH is a member of the International Franchise Association's VetFran Program. Under the VetFran Program, if you (or a holder of at least a 51% ownership interest in your franchisee entity) provide us with a DD Form 214 or other adequate documentation, as determined by us, demonstrating honorable discharge from the United States military and you sign an Area Development Agreement to develop and operate one new Store, then we will reduce your Development Fee to $5,000.

You will sign a VetFran Addendum to the Area Development Agreement, a copy of which is attached as Exhibit F. If, prior to the first anniversary of the opening date of the Store, (1) you wish to transfer the Store, or (2) we terminate the Franchise Agreement, you must pay us the $10,000 that we waived under the VetFran Program.

Multi-Store Development Incentive Program.

We are offering a development incentive program for qualified franchisees that sign an Area Development Agreement and a Multi-Store Development Incentive Program Addendum to the Area Development Agreement (Exhibit N.1) before December 31, 2023 to develop at least two new HoneyBaked Stores. When you sign the Franchise Agreement for each eligible Store that you develop and open in accordance with the terms of the Multi-Store Development Incentive Program requirements, you will sign a Multi-Store Development Incentive Program Addendum to the Franchise Agreement (attached as Exhibit A to Exhibit N.1). Under the Multi-Store Development Incentive Program:

(1) You will pay a $15,000 Development Fee for the first two Stores that you agree to develop (reduced to $5,000 per store for existing franchisees and veterans) and we will waive the Development Fees for any additional Stores you agree to develop;

(2) You must remain in full compliance with the Development Schedule for each Store;

(3) You must spend $10,000 on approved local marketing during the first year of operation of each Store that you develop in addition to your $10,000 opening advertising requirement and your existing national, regional and local marketing obligations; and

(4) We will waive the Royalty Fees for each Store during its first year of operation and reduce the Royalty Fee to 3% of net sales (as defined in Item 6) for each Store during its second year of operation. You must pay the standard Royalty Fee beginning with the third year of operation of each Store.

For each Store that you develop, if you fail to spend the additional $10,000 on approved local marketing prior to the first anniversary of the opening date of the Store, then you must pay all waived Royalty Fees for that Store to us and you will not be eligible to pay reduced Royalty Fees for that Store in your second year of operation.

If you are an existing franchisee, you must be in good standing under each agreement that you have signed with us in order to qualify for the Multi-Store Development Incentive Program. The Multi-Store Development Incentive Program may not be combined with any other franchise fee or royalty incentives.

Single-Store Development Incentive Program.

We are offering a development incentive program for qualified franchisees that sign an Area Development Agreement and a Single Store Development Incentive Program Addendum to the Area Development Agreement (Exhibit N.2) before December 31, 2023 to develop one new HoneyBaked Store. When you sign the Franchise Agreement for the eligible Store that you develop and open in accordance with the terms of the Single Store Development Incentive Program requirements, you will sign a Single Store Development Incentive Program Addendum to the Franchise Agreement (attached as Exhibit A to Exhibit N.2). Under the Single Store Development Incentive Program:

(1) You will pay a $15,000 Development Fee (reduced to $5,000 per store for existing franchisees and veterans);

(2) You must remain in compliance with the Development Schedule for the Store;

(3) You must spend $10,000 on approved local marketing during the first year of operation of the Store that you develop in addition to your $10,000 opening advertising requirement and your existing national, regional and local marketing obligations; and

(4) We will waive the Royalty Fees for the Store during its first year of operation. You must pay the standard Royalty Fee beginning with the second year of operation of the Store.

If, prior to the first anniversary of the opening date of the Store, you fail to spend the additional $10,000 on approved local marketing, then you must pay all waived Royalty Fees to us.

If you are an existing franchisee, you must be in good standing under each agreement that you have signed with us in order to qualify for the Single Store Development Incentive Program. The Single Store Development Incentive Program may not be combined with any other franchise fee or royalty incentives.

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We expect that the fees discussed in this Item will typically be uniform for new franchisees and non-refundable; however, in certain unique circumstances; we may reduce or waive a fee for a particular franchisee. In fiscal year 2022, we waived the Franchise Fee for one franchisee and agreed to waive the Development Fee and Franchise Fee for two Stores for one developer who must meet certain deadlines. We do not offer financing for any of these fees.

ITEM 6
OTHER FEES

Name Of Fee	**Amount**	**Due Date (See Note 1)**	**Remarks**
Royalty	6% of net sales	On or before the 20th day of each calendar month based on the net sales during the preceding calendar month	See Note 2. See Item 5 for summary of the Development Incentive Programs and incentives offered.
Advertising fund contribution	3.25% of net sales	Same as royalty	You must contribute to any national, regional or local advertising fund or cooperative established for the area in which your Store is located. This amount is in addition to the amount you are required to spend on local advertising.
Local advertising	1% of net sales	Not paid to HBH	You may determine the content, form and media for your advertising, subject to our approval.

Name Of Fee	Amount	Due Date (See Note 1)	Remarks
Advertising deficiencies	Amount of local advertising deficiency	14 days after date of invoice	We may require you to provide, at least quarterly, copies of invoices documenting expenditures for local advertising. If you fail to make required advertising expenditures, we have the right to do so on your behalf and you must reimburse us.
Additional training	Our reasonable costs of training program	Upon demand	See Note 3.
Advertising Materials	HBH's costs and expenses	Upon demand	We may develop or procure advertising and marketing plans and materials. If we elect to offer you advertising materials, we reserve the right to charge you an amount sufficient to cover our costs and expenses.
Annual Convention Registration Fees	Currently $0	Upon demand	We may charge a reasonable registration fee for our annual convention in the future.
Appraisal fee	Approximately $2,500 to $7,500	Upon demand	If, upon expiration or termination, we exercise our right to purchase and an appraisal is required, then you are responsible for the cost of appraisal. We may set-off the cost of this appraisal from the purchase price for your Store.
Audit expenses	Reasonable costs	Upon demand	If an audit discloses an understatement of 2% or more of the net sales of your Store for any period or periods, then you must pay us the reasonable cost of the audit. Such costs may include attorneys' and accountants' fees, travel expenses, room, board and actual compensation of our employees. You also must pay for two subsequent audits over the next 24-month period to verify that the accounting irregularities have been corrected.
CMS Point-of-Sale Support and Licensing Fee	$2,400 per year for basic support and upgrades for up to 4 registers	When you open your Store and on or before January 31st of each year thereafter	You must sign our CMS Support Agreement when you sign your Franchise Agreement (Exhibit M). We will prorate this fee for your first year. We may increase this fee each year.
Conferences	Our reasonable costs and expenses of the conference	Upon demand	

Name Of Fee	Amount	Due Date (See Note 1)	Remarks
Costs to cure defaults	Reasonable costs	Upon demand	You must reimburse us for our reasonable costs to cure any of your defaults that are curable if you have failed to cure the defaults within 15 days after notice of default and we choose to do so.
Customer Loyalty Program	Participation costs charged by our service provider; currently $96/Store	Monthly	We do not currently charge our franchisees for participation in our customer loyalty program; however, we may require you to pay for your Store's reasonable participation costs in the future.
Customer Satisfaction Programs	Up to $100 per incident	Upon demand	You must participate in our current customer satisfaction program as described in Item 8. If you fail to resolve a customer complaint to our satisfaction and we resolve the complaint on your behalf, you will be required to reimburse us for our expenses.
Damages for enforcing option to purchase Store	Approximately $5,000 to $20,000	Upon demand	You must reimburse us for any damages, costs and expenses (such as attorneys' fees) incurred by us in attempting to enforce our option to purchase.
Employee training	2 times daily salary of trainer plus our expenses and costs; estimated per diem is $250 daily	Upon demand	If you request and our personnel are available, we may provide on-the-job training to your employees at your Store.
Ham override	$0.25/per pound	Upon demand	We invoice franchisees for all ham purchases from our suppliers and have the right to charge an override charge for each pound of ham purchased.
Indemnification	Any losses	Upon demand	You must pay for losses to HBH, HBH Co. or their affiliates, or any of their officers, directors, managers, agents or employees resulting from the operation of your business or from any other acts or omissions.
Inspection and testing fee	Costs of inspecting the supplier's facilities or testing samples	Upon demand	If you propose to purchase any items (other than specialty hams) from suppliers not designated or approved by us, you must submit a request to us.

Name Of Fee	Amount	Due Date (See Note 1)	Remarks
Insurance reimbursement	Any cost and premiums incurred	Upon demand	If you fail to obtain the insurance as required by the Franchise Agreement, we may obtain the required insurance on your behalf.
Interest and Late Fees	If any payment is more than 30 days late, then it will bear interest at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less, plus a $100 late fee	Upon demand	We will not extend any further credit to you if your payments are more than 30 days past due and all of your purchases after that must be paid by certified or cashier's check or via electronic funds transfer. We also reserve the right not to extend credit at any time in our sole discretion.
Non-Compliance Fee	Up to $1,000 for each default and for each week, or portion thereof, that the default continues	Upon demand	Only required if you commit a default of the Franchise Agreement, including a failure to submit reports or comply with the FOM, and we assess the fee.
Online Catering Program	Currently, $0	Upon demand	We do not currently charge a fee for you to participate in our online catering program although we reserve the right to charge a fee in the future.
Management fee	5% of sales	Upon demand	If, after your death or permanent disability, we determine that your Store is not being managed properly, we have the right to appoint a manager for the Store. We may also appoint a manager during any period following our exercise of an option to purchase the Franchise until closing.
QA Audit	Approximately $225 to $275 per inspection	Upon demand	If you receive a failing score on a Quality Assurance ("QA") audit, you must reimburse us for the costs of having us or our designee conduct follow up inspections to assess whether you have corrected the deficiencies noted in the QA audit.
Reimbursement of costs and expenses	Our costs and expenses, including attorneys' fees	Upon determination of prevailing party	If there is a lawsuit, arbitration or other proceeding between you and us or HBH Co., and we prevail, then you must reimburse us for our costs and expenses, including attorneys' fees.

Name Of Fee	Amount	Due Date (See Note 1)	Remarks
Reimbursement of costs and expenses regarding modifications or supplementations to Franchise Agreement or Area Development Agreement	Our costs and expenses (including attorneys' fees)	Upon demand	You must reimburse us for all costs and expenses incurred in connection with any modification or supplementation of the Franchise Agreement or Area Development Agreement or any waiver or consent granted by us, except where a modification or supplement results from an initiative by us.
Relocation fee	$3,500	Upon demand	Any relocation of the Store must be approved in advance by us.
Renewal fee	$7,500	Upon signing of renewal franchise agreement	
Technology Fee	$100 per month	On or before the 20th day of each calendar month	The Technology Fee covers the costs of developing, launching, updating and maintaining your Store website, which can be accessed through the HoneyBaked.com website, store locator services, third-party and/or internal delivery platforms, online ordering services and other technological advances. We may increase the Technology Fee at any time and the increase shall be effective no sooner than 30 days after we notify you of the increase in writing.
Transfer fee	$7,500	Before transfer	Payable if you transfer your Franchise Agreement, Area Development Agreement, your Store, or any interest in your business entity. We have the right to approve all transfers. In lieu of the transfer fee, we may charge a reasonable fee sufficient to cover our costs if you are an individual and you transfer your Franchise Agreement or Area Development Agreement to a new entity wholly owned by you or if you are an entity and you transfer less than 49% of your ownership interests.

The table above describes fees and payments that are payable to us or our affiliates, or imposed by us on behalf of a third party, relating to the operation of your Store. Unless otherwise noted, all fees are imposed by and payable to us and are non-refundable. Generally, all fees are uniformly imposed on our franchisees, however, in certain unique circumstances; we may reduce or waive a fee for a particular franchisee for a limited period of time.

Notes:

1. Royalties, advertising fund contributions and all other fees or amounts payable to us or any of our affiliates will be withdrawn by us from a bank account specified by you by means of electronic funds transfer.

2. Net sales means the amount of all sales of all products and services sold in, on, about or from your Store together with any other revenues derived from the operation of the Store, whether by you or any other person and whether or not permitted by the Franchise Agreement; but excludes: refunds, allowances or discounts to customers, provided the related sales have previously been included in net sales; and the amount of any excise or sales tax paid by you to the appropriate government authority.

3. If we require you or another person who completed initial training to attend additional training programs, you must pay the reasonable costs of the additional training and for travel, living expenses and other costs incurred during these programs. In the event that the opening date of your Store will occur more than 75 days after both trainees have completed the second phase (15 days of in-store training) of the initial training program, you and a designated key employee must attend an additional one-week training program at an approved location before the opening of your Store. You must pay all costs associated with the additional training program including room, board, and transportation and make a payment to us of the reasonable costs of the additional training program. In addition, we may also determine that it is necessary for us to supply an additional trainer for a five-day period before the Store's opening, and we reserve the right to charge a fee equal to twice the daily salary of the trainer plus travel expenses that we incur in providing the additional trainer.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT[AB]

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment is to be made (See Note 1)
	Low Range	High Range			
Development Fee (See Note 2)	$15,000	$15,000	Lump sum	When you sign the Area Development Agreement	HBH
Franchise Fee (See Note 2)	$15,000	$15,000	Lump sum	When you sign the Franchise Agreement	HBH
Travel and Living Expenses while Training (See Note 3)	$2,000	$7,500	As incurred	As incurred	Airlines, hotels and restaurants
Real Estate and Improvements (See Note 4)	$148,700	$318,600	As incurred	As incurred	Suppliers and vendors
Architectural (See Note 5)	$13,150	$18,500	As incurred	As incurred	Suppliers and vendors

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment is to be made (See Note 1)
	Low Range	High Range			
Equipment, Décor and Fixtures (See Note 6)	$125,000	$180,000	As incurred	As incurred	Suppliers and vendors
Rent (See Note 7)	$8,100	$22,500	As arranged	As arranged	Lessors
Security Deposit (See Note 8)	$2,700	$6,500	As arranged	As arranged	Lessors
Other Deposits and Licenses (See Note 9)	$2,700	$4,600	As incurred	As incurred	Suppliers, vendors and government agencies
Signs (See Note 10)	$8,500	$16,000	As incurred	As incurred	Suppliers and vendors
Opening Advertising (See Note 11)	$10,000	$25,000	As incurred	As incurred	Suppliers and vendors
Opening Inventory, Products, Supplies, Smallwares and Training Materials (See Note 12)	$15,000	$20,000	As incurred	As incurred	Suppliers, vendors and HBH
CMS Point-of-Sale System (See Note 13)	$15,200	$19,000	As incurred	As arranged	HBH, Suppliers and vendors
Additional Funds (See Note 14)	$50,000	$50,000	As incurred	As incurred	Employees, lessors and other vendors
Total (See Note 15)	$431,050	$718,200			

Notes:

A. The tables in this Item 7 identify the estimated initial investment for a newly-developed Store. Except for the Franchise Fee, Opening Advertising and Additional Funds, the costs shown are estimates based on franchised HoneyBaked Stores that opened during fiscal years 2020, 2021 and 2022, and anticipated changes in size and decor of HoneyBaked Stores to be opened in fiscal year 2023.

B. The range of the initial investment under your Area Development Agreement should equal the amount in the above tables for each Store you develop.

1. Payment of Fees. Costs paid to us and our affiliates are not refundable. Whether any costs paid to third parties are refundable will vary based upon the practice in the area where your Store is located and your contracts, if any, with that third party.

2. Development Fee and Franchise Fee. The amount of the Development Fee and the Franchise Fee and the manner in which those fees are paid are explained in detail in Item 5.

3. Travel and Living Expenses While Training. We provide initial training at no charge, but you must arrange and pay for all transportation, lodging, meals and wages for each person who attends the training. These costs will vary depending on the distance traveled and the type of accommodations.

4. Real Estate and Improvements. If you are developing a new Store, you must install flooring, counters, wiring, display shelving and other items, and you must paint the premises as required by the specifications provided by us. The cost will vary depending on the condition of the premises, square footage, lease negotiations and the extent to which your landlord funds leasehold improvements. These costs assume some amount of landlord contribution.

5. Architectural. You must hire an architect designated or approved by us to prepare plans for the Store and to obtain the initial permits required to build out the Store.

6. Equipment, Décor and Fixtures. You must purchase or lease equipment like kitchen equipment, scales, office furniture, a telephone system, security equipment, computer system, file cabinets and décor which comply with our specifications.

7. Rent. Typically, Stores require 1,600 to 2,400 square feet of floor space and will be located in shopping centers, but may also be located in freestanding buildings. This amount assumes that you will rent the premises for your Store. The estimate includes base rent for three months and does not include common area maintenance, insurance or real estate tax charges. Rental costs vary considerably, depending on the location and local market conditions. Since we cannot estimate the total cost of purchasing suitable premises for your Store or the amount of the down payment that would be required, this amount does not include the cost of acquiring real estate or constructing a building.

8. Security Deposit. If you lease the premises, your landlord may require a security deposit before you take possession of the premises. This deposit is typically refundable at the conclusion of your lease provided you fulfill certain obligations under the lease.

9. Other Deposits and Licenses. This estimate includes amounts for business licenses, utility deposits and other prepaid expenses that will be required to operate your Store.

10. Signs. The cost of your exterior sign will vary depending upon the size, color, type, letter size and method of installation of the sign and other specifications as may be required in the FOM, by your landlord or by local codes. This estimate includes installation of the sign, but excludes shipping.

11. Opening Advertising. You must spend a minimum of $10,000 on your opening advertising. Media costs may vary considerably between markets. These costs are in addition to any regional, national or local advertising or marketing contributions required by the Franchise Agreement.

12. Opening Inventory, Products, Supplies, Smallwares and Training Materials. You should have this amount available for you to purchase your Store's initial inventory of specialty hams, turkey, other protein products such as pot roast, BBQ roast and ribs, side dishes, desserts, condiments, bags, boxes and other paper and plastic supplies, lunch products including drinks, bread and produce. Costs will vary depending on the time of year that you open your Store.

13. CMS Point-of-Sale System. This estimate includes the cost of our proprietary CMS Point-of-Sale system as described in Item 8 that you must purchase from us. The costs of required third-party software licenses also are included in this estimate. The costs for travel and installation by us or

others, if required, are not included in this estimate. You also must pay the CMS Support and Licensing Fee due under the CMS Support Agreement as described in Item 6.

14. Additional Funds. You should have this amount available for you to cover employee salaries, utilities and other operating expenses. The figures above are our best estimate for covering your ongoing expenses. Your costs will vary depending on how rapidly your business grows, the size of your Store; how closely you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for Stores; the prevailing wage rate; competition; and the sales level reached during the initial period. If you obtain financing for your development costs, the amount of your initial investment also may depend on the terms of certain covenants in your financing documents, which may require you to maintain specific debt-to-equity or other ratios.

15. Total. We have relied on 24 years of experience in the retail and restaurant franchise business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the Franchise.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Inventory. The Marks, System and trade secret recipes and process for producing and finishing the specialty hams are an essential and integral part of the franchise rights that we grant to you under the Franchise Agreement. The trademark "Honey Baked Ham" is one of the Marks that represents the specialty hams. The sale of substandard products would dissipate the goodwill of the Marks. Therefore, specialty hams and turkey breasts must be purchased from us or our designated supplier and not from any other source. You will place your orders for specialty hams and turkey with us and we will direct our suppliers to fulfill your orders.

You must purchase all inventory (including food and non-food items, for example condiments, side items, premium desserts, produce, cleaning materials, packaged goods and beverage products) from suppliers designated or approved in advance by us. If you propose to purchase any inventory from supplier not designated or approved in advance by us, you must submit a written request to us. We may require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to us or our designee without charge for testing. We may require you to pay a charge for the cost of such inspection and testing. The supplier must demonstrate to us the existence of quality controls, the ability to protect our proprietary information and recipes and the financial and managerial capacity to supply your needs promptly and reliably. We will notify you in writing within a reasonable time frame as to whether you are authorized to purchase such items from that supplier. We have the right to approve or reject your request to use an alternate supplier in our sole discretion. We may also reinspect the facilities and retest the products of any approved supplier and revoke our approval. Upon written notice from us, you must immediately cease using any supplier we no longer approve.

With respect to any inventory you purchase through us (including specialty hams) the purchase price will include a payment for our services in procuring, handling and delivering the products and a profit for us.

Our specifications and quality standards will be stated in the FOM, an electronic copy of which will be supplied to you, or otherwise communicated to you through the internet. We may, at any time, in our discretion change, delete or add to any of our specifications or quality standards. These changes,

deletions or additions may affect your obligations, and may require additional expenditures. However, any changes, deletions or additions will be uniform for all similarly situated franchisees.

Insurance. You must obtain insurance in the forms and minimum amounts that we specify. You must obtain your insurance from an insurance company or carrier that is qualified to sell insurance in the state in which your Store is located and is rated A-VIII or better by A.M. Best & Company, Inc. You must submit to us a copy of the certificate of insurance for all insurance policies on an annual basis. The required policies currently include the following:

(a) Property insurance equal to 100% of replacement cost basis covering your tangible assets and business personal property on all-risk basis (special peril form). If your Store is in a designated flood-prone area (A, B, & V zones) and area available for windstorm policies, you must obtain flood and windstorm insurance at limits equal to the lesser of the following: (1) property value; or (2) the maximum value allowed by the state in which the Store is located. All deductibles must be approved by us and are subject to locality and market conditions.

(b) Commercial General Liability insurance with a minimum limit of $1,000,000 per occurrence for Bodily Injury and Property Damage Liability with a general aggregate limit of $2,000,000 (including, but not limited to, premises liability, products liability, completed operations liability, personal injury liability, advertising injury liability, blanket contractual liability, and medical payments) on a following from basis.

(c) Business Income insurance equal to 12 months revenue on an "actual loss sustained" basis.

(d) Umbrella Liability policy with a minimum limit of $1,000,000 (including, but not limited to, premises liability, products liability, completed operations liability, personal injury liability, advertising injury liability, broad form contractual liability, and medical payments).

(e) Automobile Liability insurance with a minimum limit of $1,000,000 on a symbol 1 basis covering any owned automobile (including owned, hired and non-owned vehicle coverage).

(f) Workers' Compensation insurance (in your name) as required by applicable law, including employer's liability with a minimum limit of $500,000 for each person for disease, $500,000 for each person by accident and $500,000 for each accident maximum. If the minimum attachment point for the umbrella liability policy is a limit greater than $500,000, then the employer's liability limit must meet the umbrella requirement. If no such law exists, then you must obtain such worker's compensation insurance as required by us.

(g) Cyber Liability insurance with a minimum limit of $1,000,000 to include coverage for business interruption loss, cyber extortion, data recovery costs and data and network liability.

We may increase the minimum liability limit protection requirement annually and require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards in litigation or other relevant changes in circumstances.

Real Estate. You must submit a proposed location for the Store to us within 60 days of the effective date of your Franchise Agreement. You may not enter into a lease or purchase agreement for the premises for your Store until we have accepted the location of the premises in writing, which acceptance may be arbitrarily withheld. In addition, you must submit for our acceptance a site plan and any modifications to our specifications for the Store. The construction of the premises must be completed according to our specifications within ten months after signing the Franchise Agreement. Any lease or similar encumbrance

with respect to the premises must include, among other things, a provision permitting you to assign your interest in the premises to us when your Franchise Agreement expires or terminates. Our required form of Addendum to Lease is attached as Exhibit D to the Franchise Agreement. In addition, such lease or similar encumbrance must provide that you will have adequate parking available for a refrigerated truck within close proximity to your Store.

You must construct your Store with the assistance of contractors and architects designated or approved by us. You also agree to use in the construction and operation of the Store only those brands or types of construction and decorating materials, fixtures, equipment, furniture and signs that we have approved. You may purchase approved brands and types of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by us. If you propose to purchase any brand or type of construction or decorating material, fixtures, equipment, furniture or sign not then-approved by us, or propose to purchase any of these items from a supplier which is not then-approved by us, you must first notify us in writing. We may require submission of specifications, photographs, drawings and other information to determine whether this brand or type of construction or decorating material, fixture, equipment, furniture or sign complies with our specifications and standards, or whether a supplier meets our approved supplier criteria. The supplier must demonstrate to us the existence of quality controls and the financial and managerial capacity to supply your needs promptly and reliably. We will advise you within a reasonable time whether a proposed item or supplier meets our specifications.

Advertising. Any advertising or marketing materials not prepared or previously approved by us must be submitted to us at least two weeks before any publication or run date for approval, which approval may be arbitrarily withheld. All advertising and promotion must be factually accurate and shall not detrimentally affect the Marks or the System. In addition, you must agree that all products will be marketed to the public as high-end premium products to protect and enhance the image and goodwill of the HoneyBaked brands, the Marks and the System.

We may, in our sole discretion, withhold approval of any advertising or marketing materials if we determine that the materials do not fit within our promotional concept for the System or that the advertising materials may be damaging to the System. We will provide you with written notification of our approval or disapproval within a reasonable time. You must discontinue your use of any approved advertising within five days after your receipt of a request from us to do so.

Software and Hardware. You must purchase or lease an approved point-of-sale system for the Store from us or an approved supplier, as specified by us and, from time to time, at our request, update or replace the computerized point-of-sale system, including the point-of-sale software. Currently, all HoneyBaked Stores are required to use our proprietary CMS Point-of-Sale system and related software. The CMS Point-of-Sale system and software is the proprietary property of HBH Co. Through an arrangement with HBH Co. we are the sole supplier of these items to you. You will sign the CMS Support Agreement attached as Exhibit M and pay an ongoing annual CMS Support and Licensing Fee as set forth in Item 6. If we designate a new point-of-sale system and/or software systems, you will be required to replace your CMS Point-of-Sale system and related software with the then-current point-of-sale system and software used by HoneyBaked Stores.

Online Catering Program. You must participate in our online catering program. At this time, there is no fee to participate in the program; however, in the future we may require you to pay a monthly fee to us or a third-party vendor that we designate to administer the program.

Customer Loyalty Program. You must participate in our customer loyalty program and comply with our and our third-party service provider's requirements for the program including providing discounts or complimentary products to participants. You may not use any customer reward or recognition program

or collect any participant data outside of our customer loyalty program. The administrative costs of the customer loyalty program are currently paid for out of the advertising fund; however, we reserve the right to charge you reasonable participation fees for your Store.

Customer Satisfaction and Franchise Compliance Programs. You must participate in programs that we require from time to time regarding customer satisfaction or your compliance with the System, which may include (but are not limited to) a guest feedback hotline, guest survey programs, mystery shopping, or other programs that we may require. We shall share the results of these programs, as they pertain to the Store, with you. We may set minimum score requirements for these programs that your Store must meet. You may be required to pay for all costs related to the Store associated with any such programs.

* * * *

We negotiate special purchasing arrangements with various suppliers for the benefit of our franchisees and, in exchange, we may receive fees, rebates, commissions, royalties, or other consideration from approved suppliers based on sales to franchisees. We have sole discretion over how we will utilize any monies paid to us by approved suppliers. In our last fiscal year which ended September 25, 2022, we received rebates from UniPro Foodservice, Inc. in the amount of $74,171.70.

We will receive revenues and profits from your purchases of specialty hams. During our last fiscal year which ended September 25, 2022, our total revenues were $20,307,152, of which $3,106,466 (or approximately 15.3%) was generated from the sale of specialty hams.

We estimate that purchases and leases you will make from approved suppliers or as required by our specifications will represent 95% or more of your total cost to establish and to operate your Store. We will not provide any material benefit to you (for example, renewal or granting additional franchises) based on your use of designated or approved sources.

None of our officers or directors has an ownership interest in any supplier to the System.

We do not have any purchasing or distribution cooperatives.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section In Franchise Agreement (FA)and Area Development Agreement (ADA)	Item In Disclosure Document
(a)	Site selection and acquisition/lease	FA: 5 ADA: Not Applicable	7, 8, 11 and 12
(b)	Pre-opening purchases/leases	FA: 5.2 and 10.9 ADA: Not Applicable	7 and 8
(c)	Site development and other pre-opening requirements	FA: 5 ADA: Not Applicable	6, 7, 8 and 11
(d)	Initial and ongoing training	FA: 12 ADA: Not Applicable	6, 7, and 11

	Obligation	Section In Franchise Agreement (FA)and Area Development Agreement (ADA)	Item In Disclosure Document
(e)	Opening	FA: 5.5 ADA: Not Applicable	6, 7 and 11
(f)	Fees	FA: 3.2, 7, 10.9(d), 10.11, 11.2(e), 12.2, 12.3, 12.4, 13.1(c), 13.1(d), 13.2 (a), 13.3(c), 14.3(h), 16.2(d), 16.3-16.5, 17.4, 20.3, 20.4(i), 20.5(d) and 21.5 ADA: 3, 5 and 9.4(i)	5, 6, 7 and 11
(g)	Compliance with standards and policies/FOM	FA: 5, 6, 8(e), 9, 10, 11, 12,13, 16 and 18 ADA: 5	8 and 11
(h)	Trademarks and proprietary information	FA: 1, 4.2, 9, 10 18.5 and Exhibit B ADA: Not Applicable	13 and 14
(i)	Restrictions on products/services offered	FA: 1, 4.2, 10.4, 10.9 and 10.14 ADA: Not Applicable	8 and 16
(j)	Warranty and customer service requirements	FA: 10.1, 12.3 and Exhibit B ADA: Not Applicable	11
(k)	Territorial development and sales quotas	FA: 4 ADA: 2 and 5	12
(l)	Ongoing product/service purchases	FA: 10.4, 10.9 and 10.14 ADA: Not Applicable	8 and 16
(m)	Maintenance, appearance and remodeling requirements	FA: 5, 6, 10.5, 10.8 and 10.15 ADA: Not Applicable	7 and 11
(n)	Insurance	FA: 14.3 ADA: Not Applicable	6 and 8
(o)	Advertising	FA: 4.3 and 13 ADA: Not Applicable	6, 7 and 11
(p)	Indemnification	FA: 14.2 ADA: Not Applicable	Item 6
(q)	Owner's participation/ management/staffing	FA: 10.2, 12.2 and 12.3 ADA: Not Applicable	11 and 15
(r)	Records and reports	FA: 11 ADA: Not Applicable	6
(s)	Inspections and audits	FA: 9.5, 10.8, 11.2 and 16.1 ADA: Not Applicable	6, 8 and 11
(t)	Transfer	FA: 20 ADA:Section 9	6 and 17
(u)	Renewal	FA: 3 ADA: Not Applicable	6 and 17
(v)	Post-termination obligations	FA: 5.2, 9.1, 9.2(e), 10.15, 14.2, 16.3 – 16.5 and 17 ADA: Not Applicable	Item 17
(w)	Noncompetition covenants	FA: 18 ADA: 7	Item 17

	Obligation	Section In Franchise Agreement (FA)and Area Development Agreement (ADA)	Item In Disclosure Document
(x)	Dispute resolution	FA: 21.5 - 21.11 ADA: 10.5 - 10.11	Item 17

ITEM 10
FINANCING

We do not offer any direct or indirect financing. We do not guarantee your note, lease or obligation.

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

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

Our Obligations Before Opening.

In connection with the establishment and opening of your Store, we will:

(1) Provide demographic data relating to a designated Site Selection Area and review your proposed sites within the Site Selection Area. (Franchise Agreement, Section 5.1)

(2) For any leased site, review your lease prior to execution to ensure that you and your landlord have included our standard lease requirements. (Franchise Agreement, Section 5.2)

(3) Provide you with prototypical plans and specifications, including requirements for exterior and interior materials and finishes, dimensions, design, image, interior layout, décor, fixtures, furnishings, equipment, color scheme and signs. You must prepare and submit for our acceptance a site plan and any modifications to the basic plans and specifications. (Franchise Agreement, Sections 5.3(a), 5.4 and 8(a))

(4) If applicable, review your proposed site location, site plans, final construction plans and specifications, and layout for conformity to the construction standards and specifications of the System. (Franchise Agreement, Section 8(b))

(5) Provide you and your Store Operator (or, if you or one of your owners serves as the Store Operator, one additional key employee who will be actively involved in the management or operation of the Store) with our initial training program. The hours and days of instruction for the initial training program may not be consecutive. Your Store Operator and your key employee must successfully complete the initial training program. We will not charge you a training fee for this training program; however, you must pay the costs and expenses (such as room, board, and transportation) for each person who attends the training program. If additional training sessions are required, you may be charged for training. (Franchise Agreement, Sections 8(c) and 12.1)

(6) If applicable, provide you with opening assistance from our personnel, including the planning and developing of pre-opening promotional programs. (Franchise Agreement, Section 8(d))

(7) Provide electronic access to the FOM. A copy of the table of contents of the FOM is attached as Exhibit G. As of the issuance date of this disclosure document, the FOM is composed of 130 pages and may be made available to you electronically. (Franchise Agreement, Sections 8(e) and 10.1)

Our Obligations After Opening.

During the operation of your Store, we will:

(1) Provide you with appropriate merchandising, marketing and other data and advice as we develop and deem helpful in the operation of your Store. (Franchise Agreement, Section 8(f))

(2) Provide you with periodic continuing individual or group advice, consultation and assistance, rendered by personal visit or telephone, or by newsletters or bulletins, as we may deem necessary or appropriate. (Franchise Agreement, Section 8(g))

(3) Provide bulletins, brochures and reports that we publish regarding our plans, policies, research, developments and activities. (Franchise Agreement, Section 8(h))

(4) Provide other resources and assistance that we develop for franchisees. (Franchise Agreement, Section 8(i))

(5) Determine whether to revise the contents of the FOM to implement new or different operating requirements applicable to all HoneyBaked Stores. We may also offer you guidance on prices as permitted by applicable laws. (Franchise Agreement, Section 10.1)

(6) Inspect the operations and facilities at your Store. (Franchise Agreement, Section 10.8)

(7) If you propose to purchase any items from any supplier not designated or approved by us, test the food product or other item of that supplier to determine whether the supplier meets with our standards and specifications, and otherwise evaluate and approve suppliers. (Franchise Agreement, Section 10.9)

(8) Provide you with designated suppliers from whom you will purchase specialty hams and turkey breasts. We may also offer other items for your purchase, at your option. (Franchise Agreement, Section 10.9)

(9) If you request and if personnel are available, we will provide you with a staff member to provide on-the-job training to your employees at your Store. (Franchise Agreement, Section 12.2) We may conduct additional training programs at our headquarters or other locations that we select. We may require you to attend the additional training programs and pay the reasonable costs of the programs, as well as the travel and living expenses for those persons attending the training. (Franchise Agreement, Section 12.3)

(10) Provide additional training and support with respect to the operation of your Store at conferences that we may offer from time to time. (Franchise Agreement, Section 12.4)

(11) Evaluate any advertising and marketing materials you submit which we have not prepared or previously approved. (Franchise Agreement, Section 13.1(a))

(12) Collect, administer, and spend for advertising purposes monies paid to any national, regional or local advertising fund. (Franchise Agreement, Section 13.2)

Site Selection

We do not select the site for your Store. You select the site, subject to our acceptance, in the Development Area. We will provide you with demographic data related to the Development Area. You must research, locate and evaluate prospective sites for your Store within the Development Area. You must submit, for our review, a request for site acceptance and other information that we request for the first Store under your Area Development Agreement within 60 days after the effective date of the Area Development Agreement. We will notify you of our acceptance or rejection of each site within 30 days of site submittal, provided you have submitted all necessary documents for approval. In evaluating a site, we may consider factors such as size, appearance and other physical characteristics of the premises along with demographic characteristics, traffic patterns, competition from other businesses in the area and other commercial characteristics. We will review one or more additional proposed sites for a Store in the event your initial proposed location is rejected. If you and we are unable to agree upon a site for a Store by the Site Acceptance Deadline in the Development Schedule, then we have the right to terminate the Area Development Agreement and we will not refund any portion of the Development Fee.

You may not open a Store at a site that we have not accepted. The site for a Store may be leased or owned by you; however, you should not lease or purchase the site until we have accepted the site in writing. Our acceptance of a proposed site shall not constitute a warranty or guarantee of any kind as to the potential success of your Store at that site. We are not responsible for the success of your Store and we do not guarantee that an accepted site will meet your expectations as to the potential revenue or operational criteria.

If you sign an Area Development Agreement to develop multiple Stores, we will review and approve each site in accordance with the policies that we have in place at the time that you submit the site to us, which may differ from the procedures set forth above.

You must complete the construction of your Store and have your store ready to open within a reasonable time after obtaining possession of the site. If you do not do so by the opening deadline in your Development Schedule, then we may terminate your Franchise Agreement and retain the Franchise Fee.

Time Between Signing and Opening

We estimate that the typical length of time between the signing of a Franchise Agreement and the opening of a HoneyBaked Store is approximately five to ten months. The factors which affect the time it takes to open your Store for business include: the selection of a suitable location; the ability to negotiate a lease or purchase contract for the location; the difficulty in obtaining building permits; zoning and local ordinances; weather conditions; shortages; and delayed installation of equipment, fixtures and signs.

Training

Below is a description of our initial training program as of the date of this disclosure document. Training programs are subject to change as procedures and processes change. Current training standards are located in the FOM. After signing the Franchise Agreement, your initial training will be broken into three key phases. All training must be successfully completed, in our sole opinion, before you may open your Store for business. We will conduct the training program as often as we deem necessary, but at least annually. A minimum of two individuals, including you (or one of your owners if you are a business entity) and your Store Operator (unless you or one of your owners will serve as the Store Operator) must complete the training program to our satisfaction by a date that we specify. You may choose one additional key employee (such as a District Manager or Store Manager) who will be actively involved in the management or operation of the Store to also complete our training program. All participants in our training program

must sign our Training Participation and Nondisclosure Agreement attached as Exhibit H. We do not charge for this training; however, you must pay the travel and living costs and expenses for your trainees. Additional training may also be required and you may be charged for it.

Phase One

The first phase of training is the ServSafe® program, which is our approved food safety and sanitation program. This phase of training is designed to prepare you and your trainees with a foundational knowledge of food safety, standards and procedures. This program is part of the National Restaurant Association Educational Foundation. Program information can be found by going to www.servsafe.com. In addition, you should speak with your local health department to confirm if there are any local food safety classes your trainees should attend. During this critical training, your trainees will learn about foodborne illness, how to prevent it and how to train employees in food sanitation. You must provide us with a copy of your trainees' ServSafe® certificate verifying that they satisfactorily completed the ServSafe® program.

TRAINING PROGRAM

PHASE ONE

Subject	Hours of Classroom Training	Hours Of On-The-Job Training	Location
Food Safety / ServSafe®	8	0	Your Chosen Location
Menu, Retail Sales, Production Ops	4	0	Alpharetta, GA (or Virtually if available)
Supply Chain, Information Technology	2	0	Alpharetta, GA (or Virtually if available)
Marketing, Financial, Reporting, Legal Training	4	0	Alpharetta, GA (or Virtually if available)
New Store Opening tasks including Construction, Project Management, and Visiting a Corporate Store	4	0	Alpharetta, GA (or Virtually if available)
Misc Operational Activities	2	0	Alpharetta, GA (or Virtually if available)
One-on-One Time with FBL	8	0	In Person at a Location TBD
Total	**32**	**0**	

Phase Two

The second phase of training is a 15-day in-store and hands-on training program that you (or one of your owners if you are a business entity) and the Store Operator must attend at an existing Honey Baked Ham Certified Franchise Training Store, which are located across the country. The 15-day period may be extended if your trainees fail to successfully complete the program, in our sole discretion, based on our Training Checklist. During this phase, an experienced manager or franchisee will provide your trainees with on-the-job training where they will participate in all day-to-day activities of a store associate. They will learn the basics of retail sales, lunch and catering sales and operations, product quality, food safety and sanitation, marketing, point-of-sale systems, production and other key areas. You will be responsible for all travel, accommodations, and related expenses incurred during this phase of training. If the training store

is owned by a franchisee, we may compensate the franchisee for making its facility, manager and staff available. Your trainees will be required to complete to our satisfaction all requirements of Phase Two training as outlined in the FOM.

TRAINING PROGRAM

PHASE TWO

Subject	Hours of Classroom Training	Hours Of On-The-Job Training	Location
Safety	0	3	Certified Training Store
Quality Assurance	0	3	Certified Training Store
HoneyBaked Products and Menu	0	6	Certified Training Store
Retail Sales	0	20	Certified Training Store
Sandwich / Lunch Operations	0	20	Certified Training Store
Register Operations	0	5	Certified Training Store
Production Operations	0	20	Certified Training Store
Catering Operations and Sales	0	8	Certified Training Store
Opening / Closing Activities	0	10	Certified Training Store
SKU Management	0	4	Certified Training Store
Virtual Store Training	0	4	Certified Training Store
Training Materials	0	4	Certified Training Store
Inventory / Purchasing	0	4	Certified Training Store
Administrative Procedures / Reporting	0	9	Certified Training Store
Totals	**0**	**120**	

Phase Three

The third phase of training consists of on-site pre-opening training leading up to your Store opening where you and your Store Operator will train and prepare your Store for opening day. Pre-opening training will be facilitated by one of our Franchise Business Leaders, a Franchise Training Manager, and other opening support staff as deemed necessary. The training will occur over a seven-day period. It is your responsibility to train your associates using the training tools and systems that we approve before we approve the opening of the Store. All training required for the opening of your Store must be successfully completed to our satisfaction within 24 to 48 hours of the Store opening.

TRAINING PROGRAM

PHASE THREE

Subject	Hours of Classroom Training	Hours Of On-The-Job Training	Location
Store Opening Training Activities and Assistance	0	50-70	Your Store Location
TOTAL	**0**	**50-70**	

Refresher Training. If your Store will open more than 75 days after your trainees have completed Phase Two of the training program, we require that your trainees attend an additional one-week training program at an approved Honey Baked Ham Certified Franchise Training Store before the opening of your Store. You must pay the reasonable costs of the refresher training program and all travel, living and other related costs incurred by your trainees.

Additional Training. In addition to our comprehensive new owner and pre-opening training program, we offer continuing education opportunities throughout the year. These include webinars on a variety of topics relevant to your Store, such as sales, systems, labor, and more. We may conduct additional training programs at our headquarters or other locations that we select. We may require you to attend the additional training programs and pay the reasonable costs of the programs, as well as for travel and living expenses for those persons attending the training. Ongoing training in areas like cost control, sales and marketing, training, holiday execution, administration and customer service may be offered by us throughout the year.

Lisa Hubbert along with a member of the franchise team will oversee our training programs. Ms. Hubbert has more than twelve years of experience in training Honey Baked Ham Store operators and six years of experience in training for Cbeyond Communications in Atlanta, Georgia.

Conferences

You may be required to attend conferences, including our franchise convention (currently held every other year), which provide networking opportunities and informational sessions covering sales techniques, personnel training, bookkeeping, accounting, inventory control, performance standards, advertising and holiday-readiness programs and merchandising procedures. The convention is designed to provide you with learning opportunities that will ultimately help you profitably grow your business. We may charge a reasonable registration fee. You are responsible for your and your employees' travel, lodging and dining expenses to attend the convention and any conferences that we offer.

Advertising

Advertising Fund

In addition to amounts payable for local advertising as described below, we administer a national advertising fund in which you must participate and to which you must contribute 3.25% of your Store's monthly net sales. This money is paid to us together with your royalty payments. Any advertising program or campaign we develop may include dissemination of advertising through print, radio, television, point-of-purchase materials or other media. This coverage may be local, regional or national in scope.

We may employ an advertising agency or other agency to assist in the development, production

and dissemination of advertising materials, or we may hire personnel to perform these functions. We may charge all costs of the formulation, development and placement of advertising and promotional materials to the advertising fund. Those costs will include the proportionate compensation of our employees who devote time and render services for advertising and promotion or for the administration of the advertising fund. We have no obligation to spend any amount on advertising in the area where your Store is located.

It is anticipated that all of our franchisees will contribute to the advertising fund at the same rate, although the contribution rate of future franchisees may be higher, and certain exceptions may be made in unusual circumstances. The advertising fund will provide creative production of advertising and promotional materials to which you will have access. Company-Owned Stores do not contribute to the advertising fund.

We will administratively segregate contributions to the advertising fund on our books and records, but may deposit these amounts in our general operating account. The contributions may be commingled with our other funds and may be deemed an asset of ours, subject to our obligation to spend the contributions as required by the Franchise Agreement. There is no fiduciary relationship or trust relationship created by our administration of the advertising fund. During our last fiscal year, advertising fund expenditures were made in the following amounts: 72.4% on media placement; 7.2% on public relations; 8.5% on the production of point of purchase materials; and 11.9% on administrative expenses. We will provide you with an annual accounting of receipts and disbursements upon request. If all contributions are not spent in the year they are received, they will remain in the advertising fund for expenditure the following year. We will not make expenditures from the advertising fund for advertising that is principally a solicitation for the sale of Franchises.

We may determine the composition and geographic scope of a particular advertising fund. We may also terminate any fund upon 30 days' written notice for any reason, but this fund will continue until all amounts contributed to the fund have been expended for advertising and promotional purposes. Unless a cooperative is established as described below, we will choose the concepts, materials and media used in any advertising or promotional activity funded by the advertising fund.

Local Advertising Requirements

You will be required to spend an amount on pre-opening and grand opening local advertising as prescribed in the FOM, which currently is $10,000. You must also spend 1% of your Store's net sales in each 12-month period on local advertising in your Protected Territory, subject to our approval. This money is not collected by or paid to us. The following expenditures do not satisfy your local advertising obligation: the cost of incentive programs such as honoring coupons, food costs incurred in honoring sales promotions, salaries, contributions or donations, press parties, in-store fixtures or equipment, travel, non-promotional collateral materials, including but not limited to menus, serving guides and nutritional facts, travel, seminar and educational costs, specialty items such as t-shirts and awards, yellow page advertisements, or exterior signage. You may be required to provide us with copies of invoices documenting your expenditures at least monthly. If you do not make required advertising expenditures, we may require you to submit a written plan describing how you intend to spend the deficiency within six months. If you do not follow the plan, we may make these expenditures for you and you must reimburse us for these expenditures.

We may develop and procure local advertising and marketing plans and materials, including, without limitation, newspaper ads, radio commercial tapes, television commercial prints, sales aids and other promotional and marketing materials. If you choose to purchase these materials from us, we may charge you an amount for these materials sufficient to cover our costs and expenses incurred in developing

or procuring these advertising materials. We will determine the advertising materials (as to kind and quality) to be offered to you. You may also purchase these advertising materials from an approved third party.

If you wish to use advertising materials that we have not provided or previously approved, you must submit these materials to us for approval at least two weeks before any publication or run date. We will notify you of our approval or disapproval of the advertising within a reasonable time. You must discontinue use of the advertising within five days after you receive a request from us to do so. All of your advertising must be factually accurate and must not detrimentally affect the Marks or the System. You must advertise products as high-end premium products to protect and enhance the image and goodwill of the Marks and the System.

You may only advertise your products in your Protected Territory (as defined in Item 12), and you may not conduct any advertising outside of your Protected Territory without our prior written consent, which may be arbitrarily withheld. We and our affiliates may advertise within the Protected Territory for sales to locations within and outside of the Protected Territory and others may advertise within the Protected Territory for sales that take place outside of the Protected Territory.

You must participate in and maintain a Store website through the website located at HoneyBaked.com. All internet, web marketing and advertising efforts adopted by you must promote your Store website or Store location and must be approved in advance by us in writing. Unless we have agreed to it in writing, you may not register, maintain, or sponsor any URL, social networking platform, blog, messaging system, email account, user name, text address mobile application, or other electronic, mobile or internet presence that uses or displays any of the Marks (or any derivative of the Marks) or that promotes any products or services of the Store. We will use your Technology Fee to develop and launch your Store website and for the ongoing updating and maintenance costs associated with such website. We also will use the Technology Fee to support our Store Locator service, third-party and/or internal delivery platforms, online ordering services and other technological advances. We reserve the right to increase the Technology Fee at any time and the increase shall be effective no sooner than 30 days after we notify you of the increase in writing.

Advertising Cooperatives

We may develop one or more advertising cooperatives (which may include one or more regions) to determine the concepts, materials and media to be utilized in any advertising or promotional activity paid for by the cooperative. We may also require the cooperative to be changed, dissolved or merged with another cooperative. You must become a member of any cooperative applicable to your Store and abide by any rules and procedures adopted by the cooperative and approved by us. If a conflict arises between the rules and procedures of any cooperative of which you are a member and your Franchise Agreement, the Franchise Agreement will govern.

A cooperative for any region will include representation from each of our franchisees located in that region. We may engage the services of an advertising agency or other agency to formulate, develop, produce and conduct the advertising and promotion programs for the cooperatives with the cost of these services payable from the fund. There are currently no advertising cooperatives.

Promotional Programs

In addition to the local, national and regional advertising described above, we may from time to time develop and administer advertising, marketing and sales promotion programs in which you must participate upon such terms and conditions that we establish. Such programs are in addition to your

national, regional and local marketing obligations and may include, but not be limited to, limited time offers, marketing promotions, specialized menu offerings and similar programs. All phases of such advertising and promotion, including, without limitation, type, quantity, timing, placement, and choice of media, market areas, promotional programs and advertising agencies, shall be determined by us in our sole discretion.

Computer Systems & Technology

You must purchase and install a back office personal computer and printer, required software and service from an Internet Service Provider as required in the FOM. The cost of the computer, printer and software ranges from $1,200 to $1,400. Updates to your computer hardware and software will be required periodically and you can expect to spend approximately $800 to maintain your computers on an annual basis. There are no limits on the costs of the updates or how frequently you will be required to perform the updates.

You must purchase or lease a computerized point-of-sale system for the Store (with our approved software) that we designate and update or replace the computerized point-of-sale system from time to time at our request or as specified or modified in the FOM or otherwise in writing. Currently, the "HoneyBaked Proprietary CMS Point-of-Sale" System is the approved point-of-sale system for HoneyBaked Stores. The cost of this hardware and software (excluding costs and expenses of installation by HBH or others, if required) ranges from $15,200 to $19,000. This purchase price is included in the initial investment estimates, is uniform to all franchisees and is not refundable. We may independently access your point-of-sale system at any time.

Currently, there are no other approved hardware/software systems for use by new franchisees. However, we may designate a different point-of-sale system and you will be required to replace the point-of-sale system and the software. There are no contractual limitations on how often you will need to replace or upgrade the computer and point-of-sale systems during the term of your Franchise Agreement.

ITEM 12
TERRITORY

Area Development Agreement

If you sign an Area Development Agreement, you will receive a Development Area, which will be mutually agreed to and described in the Area Development Agreement taking into consideration the density of the area and the number of Stores you agree to develop. The perimeter of the Development Area may be described by specific street boundaries, county lines, state lines, municipal boundaries, railroad tracks or other similar boundary descriptions, and the size may range from a portion of a metropolitan area to a city or a county.

Under the Area Development Agreement, we and our affiliates reserve the right to: (1) operate, or grant any person or entity a franchise or license to operate, a HoneyBaked Store or a retail outlet substantially similar to your Store anywhere outside the Development Area; (2) establish anywhere (within or outside the Development Area) franchises, licenses and company-owned outlets selling products and providing services which are the same or similar to those sold or provided at HoneyBaked Stores under any names, trademarks, service marks, logos or symbols other than the Marks; (3) sell anywhere (within or outside the Development Area) the same or similar products authorized for a HoneyBaked Store, whether under the Marks or under other trademarks or trade dress and through any channels of distribution within the Development Area, whether this channel of distribution is now in existence or is subsequently

developed and whether at retail or wholesale, including, without limitation, sales through catalogs, e-commerce, mail order, carts or kiosks, mass merchandise, supermarkets, grocers, restaurants, institutional customers, club stores and any other outlet or method of distribution, under any terms and conditions as we or our affiliates may deem appropriate; (4) issue competing franchises or operate competing businesses for or at locations near your Stores (within or outside the Development Area); (5) engage in other activities not expressly prohibited in the Area Development Agreement; and (6) offer and sell products and services under the Marks in the Development Area to our and our affiliates' existing customers and new customers developed by our or our affiliates' sales departments, and shipping customers. We and our affiliates retain all rights not granted by the Area Development Agreement.

Franchise Agreement

You will receive the right to operate a HoneyBaked Store at, and only at, the designated location specified in your Franchise Agreement. The Store may only be used for the operation of a HoneyBaked Store and other related activities approved by us in writing. You will receive a designated geographic area around your Store ("Protected Territory") that we and you will negotiate before you sign a Franchise Agreement. With the exception of any HoneyBaked Stores conducting business as of the effective date of the Franchise Agreement, if you remain in compliance with the terms of the Franchise Agreement, we will not operate or grant a franchise for the operation of a HoneyBaked Store within your Protected Territory. In determining the extent of a Protected Territory, we consider various factors, including traffic patterns, demographics, location of competitors' units, location of existing HoneyBaked Stores and potential locations for future stores in adjacent territories.

Your right to operate your Store within your Protected Territory is not dependent upon the achievement of a certain sales volume, market penetration or any other contingency.

You may not relocate the Store except with our prior written consent, which consent may be arbitrarily withheld. If your lease expires or terminates through no fault of your own or if the Store site is condemned, destroyed or rendered unusable, we will grant permission for relocation of the Store to a location and site within the Protected Territory meeting our standards, provided the new location is not in our opinion, too proximate to a HoneyBaked Store located outside the Protected Territory. Any relocation will be at your sole expense and you must pay a relocation fee in the amount of $3,500 to cover our expenses in reviewing the new Store location.

Under the Franchise Agreement, we and our affiliates have reserved the right to: (1) operate, or grant any person or entity a franchise or license to operate, a HoneyBaked Store or retail outlets substantially similar to your Store anywhere except within the Protected Territory; (2) establish anywhere (within or outside the Protected Territory) franchises, licenses and company-owned outlets selling products and providing services which are the same or similar to those sold or provided at your Store or at HoneyBaked Stores under any names, trademarks, service marks, logos or symbols other than the Marks; (3) sell anywhere (within or outside the Protected Territory) the same or similar products authorized for your Store or a HoneyBaked Store, whether under the Marks or under other trademarks or trade dress and through any channels of distribution other than a retail outlet substantially similar to your Store within the Protected Territory, whether this channel of distribution is now in existence or is subsequently developed and whether at retail or wholesale, including, without limitation, sales through catalogs, e-commerce, mail order, carts or kiosks, mass merchandise, supermarkets, grocers, restaurants, institutional customers, club stores and any other outlet or method of distribution, under any terms and conditions as we or our affiliates may deem appropriate; (4) issue competing franchises or operate competing businesses for or at locations near Store(s) (within or outside the Protected Territory); (5) engage in other activities not expressly prohibited in the Franchise Agreement; and (6) sell products and offer services under the Marks in the Protected Territory to our and our affiliates' existing customers, shipping customers, and new customers developed by our and

our affiliates' sales departments. You have no right to use the Marks in connection with any business other than that licensed under the Franchise Agreement, and we and our affiliates retain all rights not granted by the Franchise Agreement.

Unless we agree otherwise, you may not advertise outside the Protected Territory or solicit orders for mail order shipments to points outside of the Protected Territory. However, we and our affiliates may advertise or market within the Protected Territory for sales to locations within and outside the Protected Territory, we may advertise or market to shipping customers who reside within and outside the Protected Territory and others may advertise within the Protected Territory for sales to locations outside of the Protected Territory.

You may not ship any products to any location within or outside the Protected Territory. You must refer all orders for the shipment of products to us. We or our affiliate will complete all such orders (including billing and collection) and ship the products directly to the customer. Once a shipping customer is referred to us, all data related to that customer shall be entered into our database and we will directly solicit future shipping orders from such customer through e-commerce marketing, telemarketing, direct mail and other forms of marketing.

You do not have any options to acquire additional Franchises under the terms of the Franchise Agreement, although you may have these rights under the Area Development Agreement. The only condition for you to maintain the rights in the Protected Territory is that you must be in compliance with the Franchise Agreement. Any right you are not specifically granted is retained by us. We have no right to modify your Protected Territory unless you are not in compliance with the Franchise Agreement.

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. Specifically, we reserve the right (and you do not have the right) to sell the same or similar products (using the Marks or not) to consumers within your Protected Territory at retail locations, through the Internet, catalog sales, telemarketing, or other direct marketing. We will not pay any compensation for soliciting or accepting orders from inside your Protected Territory.

You should refrain from soliciting to consumers outside your Protected Territory. You can only sell to customers at your Store.

We reserve the right to operate and franchise other stores having the same or similar menu items.

Heavenly Ham System. Our affiliate, HHFC owns the Heavenly Ham system. Heavenly Ham stores sell spiral sliced and glazed hams, sandwiches and other food items, many of which are similar to those products offered by HoneyBaked franchisees. Heavenly Ham stores are not restricted from soliciting or accepting orders within your Development Area or your Protected Territory. HHFC currently conducts the Heavenly Ham business separately from the HoneyBaked System, and makes its own determinations concerning territory, customers and franchisor support.

ITEM 13
TRADEMARKS

We grant you the right to operate a store under the name "Honey Baked Ham" and to use the other current or future Marks that we designate in the operation of that store. As stated in Item 1, our affiliate, HBH Co., owns the Marks and has granted a license to us to use and permit our franchisees to use the Marks under the License Agreement. HBH Co. has the right to terminate the License Agreement if we commit a

breach of the License Agreement. In that event, our rights under the Franchise Agreement will be transferred to HBH Co.

In addition to other registered trademarks, HBH Co. has registered the following principal trademarks with the United States Patent and Trademark Office ("USPTO") on the Principal Register, and all required affidavits of continued use have been filed and accepted:

Mark	Registration Number	Registration Date
HONEY BAKED HAM	1384504	February 25, 1986
HONEY BAKED HAM	5198699	May 9, 2017
HONEYBAKED	1861924	November 8, 1994
HONEYBAKED	3049064	January 24, 2006
HONEYBAKED	5094383	December 6, 2016
HONEYBAKED	5794878	July 2, 2019
HoneyBaked	1883717	March 14, 1995
HONEYBAKED	3639258	June 16, 2009
THE HONEYBAKED HAM COMPANY	2126500	January 6, 1998
THE HONEYBAKED HAM COMPANY	2150993	April 14, 1998
THE HONEYBAKED HAM COMPANY	3452316	June 24, 2008
THE HONEYBAKED HAM CO. AND CAFÉ	2534573	January 29, 2002
HONEYBAKED HAM	5198700	May 9, 2017
HONEYBAKED HAM	5198704	May 9, 2017
THE HONEYBAKED HAM COMPANY	5259277	August 8, 2017
...EST. THE 1957... HONEY BAKED Ham co	5918177	November 26, 2019

Mark	Registration Number	Registration Date
	6108602	July 21, 2020
HBH CO	6034211	April 14, 2020
	6262377	February 2, 2021
	6880252	October 18, 2022

HBH Co. has applied to register the following Marks on the Principal Register of the USPTO. HBH Co. does not have a federal registration for these Marks. Therefore these Marks do not have as many legal benefits and rights as federally registered trademarks. If our right to use any of these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Mark	Serial Number	Filing Date
	88197910	November 16, 2018
	88216575	December 4, 2018

We also claim common law rights in unregistered marks, which have been used in interstate commerce.

You must follow our rules when you use the Marks. You must operate your Store under the Marks only in a manner consistent with the scope of the registration of the Marks, advertise only under Marks that are designated by us and use the Marks without prefix or suffix. You cannot use any Mark or any derivation of any Mark as part of your corporate or other entity name or with modifying words, designs or symbols. You must use the Marks in strict accordance with the Franchise Agreement. We are not aware of any currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or the trademark administrator of any state or any court relating to the principal Marks. There are no pending infringements, opposition or cancellation proceedings or material litigation involving the principal Marks. Other than the License Agreement, there are no agreements currently in effect that significantly limit our right to use or license the use of the principal Marks in any manner material to you pursuant to the Franchise Agreement. We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal Marks pursuant to the Franchise Agreement.

The Franchise Agreement requires you to notify us immediately if you learn about an infringement of the Marks or a challenge to your use of the Marks. HBH Co. will take, or permit us to take, all actions

HBH Co. deems appropriate to protect and defend the Marks and the System. If we or HBH Co. institutes litigation, you must cooperate and agree to be named as a party in this type of action, if requested by us or HBH Co. We will indemnify you for your use of the Marks as required by the Franchise Agreement. You may not contest our or HBH Co.'s right to the Marks, System, trade secrets or business techniques.

You must modify or discontinue the use of any Mark if we so require. You are responsible for your costs of compliance (*e.g.*, changing signs).

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

No patents are material to the operation of your Store.

Copyrights

We (or our affiliates, in some cases) claim copyright protection covering various materials used in our business and the development and operation of HoneyBaked Stores, including the FOM, marketing and promotional materials, the CMS Point-of-Sale software, and similar materials. We have not filed an application with the United States Registrar of Copyrights for these materials; however, we are not required to do so. These materials are proprietary and disclosed to you in confidence.

There are no currently effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. You must notify us if you learn about an infringement of or challenge to your use of these materials. We will take the action we believe appropriate if a third party is infringing on our rights. We do not know of any superior prior rights or infringing uses that could materially affect your use of the copyrighted materials. If we require, you must immediately modify or discontinue using the copyrighted materials. Neither we nor our affiliates will have any obligation to reimburse you for any expenditures you make because of any discontinuance or modification.

Confidential Information

We and our affiliates have developed at great expense competitively sensitive trade secrets and confidential information regarding HoneyBaked Stores and the System, which are not commonly known by or available to the public. You must maintain the confidentiality of these materials. You must cause any person who is actively involved in the management or operation of your business or the operation of the Store to sign a confidentiality agreement in the form designated by us. You must also use your best efforts to prevent anyone from violating the terms of that agreement. If you believe that there has been a violation, you must notify us and cooperate with us to protect us against infringement or other unlawful use of the Marks or the System, including prosecution of a lawsuit if we deem it necessary.

FOM

You must operate your Store in accordance with the FOM. We will, from time to time, revise the contents of the FOM to implement new or different operating requirements applicable to all HoneyBaked Stores. You must comply with each modified requirement within such reasonable time as we may require at your own expense.

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

We do not require that you personally participate in the direct operation of your Store; however, we strongly encourage that you do so. You (or if you are an entity, one of your owners) may serve as the Store's Operator, managing the day-to-day operations in the Store. Or, you may designate a non-owner to serve as the Store Operator. The Store Operator will have full control over and must devote his or her best efforts to supervising the day-to-day operation of the Store.

The Store Operator must have successfully completed an approved food safety and sanitation class, such as ServSafe. You (or one of your owners) and the Store Operator must successfully complete our initial training program. A Store Operator who is not an owner must sign a written agreement to maintain the confidentiality of the trade secrets and confidential information. You must designate a replacement Store Operator within 30 days after the position becomes vacant.

You and each person who is actively involved in the management or operation of the Store must continuously demonstrate to us the ability to operate the Store according to the Franchise Agreement.

If you are an entity, all entities and individuals that own a 10% or greater equity interest in you must sign a Covenant and Guaranty of Owners ("Guaranty"), which is attached as Exhibit C to the Franchise Agreement, in favor of HBH guaranteeing your performance and agreeing to perform your obligations if you fail to do so. We may also require individuals with an indirect ownership interest in you and spouses of your guarantors sign the Guaranty.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to offer and sell all products and services that we specify, including specialty hams and turkeys. You may not offer any products or services without first obtaining our consent. You must discontinue selling any products or services that we at any time advise you are disapproved. We may make changes at any time to the products and services you must sell and there are no limits on our right to do so.

You may only sell products to consumers for consumer purposes (and not for resale). You may not sell any products at wholesale. You must also offer approved products in the manner required by us.

Your right to deal with customers outside of the Protected Territory is limited, as described in Item 12. In addition, you do not have the right to advertise outside of the Protected Territory.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

These tables list important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

AREA DEVELOPMENT AGREEMENT

	Provision	Section in Area Development Agreement	Summary
(a)	Term of the agreement	4 and Exhibit A	Will depend on the number of Stores to be developed.
(b)	Renewal or extension of term	Not Applicable	
(c)	Requirements for you to renew or extend	Not Applicable	
(d)	Termination by you	Not Applicable	
(e)	Termination by HBH without Cause	Not Applicable	
(f)	Termination by HBH with Cause	6.1	We can terminate only if you default or if certain events (described in (g) and (h) below) occur.
(g)	"Cause" defined-defaults which can be cured	6.1	10 days to cure any failure to pay when due any amount owed to us, any supplier or any taxing authority.
(h)	"Cause" defined-defaults which cannot be cured	6.1	Non-curable defaults include: failure open or operate the number of Franchises required to be open and operating in the Development Area according to your development schedule; breach or event of default occurs under any Franchise Agreement that would allow us to terminate that Agreement; or failure to comply with noncompetition obligations.
(i)	Your obligations on termination/ non-renewal	Not Applicable	
(j)	Assignment of contract by HBH	9.1	No restriction on our right to assign.
(k)	"Transfer" by you definition	9.2	Includes transfer of the Area Development Agreement, any interest in the Area Development Agreement or, if developer is an entity, any interest in the entity.
(l)	HBH's approval of transfer by you	9.3 and 9.4	We have the right to approve all transfers.
(m)	Conditions for HBH's approval of transfer by you	9.4	Conditions include: not in default under the Area Development Agreement or any other agreement; the transferee meets our qualifications; the transferee signs the then-current Area Development Agreement; the transferee signs the then-current Franchise Agreement (if not a party to a Franchise Agreement) and assumes all of your other obligations; the transferee completes all required training; you sign a release, and a Noncompetition and Nondisclosure Agreement (Exhibit I); transferee pays $7,500 fee.
(n)	HBH's right of first refusal to acquire your business	9.7	We can match any offer to purchase your development rights.

	Provision	Section in Area Development Agreement	Summary
(o)	HBH's option to purchase your business	Not Applicable	
(p)	Your death or disability	9.5	Spouse, heir or estate must qualify to operate business or assign to approved buyer; representative has 180 days to submit proposal for transfer and 60 days to transfer after receipt of our approval.
(q)	Noncompetition covenants during the term of the Area Development Agreement	Not Applicable	
(r)	Noncompetition covenants after the Area Development Agreement is terminated or expires	7.1	No involvement in business that prepares or sells whole or part hams or turkeys or a restaurant that serves sandwiches, soups or salads within 15 miles of the Development Area for 2 years.
(s)	Modification of the agreement	10.4 and 10.5	Generally, no modifications unless agreed in writing. If any part of the Area Development Agreement is declared invalid, the remaining portion will remain in force. If applicable law requires the taking of some action other than is required by the Area Development Agreement, that requirement will be substituted.
(t)	Integration/merger clause	10.4	Only the terms of the Area Development Agreement are binding (subject to state law) and any other representations or promises made outside this disclosure document and Area Development Agreement may not be enforceable. Nothing in the Area Development Agreement, or any other agreement, is intended to disclaim any representations made in this disclosure document.
(u)	Dispute resolution by arbitration or mediation	Not Applicable	
(v)	Choice of Forum	10.8	The state where our principal place of business is located at the time of suit (presently, Georgia) (subject to state law).
(w)	Choice of Law	10.7	Georgia law applies (subject to state law).

FRANCHISE AGREEMENT

	Provision	Section in Franchise Agreement (FA)	Summary
(a)	Term of the franchise	2.2	10 years

	Provision	Section in Franchise Agreement (FA)	Summary
(b)	Renewal or extension of the term	3	If you wish to do so, and you satisfy the required pre-conditions to renewal, we will offer you the option to renew the Franchise for two additional renewal terms of 5 years each. You must sign our then-current franchise agreement for each renewal term, and this new agreement may have different terms and conditions (including, e.g., a higher royalty and/or advertising contribution) from the agreement that covered your original term.
(c)	Requirements for you to renew or extend	3	Requirements include: give notice; not be in default of Franchise Agreement or other agreements and have substantially complied with these agreements; sign renewal franchise agreement which may contain materially different terms and conditions from the original Franchise Agreement; sign release; have the right to remain in the store premises; remodel and pay a $7,500 fee.
(d)	Termination by you	Not Applicable	
(e)	Termination by HBH without cause	Not Applicable	
(f)	Termination by HBH with cause	16.1	We can terminate only if you default or if certain events (described in (g) and (h) below) occur.
(g)	"Cause" defined - defaults which can be cured	16.1 and 16.3	You have 48 hours to cure your failure to obtain the insurance (or you may close the Store and obtain insurance within 10 days); 7 days to comply with any provision of the Franchise Agreement or any other requirement prescribed by us which relates to the Marks or customer service in connection with the operation of your Store (including the requirements in the FOM); 10 days to pay amounts owed to us or our affiliates; 10 days to cure the non-payment of any amount owed to any creditor, supplier or taxing authority; 10 days to cure any failure to meet any Food Safety/Store Cleanliness Evaluation Form or Quality Assurance ("QA") Audit; 30 days to cure failure to comply with any other provision of the Franchise Agreement not described in (h) below.
(h)	"Cause" defined - defaults which cannot be cured	16.1	Non-curable defaults include: a material misrepresentation in application; a material default under any other agreement with us, our principals or affiliates, including any Franchise Agreement but excluding Section 5 and Exhibit A of the Area Development Agreement with respect to HBH stores other than the Store under the Franchise Agreement; bankruptcy or other

	Provision	Section in Franchise Agreement (FA)	Summary
			insolvency event of franchisee or a 25% owner; failure to submit a site and to open the Franchise within the required time period; abandonment of or failure to continuously operate the Franchise; failure to maintain possession of a site; termination or cancellation of lease; conviction of you or any owner of a felony or crime which impairs the goodwill associated with the Marks, or any conduct which adversely affects the Marks; intentional underreporting of royalty sales; violation of noncompetition, non-solicitation, confidentiality, transfer or assignment provisions; failure to properly transfer interest in Franchise of a deceased or disabled person; failure to comply on three or more occasions during any one year period with any one or more provisions of the Franchise Agreement; non-compliance with food and beverage quality and sanitation standards that pose an imminent threat to public health or safety.
(i)	Your obligations on termination/non-renewal	10.1, 16.2, 16.4 and 16.5	Obligations include: return confidential materials; cancel assumed name registration; withdraw all advertising using the marks (including electronic marketing) and cease use of and transfer electronic identifiers and transfer telephone number; pay all amounts due to us or our affiliates; complete de-identification (including modifications to the Store); cease use of the Marks; immediately make the Store accessible to us; refrain from disclosing proprietary information (see also (q) and (r) below); and pay early termination damages to us equal to the average monthly Royalty Fees that you owed for the past 24 months multiplied by the lesser of 24 months or the number of months remaining in the term of your Franchise Agreement.
(j)	Assignment of contract by HBH	20.1	No restriction on HBH's right to assign.
(k)	"Transfer" by you – definition	20.2	Includes sale, assignment or transfer of the Franchise Agreement, any interest in the Franchise Agreement, transfer of ownership of the Store or its assets or, if franchisee is an entity, any ownership interest in the entity.
(l)	HBH's approval of transfer by franchisee	20.4	We have the right to approve all transfers.

	Provision	Section in Franchise Agreement (FA)	Summary
(m)	Conditions for HBH's approval of transfer	20.4	Conditions include: not in default under the Franchise Agreement or any other agreement with us; transferee qualifies; transferee signs current form of Franchise Agreement and assumes all of your other obligations; transferee completes required training before transfer; transferee refurbishes Franchise; you sign a release and a Noncompetition and Nondisclosure Agreement; transferee pays $7,500 to HBH (see also (n) below).
(n)	HBH's right of first refusal to acquire your business	20.6	We can match any offer for your Store's assets or any ownership interest.
(o)	HBH's option to purchase your business	17	For 60 days after the Franchise Agreement terminates or expires, we can purchase any and all improvements, equipment, advertising, and promotional materials, ingredients, products, materials, supplies, paper goods, and any item bearing the Marks (including the real estate) for the fair market value of the assets, less any amounts then owing to us. If you lease the property, we have the right to assume your lease. We also have the right to manage your Store during the option period.
(p)	Your death or disability	20.5	Spouse, heir or estate must qualify to operate business or assign to approved buyer; representative has 180 days to submit a proposal for transfer and 60 days to transfer after receipt of our approval.
(q)	Noncompetition covenants during the term of the Franchise	18.1	No involvement in business that prepares or sells whole or sliced hams or turkeys or a restaurant that serves sandwiches, soups or salads in the United States.
(r)	Noncompetition covenants after the franchise is terminated or expires	18.2	No involvement in business that prepares or sells whole or part hams or turkeys or a restaurant that serves sandwiches, soups or salads within 15 miles of the Protected Territory for 2 years.
(s)	Modification of the agreement	10.1, 20.4 and 21.4	Generally, no modifications unless agreed in writing. We may revise the contents of the FOM and you must comply with each requirement. If any part of the Franchise Agreement is declared invalid, the remaining portion will remain in force. If applicable law requires the taking of some action other than is required by the Franchise Agreement, that requirement will be substituted.

	Provision	Section in Franchise Agreement (FA)	Summary
(t)	Integration/merger clause	21.4	Only the terms of the Franchise Agreement are binding (subject to state law) and any other representations or promises made outside this disclosure document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement, or any other agreement, is intended to disclaim any representations made in this disclosure document.
(u)	Dispute resolution by arbitration or mediation	Not Applicable	
(v)	Choice of forum	21.7	The state where our principal place of business is located at the time of suit (presently, Georgia) (subject to state law).
(w)	Choice of law	21.6	Georgia law applies (subject to state law).

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the Franchises.

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.

TABLE NO. 1
NET SALES FOR FISCAL YEAR 2022 OF 210 FRANCHISED STORES
OPEN AT LEAST THREE YEARS
DURING THE PERIOD FROM SEPTEMBER 30, 2019 TO SEPTEMBER 25, 2022

Table 1	All Stores	Top Third	Middle Third	Bottom Third
Range of Net Sales	$263,324 - $2,514,592	$992,530 - $2,514,592	$702,141 - $983,092	$263,324 - $701,866
Average Net Sales	$923,046	$1,372,128	$846,418	$550,592
Median Net Sales	$853,197	$1,276,833	$853,197	$574,709
Number Of Stores	210	70	70	70
Number of Stores at or Above Average	87	26	41	40
Percentage of Stores at or Above Average	41.4%	37.1%	58.6%	57.1%

NOTES TO TABLE NO. 1

1. Table No. 1 displays the average and median Net Sales (as defined in Item 6) of 210 franchised HoneyBaked Stores that were in operation for our last three fiscal years, which includes the period from September 30, 2019 to September 25, 2022 (the "Three Year Reporting Period"). Table No. 1 excludes data from: (i) three franchised HoneyBaked Stores that opened during the Three Year Reporting Period; (ii) two franchised HoneyBaked Stores that temporarily closed for periods of time during the Three Year Reporting Period; (iii) 13 franchised HoneyBaked Stores that permanently closed during the Three Year Reporting Period.

2. The data in Table No. 1 is based on sales reports received from our CMS Point of Sale system with the exception of nine franchised HoneyBaked Stores that do not use our CMS Point of Sale system. For those nine Stores, the data in Table No. 1 reflects the Net Sales reported to us by the franchisees. We have not audited or verified any of this information.

TABLE NO. 2
HISTORICAL SALES AND CERTAIN EXPENSES FOR 151 FRANCHISED STORES FOR CALENDAR YEAR 2021

Calendar Year 2021	**All Stores**		**Stores With Net Sales Less Than $700,000**		**Stores With Net Sales Between $700,001 to $1,000,000**		**Stores With Net Sales Greater Than $1,000,001**	
Net Sales - Range	$2,183,904-$271,141		$698,132 - $271,141		$987,620 - $704,099		$2,183,904 - $1,006,672	
No. of Stores	151		51		49		51	
Net Sales - Average	$906,861		$528,925		$846,622		$1,342,675	
Net Sales - Median	$859,524		$568,439		$859,524		$1,296,107	
Cost of Goods Sold (COGS)	$337,404	37.2%	$207,316	$39.2%	$304,811	36.0%	$498,807	37.2%
Gross Profit	**$569,457**	**62.8%**	**$321,609**	**60.8%**	**$541,811**	**64.0%**	**$843,868**	**62.8%**
Hourly Labor	$113,841	12.6%	$73,105	13.8%	$108,833	12.9%	$159,388	11.9%
Store Operating Profit After COGS & Hourly Labor	**$455,616**	**50.2%**	**$248,504**	**47.0%**	**$432,978**	**51.1%**	**$684,480**	**51.0%**
Other Operating Expenses	$319,663	35.2%	$198,933	37.6%	$315,924	37.3%	$443,986	33.1%

Calendar Year 2021	All Stores		Stores With Net Sales Less Than $700,000		Stores With Net Sales Between $700,001 to $1,000,000		Stores With Net Sales Greater Than $1,000,001	
EBITDA	**$135,953**	**15.0%**	**$49,571**	**9.4%**	**$117,054**	**13.8%**	**$240,494**	**17.9%**

NOTES TO TABLE NO. 2

1. Table No. 2 presents Net Sales, Cost of Goods Sold and Hourly Labor expense data for 151 franchised HoneyBaked Stores that were open during the entire period from January 1, 2021 to December 31, 2021 (the "2021 Period") and that provided year-end profit and loss statements to us on our standardized form for this period. Table No. 2 does not include any data related to: (i) 65 franchised HoneyBaked Stores that were open during the entire 2021 Period that did not provide profit and loss statements to us, or whose statements were not provided to us in the correct format; and (ii) one franchised HoneyBaked Store that closed during the 2021 Period. We have not audited or verified this information.

2. Cost of Goods Sold includes the total costs of food and beverage sales as well as paper and packaging supplies.

3. Gross Profit is calculated by subtracting Cost of Goods Sold from Average Net Sales.

4. Hourly Labor costs include only hourly employee wages.

5. Store Operating Profit after COGS and Hourly Labor is calculated by subtracting Cost of Goods Sold and Total Hourly Labor costs from Average Net Sales.

6. Other Operating Expenses are expenses that are not included in Cost of Goods Sold or Hourly Labor and include expenses such as rent, management salaries, utilities, insurance, royalty fees, advertising fund contributions, technology fees, etc.

7. EBITDA is Earnings Before Interest, Taxes, Depreciation and Amortization is calculated by subtracting Other Operating Expenses from Store Operating Profit after COGS and Hourly Labor.

* * *

The franchised HoneyBaked Stores reflected in this financial performance representation offer inventory and services for sale that are substantially similar to the inventory and services that you will offer for sale in your Store. The data has not been audited.

Written substantiation for the financial performance representation will be made available to you upon reasonable request.

Some HoneyBaked Stores have earned this much. Your individual results may differ. There is no assurance you will earn as much.

Other than the preceding financial performance representation, we do not make any financial performance representations. 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 our management by contacting Kenneth Marshall, Chief Financial Officer, The HBH Franchise Company, LLC, 3875 Mansell Road, Alpharetta, Georgia 30022-1532, (678) 966-3101, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20
LIST OF OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Store Summary
For Years 2020-2022[1]

Store Type	Year	Stores at the Start of the Year	Stores at the End of the Year	Net Change
Franchised Stores	2020	212	209	-3
	2021	209	209	0
	2022	209	215	+6
Company-Owned Stores[2]	2020	202	202	0
	2021	202	200	-2
	2022	200	225	+25
Total Stores	2020	414	411	-3
	2021	411	409	-2
	2022	409	440	+31

Table No. 2
Transfers of Franchised Stores
For Years 2020-2022[1]

State	Year	Number of Transfers
Alabama	2020	0
	2021	0
	2022	1
Delaware	2020	0
	2021	0
	2022	1
Florida	2020	1
	2021	0
	2022	1
Georgia	2020	1
	2021	1
	2022	1
Illinois	2020	1
	2021	0
	2022	0

State	Year	Number of Transfers
Indiana	2020	2
	2021	0
	2022	0
Louisiana	2020	0
	2021	0
	2022	0
Maryland	2020	1
	2021	1
	2022	0
North Carolina	2020	0
	2021	0
	2022	0
Ohio	2020	1
	2021	0
	2022	0
Pennsylvania	2020	0
	2021	1
	2022	0
South Carolina	2020	1
	2021	0
	2022	0
Tennessee	2020	1
	2021	0
	2022	0
Virginia	2020	1
	2021	0
	2022	0
Wisconsin	2020	0
	2021	0
	2022	0
TOTALS	2020	10
	2021	3
	2022	4

Table No. 3
Status of Franchised Stores
For Fiscal Years 2020-2022[1]

State	Year	Stores at Start of Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Stores at End of the Year
AL	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
AR	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
AZ	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
CA	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	9[2]	0	0	0	0	9
CO	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
DE	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
FL	2020	18	0	0	0	0	0	18
	2021	18	1	0	0	0	0	19
	2022	19	0	0	0	0	0	19
GA	2020	22	1	0	0	0	0	23
	2021	23	0	0	0	0	0	23
	2022	23	0	0	0	0	1	22
IL	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
IN	2020	12	0	1	0	0	0	11
	2021	11	0	0	0	0	0	11
	2022	11	0	0	0	0	0	11
KY	2020	3	0	0	0	0	0	3
	2021	3	0	0	1	0	0	2
	2022	2	0	0	0	0	0	2

State	Year	Stores at Start of Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Stores at End of the Year
LA	2020	6	0	0	1	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
MD	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
MI	2020	8	0	0	0	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
MS	2020	5	1	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
MO	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
MN	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
NE	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NJ	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
NC	2020	17	0	0	0	0	0	17
	2021	17	0	0	0	0	0	17
	2022	17	0	0	0	0	0	17
NY	2020	3	0	0	0	0	2	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
OH	2020	11	0	0	1	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	0	10
OK	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Stores at Start of Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Stores at End of the Year
OR	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
PA	2020	11	0	0	0	0	0	11
	2021	11	0	0	0	0	0	11
	2022	11	0	0	1	0	0	10
SC	2020	11	0	0	0	0	0	11
	2021	11	0	0	0	0	0	11
	2022	11	0	0	0	0	0	11
SD	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
TN	2020	9	0	0	0	0	0	9
	2021	9	0	0	0	0	0	9
	2022	9	0	0	0	0	0	9
TX	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
VA	2020	11	1	0	0	0	1	11
	2021	11	0	0	0	0	0	11
	2022	11	0	0	0	0	0	11
WA	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	1	0	0	4
WV	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
WI	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
TOTALS	2020	212	3	1	2	0	3	209
	2021	209	1	0	1	0	0	209
	2022	209	9	0	2	0	1	215

Table No. 4
Status of Company-Owned Stores
For Fiscal Years 2020-2022[1]

State	Year	Stores at Start of Year	Stores Opened	Stores Reacquired from Franchisees	Stores Closed	Stores Sold to Franchisees	Stores at End of the Year
AL	2020	6	0	0	0	0	6
	2021	6	0	0	0	0	6
	2022	6	0	0	0	0	6
AR	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
AZ	2020	5	0	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	0	0	5
CA	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	26[2]	0	0	26
CO	2020	6	0	0	0	0	6
	2021	6	0	0	0	0	6
	2022	6	0	0	0	0	6
CT	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
FL	2020	22	0	0	0	0	22
	2021	22	0	0	0	0	22
	2022	22	0	0	0	0	22
GA	2020	21	0	0	0	0	21
	2021	21	0	0	0	0	21
	2022	21	0	0	0	0	21
IL	2020	8	0	0	0	0	8
	2021	8	0	0	0	0	8
	2022	8	0	0	0	0	8
IN	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1

State	Year	Stores at Start of Year	Stores Opened	Stores Reacquired from Franchisees	Stores Closed	Stores Sold to Franchisees	Stores at End of the Year
KS	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
KY	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
LA	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
MD	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
MA	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
MI	2020	12	0	0	0	0	12
	2021	12	0	0	0	0	12
	2022	12	0	0	0	0	12
MS	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
MO	2020	9	0	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	0	0	0	0	9
NH	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
NM	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
NJ	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
NV	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3

State	Year	Stores at Start of Year	Stores Opened	Stores Reacquired from Franchisees	Stores Closed	Stores Sold to Franchisees	Stores at End of the Year
NY	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
NC	2020	9	0	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	0	0	0	0	9
OH	2020	19	0	0	0	0	19
	2021	19	0	0	0	0	19
	2022	19	0	0	1	0	18
OK	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
PA	2020	5	0	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	0	0	5
SC	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
TN	2020	11	0	0	0	0	11
	2021	11	0	0	0	0	11
	2022	11	0	0	0	0	11
TX	2020	25	0	0	0	0	25
	2021	25	0	0	2	0	23
	2022	23	0	0	0	0	23
UT	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
VA	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
WA	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
TOTALS	2020	202	0	0	0	0	202
	2021	202	0	0	2	0	200
	2022	200	0	26	1	0	225

Table No. 5
Projected Openings as of September 25, 2022

State	Franchise Agreements Signed But Store Not Open	Projected New Franchised Stores In Next Fiscal Year	Projected New Company-Owned Stores In Next Fiscal Year
AR	1	1	0
AZ	1	1	0
FL	0	0	1
ID	1	1	0
KY	1	1	0
NC	2	2	0
TN	1	1	0
TX	2	2	0
VA	0	0	1
WI	1	1	0
TOTAL	**10**	**10**	**2**

NOTES TO TABLES 1 THROUGH 5

1. The numbers for 2020 to 2022 are as of our fiscal year end of September 27, 2020, September 26, 2021, and September 25, 2022. If multiple events occurred that affected a Store, the tables show the event that occurred last in time.

2. Our affiliate, HBH Licensing, LLC, previously had a license from HBH Co. to grant licenses to franchisees in the state of California. On August 31, 2022, we acquired 26 Stores in California from a subfranchisee of HBH Licensing, LLC and received an assignment of 9 franchise agreements for franchised Stores in California from this subfranchisee.

3. A list of franchisees as of September 25, 2022 is attached as Exhibit J. Contact information for each franchisee who has had a franchise terminated, cancelled, not renewed, transferred or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or has not been communicated with us within 10 weeks of the date of this disclosure document is also included in Exhibit J. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

4. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the HoneyBaked franchise system. While we encourage you to speak with current and former franchisees, be aware that not all such franchisees will be able to communicate with you. During our past three fiscal years, none of our current or former franchisees signed an agreement restricting his or her ability to speak openly about his or her experiences with us.

5. We created and support the Franchise Advisory Council ("FAC") located at 3875 Mansell Road, Alpharetta, Georgia 3022-1532. Contact Rick Gestring, Senior Vice President, Franchise at (678) 966-3111 or by e-mail at RGestring@hbham.com.

ITEM 21
FINANCIAL STATEMENTS

Exhibit K to this disclosure document includes our audited financial statements dated as of September 27, 2020, September 26, 2021, and September 25, 2022.

ITEM 22
CONTRACTS

The following agreements related to a franchised Store are attached as Exhibits to this disclosure document:

Exhibit B	Confidentiality Agreement
Exhibit C	Area Development Agreement
Exhibit D	Franchise Agreement
Exhibit E	State Specific Agreement and Disclosure Document Addenda
Exhibit F	VetFran Addendum to Franchise Agreement
Exhibit H	Training Participation and Nondisclosure Agreement
Exhibit I	Noncompetition and Nondisclosure Agreement
Exhibit M	CMS Support Agreement
Exhibit N	N.1. Multi-Store Development Incentive Program Addenda to Development Agreement and Franchise Agreement
	N.2 Single-Store Development Incentive Program Addenda to Development Agreement and Franchise Agreement

We also require that you fill out our Franchisee Disclosure Questionnaire before signing the Area Development and/or Franchise Agreements. Our current form of Franchisee Disclosure Questionnaire is attached as Exhibit L.

ITEM 23
RECEIPTS

The last two pages of this disclosure document are detachable Receipts that evidence your receipt of this Disclosure Document. You should sign and date both Receipts *as of the date you receive this Disclosure Document*, keep one Receipt for your records, and return the other Receipt to us.

EXHIBIT A

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

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

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov	**NEW YORK** NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fourteenth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents in some of the states listed.

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov	**NEW YORK** New York Secretary of State One Commerce Plaza 99 Washington Avenue Albany, NY 12231 (518) 473-2492
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Commissioner State Capitol Department 414 600 East Boulevard Avenue, Fourteenth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT B

CONFIDENTIALITY AGREEMENT

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this "Agreement") is made as of the date set forth on the last page of this Agreement by the individual(s) identified on the signature page to this Agreement (individually and collectively, "Potential Franchisee") in favor of and for the benefit of The HBH Franchise Company, LLC ("HBH").

RECITALS

Potential Franchisee has expressed interest in purchasing a franchise from HBH to develop one or more HoneyBaked Store(s) ("Franchise"). In order to evaluate the possibility of purchasing a Franchise from HBH, Potential Franchisee desires to receive from HBH certain confidential business information. Potential Franchisee recognizes the importance of maintaining the confidentiality of this information.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Prospective Franchisee agrees as follows:

1. Confidential Information

A. Definition of Confidential Information. As used in this Agreement, the term "Confidential Information" means all information about HBH or its affairs that HBH or its representatives furnish to Potential Franchisee. Confidential Information includes, but is not limited to, HBH's confidential and proprietary Franchise Operations Manual, or any portion of its contents, trade-secrets, know-how, methodologies, processes, formulas, specifications, HoneyBaked System information, operating procedures and standards, technical information, statistics, software, hardware, materials, plans, designs, schematics, reports, studies, notes, analyses, summaries, business, market and development plans and programs, financial information and projections, information regarding the retail and commercial operations of HBH and its affiliates, and all information that: (1) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy; or (3) is designated by HBH as confidential or proprietary. Confidential Information may be in written form or obtained orally. As used in this Agreement, the term "representatives" of a party shall include the directors, officers, employees, shareholders or other securities holders, partners, members, trustees, agents, lenders, advisors, subsidiaries and other foreign and domestic affiliates and/or related entities of a party.

B. Treatment of Confidential Information. Potential Franchisee acknowledges, understands and agrees that the Confidential Information: (1) is the exclusive and confidential property of HBH or its affiliates and incorporates trade secrets and copyrights owned by them; (2) gives HBH and its affiliates some competitive business advantage or the opportunity of obtaining such an advantage, the disclosure of which could be detrimental to the interests of HBH and its affiliates; and (3) is not generally known by non-HBH personnel. Potential Franchisee shall at all times treat the Confidential Information in accordance with this Agreement.

C. No Warranty. Although Potential Franchisee understands that HBH has endeavored to include in the Confidential Information material known to it which it believes to be relevant for Potential Franchisee's purposes, Potential Franchisee further understands that HBH does not make any representation or warranty as to the accuracy or completeness of the Confidential Information. Potential Franchisee further acknowledges that HBH has not and will not make representations or warranties as to the potential sales at a HoneyBaked Store, and no information supplied by HBH shall be construed as a prediction of future sales. Potential Franchisee agrees that neither HBH nor its representatives shall have any liability to

Potential Franchisee, Potential Franchisee's representatives or any other person resulting from the use of the Confidential Information.

D. **No License.** This Agreement entitles Potential Franchisee to use the Confidential Information solely in connection with Potential Franchisee's exploration of the opportunity to purchase a Franchise. No license, express or implied, in the Confidential Information is granted to Potential Franchisee other than to use the Confidential Information in the manner and to the extent authorized by this Agreement. Except for the obligations of Potential Franchisee set forth in this Agreement, neither Potential Franchisee nor HBH shall be under any obligation to enter into any additional agreements and/or contractual obligations with the other of any nature whatsoever as a result of this Agreement, including, without limitation, with respect to the possible sale of a Franchise.

2. Covenants of Potential Franchisee.

As a consequence of Potential Franchisee's acquisition or anticipated acquisition of Confidential Information, Potential Franchisee will occupy a position of trust and confidence with respect to HBH's affairs and business. In view of the foregoing, Potential Franchisee agrees that it is reasonable and necessary that Potential Franchisee agree, while this Agreement is in effect, to the following:

A. **No Disclosure.** Potential Franchisee shall use the Confidential Information solely for purposes of evaluating whether or not Potential Franchisee will purchase a Franchise. Potential Franchisee shall not disclose the Confidential Information to any person or entity other than Potential Franchisee's attorney, accountant or other representatives as necessary to evaluate the opportunity provided by HBH and agrees to protect the Confidential Information against unauthorized disclosure using the same degree of care, but no less than a reasonable degree of care, as Potential Franchisee uses to protect Potential Franchisee's confidential information. Potential Franchisee represents that it has its own procedures in place to assure that its representatives are aware of their obligations to retain in confidence any Confidential Information they receive. Without in any way limiting the generality of Potential Franchisee's obligations under this Agreement, Potential Franchisee acknowledges and agrees that in no event will Potential Franchisee disclose any of the Confidential Information to any of HBH's competitors.

B. **No Use, Copying or Transfer.** Potential Franchisee shall not use, copy or transfer Confidential Information in any way and shall protect the Confidential Information against unauthorized use, copying or transfer using the same degree of care, but no less than a reasonable degree of care, as Potential Franchisee uses to protect Potential Franchisee's confidential information. Potential Franchisee further agrees not to remove, overprint, or deface any notice of copyright, trademark, logo, or other notices of ownership from any Confidential Information.

C. **Applicability.** These covenants shall apply to all Confidential Information disclosed to Potential Franchisee by HBH prior to the date of this Agreement.

D. **Return and/or Destruction of Confidential Information.** If, at any time, HBH determines that it does not wish for Potential Franchisee to purchase a Franchise or Potential Franchisee determines that it does not wish to purchase a Franchise, or if HBH requests, at any time and for any reason, that Potential Franchisee do so, Potential Franchisee agrees to: **(1)** immediately cease to use the Confidential Information; **(2)** immediately return, or destroy the Confidential Information and all copies thereof (whether or not such copies were authorized) and cause any third party to whom disclosure was made to do the same; and **(3)** at the request of HBH, certify in writing that Potential Franchisee and all others to whom Potential Franchisee has provided such Confidential Information, have complied with subsections (1) and (2) above.

3. **Waiver**. Potential Franchisee acknowledges that no waiver by HBH of any breach by Potential Franchisee of any provision of this Agreement shall be deemed a waiver of any preceding or succeeding breach of the same or any other provision of this Agreement. No such waiver shall be effective unless in writing and then only to the extent expressly set forth in writing.

4. **Enforcement.**

A. **Governing Law.** This Agreement is governed by and will be construed exclusively in accordance with the laws of the State of Georgia (without regard to Georgia conflicts of law principles).

B. **Choice of Forum.** All disputes arising under this Agreement will be heard only in the federal or state courts in the state in which HBH has its principal place of business at the time any proceeding relating to such matter is filed. Potential Franchisee consents to venue in Fulton County, Georgia, or such other county where the principal place of business of HBH is then located, and irrevocably and unconditionally waive any rights they may have to assert jurisdiction or venue in any other court, administrative forum, or other adjudicative body.

C. **Injunctive Relief**. Potential Franchisee understands that any violation of this Agreement will cause HBH immediate and irreparable harm which money damages cannot adequately remedy. Therefore, Potential Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Potential Franchisee, HBH shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by HBH shall be in addition to, and not in lieu of, all remedies and rights that HBH otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

5. **Miscellaneous.**

A. **Headings**. Section headings in this Agreement are for reference only and shall not be construed as modifying any provisions of this Agreement.

B. **Severability**. If a court of competent jurisdiction deems any provision of this Agreement invalid, unreasonable or unenforceable, then the remaining provisions will not be affected and the invalid provisions may be enforced to the extent deemed reasonable by the courts.

C. **Entire Agreement**. This Agreement is the entire agreement concerning the subject matter and supersedes any prior agreements concerning the subject matter hereof. No amendment or modification of this Agreement shall be valid or binding unless made in a mutually executed writing.

IN WITNESS WHEREOF, Potential Franchisee has executed this Agreement as of the date noted below.

POTENTIAL FRANCHISEE:

Name: _____	**Name:** _____
Signed: _____	Signed: _____
Date: _____	Date: _____
Home Address: _____	Home Address: _____
_____	_____

EXHIBIT C

AREA DEVELOPMENT AGREEMENT

_____

_____

_____

THE HBH FRANCHISE COMPANY, LLC

AREA DEVELOPMENT AGREEMENT

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Exhibits:

Exhibit A – Development Information
Exhibit B – Covenant and Guaranty of Owners
Exhibit C – Form of Addendum to Lease

THE HBH FRANCHISE COMPANY, LLC

AREA DEVELOPMENT AGREEMENT

This Area Development Agreement ("Agreement") is made and entered into as of the date set forth on Exhibit A attached hereto ("Effective Date") (Exhibit A and all other exhibits hereto are hereby incorporated herein by this reference) in Alpharetta, Fulton County, Georgia between **The HBH Franchise Company, LLC**, a Georgia limited liability company located at 3875 Mansell Road, Alpharetta, Georgia 30022-1532 ("HBH") and the person or entity identified on Exhibit A ("Developer").

1. RECITALS

HBH franchises stores specializing in the sale of hams ("Specialty Hams") and turkeys ("Turkeys") and other items approved by HBH and which include an on-site restaurant that serves sandwiches, salads, beverages and other items approved by HBH. These stores, known as "HoneyBaked" stores, conduct business under a business format utilizing certain common standards, specifications, methods, procedures, recipes, techniques, management systems and proprietary and trade secret information for the preparation and sale of Specialty Hams, Turkeys, and related food and beverage products and other items (the "HoneyBaked System").

This trade secret and proprietary process for Specialty Hams and Turkeys is owned by The Honey Baked Ham Company, LLC, a Delaware limited liability company ("Licensor"). The trade secret and proprietary process for producing the Specialty Hams includes, but is not limited to, a selection process, tracking system, pickle formula, smoke schedule and a meat processing company selected by Licensor that processes and sells hams to HBH which are then finished and prepared by HBH for retail sale in accordance with Licensor's specific procedures and specifications. Licensor also owns, uses, promotes and licenses certain valuable trademarks, service marks, logos, designs and commercial symbols in connection with the operation of "HoneyBaked" stores across the United States ("HBH Stores"), including the marks "The Honey Baked Ham Co.," "Honey Baked Ham," "HoneyBaked," and such other marks that Licensor has designated, or may in the future designate, for use with the HoneyBaked System. The marks used to identify the HoneyBaked System, including the principal marks (the "Marks") may be modified by Licensor from time to time in its sole discretion.

Licensor has granted to HBH and its affiliated companies certain exclusive rights and licenses to market and sell Specialty Hams, Turkeys and related food and beverage products and other items under the Marks in various geographic areas of the United States, including the state where Developer's Development Area (as defined in Section 2.1) is located.

HBH desires to grant to Developer the right to develop one or more HBH Stores (collectively, the "Stores" and individually, a "Store") within the Development Area.

Developer desires to be granted the opportunity, subject to the terms and conditions of this Agreement, to develop the Stores and to operate the Stores upon the terms and conditions contained in HBH's standard form of franchise agreement, as the same may be amended from time to time (all such franchise agreements entered into between HBH and Developer for all of the Stores developed pursuant to this Agreement shall be referred to as "Franchise Agreements").

2. GRANT

2.1 Development Rights. HBH hereby grants to Developer, subject to the terms and conditions set forth in this Agreement, the right to develop Stores at specific locations to be designated in separate Franchise Agreements pursuant to the schedule set forth in Exhibit A to this Agreement (the "Development Schedule"). Each Store developed pursuant to this Agreement shall be located within the area designated on Exhibit A (the "Development Area"). This Agreement is not a franchise agreement. It does not give Developer the right to operate HBH Stores or use the HoneyBaked System. This Agreement only gives Developer the opportunity to enter into Franchise Agreements for the operation of HBH Stores at locations in the Development Area approved by HBH. Each Store developed pursuant to this Agreement shall be established and operated in strict accordance with a separate Franchise Agreement.

2.2 Limited Exclusivity. During the term of this Agreement, HBH will not operate, or license others to operate, any new HBH Stores in the Development Area, provided that Developer is in compliance with the terms of this Agreement and any other agreements with HBH and its affiliates and is current on all obligations due HBH and its affiliates. This Section 2.2 does not prohibit HBH, Licensor or any other party licensed to use the Mark ("HBH Parties"), from: (a) operating HBH Stores in the Development Area that are open and operating or under development as of the Effective Date; (b) during the term of this Agreement, operating, and licensing others to operate, HBH Stores at any location outside the Development Area; (c) after this Agreement terminates or expires, operating, and licensing others to operate, HBH Stores at any location. Developer acknowledges that the development rights granted under this Agreement are non-exclusive and that, except as expressly provided in this Section 2.2, Developer has no exclusive territorial rights, protected territory or other right to exclude, control or impose conditions on the location or development of other or future HBH Stores under the Marks, or on any sales or distribution of products under the Marks or other business activities of the HBH Parties.

2.3 Reservation of Rights. HBH expressly reserves the rights for itself and on behalf of the HBH Parties to: (a) establish anywhere (within or outside the Development Area) franchises, licenses and company owned outlets selling products and providing services which are the same or similar to those sold or provided at HBH Stores under any names, trademarks, service marks, logos or symbols other than the Marks; (b) sell anywhere (within or outside the Development Area) the same or similar products authorized for HBH Stores under the Marks or under other trademarks or trade dress and through any channels of distribution within the Development Area, whether such channel of distribution is now in existence or is hereafter developed and whether at retail or wholesale including, without limitation, sales through catalogs, e-commerce, mail order, carts or kiosks, mass merchandise, supermarkets, grocers, restaurants, institutional customers, club stores and any other outlet or method of distribution, pursuant to any terms and conditions as HBH or HBH Parties may deem appropriate; (c) issue competing franchises or operate competing businesses for or at locations near Developer's Store(s) (within or outside the Development Area); (d) engage in other activities not expressly prohibited in this Agreement; and (e) offer and sell products and provide services under the Marks to (1) customers that are located within the Development Area that are customers of HBH or its affiliates as of the Effective Date, and (2) new customers developed by HBH's or its affiliates' sales department within the Development Area after the Effective Date. Any of the foregoing actions described in (a) through (e) above shall not constitute a breach or default under this Agreement or of any other obligation, express or implied, which HBH may owe to Developer in law or in equity. Developer further acknowledges that any HBH Store conducting business as of the Effective Date within the Development Area shall not violate or cause a breach of this Section 2 and shall not constitute an exception to the rights granted herein. Developer has no right to use the Marks in connection with any business other than that licensed in a Franchise Agreement, and HBH and Licensor retain all rights not granted by this Agreement.

3. DEVELOPMENT FEE

Contemporaneously with the execution and delivery of this Agreement, Developer has paid to HBH an amount equal to _____ thousand dollars ($__,000) multiplied by the number of Stores which Developer has agreed to develop in the Development Area (the "Development Fee") as set forth in the Development Schedule. The Development Fee is fully earned by HBH when paid and is not refundable.

4. TERM

This Agreement expires on the earlier of the actual opening date or the opening deadline in the Development Schedule of the final Store to be developed under this Agreement, unless earlier terminated as hereinafter provided.

5. STORE DEVELOPMENT

5.1 Development Schedule. Developer shall obtain HBH's acceptance of a site for each Store by the site acceptance deadline and open each Store by the opening deadline in full compliance with the Development Schedule set forth on the attached Exhibit A. Failure by Developer to adhere to the Development Schedule shall constitute a default under this Agreement.

5.2 Acceptance of Store Locations. Developer shall select a site for each Store within the Development Area. HBH will provide to Developer demographic data related to the Development Area. Developer shall submit to HBH a request for site acceptance and any other information HBH requires about the site or the condition of any improvements thereon. HBH will accept or reject Developer's proposed site within thirty (30) days after Developer submits all required site information to HBH. Developer shall not lease or agree to purchase any premises for the operation of a Store until HBH has accepted the site in writing, which acceptance may be arbitrarily withheld. Developer hereby acknowledges and agrees that HBH's acceptance of a proposed site shall not constitute a warranty or guarantee of any kind as to the potential success of the Store at that site. Developer must submit information for at least one prospective location for the first Store to be developed under this Agreement within sixty (60) days after the Effective Date and must obtain HBH's acceptance of each Store location by the site acceptance deadline in the Development Schedule.

5.2 Lease or Purchase of Store. Before executing any binding letter of intent, lease, purchase agreement or other document by which Developer would commit to occupy or acquire a location for any Store to be established hereunder, Developer must obtain HBH's approval of the site for the Store, execute and deliver to HBH copies of HBH's then-current standard form of Franchise Agreement with respect to such Store, pay the initial franchise fee to HBH in accordance with the terms of such Franchise Agreement; and HBH must countersign such Franchise Agreement. Each Store and the site on which it is located may be leased or owned by Developer. Any lease, and any mortgage or other encumbrance with respect to Developer's leasehold interest or title, shall, unless HBH otherwise consents in writing:

(a) Include provisions such as those set forth in HBH's form of Addendum to Lease (the current form of which is attached as Exhibit C), as modified from time to time;

(b) Cover only the Store and the site on which the Store is located;

(c) Provide that HBH will receive written notice from the landlord or mortgagee and Developer of any default by Developer and that HBH will have a right (but not the obligation) for a period

of at least thirty (30) days to cure such default and to succeed to Developer's rights under the lease, mortgage or other encumbrance;

(d) Provide that HBH or its designee shall have the right to assume (and, if a lease, to assign to a third party who assumes HBH's obligations under the lease) such lease, mortgage or other encumbrance upon Developer's default or termination thereunder or upon termination or expiration of this Agreement or any renewal of this Agreement or upon exercise of HBH's option to purchase provided in the Franchise Agreement for the Store;

(e) In the case of a lease, provide for a term or lessee options to renew for a period at least equal to the initial term of the Franchise Agreement for the Store;

(f) In the case of a lease, provide that Developer and any successor or assignee of Developer shall have the right to sublease or assign for all or any part of the term, but that Developer is prohibited from subleasing or assigning all or any part of its occupancy rights without HBH's prior written consent;

(g) In the case of a lease, provide that the landlord consents to Developer's use of the Marks and such initial signage as HBH may prescribe from time to time for the Store, subject to compliance with applicable laws and regulations;

(h) In the case of a lease, provide that Developer and any successor or assignee of Developer and landlord shall not have the right to amend the lease without the prior consent of HBH;

(i) Provide that HBH shall have the right, upon reasonable advance notice, to enter the premises and remove signage from the Store;

(j) Provide that Developer shall have available for its use adequate parking for a refrigerated truck in close proximity to the Store; and

(k) Any lease, mortgage or other encumbrance to be entered into pursuant to this Agreement must be submitted to HBH for its review at least fifteen (15) days prior to execution. Developer shall furnish HBH with a copy of any executed lease, mortgage or other encumbrance within ten (10) days after execution. Developer shall notify HBH of any new lease, mortgage or other encumbrance on the property or any amendments to or extensions of new or existing leases, mortgages or other encumbrances and shall provide copies of all such documents to HBH upon request.

6. DEFAULT; TERMINATION

6.1 Termination by HBH. HBH may terminate this Agreement effective upon delivery of a written notice to Developer if:

(a) Developer fails to establish and open the Stores in accordance with the Development Schedule, including without limitation the failure to execute a Franchise Agreement with HBH as required in Section 5, or to pay any initial franchise fee owed thereunder;

(b) Developer fails to pay when due any amount owed to HBH or its affiliates or subsidiaries, or any creditor or supplier of a Store or any taxing authority for federal state or local taxes (other than amounts being bona fide disputed through appropriate proceedings), and Developer does not correct such failure within ten (10) calendar days after written notice is delivered to Developer;

(c) Any breach or event of default occurs under any Franchise Agreement, which permits HBH to terminate such Franchise Agreement, regardless of whether HBH in fact terminates the Franchise Agreement; or

(d) Developer or any of Developer's owners breaches or fails to comply fully with the provisions contained in Section 7.

Upon termination of this Agreement, Developer shall not be relieved of any of its obligations, debts or liabilities hereunder, including without limitation any debts, obligations or liabilities which have accrued before such termination. Termination by HBH of this Agreement shall not constitute an election of remedies by HBH. The exercise of the rights granted under this Section 6.1 are in addition to, and not in lieu of, any and all other rights and remedies available to HBH at law, in equity or otherwise, including without limitation the right to an injunction as set forth in Section 10.10, all of which are cumulative.

7. RESTRICTIVE COVENANTS

7.1 In-Term Covenant. Except as otherwise approved by HBH in writing, during the term of this Agreement, Developer and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto agree that Developer and such persons will not, directly or indirectly for the benefit of Developer or Developer's owners, or through or on behalf of or in conjunction with any other person or entity, engage in (a) any other business involved in the preparation or sale of whole or part hams or turkeys within the United States, or (b) any restaurant that serves sandwiches, soups or salads within the United States. Nothing herein shall restrict Developer and Developer's owners' involvement with other HBH Stores operated under agreements with HBH.

7.2 Post-Term Covenant. Except as otherwise approved by HBH in writing, for a period of two (2) years after expiration or any earlier termination of this Agreement, Developer and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto agree that Developer and such persons will not, directly or indirectly for the benefit of Developer or Developer's owners, or through or on behalf of or in conjunction with any other person or entity, engage in (a) any other business involved in the preparation or sale of whole or part hams or turkeys within fifteen (15) miles of the border of the Development Area, or (b) any restaurant that serves sandwiches, soups or salads within fifteen (15) miles of the border of the Development Area. Nothing herein shall restrict Developer and Developer's owner's involvement with other HBH Stores operated under agreements with HBH. The covenant contained in this paragraph shall not be deemed to impair, modify or change any covenant not to compete contained in any agreement for the purchase and sale of a Store.

7.3 Ownership of Public Companies. The covenants contained in Section 7.2 shall not apply to ownership of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation whose stock is publicly traded.

7.4 Trade Secrets and Confidential Information. Developer and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto expressly covenant and agree that:

(a) in connection with the operation of HBH Stores and the HoneyBaked System, HBH, Licensor and their affiliates have developed at great expense competitively sensitive trade secrets and confidential information which are not commonly known by or available to the public, and that for purposes of this Agreement, "trade secrets" means information as defined in O.C.G.A. § 10-1-761(4), and "Confidential Information" means any and all information and documentation, without regard to form, other than trade secrets, which relates to the operation of HBH Stores or the HoneyBaked System and which is confidential and proprietary to HBH, Licensor and/or their affiliates; provided, however, that trade secrets

and Confidential Information do not include any information that (1) is commonly known by or available to the public, (2) has been voluntarily disclosed to the public by HBH, Licensor and/or their affiliates, (3) has been independently developed without reliance on trade secrets or Confidential Information or lawfully obtained by Developer, or (4) has otherwise entered the public domain through lawful means;

(b) for purposes of this Agreement, trade secrets and Confidential Information may include, but not be limited to, information (in whatever form) relating to or regarding the Marks, other proprietary matters pertaining to the HoneyBaked System, and other proprietary information regarding the development and operation of HBH Stores which HBH has designated as "confidential"; and

(c) during the term of this Agreement and (1) regarding Confidential Information, for a period of five (5) years after termination of this Agreement for any reason whatsoever, and (2) regarding trade secrets, for so long as such information remains a trade secret, Developer and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto will not, except only as required for the benefit of HBH in carrying out Developer's duties pursuant to this Agreement, without the prior express written consent of HBH, directly or indirectly, divulge, disclose, convey or publish to any person or entity, or reproduce, use or apply for Developer's own benefit, or the benefit of another or others, in any way, any trade secrets or Confidential Information. Developer also agrees that it and all of its employees and agents will observe all security measures implemented by HBH to protect its trade secrets and Confidential Information. Upon the request of HBH and, in any event, upon the termination or expiration of this Agreement, Developer will immediately return any and all copies or other reproductions of trade secrets or Confidential Information to HBH.

7.5 Employee Confidentiality Agreements. Developer shall cause each person who is actively involved in the development of Developer's Stores pursuant to this Agreement, at the time of his employment, to enter into a "Confidentiality Agreement" in a form prescribed from time to time by HBH. Developer shall use its best efforts to prevent any such persons from violating the provisions of such Confidentiality Agreement and from using, in connection with the operation of any store or similar business wherever located, the HoneyBaked System or any of the Marks or from operating any store which looks like, copies or imitates any HBH Store or operates in a manner tending to have such effect. If Developer has reason to believe that any such person has violated the provisions of the Confidentiality Agreement described in this paragraph, Developer shall notify HBH and shall cooperate with HBH to protect HBH against infringement or other unlawful use of the Marks or the HoneyBaked System, including, but not limited to, the prosecution of any lawsuits if, in the judgment of HBH, such action is necessary or advisable.

7.6 Owners of Entity Developer. If Developer is a corporation, partnership or limited liability company ("LLC"), the owners of Developer, by executing the Covenant and Guaranty of Owners, shall be bound by the provisions contained in this Agreement, including the restrictions set forth in this Section 7. Further, a violation of any of the provisions of this Agreement, including the covenants contained in this Section 7, by any owner shall also constitute a violation by Developer of Developer's obligations under this Agreement.

7.7 Severability, Modification, Independent Construction and Survival. Developer acknowledges and agrees that each of the covenants in this Section 7 are separate, distinct and severable from every other covenant, and in the event of the unenforceability (for any reason) of all or any part of any covenant, the remaining covenants shall remain enforceable. In the event of the unenforceability (for any reason) of all or any part of any covenant, each such covenant shall be modified to include only that portion which is enforceable, and the parties specifically request that the court (or other applicable forum) modify any such covenant so that it shall be enforceable as modified so as to provide the greatest protection allowed by law to HBH; Developer represents, acknowledges and agrees that the covenants are not made in connection with any employment relationship. Additionally, each of the covenants shall be construed as

an agreement independent of any other provision in this Agreement, and no claim or cause of action Developer may have against HBH shall constitute a defense to HBH's enforcement of any of such covenants. The covenants set forth in this Agreement shall expressly survive termination of this Agreement for any reason whatsoever.

8. ORGANIZATION OF DEVELOPER

8.1 Representations.

(a) If Developer is a legal entity such as a corporation, a LLC or a partnership, Developer makes the following representations and warranties: (1) it is duly organized and validly existing under the laws of the state of its formation; (2) it is qualified to do business in the state or states in which the Development Area is located; (3) execution of this Agreement and the development and operation of the Stores is permitted by its governing documents; and (4) unless waived in writing by HBH, Developer's Articles of Incorporation, Articles of Organization or written partnership agreement shall at all times provide that the activities of Developer are limited exclusively to the development and operation of HBH Stores.

(b) If Developer is an individual, or a partnership comprised solely of individuals, Developer makes the following additional representations and warranties: (1) each individual has executed this Agreement; (2) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (3) notwithstanding any transfer for convenience of ownership, pursuant to Section 9.3, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

(c) Developer and its owners represent and warrant to HBH neither Developer nor its owners (1) have been designated as suspected terrorists under U.S. Executive Order 13244; (2) are identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; (3) have not violated and will not violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act, U.S. Executive Order 13244, the Foreign Corrupt Practices Act, or any similar law.

8.2 Governing Documents. If Developer is a corporation, copies of Developer's Articles of Incorporation, bylaws, other governing documents and any amendments, including the resolution of the Board of Directors authorizing entry into and performance of this Agreement, and all shareholder agreements, including buy/sell agreements, have been furnished to HBH. If Developer is a LLC, copies of Developer's Articles of Organization, Management Agreement, other governing documents and any amendments, including the resolution of the Managers authorizing entry into and performance of this Agreement, and all agreements, including buy/sell agreements, among the members have been furnished to HBH. If Developer is a partnership, copies of Developer's written partnership agreement, other governing documents and any amendments, as well as all agreements, including buy/sell agreements, among the partners have been furnished to HBH, in addition to evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if that approval or consent is required by Developer's written partnership agreement. The organizational documents of any partnership, corporation or LLC owning the franchise, including all stock certificates, shall recite that they are subject to all restrictions contained in this Agreement. When any of these governing documents are modified or changed, Developer promptly shall provide copies to HBH.

8.3 Ownership Interests. If Developer is a corporation, a LLC or a partnership, all interests in Developer are owned as set forth in attached Exhibit A. In addition, if Developer is a corporation, Developer shall maintain a current list of all owners of record and all beneficial owners of any class of securities of the corporation (and the number of shares owned by each). If Developer is a LLC, Developer shall maintain a current list of all members (and the percentage membership interest of each member). If Developer is a partnership, Developer shall maintain a current list of all owners of an interest in the partnership (and the percentage ownership of each owner). Developer shall comply with Section 9 prior to any change in ownership interests and shall execute addenda to Exhibit A as changes occur in order to ensure the information contained in Exhibit A is true, accurate and complete at all times.

8.4 Covenant and Guaranty of Owners. Each present and future owner of a ten percent (10%) or greater equity interest in Developer including: (1) shareholders of a corporate Developer; (2) members of a LLC Developer; (3) partners of a partnership Developer; or (4) partners of a limited liability partnership Developer; shall jointly and severally guarantee Developer's performance of each and every provision of this Agreement by executing the Covenant and Guaranty of Owners in the form attached to this Agreement. In addition, HBH may require that the spouse (or domestic partner or other immediate family member) of a guarantor sign the Covenant and Guaranty of Owners.

9. ASSIGNMENT

9.1 By HBH. This Agreement is fully assignable by HBH, and the assignee or other legal successor to HBH's interests will be entitled to all of the benefits of this Agreement. If HBH assigns its rights in this Agreement, nothing herein shall be deemed to require HBH to remain in the business of selling sliced and glazed hams, turkeys and related products, or to sell or offer to sell any products or services to Developer. Developer agrees that HBH has the right, now or in the future, to purchase, merge, acquire or affiliate with any existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "HoneyBaked" stores or businesses operating under the Marks or any other marks following HBH's purchase, merger, acquisition or affiliation. Developer further agrees and affirms that HBH may sell itself, its assets, its Marks and/or its HoneyBaked System to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leverage buy-out or other economic or financial restructuring.

9.2 By Developer. This Agreement has been entered into by HBH based in part on the experience, integrity and financial stability of Developer or Developer's owners (if Developer is a corporation, partnership or LLC). Accordingly, neither Developer nor any of Developer's owners may assign or transfer this Agreement, any interest in this Agreement or, if Developer is a corporation, partnership or LLC, any interest in the corporation, partnership or LLC without HBH's prior written consent, except as specifically authorized under this Agreement. Any attempted assignment or transfer not in accordance with this Agreement shall have no effect and shall constitute a breach of this Agreement.

9.3 Assignment to Corporation, Partnership or LLC.

(a) If Developer is an individual or group of individuals who desire to assign this Agreement to a corporation, partnership or LLC formed for convenience of ownership, Developer shall advise HBH in writing of the proposed assignment and shall provide HBH with all documents to be executed in connection with any such assignment and all other information requested by HBH relating to the proposed assignment. HBH shall not unreasonably withhold its consent to the assignment provided all of the following conditions are met:

(1) the corporation, partnership or LLC conducts no business other than the operation of one or more Stores (or other related activities authorized under this Agreement);

(2) at least fifty-one percent (51%) of each voting class of the shares, interests or units of the corporation, partnership or LLC are owned by the individual or individuals who signed this Agreement and their respective spouses and at least fifty-one percent (51%) of all classes of shares, interests or units of the corporation, partnership or LLC are owned by the individual or individuals who signed this Agreement and their respective spouses;

(3) the Stores are actively managed by such successor; and

(4) all shareholders, partners and members of such successor are acceptable to HBH, meet HBH's requirements as established from time to time, and all owners of a ten percent (10%) or greater equity interest in the successor entity agree to guarantee the obligations of the corporation, partnership or LLC under this Agreement and to be bound by the terms of this Agreement in the manner prescribed by HBH.

(b) HBH shall use its reasonable efforts to approve or disapprove the assignment within thirty (30) days after receipt. If HBH approves the assignment, Developer must comply with the requirements set forth in Section 8 of this Agreement. HBH shall also have the right to require, as a condition of its approval that the shareholders, partners or members enter into a buy/sell agreement among themselves in a form and containing such terms as HBH prescribes for transfers of ownership interests in such corporation, partnership or LLC. HBH reserves the right to assess a transfer fee against Developer sufficient to cover HBH's reasonable costs in effecting the transfer.

9.4 Assignment or Transfer to Others. Developer shall advise HBH in writing of any proposed sale, assignment or transfer of this Agreement or, if Developer is a corporation, partnership or LLC, any interest in the corporation, partnership or LLC. If HBH does not exercise its right of first refusal provided in any Franchise Agreement, the decision as to whether or not to approve the proposed sale, assignment or transfer shall be made by HBH in its sole discretion and shall include numerous factors deemed relevant by HBH. These factors may include, but will not be limited to, the following:

(a) Developer (and Developer's owners if it is a corporation, partnership or LLC) are not in default under this Agreement, any Franchise Agreement or any other agreement with HBH or HBH's subsidiaries or affiliates or any other creditor or supplier of any Store;

(b) the proposed transferee (and its owners if it is a corporation, partnership or LLC) is acceptable to HBH and meets HBH's then-applicable standards for developers or owners;

(c) the proposed transferee has signed HBH's then-current form of standard Area Development Agreement for a term equal to the remaining term of this Agreement and assumes all of Developer's obligations under any other agreement between Developer and HBH, Licensor or their affiliates;

(d) if the proposed transferee is not also the transferee of all the Stores developed hereunder, or has not previously entered into a Franchise Agreement with HBH (which is still in full force and effect), such transferee has signed HBH's then-current form of Franchise Agreement;

(e) the proposed transferee and all persons designated by HBH have completed all required training to the extent required by HBH, at their own expense;

(f) all shareholders, partners and members of the proposed transferee are acceptable to HBH, meet HBH's requirements as established from time to time, and all owners of a ten percent (10%) or greater equity interest in the successor entity agree to guarantee the obligations of the corporation, partnership or LLC under this Agreement and to be bound by the terms of this Agreement in the manner prescribed by HBH.

(g) Developer (and Developer's owners if it is a corporation, partnership or LLC) executes a general release, in a form satisfactory to HBH, of any and all claims it may have against HBH (including any affiliated companies) and their officers, directors, shareholders, managers, members and employees, in their corporate and individual capacities;

(h) Developer (and its owners if it is a corporation, partnership or LLC) enters into a Noncompetition and Nondisclosure Agreement with HBH, in a form satisfactory to HBH; and

(i) the proposed transferee pays to HBH a transfer fee of seven thousand five hundred dollars ($7,500).

(j) Developer must provide HBH with all documents to be executed by Developer and/or Developer's owners and the proposed purchasers in connection with any transfer at least thirty (30) days prior to signing.

(k) The provisions of (c), (d) and (i) above shall not apply to an approved sale, transfer or assignment by one or more shareholders, partners or members owning in the aggregate less than a forty-nine percent (49%) interest in the corporation, partnership or LLC, provided that such transaction, when combined with any and all prior such sales, transfers and assignments, does not constitute a sale, transfer or assignment of a forty-nine percent (49%) or more interest or does not otherwise result in a change of control. Notwithstanding the foregoing, HBH reserves the right to assess a transfer fee against Developer sufficient to cover HBH's reasonable costs in effecting the transfer.

9.5 Death or Disability.

(a) Upon Developer's death or Disability, this Agreement or the ownership interest of any deceased or disabled controlling shareholder, partner or member of Developer must be transferred to a party approved by HBH. Any transfer, including, without limitation, transfers by devise or inheritance or trust provisions, shall be subject to the same conditions for transfers set forth in Section 9.4. HBH will not unreasonably withhold its consent to the transfer of this Agreement or any ownership interest to the deceased or disabled Developer's spouse, heirs or members of his or her immediate family or the spouse, subject to the requirements of Section 9.4, with the exception of subsection (h).

(b) Except as otherwise prescribed by HBH in writing, Developer's personal representative shall submit to HBH a proposal meeting the requirements for transfer of this Agreement or ownership interest within one hundred eighty (180) days after Developer's death or Disability.

(c) HBH agrees to communicate its approval or disapproval of such proposal within thirty (30) days of receipt of the same. Within sixty (60) days from the date after receipt of HBH's approval, Developer's personal representative shall complete the transfer of this Agreement or the ownership interest of any deceased or disabled controlling shareholder, partner or member.

(d) For the purpose of this Section 9.5, a "Disability" shall have occurred with respect to Developer if Developer, or, if Developer is a corporation, partnership or LLC, its controlling shareholder, partner or member, is unable to actively participate in Developer's activities for any reason for a continuous

period of six (6) months. As used in this Section 9.5, "Developer" may include a disabled or deceased controlling shareholder, partner or member where the context so requires. Upon the death of any non-controlling shareholder, partner or member, such shareholder, partner or member's interest shall be transferred within a reasonable time to a person meeting HBH's requirements. All such transfers must also comply with Section 9.4 of this Agreement, subject to the exceptions provided in the last paragraph of that section. Developer's or any of Developer's owners' failure to transfer the interest in accordance with the provisions of this Section 9.5 shall be considered a material breach of this Agreement.

9.6 Public Offering by Developer. No securities of Developer shall be publicly traded without the prior written consent of Licensor and HBH, which consent may be arbitrarily withheld in Licensor's and HBH's discretion. If Licensor and HBH approve a public offering of Developer's securities, Developer shall present the disclosure document or prospectus to Licensor and HBH for review within a reasonable time before the effective date of the public offering. In no event shall Developer offer, sell or otherwise distribute its securities by use of the name "Honey Baked Ham" or any name similar thereto; however, Developer may make appropriate reference to the fact that Developer has entered into an Area Development Agreement and one or more Franchise Agreement(s) with HBH.

9.7 Right of First Refusal of HBH. If Developer or Developer's owners propose to sell the development rights granted hereunder or, if Developer is a corporation, partnership or LLC, any ownership interest in the corporation, partnership or LLC, and Developer or Developer's owners obtain and desire to accept a bona fide, executed written offer to purchase this interest, Developer or Developer's owners are obligated to deliver a copy of the bona fide offer to HBH and shall make an identical offer to HBH. HBH will, for a period of sixty (60) days from the date of delivery of such offer to HBH, have the right, exercisable by written notice to Developer or Developer's owners, to purchase the development rights granted hereunder or such ownership interest for the price and on the terms and conditions contained in the offer. HBH may substitute equivalent cash for any form of payment proposed in such offer or designate a substitute purchaser for the development rights or the ownership interest being offered, provided that HBH will assume responsibility for the performance of any other purchaser HBH may designate. If the offer is to purchase from one or more shareholders, partners or members aggregate ownership interests constituting fifty percent (50%) or more, but less than one hundred percent (100%) of the outstanding ownership interests of Developer, HBH shall also have the right, during such sixty (60) day period upon written notice to the other owners, to purchase the remaining ownership interests at a per share or per unit or interest price equivalent to the price being offered under the bona fide offer. If HBH does not exercise this right of first refusal, the offer may be accepted by Developer or Developer's owners, subject to HBH's prior written approval of the transferee as provided in this Agreement. If the sale pursuant to the offer is not consummated within ninety (90) days, HBH will again have the right of first refusal to purchase the development rights granted hereunder as described above. This Section 9.7 shall not apply to transfers made in accordance with Section 9.3 of this Agreement.

10. CONTRACT INTERPRETATION AND ENFORCEMENT

10.1 Survival of Representations. All statements herein or in any certificate, agreement, instrument or other document delivered by or on behalf of any party pursuant hereto or in connection with the transactions contemplated hereby constitute representations, warranties, stipulations, covenants and agreements made by such party and shall survive the execution of this Agreement and the consummation of the transactions contemplated hereby.

10.2 Waiver. Failure of either party to insist, in one or more instances, on performance by the other of any duty or obligation hereunder in strict accordance with this Agreement shall not be deemed a waiver or relinquishment of any right granted hereunder or of the future performance of such duty or

obligation, or any other, in strict accordance with this Agreement, unless such waiver or relinquishment is in a writing signed by or on behalf of both parties.

10.3 Construction and Severability. All references in this Agreement to the singular shall include the plural where applicable, and all references to the masculine shall include the feminine and vice-versa. If any part of this Agreement for any reason shall be declared invalid, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. If any applicable law or rule requires a greater prior notice of termination of or election not to renew this Agreement, or the taking of some other action than is required under this Agreement, the prior notice or other requirements required by such law shall be substituted for the requirements of this Agreement.

10.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties and supersedes all prior and contemporaneous, oral or written, agreements or understandings of the parties regarding the subject matter of this Agreement. No modification, waiver, termination, rescission, discharge or cancellation of this Agreement shall affect the right of any party to enforce any claim or right under this Agreement, whether or not liquidated, which occurred prior to the date of such modification, waiver, termination, rescission, discharge or cancellation. No amendment, change or variance from this Agreement shall be binding upon either party except by mutual written agreement. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representations HBH made in the Franchise Disclosure Document that HBH provided to Developer.

10.5 Costs of Modification and Enforcement. Developer shall reimburse HBH for all costs and expenses (including without limitation attorney's fees) HBH incurs in connection with any modification or supplementation of this Agreement or any waiver or consent granted by HBH hereunder, except where a modification or supplement results from an initiative by HBH. If either party institutes any legal or equitable action against the other party to secure or protect its rights under or to enforce the terms of this Agreement, in addition to any judgment entered in the prevailing party's favor, the prevailing party shall be entitled to recover such reasonable attorneys' fees and costs as the prevailing party may have incurred together with its costs and expenses of litigation.

10.6 Notices. Any notice or other communication required or permitted hereunder shall be deemed sufficiently given if (a) delivered, mailed (registered or certified mail, postage prepaid) or sent by overnight courier to the address specified on Exhibit A, or (b) transmitted by facsimile to the facsimile number set forth on Exhibit A. Any party may change its mailing address or facsimile number by giving notice to the other party in the manner herein provided.

10.7 Governing Law. This Agreement shall be deemed to have been made and entered into in the State of Georgia and all rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of Georgia. If any provision of this Agreement would not be enforceable under the laws of the State of Georgia, and if the Development Area is located outside of Georgia and such provision would be enforceable under the laws of the state in which the Development Area is located, then such provision shall be interpreted and construed under the laws of that state.

10.8 Choice of Forum. Developer may bring an action only in the state court or federal court having jurisdiction where HBH's principal place of business is located at the time the action is brought. HBH may bring an action in the federal or state court having jurisdiction where HBH's principal place of business is located at the time suit is filed, in the jurisdiction where Developer resides or does business, where the Development Area is or was located, or where the claim arose. Developer submits and irrevocably consents to the exclusive jurisdiction of such courts and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to such jurisdiction or venue.

10.9 Injunctive Relief. Developer recognizes that failure to comply with the terms of this Agreement, including the failure to comply fully with all post-termination obligations, will cause irreparable harm to HBH, its affiliates and the HoneyBaked System which money damages cannot adequately remedy. Therefore, Developer agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Developer, HBH shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by HBH shall be in addition to, and not in lieu of, all remedies and rights that HBH otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

10.10 Limitation of Actions. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Developer) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

10.11 Waiver of Punitive Damages, Class Action Lawsuits and Jury Trial. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES WAIVE ANY RIGHT TO, OR CLAIM FOR, ANY CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER PARTY. THE PARTIES ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THEM, THE PARTY MAKING A CLAIM WILL BE LIMITED TO RECOVERY OF ACTUAL DAMAGES, IF ANY. THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, AND/OR COUNTERCLAIM BROUGHT BY EITHER PARTY. THE PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO BRING, OR BE A CLASS MEMBER IN, ANY CLASS ACTION SUITS.

10.12 Conflicts. To the extent any provisions of this Agreement directly conflict with any provisions of any Franchise Agreement, the conflicting terms and provisions of this Agreement shall govern and control.

10.13 Cumulative Remedies. No remedy conferred upon HBH is intended to be exclusive of any other remedy, and each and every such remedy shall be in addition to, and not in limitation of or substitution for, every other remedy available at law or in equity or by statute or otherwise.

10.14 Independent Contractor Relationship. The parties hereto agree that nothing contained herein or in any instrument or other document delivered pursuant hereto or in connection herewith, nor any course of conduct between HBH and Developer, shall create a fiduciary relationship between them or operate to make any party hereto the partner, joint venturer, agent or employee of the other. It is intended that Developer is and shall continue to be an independent contractor responsible for all of Developer's obligations and liabilities with respect to the development of the Stores. Developer shall have no authority, express, implied or apparent, to act on behalf of or to bind HBH, and Developer shall take no action to create any such authority or the appearance of an employer-employee relationship between the parties. In indicating its affiliation with HBH, Developer shall at all times clearly represent that Developer's business is independently owned and operated, consistent with applicable law, including without limitation by exhibiting a notice of such fact in a conspicuous place in Developer's business premises, and, as directed by HBH, in Developer's advertising and on Developer's contracts, forms, stationery and promotional materials.

10.15 Execution in Counterparts. This Agreement may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together

shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Agreement.

10.16 Headings. The headings in this Agreement are for convenience of reference and are not a part of this Agreement and shall not affect the meaning or construction of any of its provisions.

10.17 Inconsistent Terms; Additional Terms. To the extent that the provisions of this Agreement are in direct conflict with the provisions of any Exhibit hereto, the provisions of such Exhibit shall control.

10.18 Successors and Assigns; Licensor's Rights. Except as otherwise provided herein, this Agreement is binding upon the parties and their heirs, approved assigns and successors in interest. The parties hereto agree that certain of the covenants and agreements set forth herein represent a benefit and value to Licensor, and agree that Licensor is a third-party beneficiary to this Agreement with respect to the rights of HBH and the obligations of Developer. In particular, and not in limitation of the foregoing, Licensor shall have the right to enforce the obligations, duties and covenants of the Developer set forth herein if HBH fails or refuses to do so. Upon expiration of the License Agreement (as now or hereafter amended), between Licensor and HBH under which HBH has been granted the right to sell a franchise to Developer, all of HBH's right, title and interest in this Agreement shall immediately attorn to and shall be automatically assigned, transferred and conveyed to Licensor. Developer acknowledges that the Marks and the HoneyBaked System are owned solely by Licensor.

10.19 Effective Date of this Agreement. This Agreement shall become effective upon the date of its acceptance and execution by HBH.

10.20 Time of Performance. Time is of the essence with respect to the performance of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement.

DEVELOPER:

_____
Name of Entity (Corporation, Partnership or LLC)

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

HBH:

ATTEST:

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

THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

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

DATE OF ACCEPTANCE: _____, 20__

EXHIBIT A

TO AREA DEVELOPMENT AGREEMENT

DEVELOPMENT INFORMATION

1. **Developer**: _____

2. **Effective Date**: _____

3. **Development Area**: _____
_____
_____
_____
_____
_____

4. **Development Schedule**:

The Store(s) to be Developed	Site Acceptance Deadline	Opening Deadline for the Store
1		
2		
3		
4		
5		

5. **Form of Ownership:**

(a) Individual Proprietorship. Developer's owner(s) (is) (are) as follows:

_____

_____

_____

(b) Corporation, Limited Liability Company, or Partnership. Developer is a _____ incorporated or formed on _____, under the laws of the State of _____. Developer has not conducted business under any name other than its legal entity name. The following is a list, as applicable, of the Developer's partners, directors, officers and/or members as of the effective date shown above:

Name of Each Director/Officer/Member/Manager	Position(s) Held
_____	_____
_____	_____

6. **Owners:** The following list includes the full name of each person who is an owner of a legal or beneficial interest in Developer, and fully describes the nature of each owner's interest (attach additional pages if necessary).

Name and Address	Percentage/Description of Interest
(a) _____	_____
_____	_____
(b) _____	_____
_____	_____

7. **Addresses and facsimile numbers for notices**:

If to HBH:

General Counsel
3875 Mansell Rd.
Alpharetta, Georgia 30022-1532
Ph: (678) 966-3100 Fax: (678) 966-3134

If to Developer: _____

EXHIBIT B

TO AREA DEVELOPMENT AGREEMENT

COVENANT AND GUARANTY OF OWNERS

The undersigned individuals represent and warrant that they are shareholders, partners or members of Developer or otherwise have a direct or indirect beneficial interest in the success of Developer. Accordingly, to induce The HBH Franchise Company, LLC ("HBH") to enter into the Area Development Agreement dated _____ (the "Agreement"), each of the undersigned individuals hereby jointly and severally guaranty the payment and performance by Developer of its obligations under the Agreement, and hereby agrees that upon the non-payment or non-performance by Developer of any of the terms or conditions of such obligations, they will promptly perform and/or pay such obligations.

Each of the undersigned individuals further hereby jointly and severally agree to be bound by all of the provisions of the Agreement including, without limitation, the restrictions and covenants contained in Sections 7, 8 and 9 of the Agreement. These obligations shall survive any expiration or termination of the Agreement or this Guaranty.

HBH, its successors and assigns, may from time to time, without notice to the undersigned (a) resort to the undersigned for payment of any of the liabilities, whether or not it or its successors have resorted to any property securing any of the liabilities or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the liabilities, (b) release or compromise any liability of any of the undersigned hereunder or any liability of any party or parties primarily or secondarily liable on any of the liabilities, (c) extend, renew or credit any of the liabilities for any period (whether or not longer than the original period), (d) alter, amend or exchange any of the liabilities, or (e) give any other form of indulgence, whether under the Agreement or not. None of the foregoing shall release any of the undersigned from their obligations hereunder.

The undersigned further waives presentment, demand, notice of dishonor, protest, nonpayment and all other notices whatsoever, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Developer and HBH resulting from the Agreement or otherwise, and the settlement, compromise or adjustment thereof.

The undersigned agrees to pay all costs and expenses paid or incurred by HBH in attempting to enforce the Agreement and this Guaranty against Developer and against the undersigned and in attempting to collect any amounts due thereunder and hereunder, including reasonable attorneys' fees if such enforcement or collection is by or through an attorney-at-law. Any waiver, extension of time or other indulgence granted from time to time by HBH, its agents, its successors or assigns, with respect to the Agreement, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional, primary and irrevocable.

This Guaranty does not terminate upon the death of any of the undersigned, but is binding upon the undersigned's heirs, executors and legal representatives.

Subject to the obligations and provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between HBH and the undersigned, must be commenced in the state or federal court of general jurisdiction in the district where HBH's principal place of business is located at the time the action is brought and each of the undersigned

irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts.

Nonetheless, each of the undersigned agrees that HBH may enforce this Guaranty and any orders and awards in the courts of the state or states in which a Guarantor is domiciled.

Unless specifically stated otherwise, the terms used in this Guaranty shall have the same meaning as in the Agreement. This Guaranty shall be interpreted and construed under the laws of the State of Georgia. In the event of any conflict of law, the laws of the State of Georgia shall prevail (without regard to, and without giving effect to, the application of Georgia conflict of law rules).

If more than one person has executed the Guaranty, the term "the undersigned," as used herein shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint, several and primary.

WITNESS the signature of the undersigned as of the date indicated herein.

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

EXHIBIT C

TO AREA DEVELOPMENT AGREEMENT

FORM OF ADDENDUM TO LEASE

THIS ADDENDUM is executed as of this ___ day of _____, _____, by and between _____("Franchisee") and _____ ("Landlord"), as an addendum to the lease, as modified, amended, supplemented, renewed and/or extended from time to time as contemplated herein, ("Lease") for the premises located at _____, State of _____ ("Premises") dated as of _____, ____.

Franchisee has entered into a Franchise Agreement ("Franchise Agreement") with The HBH Franchise Company, LLC ("Franchisor") for the development and operation of a HoneyBaked store at the Premises ("Store"), and as a requirement thereof, the Lease for the Premises must contain the provisions contained in this Addendum.

Landlord and Franchisee agree that the terms contained in this Addendum shall supersede any terms to the contrary set forth in the Lease.

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Franchisee hereby agree as follows:

1. Landlord shall deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee. Franchisor shall have the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, for a period of at least thirty (30) days to cure any default of the Lease and, if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder.

2. Franchisee hereby assigns to Franchisor, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interests to and under the Lease upon any termination or non-renewal of the Franchise Agreement, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without renewal; (b) Franchisor at its option has exercised its Option to Purchase under the Franchise Agreement; and (c) Franchisor notifies Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.

3. The Lease may not be modified, amended, supplemented, renewed, extended, subleased, or assigned by Franchisee without Franchisor's prior written consent.

4. Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor at its option assumes the Lease in writing pursuant to Section 1 or Section 2, above.

5. If Franchisor assumes the Lease, as provided above, Franchisor may, without Landlord's prior consent, further assign the Lease to a franchisee of Franchisor to operate a HoneyBaked store at the Premises provided that the following criteria are met: (a) Franchisor has an established franchising program for HoneyBaked stores; and (b) the proposed franchisee has met all of Franchisor's applicable program criteria and requirements and has executed Franchisor's standard franchise agreement. Landlord agrees to execute such further documentation to confirm its consent

to the assignment permitted under this Addendum as Franchisor may reasonably request. Upon such assignment to a franchisee of Franchisor, Franchisor shall be released from any further liability under the terms and conditions of the Lease.

6. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Premises for certain purposes. Landlord hereby agrees not to interfere with or prevent such entry by Franchisor, its employees or agents. Landlord and Franchisee hereby further acknowledge that in the event the Franchise Agreement expires (without renewal) or is terminated, Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the Premises as a HoneyBaked store. Landlord agrees to permit Franchisor, its employees or agent, to enter the Premises and remove signs (both interior and exterior), décor and materials displaying any marks, designs or logos owned by Franchisor, provided Franchisor shall bear the expense of repairing any damage to the Premises as a result thereof.

7. Landlord and Franchisee agree that if Landlord is an affiliate or an owner of Franchisee and Landlord proposes to sell the Premises, prior to the sale of the Premises, the Lease upon the request of Franchisor shall be amended to reflect a rental rate and other terms that are the reasonable and customary rental rates and terms prevailing in the community where the Store is located.

8. Landlord agrees that during and after the term of the Lease, it will not disclose or use Franchisor's Confidential Information (as defined below) for any purpose other than for the purpose of fulfilling Landlord's obligations under the Lease. "Confidential Information" as used herein shall mean all non-public information and tangible things, whether written, oral, electronic or in other form, provided or disclosed by or on behalf of Franchisee to Landlord, or otherwise obtained by Landlord, regarding the design and operations of the business located at the Premises, including, without limitation, all information identifying or describing the floor plan, equipment, furniture, fixtures, wall coverings, flooring materials, shelving, decorations, trade secrets, trade dress, "look and feel," layout, design, menus, recipes, formulas, manner of operation, suppliers, vendors, and all other products, goods, and services used, useful or provided by or for Franchisee on the Premises. Landlord acknowledges that all Confidential Information belongs exclusively to Franchisor. Landlord agrees that should it breach or threaten to breach this provision of this Addendum, Franchisor will suffer irreparable damages and Franchisor's remedy at law will be inadequate. Therefore, if Landlord threatens or actually breaches this provision, Franchisor shall be entitled to all remedies available to Franchisor at law or in equity, including, without limitation, injunctive relief.

9. Landlord agrees that: (a) Franchisor has solely granted to Franchisee the right to use Franchisor's proprietary trade name, trademarks, service marks logos, insignias, slogans, emblems, symbols, designs and indicia of origin (collectively the "Marks") at the Premises under the terms of the Franchise Agreement; and (b) Franchisor has not granted any rights or privileges to Landlord to use the Marks at the Premises or anywhere else; and (c) Landlord's unauthorized use of the Marks during or after the term of the Lease shall cause irreparable harm to Franchisor and Franchisor's remedy at law will be inadequate. Therefore, if Landlord threatens or actually breaches this provision, Franchisor shall be entitled to all remedies available to Franchisor at law or in equity, including, without limitation, injunctive relief.

10. Landlord consents to Franchisee's use at the Premises of the Marks and such initial signage as Franchisor prescribes, subject to compliance with applicable laws and regulations.

11. Franchisor, along with its successors and assigns, is an intended third party beneficiary of the provisions of this Addendum.

12. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Franchisor at 3875 Mansell Rd, Alpharetta, GA 30022-1532 (Attn: General Counsel), or such other address as Franchisor shall specify by written notice to Landlord.

13. Under the Franchise Agreement, any lease for the location of a HoneyBaked store is subject to Franchisor's approval with regards to the terms and conditions that affect Franchisor, and Franchisor expressly disclaims any other connotations either expressed or implied as to the other terms and conditions set forth in the Lease that are negotiated between Landlord and Franchisee. Accordingly, the Lease is contingent upon such approval, and Franchisor shall provide written notice to Landlord and Franchisee to evidence such approval, as applicable.

WITNESS the execution hereof under seal.

LANDLORD:	FRANCHISEE:
DATE: _____	DATE: _____
Subscribed and sworn to before me this ___ day of _____, _____.	Subscribed and sworn to before me this ____ day of _____, ____.
_____ Notary Public	_____ Notary Public
My Commission expires: _____	My Commission expires: _____

EXHIBIT D

FRANCHISE AGREEMENT

_____

_____

_____

THE HBH FRANCHISE COMPANY, LLC

FRANCHISE AGREEMENT

THE HBH FRANCHISE COMPANY, LLC FRANCHISE AGREEMENT

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THE HBH FRANCHISE COMPANY, LLC

FRANCHISE AGREEMENT

This Franchise Agreement ("Agreement") is made and entered into as of the date set forth on Exhibit A attached hereto ("Effective Date") (Exhibit A and all other exhibits hereto are hereby incorporated herein by this reference) in Alpharetta, Fulton County, Georgia between **The HBH Franchise Company, LLC**, a Georgia limited liability company located at 3875 Mansell Rd., Alpharetta, Georgia 30022-1532 ("HBH"), and the person or entity identified on Exhibit A ("Franchisee").

1. RECITALS

HBH franchises stores specialize in the sale of hams ("Specialty Hams") and turkeys ("Turkeys") and other items approved by HBH and include an on-site restaurant that serves sandwiches, salads, beverages and other items approved by HBH. These stores, known as "HoneyBaked" stores, conduct business under a business format utilizing certain common standards, specifications, methods, procedures, recipes, techniques, management systems and proprietary and trade secret information for the preparation and sale of Specialty Hams, Turkeys, and related food and beverage products and other items (the "HoneyBaked System").

This trade secret and proprietary process for Specialty Hams and Turkeys is owned by The Honey Baked Ham Company, LLC, a Delaware limited liability company ("Licensor"). The trade secret and proprietary process for producing the Specialty Hams includes, but is not limited to, a selection process, tracking system, pickle formula, smoke schedule and a meat processing company selected by Licensor that processes and sells hams to HBH which are then finished and prepared by HBH for retail sale in accordance with Licensor's specific procedures and specifications. Licensor also owns, uses, promotes and licenses certain valuable trademarks, service marks, logos, designs and commercial symbols in connection with the operation of "HoneyBaked" stores across the United States ("HBH Stores"), including the marks "The Honey Baked Ham Co.," "HoneyBaked," "Honey Baked Ham," and such other marks that Licensor has designated, or may in the future designate, for use with the HoneyBaked System. The marks used to identify the HoneyBaked System, including the principal marks, (the "Marks") may be modified by Licensor from time to time in its sole discretion.

Licensor has granted to HBH and its affiliated companies certain exclusive rights and licenses to market and sell Specialty Hams, Turkeys and related food and beverage products and other items under the Marks in various geographic areas of the United States, including the state where Franchisee's Store (as defined in Section 2.1) is located. Licensor has further authorized and approved HBH's licensing of Franchisee's right to market and sell the Specialty Hams, Turkeys and related food and beverage products and other items under the Marks in the HoneyBaked System at Franchisee's Store in accordance with the terms and provisions of this Agreement.

Franchisee understands and agrees that the terms, conditions and covenants contained in this Agreement are necessary to maintain HBH's high standards of quality and service and to protect and preserve the goodwill of the Marks.

2. GRANT AND TERM OF FRANCHISE

2.1 Grant. Subject to the terms of this Agreement, HBH grants to Franchisee a non-exclusive franchise to operate a specialty food store which has as its principal business the retail sale of Specialty Hams and Turkeys under the HoneyBaked System and which includes an on-site restaurant that serves sandwiches, salads, beverages and other items approved by HBH (the "Store") and a license to use the Marks in the operation of the Store at a location agreed upon between HBH and Franchisee and specified

on Exhibit A (the "Designated Location") within the Protected Territory (as described in Exhibit A). Before or concurrently with signing this Agreement, Franchisee or its affiliate has also signed an Area Development Agreement with HBH under which HBH granted Franchisee or its affiliate the right to develop the Store, and if applicable, additional HBH Stores within a defined geographic area (the "Area Development Agreement"). If Franchisee has not selected, or HBH has not accepted, the location of the Store as of the Effective Date, then the Area Development Agreement will govern the site selection, evaluation and acceptance process for the Store.

2.2 Term. This Agreement shall take effect on the Effective Date. Unless sooner terminated as hereinafter provided, this Agreement shall expire at midnight Eastern Time on the date which is ten (10) years after the Effective Date (the "Initial Term").

3. RENEWAL OF FRANCHISE

3.1 Renewal Options. When this Agreement expires at the end of the Initial Term, Franchisee shall have an option to sign HBH's then-current form of Franchise Agreement ("Renewal Franchise Agreement") for a five (5) year renewal term ("First Renewal Term") if Franchisee meets the renewal qualifications and conditions set forth in Section 3.2 below. When the First Renewal Term expires, Franchisee shall have an option to renew the franchise for an additional five (5) year renewal term ("Second Renewal Term") if Franchisee meets the renewal qualifications and conditions that will be set forth in the Renewal Franchise Agreement for the First Renewal Term.

3.2 Conditions of Renewal. If Franchisee desires to renew the franchise for the First Renewal Term, Franchisee must comply with all of the following conditions prior to and at the end of the Initial Term:

(a) Franchisee gives HBH written notice of its election to renew not less than six (6) months, and not more than twelve (12) months, prior to the expiration of the Initial Term;

(b) Franchisee is not, when notice is given, and does not become prior to the expiration of the Initial Term, in default of any provision of this Agreement or any other agreement between Franchisee and HBH (including any affiliates of HBH) or with any creditor or supplier of the Store, and Franchisee has substantially complied with the terms and conditions of all such agreements during their terms;

(c) Franchisee executes the Renewal Franchise Agreement, which may contain certain terms and conditions substantially different from those set forth herein, including, without limitation, a higher royalty fee, higher advertising expenditure requirements (and new methods of computing same), a subsequent option to renew, if any, and a smaller territory, if any;

(d) Franchisee executes a general release, in a form satisfactory to HBH, of any and all claims it may have against HBH and Licensor (including any affiliated companies) and their officers, directors, shareholders, managers, members and employees, in their corporate and individual capacities;

(e) Franchisee provides HBH with evidence that Franchisee has the right to remain in possession of the Store premises or to secure and develop a suitable alternative site acceptable to HBH for the First Renewal Term;

(f) Franchisee performs, at its own expense, such remodeling, repairs, replacements and redecoration as HBH may reasonably require to cause the Store, equipment, fixtures, furnishings and furniture to conform to the plans and specifications being used for new or remodeled HBH Stores on the renewal date; and

(g) Franchisee pays to HBH simultaneously with the signing of the Renewal Franchise Agreement a renewal fee of seven thousand five hundred dollars ($7,500).

(h) If Franchisee should fail or refuse to fulfill the conditions of this Section 3.2, such failure or refusal shall constitute an election by Franchisee not to renew the franchise.

4. TERRITORY

4.1 Territorial Protection. Franchisee's Protected Territory is specified on Exhibit A attached hereto. Subject to Section 4.2 and provided that Franchisee is in compliance with the terms of this Agreement, HBH will not operate or grant a franchise for the operation of an HBH Store during the term of this Agreement within the Protected Territory. Franchisee acknowledges that the franchise granted under this Agreement is non-exclusive and that, except as expressly provided in this Section 4.1, Franchisee has no exclusive territorial rights, protected territory or other right to exclude, control or impose conditions on the location or development of other or future HBH Stores under the Marks, or on any sales or distribution of products under the Marks or other business activities of HBH, Licensor or any other party licensed to use the Mark ("HBH Parties").

4.2 Reservation of Rights. HBH expressly reserves the rights for itself and on behalf of HBH Parties to: (a) operate, or grant any person or entity a franchise or license to operate, an HBH Store or a retail outlet substantially similar to the Store anywhere except within the Protected Territory; (b) establish anywhere (within or outside the Protected Territory) franchises, licenses and company owned outlets selling products and providing services which are the same or similar to those sold or provided at the Store or HBH Stores under any names, trademarks, service marks, logos or symbols other than the Marks; (c) sell anywhere (within or outside the Protected Territory) the same or similar products authorized for the Store or an HBH Store, whether under the Marks or under other trademarks or trade dress and through any channels of distribution other than a retail outlet substantially similar to the Store within the Protected Territory, whether such channel of distribution is now in existence or is hereafter developed and whether at retail or wholesale including, without limitation, sales through catalogs, e-commerce, mail order, carts or kiosks, mass merchandise, supermarkets, grocers, restaurants, institutional customers, club stores and any other outlet or method of distribution, pursuant to any terms and conditions as HBH or the HBH Parties may deem appropriate; (d) issue competing franchises or operate competing businesses for or at locations near the Store (within or outside the Protected Territory); (e) engage in other activities not expressly prohibited in this Agreement; and (f) offer and sell products and provide services under the Marks to (1) customers that are located within the Protected Territory that are customers of HBH or its affiliates as of the Effective Date, (2) new customers developed by HBH's or its affiliates' sales department within the Protected Territory after the Effective Date and (3) Shipping Customers as defined in Section 10.15. Franchisee acknowledges and agrees that HBH has no duty or obligation to ensure that Franchisee does not lose revenue or profits as a result of the impact of these activities. Any of the foregoing actions described in (a) through (f) above shall not constitute a breach or default under this Agreement or of any other obligation, express or implied, which HBH may owe to Franchisee in law or in equity. Franchisee has no right to use the Marks in connection with any business other than that licensed hereunder, and HBH and Licensor retain all rights not granted by this Agreement.

4.3 Restrictions on Advertising. Unless HBH agrees otherwise, Franchisee may only advertise its products in the Protected Territory. Franchisee shall not conduct any advertising or solicitation in any area outside of its Protected Territory without HBH's prior written consent, which may be arbitrarily withheld. Franchisee agrees and acknowledges that (a) HBH and its affiliates and other HBH parties may advertise or market within the Protected Territory for sales to locations within and outside of the Protected Territory, (b) HBH may advertise or market to Shipping Customers who reside within and outside the

Protected Territory; and (c) others may advertise or market within the Protected Territory for sales to locations that are outside of the Protected Territory.

4.4 Shipping and Catering. Franchisee shall not ship any products to any location within or outside the Protected Territory. Any orders for the shipment of products shall be referred to HBH in accordance with Section 10.15. If Franchisee desires to cater or deliver its catering products to a specific customer, or within a specific geographic territory, located outside the Protected Territory, Franchisee may submit to HBH in advance a written request for a waiver of the prohibition on extra-territorial sales, indicating the specific customer or territory for which the waiver is requested. HBH will consider such request only if the subject customer or territory is not located within a territory granted to another HBH Store. HBH may allow or disallow such request, in its sole and absolute discretion, and the request shall not be deemed approved until HBH delivers specific written approval to Franchisee. Any such approval, once granted, may be withdrawn by HBH at any time by written notice to Franchisee, without payment of compensation to Franchisee, and such approval shall specifically be withdrawn if HBH subsequently enters into an agreement with another franchisee providing franchise rights to that territory. HBH may require Franchisee to participate in HBH's online catering program. HBH reserves the right to require Franchisee to pay a monthly fee to HBH or a third party vendor that HBH designates to administer the program.

5. SITE ACQUISITION OR LEASE; CONSTRUCTION

5.1 Acceptance of Store Location. Franchisee shall utilize facilities reasonably suited for the conduct of the Store. Franchisee shall not lease or agree to purchase any premises for the operation of the Store until HBH has accepted the site in writing, which acceptance may be arbitrarily withheld. Franchisee hereby acknowledges and agrees that HBH's acceptance of a proposed site shall not constitute a warranty or guarantee of any kind as to the potential success of the Store at that site.

5.2 Lease or Purchase of Store. The Store and the site on which it is located may be leased or owned by Franchisee. Any lease, and any mortgage or other encumbrance with respect to Franchisee's leasehold interest or title, shall, unless HBH otherwise consents in writing:

(a) Include provisions such as those set forth in HBH's form of Addendum to Lease (the current form of which is attached as Exhibit C), as modified from time to time;

(b) Cover only the Store and the site on which the Store is located;

(c) Provide that HBH will receive written notice from the landlord or mortgagee and Franchisee of any default by Franchisee and that HBH will have a right (but not the obligation) for a period of at least thirty (30) days to cure such default and to succeed to Franchisee's rights under the lease, mortgage or other encumbrance;

(d) Provide that HBH or its designee shall have the right to assume (and, if a lease, to assign to a third party who assumes HBH's obligations under the lease) such lease, mortgage or other encumbrance upon Franchisee's default or termination thereunder or upon termination or expiration of this Agreement or any renewal of this Agreement or upon exercise of HBH's option provided in Section 17;

(e) In the case of a lease, provide for a term or lessee options to renew for a period at least equal to the Initial Term hereof;

(f) In the case of a lease, provide that Franchisee and any successor or assignee of Franchisee shall have the right to sublease or assign for all or any part of the term, but that Franchisee is prohibited from subleasing or assigning all or any part of its occupancy rights without HBH's prior written

consent;

(g) In the case of a lease, provide that the landlord consents to Franchisee's use of the Marks and such initial signage as HBH may prescribe from time to time for the HBH Store, subject to compliance with applicable laws and regulations;

(h) In the case of a lease, provide that Franchisee and any successor or assignee of Franchisee and landlord shall not have the right to amend the lease without the prior consent of HBH;

(i) Provide that HBH shall have the right, upon reasonable advance notice, to enter the premises and remove signage from the Store;

(j) Provide that Franchisee shall have available for its use adequate parking for a refrigerated truck in close proximity to the Store; and

(k) Any lease, mortgage or other encumbrance to be entered into pursuant to this Agreement must be submitted to HBH for its review at least fifteen (15) days prior to execution. Franchisee shall furnish HBH with a copy of any executed lease, mortgage or other encumbrance within ten (10) days after execution. Franchisee shall notify HBH of any new lease, mortgage or other encumbrance on the property or any amendments to or extensions of new or existing leases, mortgages or other encumbrances and shall provide copies of all such documents to HBH upon request.

5.3 Initial Development and Construction. Franchisee must construct the Store with the assistance of contractors, architects and suppliers designated or approved by HBH in its sole discretion. Franchisee agrees that promptly after obtaining possession of the site for the Store it will:

(a) cause to be prepared and submit for acceptance by HBH a site plan and any modifications to HBH's prototypical architectural plans and specifications for the Store, including requirements for exterior and interior materials and finishes, dimensions, design, image, interior layout, décor, fixtures, furnishings, equipment, color scheme and signs. Franchisee understands that it may modify HBH's prototypical architectural plans and specifications only to the extent required to comply with applicable ordinances, building codes and permit requirements and only after receipt of HBH's prior written acceptance;

(b) obtain all required zoning changes and all required building, driving, utility, health, sanitation and sign permits and any other required permits;

(c) purchase or lease equipment, fixtures, furniture, graphics, non-promotional collateral materials including but not limited to menus, serving guides and nutritional facts, menu boards and signs meeting HBH's specifications and requirements;

(d) complete the construction and/or remodeling, equipment, fixtures, furniture and sign installation and decorating of the Store in full and strict compliance with plans and specifications approved by HBH and all applicable ordinances, building codes and permit requirements;

(e) obtain all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services; and

(f) comply with all requirements of federal, state and local laws, ordinances and regulations.

5.4 Equipment, Fixtures, Furniture and Signs. HBH will provide Franchisee with specifications for those brands or types of construction and decorating materials, fixtures, equipment, furniture and signs that HBH has approved for HBH Stores. Franchisee shall use in the construction and operation of the Store only those brands or types of construction and decorating materials, fixtures, equipment, furniture and signs that HBH has approved for HBH Stores. Franchisee may purchase approved brands and types of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by HBH (which may include HBH and its affiliates). If Franchisee proposes to purchase any brand or type of construction or decorating material, fixtures, equipment, furniture or sign not then-approved or designated by HBH, or proposes to purchase any such items from a supplier which is not then-approved by HBH, Franchisee shall first notify HBH in writing. HBH may require submission of specifications, photographs, drawings and other information to determine whether such brand or type of construction or decorating material, fixture, equipment, furniture or sign complies with HBH's specifications and standards, or whether a supplier meets HBH's approved supplier criteria, which determinations shall be made at HBH's sole discretion. HBH will advise Franchisee within a reasonable time whether a proposed item or supplier meets HBH's specifications. HBH reserves the right to charge Franchisee for its reasonable costs and expenses in testing and evaluating any proposed item or supplier submitted by Franchisee.

5.5 Store Opening. Franchisee agrees to complete development of the Store and have the Store ready to open within a reasonable time after obtaining possession of the site for the Store. If Franchisee does not open the Store by the opening deadline for the Store as set forth in the development schedule in the Development Agreement, HBH will have the option to terminate this Agreement upon the delivery of written notice to Franchisee, in which event HBH shall retain the Franchise Fee (as defined in Section 7.1). Franchisee agrees and acknowledges that HBH, on behalf of itself and its affiliates, may itself operate, or grant other persons the right to operate, an HBH Store at any approved location within the Protected Territory if Franchisee fails to open the Store and commence operations within the time period specified in this Section 5.5.

6. STORE REFURBISHING

Franchisee agrees to refurbish the Store (in addition to regular maintenance and repair) at Franchisee's expense, within six (6) months of receipt of written notice from HBH, as HBH may from time to time require to maintain or improve the appearance and efficient operation of the Store, to increase its sales potential, to comply with the HoneyBaked System or other standards, or to meet such other requirements as requested by HBH in its discretion. Refurbishing may include but is not limited to:

(a) replacement of worn out or obsolete equipment, fixtures, furniture and signs;

(b) substitution or addition of new or improved equipment, including computer hardware and software (excluding the point-of-sale system) fixtures, furniture and signs;

(c) redecorating and repainting;

(d) repair of the interior and exterior of the premises and repair and resurfacing of parking facilities; and

(e) structural modifications and remodeling of the premises.

7. FEES

7.1 Initial Franchise Fee. Concurrently with or prior to Franchisee's execution and delivery of this Agreement, Franchisee has paid to HBH an initial franchise fee of fifteen thousand dollars ($15,000) (the "Franchise Fee").

7.2 Royalty Fees. During the term of the franchise, Franchisee agrees to pay to HBH a monthly royalty fee in the amount of six percent (6%) of the "net sales" of the Store. The royalty fee shall be payable from the date the Store is opened. Payment of the royalty fee shall be made on or before the 20th day of each calendar month by an electronic funds transfer based on the net sales of the Store during the preceding calendar month.

7.3 Definition of Net Sales. As used in this Agreement, the term "net sales" shall mean the amount of sales of all products and services sold in, on, about or from the Store, together with any other revenues derived from operation of the Store, whether by Franchisee or by any other person, whether or not in accordance with the terms hereof, and whether for cash or on a charge, credit or time basis, including, but not limited to, all such sales and services (a) where orders originate and/or are accepted by Franchisee in the Store but delivery or performance thereof is made from or at any place other than the Store or (b) pursuant to telephone or other similar orders received or filled at or in the Store. For purposes of determining the royalty fee amount under this Section 7 and the advertising contribution amounts under Section 13, there shall be deducted from net sales: (1) the amount of refunds, allowances or discounts to customers (including coupon sales), provided the related sales have previously been included in net sales and (2) the amount of any excise or sales tax levied upon retail sales and paid over to the appropriate governmental authority.

7.4 Payment Due Date; Interest on Late Payments. Except as otherwise specifically provided in this Agreement, the due date for all payments owed to HBH or its affiliates by Franchisee is net fourteen (14) days after the date of invoice. With respect to inventory purchased from HBH or its affiliates as provided in Section 10.9, HBH may modify these payment terms by giving Franchisee written notice at least thirty (30) days in advance. All fees and payments and all other amounts owed to HBH or its affiliates by Franchisee pursuant to this Agreement which have not been paid within thirty (30) days after the due date (as specifically provided in this Agreement or by HBH pursuant to written notice as described in this Section 7.4) shall bear interest on the unpaid amount from the due date until paid at a rate equal to one and one half percent (1.5%) per month or the maximum rate permitted by law, whichever is less and Franchisee also shall pay a late fee in the amount of one hundred dollars ($100). No further credit will be extended on accounts more than thirty (30) days past due, and all subsequent purchases by Franchisee will be payable only by electronic funds transfer or by certified or cashier's check. For the avoidance of doubt, HBH and its affiliates reserve the right not to extend credit at any time in their sole discretion.

7.5 Application of Payments. All payments made by Franchisee pursuant to this Agreement shall be applied in such manner as HBH may designate from time to time, including to indebtedness of Franchisee to HBH or its affiliates for royalties, advertising contributions, product purchases, interest, or any other reason, regardless of how Franchisee may designate a certain payment to be applied.

7.6 Payments by Electronic Funds Transfers. HBH requires that royalties, Advertising Fund contributions and all other amounts owing to HBH or any of its affiliates be made by electronic funds transfers. Franchisee shall open and thereafter maintain a bank account into which it shall deposit on a timely basis funds sufficient to permit payments of any and all such amounts not later than the time they become due and payable. Franchisee hereby specifically authorizes HBH to make withdrawals from such

account of any such amounts. If the electronic funds transfer is rejected, HBH shall have the right to demand payment in the form of a cashier's check, credit card or automated clearing house.

7.7 **Non-Compliance Fee**. If Franchisee commits an event of default of this Agreement (including any failure to comply with any reporting requirement or any other requirement set forth in HBH's Franchise Operations Manual "FOM")), then HBH may assess a fee up to one thousand dollars ($1,000) (the "Non-Compliance Fee") for the default and for each week or portion therefore that the default continues following HBH's assessment of the Non-Compliance Fee. HBH may assess the Non-Compliance Fee regardless of whether HBH sends Franchisee a formal notice of default or termination, provided that HBH shall notify Franchisee in writing of the default, its decision to charge the Non-Compliance Fee, and the amount of the Non-Compliance Fee. Assessment and/or payment of a Non-Compliance Fee does not constitute a waiver of any other rights or remedies HBH may have in connection with the event of default or otherwise under this Agreement.

8. SERVICES BY HBH

HBH agrees to use reasonable efforts to maintain the excellent reputation of all HBH Stores and, in connection therewith, to make available to Franchisee upon reasonable written request by Franchisee, the following:

(a) Such standard construction plans, specifications and layouts for the structures, equipment, furnishings, decor and signs identified with the HoneyBaked System as HBH makes available to all new franchisees from time to time;

(b) If applicable, review Franchisee's proposed site location and its site plans and final construction plans and specifications and layouts for conformity to the construction standards and specifications of the HoneyBaked System. Such plans and specifications will not include engineering or construction-level details, unless HBH decides otherwise;

(c) Initial training in the HoneyBaked System as described in Section 12;

(d) If applicable, such opening assistance from HBH personnel, including planning and developing of pre-opening and promotional programs, as HBH determines necessary or appropriate;

(e) The use of HBH's FOM and confidential standard business policies and training aids as revised from time to time;

(f) Such merchandising, marketing and other data and advice as may from time to time be developed by HBH and deemed by it to be helpful in the operation of the Store;

(g) Such periodic continuing individual or group advice, consultation and assistance, rendered by personal visit or telephone, or by newsletters or bulletins made available from time to time to all franchisees of HBH, as HBH may deem necessary or appropriate;

(h) Such bulletins, brochures and reports as may from time to time be published by HBH regarding its plans, policies, research, developments and activities; and

(i) Such other resources and assistance as may hereafter be developed and offered by HBH to its franchisees.

9. LIMITATIONS OF FRANCHISE AND LICENSE

9.1 Ownership of Marks. Franchisee acknowledges that Licensor is the exclusive owner of the Marks licensed hereunder, the registrations of the Marks (if any), and the identification schemes, specifications, operating procedures and other concepts embodied in the HoneyBaked System licensed to HBH. Franchisee will use the HoneyBaked System and the Marks strictly in accordance with the terms of this Agreement and rules prescribed from time to time by HBH. Upon termination or expiration of this Agreement, any and all goodwill associated with the HoneyBaked System and identified by the Marks shall inure directly and exclusively to the benefit of Licensor, and no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the Marks. Franchisee agrees not to take any action, during the term of this Agreement or thereafter, which might prejudice, impair or adversely affect the validity of the Marks or the HoneyBaked System or Licensor's ownership thereof, or the goodwill and favorable reputation associated therewith, Franchisee shall not directly or indirectly contest the validity or the ownership of the Marks, and Franchisee shall not register or attempt to register the Marks in Franchisee's name or in the name of any other firm, person or entity.

9.2 Usage. In order to protect the Marks, the HoneyBaked System, and the goodwill associated therewith, Franchisee shall, unless HBH otherwise consents in writing:

(a) Operate under the Marks only in a manner consistent with the scope of the registration of the Marks, advertise only under such of the Marks as are designated by HBH for use for that purpose and use the Marks without prefix or suffix;

(b) Not use as all or any part of its corporate or other name the name "Honey Baked Ham", "HoneyBaked" or any of the other Marks, or any derivation thereof;

(c) Feature and use the Marks in strict accordance with any requirements that may be provided in the FOM, and any updates or modifications thereof, as HBH may from time to time direct in writing;

(d) Upon receipt of written notice from HBH: (1) discontinue, suspend or otherwise cease the use of, (2) modify, alter, vary or otherwise change, or (3) substitute, exchange or otherwise replace, partially or entirely, any of the Marks as HBH may direct; and

(e) Upon expiration or termination of the Franchise Agreement, discontinue all usage in any manner of the words "Honey Baked Ham", and any and all of the other Marks and derivations thereof and any words and marks confusingly similar thereto.

9.3 No Duplication. Neither Franchisee nor any person controlling, controlled by or under common control with Franchisee shall, at any time during or after the term hereof, use any of the Marks or any names or marks confusingly similar thereto or the HoneyBaked System or any unique or proprietary portion thereof in connection with any other store or other business or cause, permit or assist any store or other business to look like, copy or imitate any HBH Stores, except in accordance with other Franchise Agreements between HBH and Franchisee.

9.4 Infringements. Franchisee shall immediately notify HBH of all infringements or imitations of the Marks or of the HoneyBaked System (including, without limitation, any copyrights owned by HBH and/or Licensor), which come to the attention of Franchisee, and Franchisee agrees and acknowledges that Licensor shall take such action as it, in its sole discretion, deems appropriate. Franchisee agrees and acknowledges that Licensor shall have the exclusive right to protect and defend the Marks and the HoneyBaked System and shall have absolute discretion as to how to protect and defend and whether to

protect and defend the Marks. Licensor shall have the right exclusively to control any litigation or Patent and Trademark Office or other proceeding arising out of any infringement, challenge or claim or otherwise relating to any of the Marks (or any such copyrights). Franchisee agrees to cooperate in the prosecution of any action to prevent the infringement, imitation, illegal use or misuse of the Marks or the HoneyBaked System (or any such copyrights) and agrees to be named as a party in any such action if so requested. Franchisee also agrees and acknowledges that under some circumstances, HBH may be undertaking the protection and defense of the Marks and the HoneyBaked System. Franchisee shall cooperate in the prosecution of any such action and be named as a party, if requested by HBH.

9.5 Quality Assurance. HBH has the right, in its sole discretion, to determine, approve and supervise the quality of service, the food products and ingredients used by Franchisee and the method of preparation of all products sold from the Store; to conduct periodic inspections of the Store and the equipment, furnishings and products therein; to examine the orders prepared, offered for sale and served by Franchisee; and to take all other action, of whatever kind or nature, it deems necessary or appropriate to maintain the quality and standards of HBH's products and services, the Store and the HoneyBaked System. This right is in addition to, and not in lieu of, other specific rights and procedures set forth herein.

9.6 Non-Uniformity of Standards. HBH specifically reserves the right and privilege, at its sole discretion, to vary standards for any franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, existing business practices or any other condition which HBH deems to be of importance to the successful operation of such franchisee's business. Franchisee shall not be entitled to require HBH to grant to Franchisee a like or similar variation.

9.7 Modifications and Changes Regarding Franchise. HBH, in its sole discretion, may notify Franchisee from time to time of changes or modifications to the HoneyBaked System, including without limitation, modifications to the FOM, the menu and format, the processes and systems to support the business, the products offered for sale, the required equipment, the signage, the building and premises of the Store or any other matters relating thereto, the presentation and usage of the Marks, and the adoption and use of new, modified or substituted Marks or other proprietary materials. Franchisee shall accept and use or display in the Store any such changes or modifications in the HoneyBaked System as if they were a part of the HoneyBaked System at the time this Agreement was executed, and Franchisee will make such expenditures that such changes or modifications require.

10. STORE OPERATIONS

10.1 Franchise Operations Manual ("FOM"); Prices.

(a) Franchisee shall operate the Store in accordance with the FOM, Franchisee understands and acknowledges that HBH will, from time to time, revise the contents of the FOM to implement new or different operating requirements applicable to all HBH Stores, and Franchisee expressly agrees to comply with each requirement within such reasonable time as HBH may require. In the event of any dispute as to the contents of the FOM, the terms of the master copies maintained by HBH shall be controlling.

(b) HBH may offer guidance to Franchisee, or impose requirements with respect to prices for the products and services of the Store that in its judgment constitute good business practice. In the case of fixed minimum or maximum price requirements, HBH shall only impose requirements which are permitted under applicable law.

10.2 Store Operator. Franchisee must designate an individual to serve as the Store Operator who must complete HBH's training program as described in Section 12 and any additional training

programs that HBH may require to HBH's satisfaction. Franchisee (or if Franchisee is a corporation, partnership or limited liability company ("LLC"), a person who has an equity ownership interest in Franchisee) may serve as the Store Operator. The Store Operator shall have full control over and devote his or her best efforts to supervising the day-to-day operation of the Store. The Store Operator shall carefully monitor the performance of any person who is actively involved in the management or operation of the Store. The Store Operator shall not, without HBH's prior written approval, engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with Franchisee's obligations under this Agreement. If the Store Operator no longer qualifies as such, Franchisee must designate another qualified person to act as the Store Operator within thirty (30) days after the date the prior Store Operator ceases to be qualified. Franchisee's designee to be the Store Operator must satisfy the criteria set forth in this Section 10.2 prior to assuming the Store Operator position. Franchisee and each person who is actively involved in the management or operation of the business of Franchisee must continuously demonstrate to HBH the ability to operate the business of the Store pursuant to this Agreement and all other Franchise Agreements between any of such persons and HBH.

10.3 Staffing. Franchisee shall maintain a competent, conscientious, trained staff in numbers sufficient to promptly service customers, including specified positions and minimum staffing levels that HBH may establish from time to time in the FOM. Franchisee shall have sole responsibility for all employment decisions and functions of the Store, including those related to hiring, firing, training, wage and hour requirements, recordkeeping, supervision, and discipline of employees, despite any information or advice HBH may provide. Franchisee shall take such steps as are necessary to ensure that Franchisee's employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as HBH may establish from time to time in the FOM. Franchisee shall take such steps as are necessary to ensure that Franchisee's employees preserve good customer relations and comply with such dress code and cleanliness and sanitation standards as HBH may prescribe in the FOM, or as may be required under applicable law. Franchisee shall cause its employees to wear apparel which conforms strictly to the specifications, design, color and style as determined by HBH from time to time. Franchisee, the Store Operator and the staff working at the Store shall, at all times, cooperate with HBH and with HBH's representatives.

10.4 Approved Goods and Services. Franchisee shall sell from the Store all products and services specified by HBH as referenced in FOM and will not sell or offer for sale any other products or services of any kind without first obtaining the prior written consent of HBH, which consent may be arbitrarily withheld. Any and all supplies or materials purchased, leased or licensed by Franchisee shall at all times meet the standards specified by HBH in the FOM or otherwise. Franchisee shall use only such food products and ingredients and methods of preparation and service that conform to the standards and specifications of HBH in effect from time to time. Franchisee shall discontinue selling or offering for sale any products that HBH may, in its discretion, disapprove in writing at any time.

10.5 Maintenance of Store. Franchisee shall maintain at all times, at its expense, the Store, equipment, fixtures, furnishings and furniture and related premises, parking areas, landscape areas and interior and exterior signs in a good, clean, attractive and safe condition in conformity with HBH's high standards and public image. Franchisee shall make such repairs and replacements thereto as may be required to keep the Store in the highest degree of sanitation, repair and condition. However, Franchisee shall not undertake any alterations or additions (but may perform maintenance and make repairs) to the buildings, equipment or parking area without the prior written consent of HBH.

10.6 Compliance with Laws. Franchisee shall comply with all laws, rules, ordinances and regulations that affect or otherwise concern the Store, including without limitation the Americans with Disabilities Act, as amended. Franchisee specifically agrees to comply with applicable health and safety

laws, ordinances and regulations so as to be rated in the highest available health and safety classification by the appropriate governmental authorities and to furnish to HBH within ten (10) days of Franchisee's receipt thereof, copies of all inspection reports, warnings, certificates and ratings issued by any governmental agency relating to the Store.

10.7 Litigation. Franchisee shall notify HBH in writing within ten (10) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may materially adversely affect Franchisee's financial condition or its ability to meet its obligations hereunder, or which may adversely affect the HoneyBaked System in any respect.

10.8 Inspection of Facilities. Franchisee shall permit representatives of HBH or Licensor to enter the Store at any time during normal business hours for the purpose of inspecting the operations and facilities (including, but not limited to, testing, sampling and inspecting the ingredients used by Franchisee and the products sold by it, as well as the storage and preparation of such ingredients and products). Franchisee shall reasonably cooperate with HBH's or Licensor's representatives in such inspections. Franchisee shall permit HBH's or Licensor's representatives to remove from the Store samples of any ingredients and products without payment therefore in amounts reasonably necessary for testing by HBH or Licensor or, at their option, an independent certified laboratory, to determine whether such samples meet then-current standards and specifications. In addition to any other remedies it may have under this Agreement, Franchisee may be required to bear the cost of such testing if the supplier from whom such ingredients and products were acquired has not been approved by HBH or if the sample fails to conform to HBH's specifications. Upon notice from HBH, Licensor or their representatives, Franchisee shall immediately take all necessary steps to correct any deficiencies including, without limitation, immediately ceasing to use any methods, ingredients, products or advertising materials which do not conform to HBH's then-current specifications, standards or requirements. If HBH, Licensor or their representatives conduct a follow-up inspection to ascertain whether the deficiencies have been corrected, Franchisee shall pay for the reasonable costs of the follow-up inspection.

10.9 Inventory.

(a) Franchisee shall purchase all inventory other than Specialty Hams (including food and non-food items) from suppliers designated or approved in advance by HBH, which approval may be arbitrarily withheld in HBH's sole discretion. Such invoices shall be promptly paid by Franchisee in accordance with their terms. Franchisee acknowledges that there may be a limited number of (in some cases, just one) approved supplier(s) for certain products. Neither HBH nor Licensor shall have any obligation to release any trade secret, confidential formulae or confidential recipe to Franchisee or any supplier. Franchisee may also, at its option if offered by HBH, purchase such inventory from HBH.

(b) Franchisee shall purchase Specialty Hams from HBH or HBH's designated suppliers and shall not purchase Specialty Hams from any other source. Franchisee acknowledges that the Marks, the HoneyBaked System and the trade secret recipes and processes relating to Specialty Hams, are proprietary in nature and are an essential and integral part of, and not separate from, the franchise rights granted herein. Franchisee acknowledges: (1) that HBH Stores are mere conduits through which Specialty Hams bearing the Marks flow to the consumers; (2) that the Marks are the representation of the end product and the sale of substandard products under the Marks would dissipate the Marks' goodwill and reduce their value; (3) that the Marks identify the Specialty Hams; (4) that the desirability of the Marks and the quality of the Specialty Hams that the Marks represent are inextricably interrelated; (5) that the Marks and Specialty Hams are integral components of one another; (6) HBH and its affiliates will receive revenues and profits from Franchisee's purchases of Specialty Hams and from other purchases Franchisee chooses to make from HBH.

(c) If Franchisee proposes to purchase any items (other than Specialty Hams) from any supplier not designated or approved in advance by HBH, Franchisee shall submit a written request to HBH. HBH may require that its representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to HBH or its designee without charge for testing. HBH may assess a charge for the cost of such inspection and testing against Franchisee or the supplier seeking approval. The supplier must also demonstrate to HBH the existence of quality controls and the financial and managerial capacity to supply Franchisee's needs promptly and reliably. HBH will notify Franchisee in writing within a reasonable time frame as to whether Franchisee is authorized to purchase such items from that supplier. HBH has the right to approve or reject Franchisee's request to use an alternate supplier in its sole discretion. HBH reserves the right, at its option, to reinspect the facilities and to retest the products of such approved supplier at any time, and to revoke such approval if the supplier fails to continue to meet any of the foregoing criteria. Upon written notice from HBH, Franchisee shall immediately cease using any approved supplier.

(d) With respect to any inventory purchased by Franchisee from HBH (including Specialty Hams) Franchisee acknowledges that the purchase price for such inventory will include a payment for HBH's services in procuring, handling and delivering such items and a profit for HBH. Such invoices shall be promptly paid by Franchisee in accordance with their terms.

(e) Any items purchased by Franchisee shall at all times meet the standards specified by HBH in the FOM. Franchisee must purchase an initial inventory of supplies and products as indicated in FOM prior to opening the Store and must replenish such inventory and supplies as needed during the term of this Agreement to operate the Store to its full potential. Franchisee shall use only those products and ingredients (including, but not limited to, meat and poultry products, sauces, food additives and condiments) and methods of preparation and service as conform to the standards and specifications of HBH in effect from time to time.

10.10 Hours of Operation. Franchisee shall operate the Store in accordance with the required hours outlined in the Franchise Operations Manual. Any request to change Store hours must be submitted to HBH in writing and permission may be arbitrarily withheld by HBH in its sole discretion. Franchisee agrees and acknowledges that during certain holiday periods, Franchisee will be required to extend their hours as specified by HBH. Franchisee will not discontinue operations of the Store without the prior written consent of HBH, which consent must be obtained at least thirty (30) days prior to the date of closing. Such consent may be arbitrarily withheld by HBH in its sole discretion.

10.11 Store Location and Use. Franchisee may operate the Store only at the Designated Location. Franchisee may not relocate the Store except with HBH's prior written consent, which consent may be arbitrarily withheld. The Store may only be used for the operation of an HBH Store and other related activities approved by HBH in writing. If Franchisee's lease expires or terminates through no fault of Franchisee or if the Store site is condemned, destroyed or rendered unusable, HBH will grant permission for relocation of the Store to a location and site within the Protected Territory meeting HBH's standards, provided the new location is not in HBH's opinion, too proximate to an HBH Store located outside the Protected Territory. Any relocation will be at Franchisee's sole expense. Franchisee must sign a relocation addendum to this Agreement that contains a general release of all claims and pay HBH a relocation fee in the amount of three thousand five hundred dollars ($3,500) to cover HBH's expenses in reviewing the new Store location.

10.12 Acceptance of Gift Certificates and Gift Cards. Franchisee shall follow HBH's guidelines concerning the acceptance and reimbursement of gift certificates and gift cards, as set forth from time to time in the FOM or otherwise in writing.

10.13 Customer Loyalty Program.

(a) Franchisee shall participate in the customer loyalty program that HBH prescribes from time to time for the HoneyBaked System ("Loyalty Program") in accordance with the terms and conditions set forth in the FOM. Franchisee shall comply with all requirements of HBH or any third-party service provider designated by HBH to carry out the Loyalty Program, including, without limitation, providing discounts or complimentary products. Franchisee agrees to train all management personnel and staff at the Store in accordance with HBH's brand standards relating to the Loyalty Program, including compliance with Loyalty Program guidelines and proper execution of the Loyalty Program (such as following any in-Store scripting developed by HBH to recognize Loyalty Program participants and provide Loyalty Program benefits to participants). Franchisee may not copy, reproduce or in any way duplicate the Loyalty Program for use outside the HoneyBaked System or in contravention of the terms of this Agreement.

(b) At all times, ownership of the Loyalty Program, participant data, and any other data derived through Franchisee's participation in the Loyalty Program is the exclusive property of HBH. All data, information, reports, specifications, written materials, software and computer data used with or derived from the Loyalty Program will be deemed Confidential Information as that term is defined in Section 18.4 below. Franchisee shall not use any customer reward or recognition program or collect any participant data outside of the Loyalty Program. Franchisee's use of participant data or participation in any other customer reward or recognition program is a material default of this Agreement.

(c) Franchisee acknowledges that the Loyalty Program is an integral part of promoting the Store and other HBH Stores to customers. HBH reserves the right to: (1) pay for all reasonable administrative costs associated with the Loyalty Program out of the Advertising Fund; and/or (2) charge Franchisee a reasonable Loyalty Program participation fee for the Store as specified in the FOM from time to time.

10.14 New Concepts. If Franchisee develops any new concept, process or improvement or any slogan in the operation or promotion of the Store, Franchisee agrees promptly to notify HBH and provide HBH with all necessary information without compensation. Franchisee acknowledges that any such concept, process, improvement or slogan shall become Licensor's property and that Licensor and HBH may utilize or disclose this information to other franchisees.

10.15 Shipments of Products. Consistent with Section 4.4, Franchisee shall refer to HBH or a designated affiliate of HBH all customer orders which require shipment of products and HBH or such designated affiliate shall complete all such orders (including billing and collection) and ship the products directly to the customer ("Shipping Customer"). Once a Shipping Customer is referred to HBH, all data related to that customer shall be entered into HBH's database and HBH will directly solicit future shipping orders from such customer through e-commerce marketing, telemarketing, direct mail and other forms of marketing.

10.16 Point-of-Sale System and Licensed Materials.

(a) Franchisee agrees to purchase or lease a computerized point-of-sale system for the Store (with HBH-approved software) designated by HBH and update or replace the computerized point-of-sale system from time to time at HBH's request or as specified or modified in the FOM or otherwise in writing. Franchisee shall use only systems approved by HBH and will purchase the systems only from approved suppliers, which approval may be arbitrarily withheld. The point-of-sale system shall be designed to record sales, product usage and labor tracking and to produce periodic reports for use by Franchisee and

HBH. HBH has the right to independently access Franchisee's point-of-sale system at any time. HBH, at its option, may be the sole approved supplier of any such system.

(b) As of the Effective Date, HBH and its licensors are the sole approved supplier of its proprietary "CMS" point-of-sale system, which Franchisee must purchase prior to opening the Store. Franchisee shall execute and deliver HBH's standard form of CMS Support Agreement and End User Software License Agreement ("CMS Support Agreement") pay the fees as provided therein. Franchisee may use the CMS point-of-sale system and its related software, specifications and documentation (collectively, the "Licensed Materials") solely to operate the Store pursuant to the terms of this Agreement. Franchisee acknowledges and agrees that the Licensed Materials comprise "trade secrets" and Confidential Information (as defined in Section 18.4) of HBH and its licensors and that as such, the Licensed Materials are subject to the use and disclosure restrictions set forth in Section 18.4 hereof and to the requirement set forth in Section 16.2 hereof that the all Licensed Materials be returned immediately to HBH upon any termination or expiration hereof, without compensation to Franchisee. HBH may designate a different point-of-sale system during the term of this Agreement and Franchisee shall replace the point-of-sale system and software as required by HBH.

10.17 Electronic Payment Systems. Franchisee agrees to comply with HBH's standards for processing electronic payments and any costs to do so are at Franchisee's expense. Franchisee further agrees to abide by: (a) the Payment Card Industry Data Security Standards ("PCIDSS") enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); (b) the Fair and Accurate Credit Transactions Act ("FACTA"); and (c) all other standards, laws, rules, regulations or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments ("Electronic Payment Requirements"). If required by HBH or by one of the credit card companies, Franchisee shall provide HBH with evidence of compliance with PCIDSS, FACTA, or applicable Electronic Payment Requirements and provide, or make available, to HBH copies of an audit, scanning results or related documentation relating to such compliance. Any costs associated with an audit or to gain compliance with PCIDSS, FACTA or any Electronic Payment Requirements shall be borne by Franchisee. If Franchisee has knowledge of or suspects a security breach, Franchisee must immediately notify HBH. Franchisee shall promptly identify and remediate the source of any compromise. Franchisee assumes all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Store.

10.18 Sales by HBH's Sales Representatives. Sales representatives of HBH or its affiliates may (but are not obligated to) from time to time assist Franchisee in developing new customers.

10.19 Customer Satisfaction and Franchise Compliance Programs.

(a) Franchisee shall participate in programs required from time to time by HBH regarding customer satisfaction or Franchisee's compliance with the HoneyBaked System, which may include (but are not limited to) a guest feedback hotline, guest survey programs, mystery shopping, or other programs as HBH may require. HBH shall share the results of these programs, as they pertain to the Store, with Franchisee. HBH shall have the right to set minimum score requirements for these programs that the Store must meet. Franchisee shall pay for all costs related to the Store associated with any such programs.

(b) Franchisee shall immediately resolve any customer complaints regarding the quality of food or beverages, service and/or cleanliness of the Store or any similar complaints. When any customer complaints cannot be immediately resolved, Franchisee shall use reasonable efforts to resolve the customer complaints as soon as practical and shall, whenever feasible, give the customer the benefit of the doubt. If HBH, in its sole discretion, determines that its intervention is necessary or desirable to protect the

System or the goodwill associated with the System, or if HBH, in its sole discretion, believes that Franchisee has failed adequately to address or resolve any customer complaints, HBH may, without Franchisee's consent, resolve any complaints and charge Franchisee an amount sufficient to cover HBH's reasonable costs and expenses in resolving the customer complaints, which amount Franchisee shall pay HBH immediately on demand.

11. RECORDS AND REPORTS

11.1 Bookkeeping and Recordkeeping. Franchisee agrees to establish a bookkeeping and recordkeeping system conforming to the requirements prescribed from time to time by HBH, relating, without limitation, to the use and retention of daily sales slips, coupons, purchase orders, purchase invoices, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and general ledgers. Franchisee acknowledges and agrees that if HBH or Licensor is required or permitted by statute, rule, regulation or any other legal requirement to disclose any information regarding Franchisee or the operation of the Store, including without limitation earnings or other financial information, HBH and Licensor shall be entitled to disclose such information. HBH currently requires all franchisees to use Quickbooks software and HBH's standard chart of accounts. If HBH is not in possession of any such information required to be disclosed, Franchisee shall provide such information to HBH upon HBH's request. In addition, Franchisee also shall provide to HBH in a timely fashion any other reports or information reasonably requested by HBH from time to time relating to Franchisee or the Store.

11.2 Sales Reports and Financial Statements.

(a) Not later than the 20th day of each month, Franchisee shall deliver monthly statements to HBH, on forms prescribed by HBH, stating the fees due to HBH in respect of Franchisee's revenues during the preceding month itemized by revenue producing activity as specified from time to time by HBH, the net sales at the Store for the prior month, and such other information as HBH may require, all signed and certified as true and correct by an authorized agent of Franchisee.

(b) Franchisee shall furnish HBH with a copy of each of its reports and returns of sales, use and gross receipt taxes, and federal and state income taxes, which Franchisee shall certify as true and correct, by mailing such reports to HBH contemporaneously with the mailing of such reports and returns to the appropriate taxing authority.

(c) Franchisee shall deliver to HBH, not later than thirty (30) days after the end of each month an unaudited profit and loss statement and balance sheet in a form satisfactory to HBH covering Franchisee's business for the prior month and for the fiscal year to date, all of which shall be certified by Franchisee as true and correct. In addition, Franchisee shall, within thirty (30) days after request from HBH, deliver to HBH a balance sheet, certified as correct and current, in a form which is satisfactory to HBH and which fairly represents the total assets and liabilities of Franchisee.

(d) In addition to the foregoing unaudited statements, within ninety (90) days after the close of each fiscal year of Franchisee, Franchisee shall furnish to HBH financial statements compiled or reviewed by an independent certified public accountant in a form satisfactory to HBH, which shall include a statement of income and retained earnings, a statement of cash flows, and a balance sheet of Franchisee, all for the fiscal year then ended. If Franchisee does not, in the ordinary course, obtain financial statements compiled or reviewed by an independent certified public accountant, then Franchisee may provide unaudited statements which shall be certified as true and correct by Franchisee or Franchisee's principal executive officer or chief financial officer if Franchisee is a partnership, corporation or LLC. HBH shall have the right at any time to require audited annual statements to be provided to it, at Franchisee's expense.

(e) Franchisee will permit authorized personnel of HBH to inspect, examine and audit its books, tax returns and records at any reasonable time. In addition, Franchisee shall permit independent public accountants designated by HBH to audit its books of account at any reasonable time, at the expense of HBH. If any audit discloses that the reported net sales of Franchisee have been understated, Franchisee shall immediately pay to HBH the amount of royalty fees and advertising contributions overdue, unreported or understated, together with interest as prescribed in Section 7.4 hereof. In addition, if the audit discloses an understatement of two percent (2%) or more of the net sales of Franchisee for any period or periods, then Franchisee shall also pay to HBH the reasonable cost of the audit including, without limitation, the charges, costs and expenses of any accountant and any attorneys and the travel and other expenses of HBH's employees. Franchisee shall also pay for two (2) subsequent audits of its books of account over the next twenty-four (24) months to verify that the accounting irregularities have been corrected. The foregoing remedies shall be in addition to any other remedies HBH may have.

(f) All reports and financial statements shall use HBH's then-current standard chart of accounts. Franchisee shall purchase any software required by HBH to submit such reports and financial statements in the proper format. The information in each report and financial statement must be complete and accurate and signed by an officer of Franchisee. HBH reserves the right to publish or disclose information that HBH obtains under this section in any data compilations, collections, or aggregations that HBH deems appropriate, in its sole discretion, so long as HBH does not disclose information relating to the performance of Franchisee's individual Store, unless such disclosure is required by law or court order. HBH strongly encourages Franchisee to use the reporting periods and fiscal year that are used by HBH. Franchisee acknowledges and agrees that HBH may share information from reports that Franchisee provides to HBH with other prospective and existing franchisees.

12. HBH TRAINING PROGRAM

12.1 Initial Training. As and when requested by HBH, the following persons shall enroll in, and complete, HBH's initial training program and any additional training programs established from time to time by HBH:

(a) Franchisee, if Franchisee is an individual, or one of the persons with an equity ownership interest in Franchisee if Franchisee is a corporation, partnership or LLC; and

(b) The Store Operator or, if Franchise or an owner of Franchisee will serve as the Store Operator, one (1) additional key employee who will be actively involved in the management or operation of the Store.

Each such person must successfully complete HBH's initial training program to HBH's satisfaction before the Store may open for business. The training programs and classes will be furnished at such times and places as HBH designates. No fee shall be charged by HBH for the participation of such individuals in the initial training program. However, Franchisee shall be responsible for the costs and expenses (such as room, board and transportation) of each person who attends the program. In the event that the opening date of the Store will occur more than seventy-five (75) days after both trainees have completed the second phase (fifteen (15) days of in-store training) of the initial training program, HBH requires both trainees attend an additional one (1) week training program at an approved HBH location prior to opening the Store. Franchisee will be responsible for all costs associated with the additional training period including room, board, transportation and payment to HBH of the reasonable costs of the additional training program. In addition, HBH may determine that it is necessary to supply an additional trainer for a five (5) day period prior to opening the Store and HBH reserves the right to charge a fee equal to twice the daily salary of the trainer plus travel expenses that HBH incurs in providing the additional trainer.

12.2 Training of Employees. Franchisee and the Store Operator shall implement an HBH approved training program as outlined in FOM for employees of the Store and be responsible for their proper training. Franchisee agrees not to employ any person who fails or refuses to complete Franchisee's training program or is unqualified to perform his or her duties at the Store in accordance with the requirements established for the operation of an HBH Store. Franchisee shall also train any replacement Store Operator within thirty (30) days after they assume the Store Operator position. If requested by Franchisee, and if personnel are available, an HBH staff member will provide on-the-job training at the Store. HBH reserves the right to charge a fee for this service in an amount equal to twice the daily salary of the person providing such training, plus expenses and costs incurred by HBH in rendering such training.

12.3 Additional Training. HBH may also, at its option, require Franchisee (or one or more of the persons listed in Section 12.1 above) to attend additional training programs (including without limitation HBH's holiday readiness programs) which may be offered from time to time by HBH. Such additional training may take place at HBH's headquarters or at other locations selected by HBH. Franchisee will be responsible for the reasonable costs of such programs and for the travel and living expenses of such persons and any other costs incurred during these programs.

12.4 Conferences. HBH may require Franchisee (or one or more of the persons listed in Section 12.1 above) to attend conferences, including HBH's conventions, which may be offered from time to time by HBH. Franchisee will be responsible for all expenses of such persons and HBH may charge a reasonable fee sufficient to cover its costs and expense.

13. ADVERTISING AND PROMOTIONS

13.1 By Franchisee.

(a) Any and all advertising and marketing materials not prepared or previously approved by HBH shall be submitted to HBH at least two (2) weeks prior to any publication or run date for approval, which may be arbitrarily withheld. HBH may, in its sole discretion, withhold its approval if it determines that the materials do not fit within HBH's promotional concept for the HoneyBaked System or that the advertising materials may be damaging to the HoneyBaked System. HBH will provide Franchisee with written notification of its approval or disapproval within a reasonable time. Franchisee must discontinue the use of any approved advertising within five (5) days of Franchisee's receipt of HBH's request to do so. All advertising and promotion by Franchisee must be factually accurate and shall not detrimentally affect the Marks or the HoneyBaked System, as determined in HBH's sole discretion. Franchisee agrees that all products will be marketed to the public as high-end premium products to protect and enhance the image and goodwill of the Marks and the HoneyBaked System.

(b) Franchisee must participate in and maintain a Store website through the HoneyBaked.com website. All internet, web marketing and advertising efforts adopted by Franchisee must promote Franchisee's Store website or store location and must be approved in advance by HBH in writing. Unless HBH has agreed to it in writing, Franchisee may not use, register, maintain, or sponsor any URL, social networking platform, blog, messaging system, email account, user name, text address, mobile application, or other electronic, mobile or internet presence that uses or displays any of the Marks (or any derivative thereof) or that promotes any products or services of the Store. Franchisee acknowledges that the use of any electronic medium constitutes advertising and promotion subject to HBH's approval under Section 13.1(a). Franchisee agrees not to transmit, or cause any other party to transmit, advertisements or solicitations by broadcast media, telephone, e-mail, text message, instant message, social network, VOIP, streaming media, or other electronic media that currently exists or may exist in the future without first obtaining HBH's written consent as to: (a) the content of the advertisements or solicitations; and (b) the type of media intended to be used. All telephone answering messages, email auto-signatures, and other

identifiers of the Store must be in the form prescribed by HBH. If HBH approves the use of an electronic medium, its approval will be conditioned on Franchisee's compliance with any standards and procedures HBH issues with respect to that type of electronic medium, including the use of any disclaimers, warnings, and other statements that HBH may prescribe. Franchisee shall comply with HBH's standards for the HoneyBaked System, as set forth in the FOM or otherwise, with regard to HBH's authorization to use, and the use of, blogs, common social networks (including Facebook, Instagram and Pinterest), professional networks (including Linkedln), live blogging tools (including Twitter), virtual worlds, file, audio and video sharing sites and other similar social networking media or tools that in any way reference the Marks or involve the HoneyBaked System or the Store.

(c) Franchisee shall pay a monthly Technology Fee to HBH in the amount of one hundred dollars ($100) that HBH may use to develop and launch Franchisee's Store website and the ongoing updating and maintenance costs associated with such website, for HBH's Store locator service, third-party and/or internal delivery platforms, online ordering services and other technological advances. HBH reserves the right to increase the Technology Fee at any time and the increase shall be effective no sooner than thirty (30) days after HBH notifies Franchisee of the increase in writing.

(d) HBH may develop and procure local advertising and marketing plans and materials, including, without limitation, newspaper slicks, radio commercial tapes, television commercial prints, sales aids, and other promotional and marketing materials. If Franchisee chooses to purchase such materials from HBH, HBH may charge Franchisee an amount for such materials sufficient to cover HBH's costs and expenses incurred in developing or procuring such advertising materials. HBH shall choose and determine, in its sole discretion, the advertising materials (as to kind and quality) to be offered to Franchisee. Franchisee may also purchase such advertising materials from an approved third party.

(e) Franchisee shall be required to spend a minimum of ten thousand dollars ($10,000) on pre-opening and grand opening local advertising as prescribed in the FOM. Franchisee shall also spend in each 12-month period for local advertising an amount equal to not less than one percent (1%) of net sales (as defined in Section 7.3) during such period. Local advertising costs shall not include incentive programs, including costs of honoring coupons, food costs incurred in honoring sales promotions, salaries, contributions or donations, press parties, in-store fixtures or equipment, non-promotional collateral materials, including but not limited to menus, serving guides and nutritional facts, travel, seminar and educational costs or specialty items or exterior signage. HBH shall have the right to require Franchisee to supply to HBH, at least quarterly, copies of invoices documenting expenditures for local advertising. If Franchisee does not make local advertising expenditures of one percent (1%) or more of net sales of the Store in any twelve (12) month period (a "Local Advertising Deficiency"), HBH may require Franchisee to submit a written plan (an "Advertising Plan") which shall contemplate the expenditure of the Local Advertising Deficiency within a period of six (6) months after the date HBH requests the submission of the Advertising Plan. If Franchisee fails to make advertising expenditures in accordance with its Advertising Plan, HBH shall have the right to spend the amount of the Local Advertising Deficiency, and Franchisee must make reimbursement to HBH. Such failure shall also be deemed a material breach of this Agreement.

13.2 National Advertising Fund; Contributions to Advertising Fund.

(a) Franchisee must participate in the national advertising fund that HBH has developed for the benefit of the HoneyBaked System. In addition to the amounts payable for local advertising as provided in Section 13.1 above, Franchisee must pay three and one quarter percent (3.25%) of the monthly net sales of the Store to a separate fund administered by HBH (the "Advertising Fund") to pay the costs of such national advertising. Payments to the Advertising Fund shall be made on or before the 20th day of each calendar month based on the net sales of the Store during the preceding calendar month. All costs of the formulation, development and placement of any such advertising and promotion (including

without limitation the proportionate compensation of HBH employees who devote time and render services in connection with such advertising and promotion programs or the administration of the funds), will be paid from the Advertising Fund. All advertising plans and materials developed by HBH and paid for from the Advertising Fund will be provided at no additional cost to Franchisee.

(b) HBH shall administratively segregate all contributions to the Advertising Fund on its books and records. All such payments to the Advertising Fund may be deposited in HBH's general operating account, may be commingled with HBH's general operating funds, and shall be deemed an asset of HBH, subject, however, to HBH's obligation to expend the Advertising Fund in accordance with this Section 13.2.

(c) HBH will submit to Franchisee upon request an annual accounting prepared by HBH of the receipts and disbursements of the Advertising Fund. HBH reserves the right to engage the services of an advertising agency or agencies or other agency or agencies to formulate, develop, produce and conduct the advertising and promotion programs, the cost of such services to be payable from the Advertising Fund. Financial statements (which need not be audited) of the Advertising Fund as prepared in the ordinary course of business will be available for review by Franchisee upon request.

(d) HBH reserves the right, in its sole discretion, to determine the composition and geographic scope of a particular Advertising Fund. Unless an advertising cooperative program is established, as described in Section 13.3 (in which case the cooperative will make such determinations), HBH shall choose and determine, in its sole discretion, the concepts, materials and media used in any advertising or promotional activity funded by the Advertising Fund. HBH may terminate any Advertising Fund upon thirty (30) days written notice to its franchisees for any reason, but such fund will continue until all amounts contributed to such fund have been expended for advertising and promotional purposes. Franchisee acknowledges that HBH undertakes no obligation in developing, implementing or administering these programs to ensure that expenditures which are proportionate or equivalent to Franchisee's contributions are made for the market area of the Store or that any HBH Store will benefit directly or pro rata from the placement of advertising. Franchisee also acknowledges that HBH or its affiliates' company-owned stores are not required to contribute to any Advertising Fund.

(e) Nothing herein creates a fiduciary relationship between the parties or between either of the parties and Licensor, nor shall anything herein be deemed to create any trust duties between the parties or either of them and Licensor. No covenant shall be implied to vary or interpret the terms of this provision.

13.3 Advertising Cooperative.

(a) HBH may, but is not obligated to, develop an advertising cooperative program (which may include one or more regions) to determine the concepts, materials, and media to be utilized in any advertising or promotional activity funded by the Advertising Fund. Franchisee shall become a member of any cooperative applicable to its Store and will abide by any rules and procedures adopted by such cooperative and approved by HBH. If a conflict arises between the rules and procedures of any cooperative of which Franchisee is a member and this Agreement, this Agreement shall govern. HBH may, but is not obligated to, resolve any dispute regarding any cooperative which arises among its members, which resolution shall be binding on all members.

(b) An advertising cooperative program established for any region shall include representation from all of HBH's franchisees located in that region.

(c) HBH reserves the right to engage the services of an advertising agency or agencies or other agency or agencies to formulate, develop, produce and conduct the advertising and promotion programs for the cooperatives with the cost of these services payable from the appropriate Advertising Fund.

13.4 Promotional Programs. In addition to the local, national and regional advertising described in this Section 13, HBH may from time to time develop and administer advertising, marketing and sales promotion programs in which Franchisee shall participate upon such terms and conditions as established by HBH. Such programs are in addition to Franchisee's national, regional and local marketing obligations and may include, but not be limited to, limited time offers, marketing promotions, specialized menu offerings and similar programs. All phases of such advertising and promotion, including, without limitation, type, quantity, timing, placement, and choice of media, market areas, promotional programs and advertising agencies, shall be determined by HBH in its sole discretion.

14. RELATIONSHIP; INDEMNIFICATION; INSURANCE

14.1 Independent Contractor. Franchisee is an independent contractor for all purposes hereunder. Nothing in this Agreement shall create a relationship of agent, partner, subsidiary, fiduciary, legal representative, joint venture, joint employer, or employee with or of HBH or Licensor. Franchisee shall have no authority to create any responsibility, express or implied, on behalf of or in the name of HBH or to bind HBH in any manner or thing whatsoever. Franchisee shall take all such actions as HBH may reasonably request to disclose Franchisee's identity as an independent business entity and HBH's and Licensor's lack of responsibility for acts or omissions by Franchisee. Without limiting the generality of the foregoing, in all public relations, records and its relations with other persons, and in any document, Franchisee shall indicate clearly the independent ownership of Franchisee's business and that the operations of the business are separate and distinct from the operations of HBH's business.

14.2 Indemnification.

(a) If HBH, Licensor or any of HBH's or Licensor's affiliates', or any of HBH's, Licensor's or their affiliates' officers, directors, managers, agents or employees are subjected to any claim, demand or penalty or become a party to any suit or other judicial or administrative proceeding by reason of any claimed act or omission by Franchisee, Franchisee's employees or agents, or by reason of any act occurring on the Store premises, or by reason of an omission with respect to the business or operation of the Store, Franchisee shall indemnify and hold harmless HBH, Licensor and their affiliates, and each of their officers, directors, managers, agents or employees, from and against all losses, judgments, settlements, penalties, and expenses, including attorneys' fees, court costs and other expenses of litigation or administrative proceeding, incurred by or imposed on HBH, Licensor, their respective affiliates, or any of their officers, directors, managers, agents or employees, in connection with or relating to such claim or litigation or administrative proceeding. Franchisee's indemnification obligations described above will continue in full force and effect after, and notwithstanding, the expiration or termination of this Agreement.

(b) If Franchisee or (if Franchisee is a partnership, corporation or LLC) any of Franchisee's owners or its affiliates or any of their agents or employees are subjected to any claim, demand or penalty or are made a party to any suit or other judicial or administrative proceeding by reason of any claim asserted during the term of this Agreement that Franchisee's use of the Marks during the term of this Agreement in accordance with the terms and provisions of this Agreement infringes a third party's trademark, trade name, service mark, copyright or patent rights, HBH shall indemnify and hold harmless Franchisee and (if applicable), Franchisee's owners and affiliates, or any of their agents or employees, from and against all losses, judgments, settlements, penalties, and costs and expenses, including attorneys' fees, court costs and other expenses of litigation or administrative proceeding, incurred by or imposed on any of

such persons or entities in connection with or relating to such claim or litigation or administrative proceeding. HBH's indemnification obligations described above will continue in full force and effect after, and notwithstanding, the expiration or termination of this Agreement.

14.3 Insurance. Franchisee shall at all times during the term of the franchise maintain in force at Franchisee's sole expense:

(a) Property insurance equal to one hundred percent (100%) of replacement cost basis covering Franchisee's tangible assets and business personal property on all-risk basis (special peril form). Franchisees operating a Store in designated flood-prone areas (A, B, & V zones) and areas available for windstorm policies must obtain flood and windstorm insurance at limits equal to the lesser of the following: (1) property value; or (2) the maximum value allowed by the state in which the Store is located. All deductibles must be approved by HBH and are subject to locality and market conditions.

(b) Commercial General Liability insurance with a minimum limit of one million dollars ($1,000,000) per occurrence for Bodily Injury and Property Damage Liability with a general aggregate limit of two million dollars ($2,000,000) (including, but not limited to, premises liability, products liability, completed operations liability, personal injury liability, advertising injury liability, blanket contractual liability, and medical payments) on a following from basis.

(c) Business Income insurance equal to twelve (12) months revenue on an "actual loss sustained" basis.

(d) Umbrella Liability policy with a minimum limit of one million dollars ($1,000,000) (including, but not limited to, premises liability, products liability, completed operations liability, personal injury liability, advertising injury liability, broad form contractual liability, and medical payments).

(e) Automobile Liability insurance with a minimum limit of one million dollars ($1,000,000) on a symbol 1 basis covering any owned automobile (including owned, hired and non-owned vehicle coverage).

(f) Workers' Compensation insurance (in Franchisee's name) as required by applicable law, including employer's liability with a minimum limit of five hundred thousand dollars ($500,000) for each person for disease, five hundred thousand dollars ($500,000) for each person by accident and five hundred thousand dollars ($500,000) for each accident maximum. If the minimum attachment point for the umbrella liability policy is a limit greater than five hundred thousand dollars ($500,000), then the employer's liability limit must meet the umbrella requirement. If no such law exists, then Franchisee must obtain such worker's compensation insurance as required by HBH.

(g) Cyber Liability insurance with a minimum limit of one million dollars ($1,000,000) to include coverage for business interruption loss, cyber extortion, data recovery costs and data and network liability.

(h) All insurance policies must be issued by an insurance company or carrier rated A-VIII or better by A.M. Best & Company, Inc. or by another rating company designated by HBH. All liability insurance policies must name HBH, Licensor and any of their subsidiaries and affiliates which HBH designates, as named additional insureds entitled to the coverage afforded to all named insureds and the insurance coverage must be provided on a primary, noncontributory basis, without regard to any other insurance or self-insured program which HBH, Licensor, or its designated subsidiaries or affiliates may have in effect. All liability insurance policies must also provide that HBH shall receive thirty (30) days

prior written notice of any termination, expiration, cancellation, modification or reduction in coverage or limits of any such policy. All insurance policies must include a waiver of subrogation in favor of HBH, Licensor and any of their subsidiaries and affiliates which HBH designates. HBH may increase the minimum liability limit protection requirement annually and require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards in litigation or other relevant changes in circumstances. Franchisee must submit to HBH annually a copy of the certificate of insurance or such insurance policies. If at any time Franchisee fails or refuses to maintain in effect any insurance coverage required by HBH, or to furnish satisfactory evidence of such insurance, HBH may, at its option and in addition to other rights and remedies HBH may have, obtain insurance coverage on Franchisee's behalf and Franchisee agrees to promptly execute any applications or other forms or instruments required to obtain any such insurance and pay to HBH on demand any cost and premiums incurred. Franchisee's obligation to obtain and maintain the insurance shall not be limited in any way by reason of any insurance maintained by HBH.

15. TAXES

Franchisee shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement including, but not limited to, if applicable, state employment tax, state sales tax (including any sales or use tax on equipment purchased or leased) and all other taxes and expenses of operating the Store. In the event of any bona fide dispute as to the liability for the taxes assessed against Franchisee, Franchisee may contest the validity or the amount of the tax in accordance with procedures of the appropriate taxing authority. In no event, however, shall Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant to occur against the Store premises or equipment.

16. DEFAULT; TERMINATION

16.1 Termination By HBH. HBH shall have the right to terminate this Agreement upon delivery of written notice of termination to Franchisee, if:

(a) Franchisee or any of Franchisee's owners has made any material misrepresentation on Franchisee's application for the franchise;

(b) Franchisee or its principals or affiliates are in material default under any other agreement with HBH or its affiliates, including without limitation any financing agreement or franchise agreement, but excluding any default for failure to meet the deadlines set forth in the development schedule for an HBH Store other than the Store under the Area Development Agreement with HBH;

(c) Franchisee or any owner of twenty five percent (25%) or more of the outstanding voting capital stock or other ownership interest in Franchisee is adjudged bankrupt, becomes insolvent, makes an assignment for the benefit of creditors, or is unable to pay his debts as they become due; or a petition under any bankruptcy law is filed against Franchisee or any owner of twenty five percent (25%) or more of the outstanding voting capital stock or other ownership interest in Franchisee or a receiver or other custodian is appointed for a substantial part of the assets of the Store;

(d) Franchisee fails to open the Store and commence operations within the time period specified in Section 5.5 or Franchisee fails to maintain possession of the Store premises and fails to secure suitable alternative premises approved by HBH;

(e) Franchisee abandons or fails to continuously and actively operate the Store;

(f) The lease or sublease for the Store is terminated or canceled or Franchisee is unable to renew or extend the lease or sublease or Franchisee fails to maintain possession of the Store premises unless Franchisee is permitted to relocate the Store under Section 10.11 of this Agreement;

(g) Franchisee or any of Franchisee's owners is convicted of a felony or a crime which substantially impairs the goodwill associated with the Marks, or Franchisee or any of Franchisee's owners engages in any conduct which, in HBH's judgment, adversely affects the reputation of the Store or the goodwill associated with the Marks;

(h) Franchisee intentionally underreports the net sales of the Store for any period or periods;

(i) Franchisee or any of Franchisee's owners violates any of the restrictions contained in Sections 18 or 20 of this Agreement;

(j) An audit by HBH discloses an understatement of net sales and Franchisee fails to pay to HBH the applicable royalty fee and advertising contribution and interest due within ten (10) calendar days after receipt of the final audit report;

(k) The interest of a deceased or permanently disabled person is not disposed of in accordance with the terms of this Agreement;

(l) Franchisee fails to obtain or maintain insurance required by HBH and Franchisee does not correct this failure within forty-eight (48) hours after written notice is delivered to Franchisee; provided, however, that HBH shall not exercise its right to terminate this Agreement if Franchisee immediately ceases operating the Store and obtains all such insurance within ten (10) days after written notice is delivered to Franchisee;

(m) Franchisee fails to comply with any provision of this Agreement or any specification, standard or operating procedure, rule, standard or requirement prescribed by HBH which relates to or concerns in any way the use of any Mark, inventory levels, product quality, menu compliance or customer service in connection with the operation of the Store, including without limitation, the failure to comply with any such procedure, rule, standard or requirement set forth in the FOM, and Franchisee does not correct this failure within seven (7) calendar days after written notice is delivered to Franchisee;

(n) Franchisee fails to pay when due any amount owed to HBH, its affiliates or subsidiaries and Franchisee does not correct such failure within ten (10) calendar days after written notice is delivered to Franchisee;

(o) Franchisee fails to pay when due any amount owed to any creditor or supplier of the Store or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Franchisee does not correct such failure within ten (10) calendar days after written notice is delivered to Franchisee;

(p) Franchisee receives a score of less than eighty-five percent (85%) on any Food Safety/Store Cleanliness Evaluation Form or on any Quality Assurance ("QA") (or any successor report), or fails to meet the then-current standard as of the date of the QA for the operation of the Store, and does not take all actions deemed necessary by HBH to meet such then-current standards within ten (10) calendar days after written notice is delivered to Franchisee;

(q) Franchisee or any of Franchisee's owners fails on three (3) or more separate occasions during any one (1) year period to comply with any one or more provisions of this Agreement, or Franchisee's obligation to submit when due, sales reports or financial statements, to pay when due the royalty fees, advertising contributions or other payments to HBH or its affiliates or subsidiaries or any other creditors or suppliers of the Store, whether or not such failure to comply is subject to a right to cure or is corrected after notice is delivered to Franchisee;

(r) Franchisee fails to comply with any provision of this Agreement or any specification, standard or operating procedure, rule, standard or requirement prescribed by HBH which relates to or concerns in any way the quality of any food product or any beverage sold by Franchisee, the cleanliness and sanitation of the Store or quality controls regarding the sale of any food or beverage product which, in HBH's opinion, poses an imminent threat to public health or safety; or

(s) Franchisee or any of Franchisee's owners fails to comply with any other provision of this Agreement or any specification, standard or operating procedure and fails to correct this failure within thirty (30) calendar days after written notice is delivered to Franchisee.

16.2 Obligations Upon Termination or Expiration. Upon termination or expiration of this Agreement, for whatever reason, with or without cause by HBH or Franchisee, Franchisee agrees to:

(a) immediately return to HBH all copies of the FOM and cease use of and deliver to HBH all trade secrets, Licensed Materials and Confidential Information (as defined in Section 18.4) and other confidential HBH materials, documents, know-how and information;

(b) take such action as may be required to cancel all assumed name or equivalent registrations relating to the use of any Mark;

(c) notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use all telephone numbers and all classified and other directory listings relating to the Store and to authorize transfer of these to HBH or its franchisee or designee. Franchisee acknowledges that HBH has the sole rights to and interest in all telephone numbers and directory listings related to any Mark, and Franchisee authorizes HBH to direct the telephone company and all listing agencies to transfer all telephone numbers and directory listings to HBH, its franchisee or designee and if Franchisee fails or refuses to do so, the telephone company and all listing agencies may accept HBH's direction as evidence of its exclusive rights in the telephone numbers and directory listings and its authority to direct the transfer;

(d) immediately pay all royalty fees, advertising contributions and other amounts which are due and owing under this Agreement or any other agreement between Franchisee and HBH or any of its affiliates;

(e) immediately cease identifying Franchisee or the Store as an HBH franchisee or store or as being associated with the HoneyBaked System and immediately cease use of any of HBH's and Licensor's Marks, trade secrets, trade dress, signs, symbols, recipes, formulas, food mixes or other materials, withdraw all advertising matter (including electronic marketing), and cease all use of all distinctive forms, devices, websites, domain names, e-mail addresses, social media and other electronic identifiers, and telephone numbers associated with the HoneyBaked System;

(f) if Franchisee has used the Marks in connection with any website, the internet, or any electronic identifier, whether or not authorized by HBH, at HBH's option, cancel or assign to HBH, or its designee, all of Franchisee's rights, title and interest in any websites, electronic identifiers or

registrations that contain or previously contained any Mark and notify any applicable domain name registrar and all listing agencies of the termination of Franchisee's right to use any electronic identifier associated with the HoneyBaked System, the Marks or the Store, and authorize and instruct their cancellation or transfer to HBH, as directed by HBH, for which Franchisee is not entitled to any compensation from HBH if HBH exercises these rights or options;

(g) if Franchisee retains possession of the Store premises, at Franchisee's expense, make such reasonable modifications to the exterior and interior decor of the Store as HBH requires to eliminate its identification as an HBH Store and if Franchisee fails to promptly make these modifications, HBH will have the right (at Franchisee's expense, to be paid upon receipt of an invoice from HBH) to do so without being guilty of trespass or other tort; and

(h) immediately make the Store accessible and available for HBH to operate pursuant to Section 17.5 of this Agreement, if HBH elects to do so.

16.3 Actions to Cure Default. If Franchisee shall fail to operate the Store in accordance with the FOM or other confidential material; shall fail to use food products, ingredients and methods of operation which conform to the specifications and standards of HBH; shall sell products not approved by HBH; shall fail in any other way to maintain HBH's standards of quality, appearance and service in the operation of the Store; shall permit a threat or danger to public health or safety to exist in connection with the construction, maintenance or operation of the Store; shall violate any law or fail to pay any taxes when due; or shall commit any breach hereof which may cause substantial damage to HBH or may materially endanger or impair the Marks, the HoneyBaked System, the goodwill associated therewith, or HBH's and/or Licensor's ownership thereof, then after written notice to Franchisee and failure by Franchisee to cure within fifteen (15) days, or with respect to a threat or danger to public health or safety, after written or oral notice, within one day or less, HBH shall have the right (but not the obligation), at its sole discretion, without prejudice to any other right or remedy contained in this Agreement or provided by law or equity (including any right of termination), to take such actions as HBH deems necessary to cure the default, including without limitation, to close the Store. The reasonable costs of all such actions shall be at the sole expense of Franchisee. Franchisee shall reimburse HBH for all such costs promptly upon demand therefore. The rights set forth in this Section 16.4 are in addition to any other rights and remedies HBH may have pursuant to this Agreement, at law or in equity.

16.4 Additional Post-Termination Obligations. The termination or expiration of this Agreement, for whatever reason, shall in no way impair or affect Franchisee's continuing obligation to pay any and all amounts owing by Franchisee hereunder at the time such amounts are or become due, nor the continuing validity of Franchisee's obligations under Sections 9.1, 9.3, 14.2, 16.3, 17 or 18, or any other obligations of Franchisee hereunder which by their terms continue after the term or termination hereof. Nor shall any termination or expiration hereof impair any liability of Franchisee to HBH and its affiliates, for damages or otherwise, suffered by HBH or such affiliates as a result of Franchisee's breach, including damages for lost profits as a result of lost future franchise fees and royalties. All such obligations and liabilities shall continue until satisfied.

16.5 Early Termination Damages

(a) If Franchisee defaults on its obligations and HBH terminates this Agreement prior to the expiration of the Initial Term or any Renewal Term of this Agreement, it is hereby agreed by Franchisee and HBH that the amount of damages which HBH would incur for any such termination of this Agreement would be difficult, if not impossible, to accurately ascertain. Accordingly, within thirty (30) days following such termination, Franchisee and its owners shall pay to HBH an amount equal to the average monthly Royalty Fees that Franchisee owed for the past twenty-four (24) months multiplied by the

lesser of twenty-four (24) months or the number of months remaining in the term of this Agreement. If Franchisee has not operated the Store for twenty-four (24) months, the early termination damages will be calculated by using the average monthly Royalty Fees owed by Franchisee for the number of months that the Store has been in operation. These early termination damages shall constitute liquidated damages and are not to be construed as a penalty and shall be the joint and several liability of Franchisee and its owners.

(b) Franchisee and HBH acknowledge and agree that: (1) the early termination damages are a reasonable estimation of the damages that would be incurred by HBH resulting from or arising out of the premature termination of this Agreement; and (2) Franchisee's payment of such early termination damages is intended to fully compensate HBH only for any and all damages related to or arising out of the premature termination of this Agreement by HBH, and shall not constitute an election of remedies, waiver of any default under this Agreement, nor waiver of HBH's claim for other damages and/or equitable relief arising out of Franchisee's breach of this Agreement. The imposition of early termination damages shall be at HBH's option. HBH is not required to impose early termination damages and may, in addition or in lieu thereof, pursue other remedies available to HBH under the terms and conditions of this Agreement, in equity or at law in the event of Franchisee's default under this Agreement, including, without limitation, actual damages incurred by HBH, if such can be ascertained. All such remedies shall be cumulative and non-exclusive.

17. OPTION TO PURCHASE STORE

17.1 Option. HBH shall have the right (but not the duty), to be exercised by notice of intent to do so within sixty (60) days after termination or expiration of this Agreement, to purchase any and all improvements, equipment, advertising and promotional materials, ingredients, products, materials, supplies, paper goods and any items bearing the Marks at current fair market value. If the parties cannot agree on a fair market value within a reasonable time, such determination shall be made by three (3) appraisers knowledgeable and reputable in valuating restaurant business operations, one of which shall be chosen by HBH and one by Franchisee, and the third of which shall be mutually agreed upon by HBH and Franchisee. If the parties are unable to agree upon a third appraiser, the two (2) appraisers chosen by HBH and Franchisee shall appoint the third appraiser.

17.2 Real Property. HBH's option to purchase hereunder may also include, at HBH's sole option and discretion, any real property owned by Franchisee that is used in the operation of the franchise hereunder. If HBH elects to purchase the real property, the fair market value of the real property shall be included in the determination of the "current fair market value" in Section 17.1. If the Designated Location hereunder is leased to Franchisee, Franchisee shall, upon termination of this Agreement and upon request by HBH, immediately assign and transfer to HBH the lease and premises, including improvements thereon. HBH shall be indemnified for any past due amounts under such lease.

17.3 Closing. The closing shall occur within thirty (30) days after HBH exercises its option to purchase the real property and/or the assets or such later date as may be necessary to comply with applicable bulk sales or similar laws. At the closing, Franchisee shall execute such documents as HBH may reasonably require to effectuate the termination of the franchise and Franchisee's rights to use the Marks and HoneyBaked System. HBH shall have the right to set-off all amounts due from Franchisee under this Agreement and the cost of the appraisal, if any, against any payment therefore.

17.4 Remedies. Franchisee shall pay to HBH all damages, costs, and expenses, including without limitation reasonable attorneys' fees, incurred by HBH in seeking recovery of damages caused by any action of Franchisee in violation of, or in obtaining injunctive relief for the enforcement of, any portion of this Section 17. Further, Franchisee acknowledges and agrees that any failure to comply with the provisions of this Section 17 shall result in irreparable injury to HBH.

17.5 Operation During Option Period. HBH shall have the right, upon written notice to Franchisee, to appoint a manager for the Store for the period that HBH has the option to purchase the Store and for the period following the exercise of HBH's option and prior to the closing. If it does so, HBH may charge a reasonable management fee in an amount sufficient to cover its costs and expenses.

18. RESTRICTIVE COVENANTS

18.1 In-Term Covenant. Except as otherwise approved by HBH in writing, during the term of this Agreement, Franchisee and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto agree that Franchisee and such persons will not, directly or indirectly for the benefit of Franchisee or Franchisee's owners, or through or on behalf of or in conjunction with any other person or entity, engage in (a) any other business involved in the preparation or sale of whole or part hams or turkeys within the United States, or (b) any restaurant that serves sandwiches, soups or salads within the United States. Nothing herein shall restrict Franchisee and Franchisee's owners' involvement with other HBH Stores operated under agreements with HBH.

18.2 Post-Term Covenant. Except as otherwise approved by HBH in writing, for a period of two (2) years after expiration or any earlier termination of this Agreement, Franchisee and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto agree that Franchisee and such persons will not, directly or indirectly for the benefit of Franchisee or Franchisee's owners, or through or on behalf of or in conjunction with any other person or entity, engage in (a) any other business involved in the preparation or sale of whole or part hams or turkeys within fifteen (15) miles of the Protected Territory, or (b) any restaurant that serves sandwiches, soups or salads within fifteen (15) miles of the Protected Territory. Nothing herein shall restrict Franchisee and Franchisee's owner's involvement with other HBH Stores operated under agreements with HBH. The covenant contained in this paragraph shall not be deemed to impair, modify or change any covenant not to compete contained in any agreement for the purchase and sale of the Store.

18.3 Ownership of Public Companies. The covenants contained in Section 18.2 shall not apply to ownership of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation whose stock is publicly traded.

18.4 Trade Secrets and Confidential Information. Franchisee and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto expressly covenant and agree that:

(a) in connection with the operation of HBH Stores and the HoneyBaked System, HBH, Licensor and their affiliates have developed at great expense competitively sensitive trade secrets (including, without limitation, the Licensed Materials) and confidential information which are not commonly known by or available to the public, and that for purposes of this Agreement, "trade secrets" means information as defined in O.C.G.A. § 10-1-761(4), and "Confidential Information" means any and all information and documentation, without regard to form, other than trade secrets, which relates to the operation of HBH Stores or the HoneyBaked System and which is confidential and proprietary to HBH, Licensor and/or their affiliates; provided, however, that trade secrets and Confidential Information do not include any information that (1) is commonly known by or available to the public, (2) has been voluntarily disclosed to the public by HBH, Licensor and/or their affiliates, (3) has been independently developed without reliance on trade secrets or Confidential Information, or (4) has otherwise entered the public domain through lawful means;

(b) for purposes of this Agreement, trade secrets and Confidential Information may include, but not be limited to, information (in whatever form) relating to or regarding the Marks, the FOM,

other proprietary matters pertaining to the HoneyBaked System, and other proprietary information regarding the operation of HBH Stores which HBH has designated as "confidential"; and

(c) during the term of this Agreement and (1) regarding Confidential Information, for a period of five (5) years after termination of this Agreement for any reason whatsoever, and (2) regarding trade secrets, for so long as such information remains a trade secret, Franchisee and the persons, if any, who have executed the Covenant and Guaranty of Owners attached hereto will not, except only as required for the benefit of HBH in carrying out Franchisee's duties pursuant to this Agreement, without the prior express written consent of HBH, directly or indirectly, divulge, disclose, convey or publish to any person or entity, or reproduce, use or apply for Franchisee's own benefit, or the benefit of another or others, in any way, any trade secrets or Confidential Information. Franchisee also agrees that it and all of its employees and agents will observe all security measures implemented by HBH to protect its trade secrets and Confidential Information. Upon the request of HBH and, in any event, upon the termination or expiration of this Agreement, Franchisee will immediately return any and all copies or other reproductions of trade secrets or Confidential Information to HBH.

18.5 Employee Confidentiality Agreements. Franchisee shall cause each person who is actively involved in the management or operation of the business of Franchisee pursuant to this Agreement or the operation of the Store, at the time of his employment, to enter into a "Confidentiality Agreement" in a form prescribed from time to time by HBH. Franchisee shall use its best efforts to prevent any such persons from violating the provisions of such Confidentiality Agreement and from using, in connection with the operation of any store or similar business wherever located, the HoneyBaked System or any of the Marks or from operating any store which looks like, copies or imitates any HBH Store or operates in a manner tending to have such effect. If Franchisee has reason to believe that any such person has violated the provisions of the Confidentiality Agreement described in this paragraph, Franchisee shall notify HBH and shall cooperate with HBH to protect HBH against infringement or other unlawful use of the Marks or the HoneyBaked System, including, but not limited to, the prosecution of any lawsuits if, in the judgment of HBH, such action is necessary or advisable.

18.6 Owners of Entity Franchisee. If Franchisee is a corporation, partnership or LLC, the owners of Franchisee, by executing the Covenant and Guaranty of Owners, shall be bound by the provisions contained in this Agreement, including the restrictions set forth in this Section 18. Further, a violation of any of the provisions of this Agreement, including the covenants contained in this Section 18, by any owner shall also constitute a violation by Franchisee of Franchisee's obligations under this Agreement.

18.7 Severability, Modification, Independent Construction and Survival. Franchisee acknowledges and agrees that each of the covenants in this Section 18 are separate, distinct and severable from every other covenant, and in the event of the unenforceability (for any reason) of all or any part of any covenant, the remaining covenants shall remain enforceable. In the event of the unenforceability (for any reason) of all or any part of any covenant, each such covenant shall be modified to include only that portion which is enforceable, and the parties specifically request that the court (or other applicable forum) modify any such covenant so that it shall be enforceable as modified so as to provide the greatest protection allowed by law to HBH; Franchisee represents, acknowledges and agrees that the covenants are not made in connection with any employment relationship. Additionally, each of the covenants shall be construed as an agreement independent of any other provision in this Agreement, and no claim or cause of action Franchisee may have against HBH shall constitute a defense to HBH's enforcement of any of such covenants. The covenants set forth in this Agreement shall expressly survive termination of this Agreement for any reason whatsoever.

19. ORGANIZATION OF FRANCHISEE

19.1 Representations.

(a) If Franchisee is a legal entity such as a corporation, LLC or partnership, Franchisee makes the following representations and warranties: (1) it is duly organized and validly existing under the laws of the state of its formation; (2) it is qualified to do business in the state or states in which the Store is located; (3) execution of this Agreement and the development and operation of the Store is permitted by its governing documents; and (4) unless waived in writing by HBH, Franchisee's Articles of Incorporation, Articles of Organization or written partnership agreement shall at all times provide that the activities of Franchisee are limited exclusively to the development and operation of HBH Stores.

(b) If Franchisee is an individual, or a partnership comprised solely of individuals, Franchisee makes the following additional representations and warranties: (1) each individual has executed this Agreement; (2) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (3) notwithstanding any transfer for convenience of ownership, pursuant to Section 20.3, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

(c) Franchisee and its owners represent and warrant to HBH neither Franchisee nor its owners (1) have been designated as suspected terrorists under U.S. Executive Order 13244; (2) are identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; (3) have not violated and will not violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act, U.S. Executive Order 13244, the Foreign Corrupt Practices Act, or any similar law.

19.2 Governing Documents. If Franchisee is a corporation, copies of Franchisee's Articles of Incorporation, bylaws, other governing documents and any amendments, including the resolution of the Board of Directors authorizing entry into and performance of this Agreement, and all shareholder agreements, including buy/sell agreements, have been furnished to HBH. If Franchisee is a LLC, copies of Franchisee's Articles of Organization, Management Agreement, other governing documents and any amendments, including the resolution of the Managers authorizing entry into and performance of this Agreement, and all agreements, including buy/sell agreements, among the members have been furnished to HBH. If Franchisee is a partnership, copies of Franchisee's written partnership agreement, other governing documents and any amendments, as well as all agreements, including buy/sell agreements, among the partners have been furnished to HBH, in addition to evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if that approval or consent is required by Franchisee's written partnership agreement. The organizational documents of any partnership, corporation or LLC owning the franchise, including all stock certificates, shall recite that they are subject to all restrictions contained in this Agreement. When any of these governing documents are modified or changed, Franchisee promptly shall provide copies to HBH.

19.3 Ownership Interests. If Franchisee is a corporation, a LLC or a partnership, all interests in Franchisee are owned as set forth in attached Exhibit A. In addition, if Franchisee is a corporation, Franchisee shall maintain a current list of all owners of record and all beneficial owners of any class of securities of the corporation (and the number of shares owned by each). If Franchisee is a LLC, Franchisee shall maintain a current list of all members (and the percentage membership interest of each member). If Franchisee is a partnership, Franchisee shall maintain a current list of all owners of an interest in the

partnership (and the percentage ownership of each owner). Franchisee shall comply with Section 20 prior to any change in ownership interests and shall execute addenda to Exhibit A as changes occur in order to ensure the information contained in Exhibit A is true, accurate and complete at all times.

19.4 Covenant and Guaranty of Owners. Each present and future owner of a ten percent (10%) or greater equity interest in Franchisee including: (1) shareholders of a corporate Franchisee; (2) members of a LLC Franchisee; (3) partners of a partnership Franchisee; or (4) partners of a limited liability partnership Franchisee; shall jointly and severally guarantee Franchisee's performance of each and every provision of this Agreement by executing the Covenant and Guaranty of Owners in the form attached to this Agreement. In addition, HBH may require that the spouse (or domestic partner or other immediate family member) of a guarantor sign the Covenant and Guaranty of Owners.

20. ASSIGNMENT/TRANSFER

20.1 By HBH. This Agreement is fully assignable by HBH, and the assignee or other legal successor to HBH's interests will be entitled to all of the benefits of this Agreement. If HBH assigns its rights in this Agreement, nothing herein shall be deemed to require HBH to remain in the business of selling sliced and glazed hams, turkeys and related products, or to sell or offer to sell any products or services to Franchisee. Franchisee agrees that HBH has the right, now or in the future, to purchase, merge, acquire or affiliate with any existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "HoneyBaked" stores or businesses operating under the Marks or any other marks following HBH's purchase, merger, acquisition or affiliation. Franchisee further agrees and affirms that HBH may sell itself, its assets, its Marks and/or its HoneyBaked System to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leverage buy-out or other economic or financial restructuring.

20.2 By Franchisee. This Agreement has been entered into by HBH based in part on the experience, integrity and financial stability of Franchisee and/or Franchisee's owners (if Franchisee is a corporation, partnership or LLC). Accordingly, neither Franchisee nor any of Franchisee's owners may sell, assign or transfer this Agreement, any interest in this Agreement or, if Franchisee is a corporation, partnership or LLC, any interest in the corporation, partnership or LLC without HBH's prior written consent, except as specifically authorized under this Agreement. A transfer of ownership of the Store (or its assets) may only be made in conjunction with a transfer of this Agreement. Any attempted assignment or transfer not in accordance with this Agreement shall have no effect and shall constitute a breach of this Agreement.

20.3 Assignment to Corporation, Partnership or LLC.

(a) If Franchisee is an individual or group of individuals who desire to assign this Agreement and the Store (and its assets) to a corporation, partnership or LLC formed for convenience of ownership, Franchisee shall advise HBH in writing of the proposed assignment and shall provide HBH with all documents to be executed in connection with any such assignment and all other information requested by HBH relating to the proposed assignment. HBH shall not unreasonably withhold its consent to the assignment provided all of the following conditions are met:

(1) the corporation, partnership or LLC conducts no business other than the operation of one or more Stores (or other related activities authorized under this Agreement);

(2) at least fifty-one percent (51%) of each voting class of the shares, interests or units of the corporation, partnership or LLC is owned by the individual or individuals who signed this Agreement and their respective spouses and at least fifty-one percent (51%) of all classes of shares, interests or units of the corporation, partnership or LLC are owned by the individual or individuals who signed this Agreement and their respective spouses;

(3) the Stores are actively managed by such successor; and

(4) all shareholders, partners or members of such successor are acceptable to HBH, meet HBH's requirements as established from time to time and all owners of a ten percent (10%) or greater equity interest in the successor entity agree to guarantee the obligations of the corporation, partnership or LLC under this Agreement and to be bound by the terms of this Agreement in the manner prescribed by HBH.

(b) HBH shall use its reasonable efforts to approve or disapprove the assignment within thirty (30) days after receipt. If HBH approves the assignment, Franchisee must comply with the requirements set forth in Section 19 of this Agreement. HBH shall also have the right to require, as a condition of its approval that the shareholders, partners or members enter into a buy/sell agreement among themselves in a form and containing such terms as HBH prescribes for transfers of ownership interests in such corporation, partnership or LLC. HBH reserves the right to assess a transfer fee against Franchisee sufficient to cover HBH's reasonable costs in effecting the transfer.

20.4 Assignment or Transfer to Others. Franchisee shall advise HBH in writing of any proposed sale, assignment or transfer of this Agreement or, if Franchisee is a corporation, partnership or LLC, any interest in the corporation, partnership or LLC. If HBH does not exercise its right of first refusal provided in Section 20.6, the decision as to whether or not to approve the proposed sale, assignment or transfer shall be made by HBH in its sole discretion and shall include numerous factors deemed relevant by HBH. These factors may include, but will not be limited to, the following:

(a) Franchisee (and Franchisee's owners if it is a corporation, partnership or LLC) is not in default under this Agreement, the Area Development Agreement or any other agreement with HBH or HBH's subsidiaries or affiliates or any other creditor or supplier of the Store;

(b) the proposed transferee (and its owners if it is a corporation, partnership or LLC) is acceptable to HBH and meets HBH's then-applicable standards for franchisees or owners;

(c) the proposed transferee has signed HBH's then-current form of standard Franchise Agreement for a term equal to the remaining term of this Agreement or, at HBH's election, the then-standard initial term, if longer, and has assumed all of Franchisee's obligations under any other agreement between Franchisee and HBH, Licensor or their affiliates, and has agreed to honor all gift certificates and gift cards issued by Franchisee;

(d) if the proposed transferee is a corporation, partnership or LLC all owners of a ten percent (10%) or greater equity interest in the proposed transferee agree to guarantee the obligations of the corporation, partnership or LLC under the Franchise Agreement and to be bound by the terms of the Franchise Agreement in the manner prescribed by HBH;

(e) the proposed transferee (and all persons designated by HBH) completes all required training to the extent required by HBH, at their own expense;

(f) at HBH's request, the proposed transferee or assignee refurbishes the Store in the manner and subject to the provisions prescribed in Section 6;

(g) Franchisee (and its owners if it is a corporation, partnership or LLC) enters into a Nondisclosure and Noncompetition Agreement with HBH, in a form satisfactory to HBH, unless otherwise approved by HBH in writing;

(h) Franchisee (and Franchisee's owners if it is a corporation, partnership or LLC) executes a general release, in a form satisfactory to HBH, of any and all claims it may have against HBH (including any affiliated companies) and their officers, directors, shareholders, managers, members and employees, in their corporate and individual capacities; and

(i) the proposed transferee pays to HBH a transfer fee of seven thousand five hundred dollars ($7,500).

(j) Franchisee must provide HBH with all documents to be executed by Franchisee and/or Franchisee's owners and the proposed purchasers in connection with any transfer at least thirty (30) days prior to signing.

(k) The provisions of (c), (e), (f) and (i) above shall not apply to an approved sale, transfer or assignment by one or more shareholders, partners or members owning in the aggregate less than a forty-nine percent (49%) interest in the corporation, partnership or LLC, provided that such transaction, when combined with any and all prior such sales, transfers and assignments, does not constitute a sale, transfer or assignment of a forty-nine percent (49%) or more interest or does not otherwise result in a change of control. Notwithstanding the foregoing, HBH reserves the right to assess a transfer fee against Franchisee sufficient to cover HBH's reasonable costs in effecting the transfer.

20.5 Death or Disability.

(a) Upon Franchisee's death or Disability, this Agreement or the ownership interest of any deceased or disabled controlling shareholder, partner or member of Franchisee must be transferred to a party approved by HBH. Any transfer, including, without limitation, transfers by devise or inheritance or trust provisions, shall be subject to the same conditions for transfers set forth in Section 20.4. HBH shall not unreasonably withhold its consent to the transfer of this Agreement or any ownership interest to the deceased or disabled Franchisee's spouse, heirs or members of his or her immediate family or the spouse, subject to the requirements of Section 20.4 with the exception of subsection (h).

(b) Except as otherwise prescribed by HBH in writing, Franchisee's personal representative shall submit to HBH a proposal meeting the requirements for transfer of this Agreement or ownership interest within one hundred eighty (180) days after Franchisee's death or Disability.

(c) HBH agrees to communicate its approval or disapproval of such proposal within thirty (30) days of receipt of the same. Within sixty (60) days after the date of receipt of HBH's approval, Franchisee's personal representative shall complete the transfer of this Agreement or the ownership interest of any deceased or disabled controlling shareholder, partner or member.

(d) In the event of Franchisee's death or Disability, HBH may appoint a manager for the Franchise and may charge a reasonable management fee in an amount sufficient to cover its costs and expenses. Franchisee or any of Franchisee's owners' failure to transfer the interest in accordance with the provisions of this Section 20.5 shall be considered a material breach of this Agreement.

(e) A "Disability" shall have occurred with respect to Franchisee if Franchisee, or, if Franchisee is a corporation, partnership or LLC, its controlling shareholder, partner or member, is unable to actively participate in the Franchise for any reason for a continuous period of six (6) months. As used in this Section 20.5, "Franchisee" may include a disabled or deceased controlling shareholder, partner or member where the context so requires. Upon the death of any non-controlling shareholder, partner or member, such shareholder, partner or member's interest shall be transferred within a reasonable time to a person meeting HBH's requirements. All such transfers must also comply with Section 20.4 of this Agreement, subject to the exceptions set forth in the last paragraph thereof. Franchisee's or any of Franchisee's owners' failure to transfer the interest in accordance with the provisions of this Section 20.5 shall be considered a material breach of this Agreement.

20.6 Right of First Refusal of HBH. If Franchisee or Franchisee's owners propose to sell the Store (or its assets) or, if Franchisee is a corporation, partnership or LLC, any ownership interest in the corporation, partnership or LLC, and Franchisee or Franchisee's owners obtain and desire to accept a bona fide, executed written offer to purchase this interest, Franchisee or Franchisee's owners are obligated to deliver a copy of the bona fide offer to HBH and shall make an identical offer to HBH. HBH will, for a period of sixty (60) days from the date of delivery of such offer to HBH, have the right, exercisable by written notice to Franchisee or Franchisee's owners, to purchase the Store (or its assets) or such ownership interest for the price and on the terms and conditions contained in the offer. HBH may substitute equivalent cash for any form of payment proposed in such offer or designate a substitute purchaser for the Store (or the assets) or the ownership interest being offered, provided that HBH will assume responsibility for the performance of any other purchaser HBH may designate. If the offer is to purchase from one or more shareholders, partners or members aggregate ownership interests constituting fifty percent (50%) or more, but less than one hundred percent (100%) of the outstanding ownership interests of Franchisee, HBH shall also have the right, during such sixty (60) day period upon written notice to the other owners, to purchase the remaining ownership interests at a per share or per unit or interest price equivalent to the price being offered under the bona fide offer. If HBH does not exercise this right of first refusal, the offer may be accepted by Franchisee or Franchisee's owners, subject to HBH's prior written approval of the transferee as provided in this Agreement. If the sale pursuant to the offer is not consummated within ninety (90) days, HBH will again have the right of first refusal to purchase the Store as described above. This Section 20.6 will not apply to transfers made in accordance with Section 20.3 of this Agreement.

20.7 Public Offering by Franchisee. No securities of Franchisee shall be publicly traded without the prior written consent of HBH and Licensor, which consent may be arbitrarily withheld in Licensor's or HBH's discretion. If Licensor and HBH approve a public offering of Franchisee's securities, Franchisee shall present the disclosure document or prospectus to Licensor and HBH for review within a reasonable time before the effective date of the public offering. In no event shall Franchisee offer, sell or otherwise distribute its securities by use of the name "Honey Baked Ham" or any name similar thereto; however, Franchisee may make appropriate reference to the fact that Franchisee has entered into the Area Development Agreement and one or more Franchise Agreement(s) with HBH.

21. CONTRACT INTERPRETATION AND ENFORCEMENT

21.1 Survival of Representations. All statements herein or in any certificate, agreement, instrument or other document delivered by or on behalf of any party pursuant hereto or in connection with the transactions contemplated hereby constitute representations, warranties, stipulations, covenants and agreements made by such party and shall survive the execution of this Agreement and the consummation of the transactions contemplated hereby.

21.2 Waiver. Failure of either party to insist, in one or more instances, on performance by the other of any duty or obligation hereunder in strict accordance with this Agreement shall not be deemed a

waiver or relinquishment of any right granted hereunder or of the future performance of such duty or obligation, or any other, in strict accordance with this Agreement, unless such waiver or relinquishment is in a writing signed by or on behalf of both parties.

21.3 Construction and Severability. All references in this Agreement to the singular shall include the plural where applicable, and all references to the masculine shall include the feminine and vice-versa. If any part of this Agreement for any reason shall be declared invalid, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. If any applicable law or rule requires a greater prior notice of the termination of or election not to renew this Agreement, or the taking of some other action than is required under this Agreement, the prior notice or other requirements required by such law or rule shall be substituted for the requirements of this Agreement.

21.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties and supersedes all prior and contemporaneous, oral or written, agreements or understandings of the parties regarding the subject matter of this Agreement. No modification, waiver, termination, rescission, discharge or cancellation of this Agreement shall affect the right of any party to enforce any claim or right under this Agreement, whether or not liquidated, which occurred prior to the date of such modification, waiver, termination, rescission, discharge or cancellation. No amendment, change or variance from this Agreement shall be binding upon either party except by mutual written agreement. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representations HBH made in the Franchise Disclosure Document that HBH provided to Franchisee.

21.5 Costs of Modification and Enforcement. Franchisee shall reimburse HBH for all costs and expenses (including without limitation attorney's fees) HBH incurs in connection with any modification or supplementation of this Agreement or any waiver or consent granted by HBH hereunder, except where a modification or supplement results from an initiative by HBH. If either party institutes any legal or equitable action against the other party to secure or protect its rights under or to enforce the terms of this Agreement, in addition to any judgment entered in the prevailing party's favor, the prevailing party shall be entitled to recover such reasonable attorneys' fees and costs as the prevailing party may have incurred together with its costs and expenses of litigation.

21.6 Governing Law. This Agreement shall be deemed to have been made and entered into in the State of Georgia and all rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of Georgia. If any provision of this Agreement would not be enforceable under the laws of the State of Georgia, and if the Store is located outside of Georgia and such provision would be enforceable under the laws of the state in which the Store is located, then such provision shall be interpreted and construed under the laws of that state.

21.7 Choice of Forum. Franchisee may bring an action only in the state court or federal court having jurisdiction where HBH's principal place of business is located at the time the action is brought. HBH may bring an action in the federal or state court having jurisdiction where HBH's principal place of business is located at the time suit is filed, in the jurisdiction where Franchisee resides or does business, where the Store is or was located, or where the claim arose. Franchisee submits and irrevocably consents to the exclusive jurisdiction of such courts and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to such jurisdiction or venue.

21.8 Injunctive Relief. Franchisee recognizes that failure to comply with the terms of this Agreement, including the failure to comply fully with all post-termination obligations, will cause irreparable harm to HBH, its affiliates and the HoneyBaked System which money damages cannot adequately remedy. Therefore, Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, HBH shall be entitled to injunctive relief (both preliminary

and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by HBH shall be in addition to, and not in lieu of, all remedies and rights that HBH otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

21.9 Limitation of Actions. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Franchisee) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

21.10 Cumulative Remedies. No remedy conferred upon HBH is intended to be exclusive of any other remedy, and each and every such remedy shall be in addition to, and not in limitation of or substitution for, every other remedy available at law or in equity or by statute or otherwise.

21.11 Waiver of Punitive Damages, Class Action Lawsuits and Jury Trial. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES WAIVE ANY RIGHT TO, OR CLAIM FOR, ANY CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER PARTY. THE PARTIES ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THEM, THE PARTY MAKING A CLAIM WILL BE LIMITED TO RECOVERY OF ACTUAL DAMAGES, IF ANY. THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, AND/OR COUNTERCLAIM BROUGHT BY EITHER PARTY. THE PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO BRING, OR BE A CLASS MEMBER IN, ANY CLASS ACTION SUITS.

21.12 Execution in Counterparts. This Agreement may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Agreement.

21.13 Headings. The headings in this Agreement are for convenience of reference and are not a part of this Agreement and shall not affect the meaning or construction of any of its provisions.

21.14 Inconsistent Terms; Additional Terms. To the extent that the provisions of this Agreement are in direct conflict with the provisions of any Exhibit hereto, the provisions of such Exhibit shall control.

21.15 Notices. Any notice or other communication required or permitted hereunder shall be deemed sufficiently given if: (a) delivered, mailed (registered or certified mail, postage prepaid) or sent by overnight courier to the address specified on Exhibit A, or (b) transmitted by facsimile to the facsimile number set forth on Exhibit A. Any party may change its mailing address or facsimile number by giving notice to the other party in the manner herein provided.

21.16 Successors and Assigns; Licensor's Rights. Except as otherwise provided herein, this Agreement is binding upon the parties and their heirs, approved assigns and successors in interest. The parties hereto agree that certain of the covenants and agreements set forth herein represent a benefit and value to Licensor, and agree that Licensor is a third-party beneficiary to this Agreement with respect to the rights of HBH and the obligations of Franchisee. In particular, and not in limitation of the foregoing,

Licensor shall have the right to enforce the obligations, duties and covenants of Franchisee set forth herein if HBH fails or refuses to do so. Upon expiration of the License Agreement (as now or hereafter amended), between Licensor and HBH under which HBH has been granted the right to sell a franchise to Franchisee, all of HBH's right, title and interest in this Agreement shall immediately attorn to and shall be automatically assigned, transferred and conveyed to Licensor. Franchisee acknowledges that the Marks and the HoneyBaked System are owned solely by Licensor.

21.17 Effective Date of this Agreement. This Agreement shall become effective upon the date of its acceptance and execution by HBH.

21.18 Time of Performance. Time is of the essence with respect to the performance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement.

FRANCHISEE:

Name of Entity (Corporation, Partnership or LLC)

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

HBH:

ATTEST:

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

THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

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

DATE OF ACCEPTANCE: _____, 20__

EXHIBIT A

TO FRANCHISE AGREEMENT

FRANCHISE INFORMATION

Effective Date: _____

Franchisee's name:_____

Form of Ownership:

(a) Individual Proprietorship. Franchisee's owner(s) (is) (are) as follows:

_____

_____

_____

(b) Corporation, Limited Liability Company, or Partnership. Franchisee is a _____ incorporated or formed on _____, under the laws of the State of _____. Franchisee has not conducted business under any name other than its legal entity name. The following is a list, as applicable, of the Franchisee's partners, directors, officers and/or members as of the effective date shown above:

Name of Each Director/Officer/Member/Manager	Position(s) Held

Owners: The following list includes the full name of each person who is an owner of a legal or beneficial interest in Franchisee, and fully describes the nature of each owner's interest (attach additional pages if necessary).

Name and Address	Percentage/Description of Interest
(a)	
(b)	

Address and facsimile number of Franchisee: _____

_____

_____

Address and facsimile number of HBH: General Counsel

3875 Mansell Rd, Alpharetta, GA 30022-1532

Ph: (678) 966-3100 Fax: (678) 966-3134

Designated Location: _____

_____

Protected Territory (if applicable): _____

_____

EXHIBIT B

TO FRANCHISE AGREEMENT

COVENANT AND GUARANTY OF OWNERS

The undersigned individuals represent and warrant that they are shareholders, partners or members of _____ ("Franchisee") or otherwise have a direct or indirect beneficial interest in the success of Franchisee. Accordingly, to induce The HBH Franchise Company, LLC ("HBH") to enter into the Franchise Agreement dated _____ (the "Agreement") and grant the franchise to Franchisee, each of the undersigned individuals hereby jointly and severally guaranty the payment and performance by Franchisee of its obligations under the Agreement and under any leases of personal property and purchases of products by Franchisee from HBH or its affiliates, and hereby agrees that upon the non-payment or non-performance by Franchisee of any of the terms or conditions of such obligations, they will promptly perform and/or pay such obligations.

Each of the undersigned individuals further hereby jointly and severally agree to be bound by all of the provisions of the Agreement including, without limitation, the restrictions and covenants contained in Sections 17, 18, 19 and 20 of the Agreement. These obligations shall survive any expiration or termination of the Agreement or this Guaranty.

HBH, its successors and assigns, may from time to time, without notice to the undersigned (a) resort to the undersigned for payment of any of the liabilities, whether or not it or its successors have resorted to any property securing any of the liabilities or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the liabilities, (b) release or compromise any liability of any of the undersigned hereunder or any liability of any party or parties primarily or secondarily liable on any of the liabilities, (c) extend, renew or credit any of the liabilities for any period (whether or not longer than the original period), (d) alter, amend or exchange any of the liabilities, or (e) give any other form of indulgence, whether under the Agreement or not. None of the foregoing shall release any of the undersigned from their obligations hereunder.

The undersigned further waives presentment, demand, notice of dishonor, protest, nonpayment and all other notices whatsoever, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Franchisee and HBH resulting from the Agreement or otherwise, and the settlement, compromise or adjustment thereof.

The undersigned agrees to pay all costs and expenses paid or incurred by HBH in attempting to enforce the Agreement and this Guaranty against Franchisee and against the undersigned and in attempting to collect any amounts due thereunder and hereunder, including reasonable attorneys' fees if such enforcement or collection is by or through an attorney-at-law. Any waiver, extension of time or other indulgence granted from time to time by HBH, its agents, its successors or assigns, with respect to the Agreement, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional, primary and irrevocable.

This Guaranty does not terminate upon the death of any of the undersigned, but is binding upon the undersigned's heirs, executors and legal representatives.

Subject to the obligations and provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between HBH and the undersigned, must be commenced in the state or federal court of general jurisdiction in the district where

HBH's principal place of business is located at the time the action is brought and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts.

Nonetheless, each of the undersigned agrees that HBH may enforce this Guaranty and any orders and awards in the courts of the state or states in which a Guarantor is domiciled.

Unless specifically stated otherwise, the terms used in this Guaranty shall have the same meaning as in the Agreement. This Guaranty shall be interpreted and construed under the laws of the State of Georgia. In the event of any conflict of law, the laws of the State of Georgia shall prevail (without regard to, and without giving effect to, the application of Georgia conflict of law rules).

If more than one person has executed the Guaranty, the term "the undersigned," as used herein shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint, several and primary.

WITNESS the signature of the undersigned as of the date indicated herein.

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

GUARANTOR:

By:_____

Print Name:_____

Dated:_____

EXHIBIT C

TO FRANCHISE AGREEMENT

FORM OF ADDENDUM TO LEASE

THIS ADDENDUM is executed as of this ___ day of _____, _____, by and between _____("Franchisee") and _____ ("Landlord"), as an addendum to the lease, as modified, amended, supplemented, renewed and/or extended from time to time as contemplated herein, ("Lease") for the premises located at _____, State of _____ ("Premises") dated as of _____, ____.

Franchisee has entered into a Franchise Agreement ("Franchise Agreement") with The HBH Franchise Company, LLC ("Franchisor") for the development and operation of a HoneyBaked store at the Premises ("Store"), and as a requirement thereof, the Lease for the Premises must contain the provisions contained in this Addendum.

Landlord and Franchisee agree that the terms contained in this Addendum shall supersede any terms to the contrary set forth in the Lease.

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Franchisee hereby agree as follows:

1. Landlord shall deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee. Franchisor shall have the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, for a period of at least thirty (30) days to cure any default of the Lease and, if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder.

2. Franchisee hereby assigns to Franchisor, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interests to and under the Lease upon any termination or non-renewal of the Franchise Agreement, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without renewal; (b) Franchisor at its option has exercised its Option to Purchase under the Franchise Agreement; and (c) Franchisor notifies Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.

3. The Lease may not be modified, amended, supplemented, renewed, extended, subleased, or assigned by Franchisee without Franchisor's prior written consent.

4. Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor at its option assumes the Lease in writing pursuant to Section 1 or Section 2, above.

5. If Franchisor assumes the Lease, as provided above, Franchisor may, without Landlord's prior consent, further assign the Lease to a franchisee of Franchisor to operate a HoneyBaked store at the Premises provided that the following criteria are met: (a) Franchisor has an established franchising program for HoneyBaked stores; and (b) the proposed franchisee has met all of Franchisor's applicable program criteria and requirements and has executed Franchisor's standard franchise agreement. Landlord agrees to execute such further documentation to confirm its consent

to the assignment permitted under this Addendum as Franchisor may reasonably request. Upon such assignment to a franchisee of Franchisor, Franchisor shall be released from any further liability under the terms and conditions of the Lease.

6. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Premises for certain purposes. Landlord hereby agrees not to interfere with or prevent such entry by Franchisor, its employees or agents. Landlord and Franchisee hereby further acknowledge that in the event the Franchise Agreement expires (without renewal) or is terminated, Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the Premises as a HoneyBaked store. Landlord agrees to permit Franchisor, its employees or agent, to enter the Premises and remove signs (both interior and exterior), décor and materials displaying any marks, designs or logos owned by Franchisor, provided Franchisor shall bear the expense of repairing any damage to the Premises as a result thereof.

7. Landlord and Franchisee agree that if Landlord is an affiliate or an owner of Franchisee and Landlord proposes to sell the Premises, prior to the sale of the Premises, the Lease upon the request of Franchisor shall be amended to reflect a rental rate and other terms that are the reasonable and customary rental rates and terms prevailing in the community where the Store is located.

8. Landlord agrees that during and after the term of the Lease, it will not disclose or use Franchisor's Confidential Information (as defined below) for any purpose other than for the purpose of fulfilling Landlord's obligations under the Lease. "Confidential Information" as used herein shall mean all non-public information and tangible things, whether written, oral, electronic or in other form, provided or disclosed by or on behalf of Franchisee to Landlord, or otherwise obtained by Landlord, regarding the design and operations of the business located at the Premises, including, without limitation, all information identifying or describing the floor plan, equipment, furniture, fixtures, wall coverings, flooring materials, shelving, decorations, trade secrets, trade dress, "look and feel," layout, design, menus, recipes, formulas, manner of operation, suppliers, vendors, and all other products, goods, and services used, useful or provided by or for Franchisee on the Premises. Landlord acknowledges that all Confidential Information belongs exclusively to Franchisor. Landlord agrees that should it breach or threaten to breach this provision of this Addendum, Franchisor will suffer irreparable damages and Franchisor's remedy at law will be inadequate. Therefore, if Landlord threatens or actually breaches this provision, Franchisor shall be entitled to all remedies available to Franchisor at law or in equity, including, without limitation, injunctive relief.

9. Landlord agrees that: (a) Franchisor has solely granted to Franchisee the right to use Franchisor's proprietary trade name, trademarks, service marks logos, insignias, slogans, emblems, symbols, designs and indicia of origin (collectively the "Marks") at the Premises under the terms of the Franchise Agreement; and (b) Franchisor has not granted any rights or privileges to Landlord to use the Marks at the Premises or anywhere else; and (c) Landlord's unauthorized use of the Marks during or after the term of the Lease shall cause irreparable harm to Franchisor and Franchisor's remedy at law will be inadequate. Therefore, if Landlord threatens or actually breaches this provision, Franchisor shall be entitled to all remedies available to Franchisor at law or in equity, including, without limitation, injunctive relief.

10. Landlord consents to Franchisee's use at the Premises of the Marks and such initial signage as Franchisor prescribes, subject to compliance with applicable laws and regulations.

11. Franchisor, along with its successors and assigns, is an intended third party beneficiary of the provisions of this Addendum.

12. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Franchisor at 3875 Mansell Rd, Alpharetta, GA 30022-1532 (Attn: General Counsel), or such other address as Franchisor shall specify by written notice to Landlord.

13. Under the Franchise Agreement, any lease for the location of a HoneyBaked store is subject to Franchisor's approval with regards to the terms and conditions that affect Franchisor, and Franchisor expressly disclaims any other connotations either expressed or implied as to the other terms and conditions set forth in the Lease that are negotiated between Landlord and Franchisee. Accordingly, the Lease is contingent upon such approval, and Franchisor shall provide written notice to Landlord and Franchisee to evidence such approval, as applicable.

WITNESS the execution hereof under seal.

LANDLORD:

DATE: _____

Subscribed and sworn to before me this ___ day of _____, _____.

_____
Notary Public

My Commission expires: _____

FRANCHISEE:

DATE: _____

Subscribed and sworn to before me this ____ day of _____, ____.

_____
Notary Public

My Commission expires: _____

EXHIBIT E

STATE SPECIFIC AGREEMENT AND DISCLOSURE DOCUMENT ADDENDA

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURE
REQUIRED BY THE STATE OF CALIFORNIA

1. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

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.

OUR WEBSITE, WWW.HONEYBAKED.COM, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

2. **Item 3, Additional Disclosure**. The following statement is added to Item 3:

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

3. **Item 6, Additional Disclosure**. The maximum rate of interest in California as of the issuance date of the FDD is 10% per annum.

4. **Item 17, Additional Disclosures**. The following statements are added to Item 17:

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning transfer, termination or non-renewal of the franchise agreements. If the agreements contain a provision that is inconsistent with the law, the law will control.

The franchise agreements provide for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, *et seq.).*

The franchise and development agreements provide for application of the laws of Georgia. This provision may not be enforceable under California law.

The franchise and development agreements contain a choice of forum provision. This provision may not be enforceable under California law.

The franchise and area development agreements contain a covenant not to compete that extends beyond the termination of the franchise. These provisions may not be enforceable under California law.

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

You must sign a general release upon execution of the franchise agreements, if you transfer the rights granted under those agreements and if you renew your franchise. These provisions may not be enforceable under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURE
REQUIRED BY THE STATE OF ILLINOIS

1. **Risk Factors, State Cover Page.** The following statement is added at the end of the first risk factor on the State Cover Page:

   SECTION 4 OF THE ILLINOIS FRANCHISE DISCLOSURE ACT PROVIDES THAT ANY PROVISION IN A FRANCHISE AGREEMENT THAT DESIGNATES JURISDICTION OR VENUE IN A FORUM OUTSIDE OF ILLINOIS IS VOID WITH RESPECT TO ANY CAUSE OF ACTION WHICH OTHERWISE IS ENFORCEABLE IN ILLINOIS.

   The following statement is added at the end of the second risk factor on the State Cover Page:

   NOTWITHSTANDING THE FOREGOING, ILLINOIS LAW SHALL GOVERN THE FRANCHISE AGREEMENTS.

2. **Item 17, Additional Disclosures**. The following statement is added to Item 17:

   Any provision in the Development Agreement or the Franchise Agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any action that is otherwise enforceable in Illinois. In addition, Illinois law will govern the Development Agreement and the Franchise Agreement.

   In conformance with Section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF MARYLAND

Item 17, Additional Disclosures. The following statements are added to Item 17:

The franchise agreements provide for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law.

Any provisions requiring you to sign a general release of claims against HBH, including upon execution of the Franchise Agreement, Area Development Agreement or a renewal franchise agreement or transfer, does not release any claim you may have under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

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

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to these Additional Disclosures.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF MICHIGAN

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 relating to a franchise:

(a) A prohibition of the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

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

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

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchisee 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 franchisee for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

Any questions regarding this Notice shall be directed to Michigan Attorney General's Office, Corporate Oversight Division, Franchise Section, 525 West Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913, (517) 335-7567.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF MINNESOTA

1. **Notice of Termination**. The following statement is added to Item 17:

With respect to licenses governed by Minnesota law, HBH will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreements.

1. **Choice of Forum and Law**. The following statement is added to the State Cover Page and Item 17:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit HBH from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. **General Release**. The following statement is added to Item 17:

Minnesota Rule 2860.4400D prohibits HBH from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

3. **Waiver of Right to Jury Trial and Consent to Liquidated Damages or Termination Penalties**: The following statement is added to Item 17:

Minnesota Rule 2860.4400J, among other things, prohibits HBH from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, that this part will not bar an exclusive arbitration clause.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Disclosure Act are met independently without reference to these Additional Disclosures.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF NORTH DAKOTA

Item 17, Additional Disclosures. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. **Restrictive Covenants**: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. **Restriction on Forum**: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

C. **Liquidated Damages and Termination Penalties**: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

D. **Applicable Laws**: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

E. **Waiver of Trial by Jury**: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

F. **Waiver of Exemplary and Punitive Damages**: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

G. **General Release**: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

H. **Limitation of Claims**: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

I. **Enforcement of Agreement**: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to these Additional Disclosures.

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURE
REQUIRED BY THE STATE OF RHODE ISLAND

1. Item 17, Additional Disclosure. The following statement is added to Item 17:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

This Additional Disclosure shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to this Additional Disclosure.

ADDITIONAL DISCLOSURES
REQUIRED BY THE STATE OF WASHINGTON

Item 17, Additional Disclosures. The following statements are added to Item 17:

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

2. RCW 19.100.180 may supersede the Franchise Agreement or the Development 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 or the Development Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

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

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

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

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

The provisions of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Additional Disclosure.

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
AREA DEVELOPMENT AGREEMENT
REQUIRED FOR ILLINOIS DEVELOPERS

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of the __ day of _____, 20__.

1. **Applicability**. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Developer was made in the State of Illinois; (B) Developer is a resident of the State of Illinois; and/or (C) part or all of the Development Area is located in the State of Illinois. The provisions of this Addendum only apply if the jurisdictional requirements of the Illinois Franchise Disclosure Act, are met independently without reference to this Addendum.

2. **Governing Law.** The following sentence is added at the end of Section 10.7 of the Development Agreement:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. **Choice of Forum.** The following sentences are added to the end of Section 10.8 of the Development Agreement:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

4. **Limitation of Actions.** The following sentence is added to the end of Section 10.10 of the Development Agreement:

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years of the violation, 1 year after the franchisee becomes aware of the underlying facts or circumstances or 90 days after delivery to the franchisee of a written notice disclosing the violation.

5. **No Waiver.** The following Section 10.21 is added to the end of Section 10 of the Development Agreement:

10.21 Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act is void.

6. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

DEVELOPER:
_____

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
FRANCHISE AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES

This Addendum to the Franchise Agreement dated _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Franchisee"), a _____, is entered into as of the __ day of _____, 20__.

1. Applicability. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Franchisee was made in the State of Illinois; (B) Franchisee is a resident of the State of Illinois; and/or (C) the Store is located in the State of Illinois. The provisions of this Addendum only apply if the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

2. Governing Law. The following sentence is added at the end of Section 21.6 of the Franchise Agreement:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. Choice of Forum. The following sentences are added to the end of Section 21.7 of the Franchise Agreement:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

4. Limitation of Actions. The following sentence is added to the end of Section 21.9 of the Franchise Agreement:

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years of the violation, 1 year after the franchisee becomes aware of the underlying facts or circumstances or 90 days after delivery to the franchisee of a written notice disclosing the violation.

5. No Waiver. The following Section 21.19 is added to the end of Section 21 of the Franchise Agreement:

21.19 Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act is void.

6. Miscellaneous. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:
_____

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
AREA DEVELOPMENT AGREEMENT
REQUIRED FOR MARYLAND DEVELOPERS

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of the __ day of _____, 20__.

1. Applicability. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Developer was made in the State of Maryland; (B) Developer is a resident of the State of Maryland; and/or (C) part or all of the Development Area is located in the State of Maryland. The provisions of this Addendum only apply if the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

2. Release. The following sentence is added to the end of Section 9.4.(g) (Assignment) of the Development Agreement:

> This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law. Attached to this Addendum as Schedule 1 is the form of the general release that Developer and its owners will sign, as and if, required by this Agreement.

3. Choice of Forum. The following sentence is added to the end of Section 10.8 of the Development Agreement:

> Notwithstanding the foregoing, Developer may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Limitation of Actions. The following sentence is added to the end of Section 10.10 of the Development Agreement:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

5. No Waiver. The following Section 10.21 is added to the end of Section 10 of the Development Agreement:

> 10.21 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. Representations in this Agreement 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.

6. Miscellaneous. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum..

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

DEVELOPER:
_____

By: _____
Print Name: _____
Title: _____

Schedule 1

GENERAL RELEASE

This General Release is made effective this ____ day of _____, 20__. In consideration for the grant by The HBH Franchise Company, LLC ("HBH"), to the undersigned of certain rights in connection with an Area Development Agreement with HBH and/or the transfer or renewal thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, individually and collectively, hereby unconditionally release, discharge, and acquit HBH, its past and present subsidiaries and affiliates, and its and their shareholders, owners, directors, officers, managers, members, partners, employees, agents, representatives, successors and assigns, from any and all liabilities, damages, claims, demands, costs, expenses, debts, indemnities, suits, disputes, controversies, actions and causes of action of any kind whatsoever, whether known or unknown, fixed or contingent, regarding or arising out of any prior or existing franchise relationship, development agreement, franchise agreement or any other agreement executed by any of the undersigned and HBH (or any subsidiary or affiliate of HBH), any HoneyBaked franchise (whether currently or previously owned or operated by the undersigned or any of them), or any other prior or existing business relationship between any of the undersigned and HBH (or any subsidiary or affiliate of HBH), which the undersigned or any of them individually or collectively has asserted, may have asserted or could have asserted against HBH (or any of the aforementioned related parties) at any time up to the date of this General Release, including specifically, without limitation, claims arising from contract, written or oral communications, alleged misrepresentations, and acts of negligence, whether active or passive. This General Release shall survive the assignment or termination of any of the franchise agreements or other documents entered into by and between HBH and any of the undersigned. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve HBH or any other person, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the State of Georgia without regard to its conflicts of law provisions.

WITNESS:

_____ By:_____
Name:_____
Title:_____

_____ By:_____
Name:_____
Title:_____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
FRANCHISE AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES

This Addendum to the Franchise Agreement dated _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Franchisee"), a _____, is entered into as of the __ day of _____, 20__.

1. **Applicability.** The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Franchisee was made in the State of Maryland; (B) Franchisee is a resident of the State of Maryland; and/or (C) the Store is located in the State of Maryland. The provisions of this Addendum only apply if the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

2. **Releases.** The following sentence is added to the end of Sections 3(d) (Renewal); 10.11 (Relocation) and 20.4.(h) (Assignment) of the Franchise Agreement:

> This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law. Attached to this Addendum as Schedule 1 is the form of the general release that Franchisee and its owners will sign, as and if, required by this Agreement.

3. **Choice of Forum**. The following sentence is added to the end of Section 21.7 of the Franchise Agreement:

> Notwithstanding the foregoing, Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **Limitation of Actions.** The following sentence is added to the end of Section 21.9 of the Franchise Agreement:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

5. **No Waiver.** The following Section 21.19 is added to the end of Section 21 of the Franchise Agreement:

> 21.19 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. Representations in this Agreement 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.

6. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:
_____

By: _____
Print Name: _____
Title: _____

Schedule 1

GENERAL RELEASE

This General Release is made effective this ____ day of _____, 20__. In consideration for the grant by The HBH Franchise Company, LLC ("HBH"), to the undersigned of certain rights in connection with the operation of a HoneyBaked franchise and/or the transfer or renewal thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, individually and collectively, hereby unconditionally release, discharge, and acquit HBH, its past and present subsidiaries and affiliates, and its and their shareholders, owners, directors, officers, managers, members, partners, employees, agents, representatives, successors and assigns, from any and all liabilities, damages, claims, demands, costs, expenses, debts, indemnities, suits, disputes, controversies, actions and causes of action of any kind whatsoever, whether known or unknown, fixed or contingent, regarding or arising out of any prior or existing franchise relationship, development agreement, franchise agreement or any other agreement executed by any of the undersigned and HBH (or any subsidiary or affiliate of HBH), any HoneyBaked franchise (whether currently or previously owned or operated by the undersigned or any of them), or any other prior or existing business relationship between any of the undersigned and HBH (or any subsidiary or affiliate of HBH), which the undersigned or any of them individually or collectively has asserted, may have asserted or could have asserted against HBH (or any of the aforementioned related parties) at any time up to the date of this General Release, including specifically, without limitation, claims arising from contract, written or oral communications, alleged misrepresentations, and acts of negligence, whether active or passive. This General Release shall survive the assignment or termination of any of the franchise agreements or other documents entered into by and between HBH and any of the undersigned. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve HBH or any other person, directly or indirectly, from liability imposed by the Maryland Franchise Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the State of Georgia without regard to its conflicts of law provisions.

WITNESS:

_____ By:_____
Name:_____
Title:_____

_____ By:_____
Name:_____
Title:_____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
AREA DEVELOPMENT AGREEMENT
REQUIRED FOR MINNESOTA DEVELOPERS

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of the __ day of _____, 20__.

1. **Applicability**. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Developer was made in the State of Minnesota; (B) Developer is a resident of the State of Minnesota; and/or (C) part or all of the Development Area is located in the State of Minnesota. The provisions of this Addendum only apply if the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this Addendum.

2. **Notice of Termination.** The following sentence is added to the end of Section 6.1 of the Development Agreement:

> With respect to franchises governed by Minnesota law, HBH will comply with Minnesota Statute § 80C.14, Subdivisions 3, 4, and 5, which require, except in certain cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreements.

3. **Release**. The following sentence is added to the end of Section 9.4(g) of the Development Agreement:

> Notwithstanding the foregoing, Developer will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

4. **Choice of Forum**. The following sentences are added to the end of Section 10.8 of the Development Agreement:

> Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit HBH from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

5. **Limitation of Actions**. The following sentence is added to the end of Section 10.10 of the Development Agreement:

> Minnesota Statute § 80C.17, Subdivision 5, provides that no action may be commenced pursuant to that Section more than three years after the cause of action accrues.

6. **No Jury Trial Waiver**. The third sentence of Section 10.11 of the Development Agreement is deleted.

7. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement. Except as expressly modified by this Addendum, the

Development Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

DEVELOPER:
_____

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED FOR MINNESOTA FRANCHISEES

This Addendum to the Franchise Agreement dated _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Franchisee"), a _____, is entered into is entered into as of the __ day of _____, 20__.

1. **Applicability** The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Franchisee was made in the State of Minnesota; (B) Franchisee is a resident of the State of Minnesota; and/or (C) the Store is located in the State of Minnesota. The provisions of this Addendum only apply if the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this Addendum.

2. **Releases.** The following sentence is added to the end of Sections 3(d), 10.11 and 20.4(h) of the Franchise Agreement:

> Notwithstanding the foregoing, Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

3. **Notice of Termination and Non-Renewal.** The following sentence is added to the end of Sections 3 and 16 of the Franchise Agreement:

> With respect to franchises governed by Minnesota law, HBH will comply with Minnesota Statute § 80C.14, Subdivisions 3, 4, and 5, which requires, except in certain cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of franchise agreements.

4. **Marks**. The following sentence is added to the end of Section 9.4 of the Franchise Agreement:

> HBH will protect Franchisee's right to use the Marks and/or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

5. **Early Termination Damages**. The following sentence is added to the end of Section 16.5 of the Franchise Agreement:

> Any provision that requires Franchisee to consent to liquidated damages, termination penalties, or judgment notes may not be enforceable under Minnesota law.

6. **Choice of Forum**. The following sentences are added to the end of Section 21.7 of the Franchise Agreement:

> Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit HBH from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

7. **Limitation of Actions**. The following sentence is added to the end of Section 21.9 of the Franchise Agreement:

> Minnesota Statute § 80C.17, Subdivision 5, provides that no action may be commenced pursuant to that Section more than three years after the cause of action accrues.

8. **No Jury Trial Waiver**. The third sentence of Section 21.11 of the Franchise Agreement is deleted.

9. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: **THE HBH FRANCHISE COMPANY, LLC,** a Georgia limited liability company	**FRANCHISEE:** _____
By: _____ Print Name: _____ Title: _____	By: _____ Print Name: _____ Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
AREA DEVELOPMENT AGREEMENT
REQUIRED FOR NORTH DAKOTA DEVELOPERS

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of the _____ day of _____, 20__.

1. **Applicability.** The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Developer was made in the State of North Dakota; (B) Developer is a resident of the State of North Dakota; and/or (C) part or all of the Development Area is located in the State of North Dakota. The provisions of this Addendum only apply if the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

2. **Release**. The following sentence is added to the end of Section 9.4(g) of the Development Agreement:

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

3. **Covenants Not To Compete**. The following sentence is added to the end of Section 7.1 and 7.2 of the Development Agreement:

> Covenants not to compete are generally considered unenforceable pursuant to Section 9-08-06, N.D.C.C. in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

4. **Governing Law**. The following sentence is added to the end of Section 10.7 of the Development Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to claims arising under the North Dakota Franchise Investment Law.

5. **Choice of Forum**. The following sentence is added to the end of Section 10.8 of the Development Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, Developer may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

6. **Limitation of Actions**. The following sentence is added to the end of Section 10.10 of the Development Agreement:

> Notwithstanding the foregoing, the statute of limitations under North Dakota law applies with respect to claims arising under the North Dakota Franchise Investment Law.

7. **Waiver of Certain Damages and Right to a Jury Trial**. To the extent required by the North Dakota Franchise Investment Law, the first three sentences of Section 10.11 of the Development Agreement shall be deleted.

8. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum..

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

DEVELOPER:
_____

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
FRANCHISE AGREEMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES

This Addendum to the Franchise Agreement dated _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Franchisee"), a _____, is entered into as of the __ day of _____, 20__.

1. Applicability. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Franchisee was made in the State of North Dakota; (B) Franchisee is a resident of the State of North Dakota; and/or (C) the Store is located in the State of North Dakota. The provisions of this Addendum only apply if the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

2. Releases. The following sentence is added to the end of Sections 3(d), 10.11 and 20.4(h) of the Franchise Agreement:

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

3. Covenants Not To Compete. The following sentence is added to the end of Section 18.1 and 18.2 of the Franchise Agreement:

> Covenants not to compete are generally considered unenforceable pursuant to Section 9-08-06, N.D.C.C. in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

4. Governing Law. The following sentence is added to the end of Section 21.6 of the Franchise Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to claims arising under the North Dakota Franchise Investment Law.

5. Choice of Forum. The following sentence is added to the end of Section 21.7 of the Franchise Agreement:

> Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, Franchisee may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

6. Limitation of Actions. The following sentence is added to the end of Section 21.9 of the Franchise Agreement:

> Notwithstanding the foregoing, the statute of limitations under North Dakota law applies with respect to claims arising under the North Dakota Franchise Investment Law.

7. Waiver of Certain Damages and Right to a Jury Trial. To the extent required by the North Dakota Franchise Investment Law, the first three sentences of Section 21.11 of the Franchise Agreement shall be deleted.

8. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:
_____

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED FOR RHODE ISLAND DEVELOPERS

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of the ____ day of _____, 20__.

1. **Applicability.** The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Developer was made in the State of Rhode Island; (B) Developer is a resident of the State of Rhode Island; and/or (C) part or all of the Development Area is located in the State of Rhode Island. The provisions of this Addendum only apply if the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to this Addendum.

2. **Choice of Forum**. The following language is added to Section 10.8 of the Development Agreement:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

3. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: **THE HBH FRANCHISE COMPANY, LLC,** a Georgia limited liability company	**DEVELOPER:** _____
By: _____ Print Name: _____ Title: _____	By: _____ Print Name: _____ Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED FOR RHODE ISLAND FRANCHISEES

This Addendum to the Franchise Agreement dated _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Franchisee"), a _____, is entered into as of the __ day of _____, 20__.

1. **Applicability.** The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Franchisee was made in the State of Rhode Island; (B) Franchisee is a resident of the State of Rhode Island; and/or (C) the Store is located in the State of Rhode Island. The provisions of this Addendum only apply if the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to this Addendum.

2. **Choice of Forum.** The following language is added to Section 21.7 of the Franchise Agreement:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

3. **Miscellaneous**. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: **THE HBH FRANCHISE COMPANY, LLC,** a Georgia limited liability company	**FRANCHISEE:** _____
By: _____ Print Name: _____ Title: _____	By: _____ Print Name: _____ Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
AREA DEVELOPMENT AGREEMENT
REQUIRED FOR WASHINGTON DEVELOPERS

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of the __ day of _____, 20__.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Developer was made in the State of Washington; (B) Developer is a resident of the State of Washington; and/or (C) part or all of the Development Area is located in the State of Washington. The provisions of this Addendum only apply if the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

2. The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.180 ("Act"), which may supersede this Development Agreement in Developer's relationship with HBH including the areas of termination and renewal of Developer's franchise. There also may be court decisions which may supersede this Development Agreement in Developer's relationship with HBH including the areas of termination and renewal of Developer's franchise.

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

4. In the event of a conflict of laws, the provisions of the Act shall prevail.

5. Developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Act, in Washington.

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

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

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

9. RCW 49.62.060 prohibits HBH from restricting, restraining, or prohibiting Developer from (i) soliciting or hiring any employee of a franchisee of HBH or (ii) soliciting or hiring any employee of HBH. As a result, any such provisions contained in the Development Agreement or elsewhere are void and unenforceable in Washington.

10. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

DEVELOPER:
_____

By: _____
Print Name: _____
Title: _____

ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC'S
FRANCHISE AGREEMENT
REQUIRED FOR WASHINGTON FRANCHISEES

This Addendum to the Franchise Agreement dated _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Franchisee"), a _____, is entered into as of the _____ day of _____, 20__.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: (A) the offer or sale of a franchise to Franchisee was made in the State of Washington; (B) Franchisee is a resident of the State of Washington; and/or (C) the Store is located in the State of Washington. The provisions of this Addendum only apply if the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

2. The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.180 ("Act"), which may supersede this Franchise Agreement in Franchisee's relationship with HBH including the areas of termination and renewal of Franchisee's franchise. There also may be court decisions which may supersede this Franchise Agreement in Franchisee's relationship with HBH including the areas of termination and renewal of Franchisee's franchise.

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

4. In the event of a conflict of laws, the provisions of the Act shall prevail.

5. Developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Act, in Washington.

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

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

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

9. RCW 49.62.060 prohibits HBH from restricting, restraining, or prohibiting Developer from (i) soliciting or hiring any employee of a franchisee of HBH or (ii) soliciting or hiring any employee of HBH. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

10. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by facsimile and any other electronic transmission (including PDF) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:
THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:
_____

By: _____
Print Name: _____
Title: _____

EXHIBIT F

VETFRAN PROGRAM ADDENDUM TO FRANCHISE AGREEMENT

VETFRAN PROGRAM ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC DEVELOPMENT AGREEMENT (SINGLE STORE)

This Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of _____.

RECITALS

In order to recognize the contribution of United States military personnel, attract new developers and encourage the development of franchised HoneyBaked stores ("HoneyBaked Stores"), HBH has implemented a veterans incentive program ("VetFran Program") for qualified veteran developers that develop and open new HoneyBaked Stores.

Developer (or if Developer is an entity, a holder of at least a 51% ownership in Developer) is a veteran and has provided HBH with a DD Form 214 or other adequate documentation, as determined by HBH, demonstrating honorable discharge from the United States military.

Pursuant to the Development Agreement, Developer has agreed to develop one (1) HoneyBaked Store in the Development Area.

Developer does not currently operate any HoneyBaked Stores.

Since Developer's development of the HoneyBaked Store ("Store") meets the criteria for the VetFran Program, HBH and Developer are entering into this Addendum to provide the VetFran Program benefits to Developer and to modify certain provisions of the Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Development Fee Reduction. Developer paid a reduced Development Fee to HBH in the amount of five thousand dollars ($5,000).

2. Repayment of Reduced Development Fee on Transfer or Termination. If, prior to the first anniversary of the opening date of the Store, (a) Developer transfers the Store (or if Developer is an entity, any equity interests in Developer are transferred); or (b) HBH terminates the Development Agreement, then Developer must pay to HBH the portion of the Development Fee that was waived by HBH in the amount of ten thousand dollars ($10,000).

3. Miscellaneous.

A. The Recitals are hereby incorporated into this Addendum by this reference. The captions in this Addendum are for convenience only. Any capitalized term that is not defined in this Addendum shall have the meaning given to it in the Development Agreement.

B. The Development Agreement and this Addendum constitute the entire, full and complete agreement between the parties concerning the matters herein and supersede any and all prior agreements. In the event of a conflict between the terms of the Development Agreement and this Addendum, the terms of this Addendum shall control. Except as amended, modified or supplemented by this Addendum, the terms and conditions of the Development Agreement are hereby ratified and confirmed.

C. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: THE HBH FRANCHISE COMPANY, LLC, a Georgia limited liability company	DEVELOPER: _____, a _____
By: _____ Print Name: _____ Title: _____	By:_____ Print Name: _____ Title:_____

EXHIBIT G

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EXHIBIT H

TRAINING PARTICIPATION AND NONDISCLOSURE AGREEMENT

TRAINING PARTICIPATION AND NONDISCLOSURE AGREEMENT

THIS AGREEMENT is made as of the date set forth on the last page of this Agreement by _____ ("Participant") in favor of and for the benefit of The HBH Franchise Company, LLC ("HBH").

1. Purpose

Participant, who is an employee and/or owner of a HoneyBaked franchisee (the "Franchisee"), will attend and participate in training offered by HBH concerning the methods, techniques, and systems associated with operating a HoneyBaked store (the "Training Program"). This Agreement addresses the confidential nature of the information that will be divulged to Participant in the Training Program.

Participant agrees that in exchange for being permitted to attend and participate in the Training Program, s/he will abide by the terms of this Agreement.

2. Confidential Information

A. Participant understands that during the Training Program and the course of her/his association with the Franchisee, Participant may be provided with or otherwise have access to non-public information that HBH considers to be of a confidential, proprietary, or trade secret nature. Among other things, this confidential, proprietary, and/or trade secret information may include details regarding HBH's business plan and related systems and processes, as well as other financial, business, and technical information, marketing, engineering and other plans, financial statements and projections, customer and supplier information, research, designs, plans, compilations, methods, techniques, processes, procedures, and know-how of HBH, whether in tangible or intangible form, and whether or not stored, compiled or memorialized physically, electronically, graphically, photographically, or in writing (together, all of the above are deemed to be "Confidential Information").

B. Participant agrees to treat all of the Confidential Information in a private and confidential manner. Participant agrees to maintain the privacy of the Confidential Information in a manner that is no less protective of that information than other private information concerning Participant, the Franchisee's business, and other similar sensitive information.

C. Participant agrees not to sell, transfer, publish, disclose, or otherwise use or make available any portion of the Confidential Information to third parties (except to employees of the Franchisee who clearly have a need-to-know the Confidential Information solely for the purpose of operating the Franchisee's HoneyBaked store).

D. Participant understands and agrees that HBH owns all of the Confidential Information. Participant also understands and agrees that the Confidential Information may only be used for the specific purposes expressly authorized by this Agreement.

E. Participant understands and agrees that HBH is not granting to Participant any license to use HBH's intellectual property (for example, patents, trademarks, copyrights, domain names, and trade dress).

F. Upon the termination or expiration of this Agreement, or at HBH's request, Participant agrees to promptly destroy all of its copies of Confidential Information in its possession, or at HBH's request, to return the Confidential Information to HBH (in accordance with HBH's instructions).

3. General Terms.

A. Section headings in this Agreement are for reference only and shall not be construed as modifying any provisions of this Agreement.

B. This Agreement is the entire agreement between the parties concerning the subject matter and supersedes any prior agreements concerning the subject matter hereof. No amendment or modification of this Agreement shall be valid or binding on the parties unless made in a mutually executed writing.

C. The term of this Agreement shall be for: (i) the entire length of time that Participant is associated with Franchisee; and (ii) for an additional period of three (3) years after that association ends.

D. If any part of this Agreement is not valid or unenforceable, that shall not affect the validity or enforceability of the rest of this Agreement. Instead, the invalid or unenforceable provision shall be deemed to be amended to the minimum extent necessary to render it enforceable under applicable law while retaining to the maximum extent possible the intent and economic benefit of the original provision consistent with applicable law.

E. No delay or omission by HBH in exercising any right under this Agreement will operate as a waiver of that or any other right.

F. This Agreement is governed by and will be construed exclusively in accordance with the laws of the State of Georgia (without regard to Georgia conflicts of law principles).

G. The parties agree agrees that all disputes arising under this Agreement will be heard only in the federal or state courts in the state in which HBH has its principal place of business at the time any proceeding relating to such matter is filed. The parties consent to venue in Fulton County, Georgia, or such other county where the principal place of business of HBH is then located, and irrevocably and unconditionally waive any rights they may have to assert jurisdiction or venue in any other court, administrative forum, or other adjudicative body.

H. Participant acknowledges and agrees that its breach of this Agreement may cause irreparable injury to HBH, and that HBH may seek and obtain injunctive and other equitable relief against such breach.

I. Participant and Franchisee understands and agrees that Participant is not (and shall not be deemed to be) employed by HBH, and both Participant and Franchisee agree that they will not claim otherwise.

J. This Agreement may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date noted below.

HBH:	**PARTICIPANT:**
THE HBH FRANCHISE COMPANY, LLC, a Georgia limited liability company	_____
By:_____ Print Name:_____ Title:_____ Effective Date:_____	By:_____ Resident of: _____

EXHIBIT I

NONCOMPETITION AND NONDISCLOSURE AGREEMENT

NONCOMPETITION AND NONDISCLOSURE AGREEMENT

This Noncompetition and Nondisclosure Agreement (the "Agreement") is made effective as of the date set forth on the last page of this Agreement (the "Effective Date") by and among The HBH Franchise Company, LLC, a Georgia limited liability company with its principal place of business at 3875 Mansell Road, Alpharetta, Georgia 30022-1532 ("HBH"); **_____,** a _____ with its principal place of business at _____ ("Transferor"); and **_____,** a resident of the State of _____ with a principal address at _____ and **_____,** a resident of the State of _____ with a principal address at _____ ([jointly/collectively] "Owners" and collectively with Transferor "Covenantors").

RECITALS

Transferor operated a HoneyBaked store located at _____ (the "Store") pursuant to a Franchise Agreement dated _____ by and between Transferor and HBH (the "Franchise Agreement")

Concurrently with the execution and delivery of this Agreement, HBH, Transferor and _____, a _____ ("Transferee"), entered into that certain Transfer And Assumption Agreement dated as of even date herewith (the "Transfer And Assumption Agreement") pursuant to which Transferor is transferring its rights and obligations under the "Franchise Agreement to Transferee (the "Transfer");

Owners are officers, directors and/or equity owners of Transferor and as such possess special knowledge, abilities and experience regarding the business of Transferor; and

In order to induce HBH to enter into the Transfer And Assumption Agreement, and in order to satisfy the requirements of the Franchise Agreement concerning the Transfer, HBH desires to obtain, and, subject to the terms and conditions hereof, Covenantors agree to provide, certain representations, warranties and covenants as more fully set forth below.

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties hereby covenant and agree as follows:

1. Noncompetition. For a period of two (2) years after the date of this Agreement, Covenantors agree that Covenantors will not, either individually or collectively, directly or indirectly for the benefit of Covenantors, or through or on behalf of or in conjunction with any other person or entity, engage in (a) any business involved in the preparation or sale of whole or part hams or turkeys within fifteen (15) miles of the Protected Territory, as defined in the Franchise Agreement, or (b) any restaurant that serves sandwiches, soups or salads within fifteen (15) miles of the Protected Territory. Nothing herein shall restrict Covenantors' involvement with HBH Stores operated under agreements with HBH.

2. Nondisclosure of Confidential Information.

2.1 Covenantors expressly acknowledge and agree that: (a) in connection with the operation of HBH Stores and the HoneyBaked System, HBH and HBH's affiliates have developed at great expense competitively sensitive trade secrets (including, without limitation, the Software and Licensed Materials) and confidential information which are not commonly known by or available to the public, and that for purposes of this Agreement, "trade secrets" means information as defined in O.C.G.A. § 10-1-761(4), and

"Confidential Information" means any and all information and documentation, without regard to form, other than trade secrets, which relates to the operation of HBH Stores or the HoneyBaked System and which is confidential and proprietary to HBH; provided, however, that trade secrets and Confidential Information do not include any information that (i) is commonly known by or available to the public, (ii) has been voluntarily disclosed to the public by HBH, (iii) has been independently developed or lawfully obtained by Covenantors without reliance on trade secrets or Confidential Information of HBH, or (iv) has otherwise entered the public domain through lawful means; and (b) for purposes of this Agreement, trade secrets and Confidential Information may include, but not be limited to, information (in whatever form) relating to or regarding the Marks, the FOM, other proprietary matters pertaining to the HoneyBaked System, and other proprietary information regarding the operation of HBH Stores which HBH has designated as "confidential."

2.2 Covenantors expressly covenant and agree that, (i) regarding Confidential Information, for a period of five (5) years from the date of this Agreement, and (ii) regarding trade secrets, for so long as such information remains a trade secret, Covenantors will not, except only as required for the benefit of HBH in carrying out Transferor's surviving obligations under the Franchise Agreement, without the prior express written consent of HBH, directly or indirectly, divulge, disclose, convey or publish to any person or entity, or reproduce, use or apply for Covenantors' own benefit, or the benefit of another or others, in any way, any trade secrets or Confidential Information of HBH. Covenantors also agree that Transferor and all of Transferor's employees and agents will observe all security measures implemented by HBH to protect its trade secrets and Confidential Information. Upon the request of HBH, Covenantors will immediately return any and all copies or other reproductions of trade secrets or Confidential Information to HBH.

2.3 Notwithstanding the foregoing, in the event Covenantors are contacted by a bona-fide franchise prospect of HBH, Covenantors shall be permitted to share information regarding the financial performance of the Store operated under the Franchise Agreement and the relationship Covenantors had with HBH. Covenantors shall request HBH to confirm the identity of bona-fide franchise prospects prior to sharing any information permitted under this section.

3. **Waiver**. Covenantors acknowledge that no waiver by HBH of any breach by Covenantors of any provision of this Agreement shall be deemed a waiver of any preceding or succeeding breach of the same or any other provision of this Agreement. No such waiver shall be effective unless in writing and then only to the extent expressly set forth in writing.

4. **Enforcement**.

4.1 This Agreement is governed by and will be construed exclusively in accordance with the laws of the State of Georgia (without regard to Georgia conflicts of law principles).

4.2 The parties agree that all disputes arising under this Agreement will be heard only in the federal or state courts in the state in which HBH has its principal place of business at the time any proceeding relating to such matter is filed. The parties consent to venue in Fulton County, Georgia, or such other county where the principal place of business of HBH is then located, and irrevocably and unconditionally waive any rights they may have to assert jurisdiction or venue in any other court, administrative forum, or other adjudicative body.

4.3 Covenantors understand that any violation of this Agreement will cause HBH immediate and irreparable harm which money damages cannot adequately remedy. Therefore, Covenantors agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Covenantors, HBH shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or

to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by HBH shall be in addition to, and not in lieu of, all remedies and rights that HBH otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

5. Miscellaneous.

5.1 To the extent not otherwise defined herein, all capitalized terms shall have the meanings assigned to them in the Franchise Agreement.

5.2 Section headings in this Agreement are for reference only and shall not be construed as modifying any provisions of this Agreement.

5.3 If a court of competent jurisdiction deems any provision of this Agreement invalid, unreasonable or unenforceable, then the remaining provisions will not be affected and the invalid provisions may be enforced to the extent deemed reasonable by the courts.

5.4 This Agreement is the entire agreement between the parties concerning the subject matter and supersedes any prior agreements concerning the subject matter hereof. No amendment or modification of this Agreement shall be valid or binding unless made in a mutually executed writing.

5.5 This Agreement may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date noted below.

HBH:

THE HBH FRANCHISE COMPANY, LLC,
a Georgia limited liability company

By:_____
Print Name:_____
Title:_____
Effective Date:_____

COVENANTORS:

TRANSFEROR:

_____,
a _____

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

OWNERS:

Signed:_____
Print Name:_____
Resident of: _____

Signed:_____
Print Name:_____
Resident of: _____

EXHIBIT J

FRANCHISEE LISTS

FRANCHISED STORE LIST AS OF SEPTEMBER 25, 2022

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Thompson Holdings, LLC Michael & Nancy Thompson	426 Fairhope Avenue	Fairhope	AL	36532	(251) 928-7262
Alabama Hams, LLC Andy Gaghagen	301 Cox Creek, Suite 1320	Florence	AL	35630	(256) 760-0650
Thompson Holdings, LLC Michael & Nancy Thompson	2770 S. McKenzie Street	Foley	AL	36535	(251) 923-4361
Oink, Inc. Jason & Lisa Downard	1828 McFarland Blvd.	Northport	AL	35476	(205) 339-8800
Sandwich, Inc. Tom Hayley	1451 Gateway Drive, Suite C	Opelika	AL	36801	(334) 741-8411
Gaghagen, Inc. Andy Gaghagen	637 Snow Street	Oxford	AL	36203	(256) 832-0700
Gaghagen, Inc. Andy Gaghagen	115 East Grand Avenue, #100	Rainbow City	AL	35906	(256) 467-4799
T&D Specialty Foods, LLC Todd Darouse	1400 SE Walton, Suite 44	Bentonville	AR	72712	(479) 271-7838
T&D Specialty Foods, LLC Todd Darouse	3037 North College Avenue	Fayetteville	AR	72703	(479) 444-8700
THBR Unlimited, LLC Tom Smith	2001 East Nettleton Avenue	Jonesboro	AR	72401	(870) 931-3737
SW Ham, LLC Toni & Brett Gilbert	2975 E. Ocotillo Rd., #5	Chandler	AZ	85249	(489) 887-0953
Arizona Ham Company, LLC Toni & Brett Gilbert	5030 East Ray Road, Suite 13	Phoenix	AZ	85044	(480) 598-3000
Arizona Ham Company, LLC Toni & Brett Gilbert	9897 West McDowell Road, B-250	Tolleson	AZ	85353	(623) 936-1199
Ham Delite – Culver City, Inc. Shauna Crowley	11405 Jefferson Blvd.	Culver City	CA	90230	(310) 390-4452
King Fish, Inc. Jon Kagawa	547 N. Glendale Ave.	Glendale	CA	91206	(818) 242-0082
Ham Delite, Inc. Shauna Crowley	2428 W. Whittier Blvd.	La Habra	CA	90631	(562) 694-2114
Ham Delite – Lakewood, Inc. Shauna Crowley	4115 Candlewood	Lakewood	CA	90712	(562) 634-9711
Mardek Enterprises, Inc. Danielle King	1419 N. Tustin	Orange	CA	92867	(714) 997-9960
Mardek Enterprises, Inc. Danielle King	5276 Arlington Ave.	Riverside	CA	92504	(951) 688-9681
Mardek Enterprises, Inc. Danielle King	707-A West Second St.	San Bernardino	CA	92410	(714) 532-2676
Ham Delite – Torrance, Inc. Shauna Crowley	2861 Pacific Coast Hwy	Torrance	CA	92410	(310) 326-7603
Mardek Enterprises, Inc. Danielle King	13771 Newport Ave. #13	Tustin	CA	90505	(714) 731-6616

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Bax & Dun Enterprises, LLC Carole & Mike Dunlap	731 E Harmony Road	Ft. Collins	CO	80525	(970) 225-1211
Dunlap Corporation Carole & Mike Dunlap	2464 US Highway 6&50, Suite 112	Grand Junction	CO	81505	(970) 243-5522
Bax & Dun Enterprises, LLC Carole & Mike Dunlap	3766 West 10th Street, Suite B	Greeley	CO	80634	(970) 346-0200
T & C Foods, LLC Gino Carleo	1000 West 6th Street, Suite P	Pueblo	CO	81003	(719) 545-0079
PigTales LLC Bill Anstee	4764 Limestone Road, Suite A	Wilmington	DE	19808	(302) 397-8757
Georggi's Restaurant Group, LLC Philip Georggi	5771 Manatee Avenue West	Bradenton	FL	34209	(941) 761-3766
Tasty Food, LLC Suze Philizaire	4462 Weston Road	Davie	FL	33331	(954) 888-4776
The Ham Meister, Inc. Kris & Rick Labitzke	345 Bill France Blvd.	Daytona Beach	FL	32114	(386) 238-0026
Deli's of the Emerald Coast, LLC Darin Francis	137 Crystal Beach Drive	Destin	FL	32541	(850) 650-2636
Ham It Up, Inc. Donnie Covey	421 W. Plaza Drive	Eustis	FL	32726	(352) 483-1776
Three Little Pigs, Inc. Stan Given	618 NW 60th Street	Gainesville	FL	32607	(352) 331-1253
Ham It Up, Inc. Donnie Covey	Village Crossroads 524 N. Hwy 27/441	Lady Lake	FL	32159	(352) 259-3900
Georggi's Foods, Inc. Amgad Georggi	5615 South Florida Ave.	Lakeland	FL	33813	(863) 648-0708
Ham Wild, Inc. Donnie Covey & Jimmy Salerno	2709 SW 27th Avenue Unit 101	Ocala	FL	34471	(352) 861-0011
Coverno, Inc. Jimmy Salerno	13741 South John Young Parkway	Orlando	FL	32837	(407) 851-0200
DDD Hams, Inc. Dennis Demshar	1499 Palm Coast Parkway	Palm Coast	FL	32137	(386) 585-4545
Georggi's Restaurant Group, LLC Philip Georggi	2605 Tamiami Trail	Port Charlotte	FL	33952	(941) 625-3626
Georggi's Restaurant Group, LLC Philip Georggi	8637 US Highway 19	Port Richey	FL	34668	(727) 815-3739
Cambrett, Inc. Jimmy Salerno	318 N. Entrance Road	Sanford	FL	32771	(407) 688-2271
Georggi's Restaurant Group, LLC Philip Georggi	4638 Commercial Way	Spring Hill	FL	34606	(352) 592-2994

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
DDD Hams, Inc. Dennis Demshar	272 State Road 312	St. Augustine	FL	32086	(904) 810-0995
JRTW, Inc. Tom & Lisa Wood	2430 NW Federal Highway	Stuart	FL	34994	(772) 692-7443
DDD Hams, Inc. Dennis Demshar	1519 Capital Circle NE	Tallahassee	FL	32308	(850) 205-1426
Bone In Corp. Stacy & Harley Zachary	12040 Anderson Road	Tampa	FL	33625	(813) 269-0302
Paragon Foods, Inc. Bob Newsome	621-C North Westover Blvd.	Albany	GA	31707	(229) 436-4267
Hams4Him, LLC Matt Bengochea	3690 Atlanta Highway, Suite 107	Athens	GA	30606	(706) 613-8800
Rian and Rhonda True Enterprises, Inc. Rian & Rhonda True	2825 Washington Rd.	Augusta	GA	30909	(706) 738-4267
RSO Properties and Investments, Inc. Scott Orr	106 Scranton Connector	Brunswick	GA	31525	(912) 264-1823
EC Foods Company, Inc. Mike Gelatt	1455 Riverstone Parkway	Canton	GA	30114	(770) 479-1369
Southwind Foods, Inc. Scott Bower	883 Joe Frank Harris Parkway	Cartersville	GA	30120	(770) 386-5244
The Toon Group, LLC April & Barry Toon	1701 Rollins Way	Columbus	GA	31902	(706) 653-1703
JJLaneABN, LLC John Lane	100 W. Walnut Ave., Suite 118	Dalton	GA	30720	(706) 277-4966
Southwind Foods, Inc. Scott Bower	355 Quill Drive	Dawsonville	GA	30534	(706) 216-2270
Sandee White Foods, Inc. Sandee Wardlaw	7421 Douglas Blvd.	Douglasville	GA	30135	(770) 489-1500
GEI Ellijay Inc. Mike Gelatt	29 Highland Drive, #103	Ellijay	GA	30540	(706) 276-2112
Rian and Rhonda True Enterprises, Inc. Rian & Rhonda True	4217 Washington Road, Suite 8	Evans	GA	30907	(706) 860-0071
TeBo Foods, Inc. Bobby Fortner	805 Glynn Street South, Suite 129	Fayetteville	GA	30214	(770) 461-8074
Hams4Him, LLC Matt Bengochea	1237 Thompson Bridge Road	Gainesville	GA	30501	(770) 287-1773
TeBo Foods, Inc. Bobby Fortner	1000 Tanger Drive, Suite 315	Locust Grove	GA	30248	(770) 898-0703
The Toon Group, LLC April & Barry Toon	4524 Forsyth Rd., Suite 301	Macon	GA	31210	(478) 474-5500
Toon Enterprises, Inc. April Toon	244 Newnan Crossing Bypass	Newnan	GA	30265	(678) 423-3600
Bull River Holdings, LLC John Peecksen	201 Tanger Outlets Blvd. Suite 630	Pooler	GA	31322	(912) 330-6510

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Gaghagen, Inc. Michael A. Gaghagen	900 Martha Berry Blvd. NE	Rome	GA	30165	(706) 291 2983
Bull River Holdings, LLC John Peekson	8608 Abercorn Street	Savannah	GA	31406	(912) 920-7400
TeBo Foods, Inc. Bobby Fortner	Stockbridge Village Shopping Center 3529 US Highway 138	Stockbridge	GA	30281	(770) 389-0400
The Toon Group, LLC April & Barry Toon	150 S. Houston Lake Road, Suite 100	Warner Robins	GA	31088	(478) 971-4528
Page & Sons, Inc. Craig Page	538 Main St. NW	Bourbonnais	IL	60914	(815) 935-9700
Big City Ham Company Ann Plewa	2815 N. Ashland	Chicago	IL	60657	(773) 880-8400
Ham Man, Inc. Jacob Kuenster	5186 Northwest Hwy, Suite 139	Crystal Lake	IL	60014	(815) 477-4426
Liberty Sales of Illinois, Inc. David and Karen Cioni	4949 Grand Avenue	Gurnee	IL	60031	(847) 775-1616
White Dolphin, LLC Edmundo Lopez	8100 E US Hwy 36, Suite N	Avon	IN	46123	(317) 272-2005
Kinsler-Jeffers Enterprises, LLC Sherry & Bill Jeffers	3293 West 3rd Street	Bloomington	IN	47404	(812) 336-4426
Pennyhill Ham Company Mike Kalb	2001-10 E. Greyhound Pass	Carmel	IN	46032	(317) 580-9080
ELCO Ventures, LLC Eric Ralph	1446 N. Green River Road	Evansville	IN	47715	(812) 471-2940
M.C. Hams, Inc. Mike Bradbury	6410 West Jefferson Blvd.	Ft. Wayne	IN	46804	(260) 436-8998
M.C. Hams, Inc. Mike Bradbury	10310 Coldwater Road	Ft. Wayne	IN	46825	(260) 387-7038
Jemcon, Inc. John Misch	2004 45th Street	Highland	IN	46322	(219) 924-1177
Pennyhill Ham Company Mike Kalb	3905 West 96th Street, Suite 100	Indianapolis	IN	46268	(317) 872-2795
Hambone Enterprises, LLC Kurt Kemmer	3540 State Road, 38 E, Suite 302	Lafayette	IN	47905	(765) 449-1223
Jemcon, Inc. John Misch	1665 E. 80th Avenue	Merrillville	IN	46410	(219) 795-1555
Hamtastic, Inc. Kerry Kemmer	3602 Northgate Ct., Suite 23	New Albany	IN	47150	(812) 941-9426
Hamlet Enterprises Chuck & Jane Hamlet	1051 Bryant Way, Suite 1	Bowling Green	KY	42103	(270) 796-9444
1034, LLC Stephen Park	3048 Ring Rd.	Elizabethtown	KY	42701	(270) 763-0811
Oink, Inc. John Early	808 North Highway 190, Suite H	Covington	LA	70433	(985) 875-1911
Houma Ham Company, LLC Richard Reaves	1539 MLK Boulevard, Suite 114	Houma	LA	70360	(985) 851-3692

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Lafayette Ham Co., LLC Denise & Richard Reaves	Crossroads South 4400- F Ambassador Caffery Parkway	Lafayette	LA	70508	(337) 524-1010
Honey Hill LLC Hill Dupuy	5300 Tchoupitoulas	New Orleans	LA	70115	(504) 891-5100
Smith Hams, LLC William Smith	5739 Youree Drive	Shreveport	LA	71105	(318) 865-4411
American Treats, LLC Loveday Uduhiri	6900 Laurel Bowie Road	Bowie	MD	20715	(301) 383-0442
Ha Ha Brands, LLC Ken Higgins	4725 Dorsey Hall Drive	Ellicott City	MD	21043	(410) 730-6700
Carolina Restaurant Management Group, Inc. Matt Davis & David Rose	1306 W. Patrick Street	Frederick	MD	21703	(301) 662-4426
B.A. Ham, Inc. Jeff Wahlbrink	16529 S. Frederick Avenue	Gaithersburg	MD	20877	(301) 527-8777
Ha Ha Brands, LLC Ken Higgins	560-H Ritchie Hwy	Severna Park	MD	21146	(410) 544-6464
Ha Ha Brands, LLC Ken Higgins	2153 ½ York Road	Timonium	MD	21093	(410) 561-5261
Carolina Restaurant Management Group, Inc. Matthew Davis & David Rose	50 St. Patricks Drive	Waldorf	MD	20603	(301) 638-0086
Schmidt Hamco, LLC Louis Schmidt V	3446 Washtenaw Ave.	Ann Arbor	MI	48104	(734) 677-8500
Maly Enterprises, LLC Ray Maly	5601 W. Saginaw Hwy	Lansing	MI	48917	(517) 327-5008
The Komara Group, LLC Chris Komara	221 W. Wackerly Street	Midland	MI	48640	(989) 835-4267
Maly Enterprises, LLC Ray Maly	1695 Hamilton Road	Okemos	MI	48864	(517) 349-9393
Maly Enterprises, LLC Ray Maly	5823 South Westnedge	Portage	MI	49002	(269) 345-1199
Schmidt Hamco, LLC Louis Schmidt V	44871 Hayes Road	Sterling Heights	MI	48313	(586) 566-4700
RJTM Investments, Inc. Mike Muzljakovich	815 S. Garfield Avenue	Traverse City	MI	49686	(231) 935-4267
The Komara Group, LLC Chris Komara	3150 Alpine Avenue NW, Suite D	Walker	MI	49544	(616) 724-4169
Twin City Hams, LLC Marc Spiros	14150 Nicollett Ave. South, Suite14A	Burnsville	MN	55337	(952) 435-8000
Twin City Hams, LLC Marc Spiros	12965 Ridgedale Drive	Minnetonka	MN	55305	(952) 540-1048
Twin City Hams, LLC Marc Spiros	2401 Fairview Ave.	Roseville	MN	55113	(651) 631-8211
Ex Nihilo Development, LLC Donnie Shaw	201 S. Mt. Auburn, Suite G	Cape Girardeau	MO	63703	(573) 334-1963

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Ex Nihilo Development, LLC Donnie Shaw	510 E. Green Meadows Road, Suite 107	Columbia	MO	65201	(573) 256-4267
Patterson Enterprises, Inc. Billy Patterson	4600 Hardy Street, Suite 10	Hattiesburg	MS	39402	(601) 268-6434
Three Sisters Food Services, LLC Karrie & Billy Goodman	103 South Frontage Rd., Suite 202	Meridian	MS	39301	(601) 693-7244
ALCR Enterprise, LLC Anthony Pope	1533 Bienville Boulevard	Ocean Springs	MS	39564	(228) 875-5828
CBH Enterprises, LLC Chris Hill	204 Merchants Drive	Oxford	MS	38655	(662) 234-4472
C and N Specialty Foods, Inc. Chauncey Godwin	405 S. Gloster Street	Tupelo	MS	38801	(662) 844-4888
Oink, Inc. Jason & Lisa Downard	2480 S. Frontage Road, Suite A	Vicksburg	MS	39180	(601) 629-9830
Joyful Noise Enterprises, LLC Keith Gover	11088 North US Highway 15/501, Unit 921	Aberdeen	NC	28315	(910) 246-1830
Ham & Ham NC, Inc. Gary Hammond	5 Miller Road S, Suite 5	Asheville	NC	28803	(828) 259-9426
The Davis Restaurant Group, Inc.* Matt Davis	544 Huffman Mill Road	Burlington	NC	27215	(336) 584-1818
The Davis Restaurant Group, Inc.* Matt Davis	1480 Concord Parkway North, Suite 80	Concord	NC	28025	(704) 918-4500
Marion H. Davis Jr. & Associates, Inc. Barbara Davis & Matt Davis	20609 Torrence Chapel Road, Suite112	Cornelius	NC	28031	(704) 892-9592
Joyful Noise Enterprises, LLC Keith Glover	160 N. McPherson Church Rd.	Fayetteville	NC	28303	(910) 868-3553
Marion H. Davis Jr. & Associates, Inc. Barbara Davis & Matt Davis	1867-A Remount Road	Gastonia	NC	28054	(704) 868-3376
Maregerguis, LLC Nader Botros	710 C Red Banks Road	Greenville	NC	27858	(252) 329-0700
Herbert Wayne Pace	165 Four Seasons Mall Highway 64 East	Hendersonville	NC	28792	(828) 698-8300
The Davis Restaurant Group, Inc.* Matt Davis	1364 Highway 321 NW	Hickory	NC	28601	(828) 326-9850
Barton Inc. of Jacksonville, LLC Jackie & Mike Barton	1250 N-5 Western Blvd.	Jacksonville	NC	28546	(910) 577-4267

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Barton Inc. of Morehead City, LLC Jackie Barton	5167 US-70, Suite 40	Morehead City	NC	28557	(252) 723-8260
Antonious, LLC Nader Botros	2117 S. Glenburnie Road	New Bern	NC	28562	(252) 631-5125
The Carpenter's Table, LLC David Hardy	14460 New Falls of Neuse Road, Suite 161	Raleigh	NC	27614	(919) 332-2383
C.T.G. Foods, Inc. Chris Gardner	3641 Sunset Avenue	Rocky Mount	NC	27804	(252) 937-4267
Meena Enterprises, LLC Nader Botros	120 Summit Park Drive Suite 200	Salisbury	NC	28146	(704) 633-1110
Carolina Business Management, LLC David Rose	351-26 S. College Road	Wilmington	NC	28403	(910) 452-0085
Shanahan, LLC Molly Shanahan	16902 Wright Plaza, Suite 165	Omaha	NE	68130	(402) 991-4444
Banquet Partners, Inc. Dante Sucgang	1197 Amboy Ave.	Edison	NJ	08837	(732) 452-0039
Mercer County Hams, LLC Maria Jordan & Philip Rivera	3371 Brunswick Pike	Lawrenceville	NJ	08648	(609) 452-1011
WGM Foods, Inc. Kevin Bentz, Scott Bentz & Daniel Fulton	898 N. Route 73	Marlton	NJ	08053	(856) 985-4777
Patriot Foods, LLC Keith Visone	770 Route 35 South	Middleton	NJ	07748	(732) 842-1115
Delectable Partners, Inc. Dante Sucgang	792 Broomfield Avenue	West Caldwell	NJ	07006	(973) 244-1426
Second Act Management, LLC Rose Ramirez	57 North Central Avenue	Hartsdale	NY	10530	(914) 610-4267
Brentmoor Hams, LLC Richard & Diana Neuenschwander	813 Boardman-Poland Road, Suite13	Boardman	OH	44512	(330) 965-0600
Sunny Brothers, LLC Sanjay Patel	1374 Polaris Parkway	Columbus	OH	43240	(614) 880-9900
Albany Farms, LLC. Jerry Merritt & Andrew Thompson	1006 Hebron Road, Suite A	Heath	OH	43056	(740) 522-1100
RNM Management, LLC Richard & Melissa Hokanson	6527 Brecksville Road	Independence	OH	44131	(216) 573-1388
Karma in Paradise, LLC Steve & Natasha Schwartz	33493 Aurora Road	Solon	OH	44139	(440) 349-0600
HB Ham, LLC Richard Schulte	2001 North Bechtle Avenue	Springfield	OH	45504	(937) 399-2777
Michelle, Inc. Rick Payne & Syd Payne	50609 Valley Plaza Drive	St. Clairsville	OH	43950	(740) 699-0393
Sunset in Paradise, Inc. Steve Schwartz	9438 State Route 14, Unit A	Streetsboro	OH	44241	(330) 626-0606

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
HB Ham, LLC Richard Schulte	771 West Market Street	Troy	OH	45373	(937) 332-0088
CE Management, LLC Chad Lynn	2579 Maple Avenue	Zanesville	OH	43701	(740) 454-6555
5337, Inc. Lee Griffin	8228 E. 61st Street, Suite #116	Tulsa	OK	74133	(918) 254-6339
HBH of Portland, Inc. Paul White	11657 S.W. Beaverton-Hillsdale Hwy.	Beaverton	OR	97005	(503) 646-4446
HBH of Portland, Inc. Paul White	358 Warner Milne Rd., Suite 109G	Oregon City	OR	97045	(503) 543-1677
HBH of Portland, Inc. Paul White	5331 S. W. Macadam #276	Portland	OR	97239	(503) 243-1181
J.M. Folcarelli, LLC Mike Folcarelli	3415 New Pleasant Valley Blvd., Suite 52	Altoona	PA	16602	(814) 201-2281
Atlee Farms, LLC Andrew Lile	2054 Sproul Road	Broomall	PA	19008	(610) 353-4000
Two Chiefs, Inc. Tom Murphy	420 Town Center Rt. 202 South	Doylestown	PA	18901	(215) 230-5334
Balogh Enterprises, LLC Jeff & Sherry Balogh	7200 Peach Street, Unit 120	Erie	PA	16509	(814) 403-5190
Bucks County Hams, LLC Maria Jordan & Phil Rivera	636 Lincoln Hwy	Fairless Hills	PA	19030	(215) 504-1900
Hamalot, Inc. Wayne Masoner	301 Byers Drive, Suite 17-19 Concordville Town Centre	Glen Mills	PA	19342	(610) 358-3200
Oinky, LLC Wayne Masoner	132 Eagleview Blvd. Lionville Shopping Center	Lionville	PA	19353	(484) 879-4653
Endless Mt. Hams, LLC Kevin Sebring	709 Scranton Carbondale Highway Siniawa Plaza II	Scranton	PA	18508	(570) 348-0080
J.M. Folcarelli, LLC Mike Folcarelli	1724 S. Atherton Street	State College	PA	16801	(814) 272-4267
WGM Foods, Inc. Kevin Bentz, Scott Bentz & Daniel Fulton	3644 Welsh Road	Willow Grove	PA	19090	(215) 657-8720
PNJ Desai, Inc. Jignesh Desai	1701 Whiskey Road	Aiken	SC	29803	(803) 649-6038
HPS Desai LLC Jignesh Desai	3188 North Main Street	Anderson	SC	29621	(864) 231-7097
L.P. White, Inc. Pete White	1060 Fording Island Road, Suite 504	Bluffton	SC	29910	(843) 815-7388
Munn Enterprises, Inc. Rhett & Connie Munn	2151 West Evans Street	Florence	SC	29501	(843) 629-8899
Simba and Company, Inc. Jignesh Desai	420 Bypass 72 NW	Greenwood	SC	29649	(864) 388-0071
Grand Slam, Inc. Jeff Cisco	859 Houston Northcutt Blvd.	Mt. Pleasant	SC	29464	(843) 971-2000

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
SC Ham & Ham, Inc. Gary Hammond	3600-C Highway 17 South	North Myrtle Beach	SC	29582	(843) 497-2631
The Davis Restaurant Group, Inc.* Matt Davis	2349-61 Cherry Road	Rock Hill	SC	29732	(803) 326-1000
The Davis Restaurant Group, Inc.* Matt Davis	339 Harrison Bridge Rd, #339-B	Simpsonville	SC	29680	(864) 967-4267
Poe Family Holdings, LLC Daren Poe	807 North Pine Street	Spartanburg	SC	29303	(864) 585-4267
High Fly, Inc. Jeff Cisco & Mike Cisco	1305-A North Main Street	Summerville	SC	29483	(843) 832-0999
Markelty, LLC Kelly & Mark Johnson	3515 W. 57th Street	Sioux Falls	SD	57108	(605) 362-6163
Sluder Management, LLC Tricia & Marty Sluder	4454 Frontage Road NW	Cleveland	TN	37312	(423) 476-0056
VIII Enterprises, LLC Keith & Teresa Pinson	541 S. Willow Avenue, Suite 108	Cookeville	TN	38501	(931) 520-4426
Toon Enterprises, Inc. April Toon	841 Vann Drive	Jackson	TN	38305	(731) 664-8800
HAMITUP, Inc. Penny Fuller	3101 Browns Mill Rd	Johnson City	TN	37604	(423) 854-9414
John Midgett Enterprises, LLC John Midgett	1427 West Main Street	Lebanon	TN	37087	(615) 443-4267
DJAK Hernon, Inc. Jennifer Hernon	1705 W Andrew Johnson Highway	Morristown	TN	37814	(423) 616-0700
Toon Enterprises, Inc. April Toon	Irongate Village Shopping Center 2345 Memorial Blvd.	Murfreesboro	TN	37129	(615) 893-4267
Gelatt Enterprises, Inc. Mike Gelatt & Tim Gelatt	870 Oak Ridge Turnpike	Oak Ridge	TN	37830	(865) 272-9411
Jadan Investments, LLC Danielle & Jamie Wallace	2740 Teaster Lane, Suite 121	Pigeon Forge	TN	37863	(865) 429-4267
Kerry Giese	3975 State Hwy 6	College Station	TX	77845	(979) 314-1229
Pierce Principle Foods Group, Inc. Les Pierce	1502 Airline Drive	Corpus Christi	TX	78412	(361) 991-4424
Irber Industries, Inc. Bernd & Irma Curran	6600 North Mesa, Suite 304	El Paso	TX	79932	(915) 842-9934
Pierce Principle Foods Group, Inc. Les Pierce	201 B Hwy 332	Lake Jackson	TX	77566	(979) 299-7400
Pierce Principle Foods Group, Inc. Les Pierce	651 N. Business IH-35, Suite 1020	New Braunfels	TX	78130	(830) 214-2513

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Hams Down, Inc. Kim & Alan Borough	2007 Plank Road	Fredericksburg	VA	22401	(540) 374-1405
Carol's HBH Company Carol White	13149 Gateway Center Dr	Gainesville	VA	20155	(517) 261-2277
Little Hamily Enterprises, LLC Rod Little	182 Neff Avenue, Suite S5	Harrisonburg	VA	22801	(540) 434-5700
Loco's Best, LLC Tammi & Dan Ketterman & Tom & Elizabeth Whitting	214 Catoctin Circle, SE	Leesburg	VA	20175	(866) 328-4267
L&L 2224, LLC Tom Phillips	3700 Candlers Mtn. Rd.	Lynchburg	VA	24502	(434) 846-4267
Y and W, Inc. Yong & Wan Cho	12551 Jefferson Avenue, Suite 103	Newport News	VA	23602	(757) 988-1888
Old Dominion Specialty Foods, LLC David Crawford	200 Towne Center West Blvd., Suite 609	Richmond	VA	23233	(804) 740-0361
Ham It Up, Inc. Frank Guilfoyle	2626 Broadway Avenue	Roanoke	VA	24014	(540) 857-4267
Y and W S, Inc. Yong & Wan Cho	4801 Virginia Beach Blvd	Virginia Beach	VA	23462	(757) 486-5045
Carolina Restaurant Management Group, Inc. Matt Davis & David Rose	25 Weems Lane	Winchester	VA	22601	(540) 535-0060
Hams Down, Inc. Kim & Alan Borough	2950 Prince William Pkwy.	Woodbridge	VA	22192	(703) 910-4196
Terrell Enterprises, LLC Vivian Terrell	731 N. Columbia Center Blvd., #122	Kennewick	WA	99336	(509) 579-5855
HoneyGals, Inc. Susie Stapley	3711 South Meridian	Puyallup	WA	98373	(253) 446-4300
Honey N Ham, Inc. Jeff & Shawna Miller	13910 E. Indiana Avenue, Suite B	Spokane Valley	WA	99216	(509) 244-4267
JORDZACAMO, LLC Toni Locy	2913 South 38th Street	Tacoma	WA	98409	(253) 472-4267
HAM-SMITH, LLC Steven Smith	1000 W. Wisconsin Ave., Suite 12 Bell Heights	Appleton	WI	54914	(920) 882-4150
D-TECA Group, LLC Dan & Tori Wheelock	933 Anderson Drive, Suite A-B	Green Bay	WI	54304	(920) 592-9995
Brentmoor Hams of WI, LLC Richard & Diana Neuenschwander	817 North Mayfair Road	Milwaukee	WI	53226	(414) 258-1145
JTEK, Inc. Jeff & Toni Madden	6007 US Route 60 East, Suite 222	Barboursville	WV	25504	(304) 733-4266
DanDee Enterprises, Inc. Daniel & Denise Clagg	27 By-PassPlaza Shopping Center	Beckley	WV	25801	(304) 253-3321

FRANCHISEE AND CONTACT PERSON	STREET ADDRESS	CITY	ST	ZIP	PHONE
Hams of WV, LLC Deno Gelmini	2834 Mountaineer Blvd. Southridge Center	Charleston	WV	25309	(304) 746-3900
Hams of WV, LLC Deno Gelmini	514 Emily Drive	Clarksburg	WV	26301	(304) 626-3600
Hams of WV, LLC Deno Gelmini	56 Nitro Market Place	Cross Lanes	WV	25313	(304) 776-0900
Hams of WV, LLC Deno Gelmini	841 Venture Drive	Morgantown	WV	26505	(304) 291-2400
SweetCamCo, LLC Michael & Cammey Sweet	202 Lakeview Center	Parkersburg	WV	26104	(304) 422-0600

*** Developers**

LIST OF FRANCHISEES WHO HAVE SIGNED FRANCHISE AGREEMENTS AND STORES ARE NOT YET OPEN

(as of September 25, 2022)

FRANCHISEE AND CONTACT PERSON	CITY	STATE	PHONE
C and B Speciality Foods, Inc. Max Balke	Hot Springs	AR	501-276-7039
SW Ham, LLC Toni Gilbert	Cave Creek	AZ	480-204-9416
T&G Hams, LLC Tess Keim	Boise	ID	208-739-1767
HHR Hospitality LLC Jayson Henderson,	Somerset	KY	606-305-2871
The Carpenter's Table, LLC David Hardy	Fuquay Varina	NC	919-332-3283
The Davis Restaurant Group, Inc.	Monroe	NC	704-689-2718
John Midgett Enterprises, LLC John Midgett	Mt. Juliet	TN	615-598-0809
Sweetie Bell Ham's, LLC Marlana Vickers	Magnolia	TX	281-881-9660
Robcrew LLC John Roberson	Wichita Falls	TX	432-296-9327
Brentmoor Hams of WI, LLC Rick Neuenschwander	Fox Point	WI	513-313-0547

LIST OF FRANCHISEES THAT CLOSED OR TRANSFERRED A STORE OR LEFT THE SYSTEM

(during our last fiscal year and within ten weeks of the date of this disclosure document)

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

Name	Address	Current Business Phone Number or Last Known Home Phone Number
Limitless, Inc. Amy Nipper	301 Cox Creek Parkway, Suite 1320 Florence, AL 35630	(256) 760-0650
DDD Hams, Inc. Dennis D. Demshar	272 SR 312 St. Augustine, FL 32086	(440) 487-9572
Rian and Rhonda True Enterprises, Inc. Rian & Rhonda True	3402 Wrightsboro Road Augusta, GA 30909	(706) 733-6565
SouthWind Foods, Inc. Scott Bower	420 Ridgemoor Pass Canton, GA 30115	(678) 427-1903
Twin City Hams, LLC Marc Spiros	110 W. Grant Street, #26B Minneapolis, MN	(513) 969-4446
Shanahan, LLC Molly Shanahan	2929 Legacy Commons Plz #112 Omaha, NE 68130	(402) 770-0348
HBH of Portland, Inc. Paul White	17403 Brookhurst Drive Lake Oswego, OR 97034	(503) 646-4446
TASL Group Lynn Thompson	72 Pine Street Mt. Gretna, PA 17064	(610) 430-8620
Robcrew LLC John Roberson	2875 Horseshoe Lake Road Iowa Park, TX 76367	(432) 296-9327
David Crawford Old Dominion Specialty Foods, LC	200 Towne Center West Blvd., Suite 609 Richmond, VA 23233	(804) 740-0361
JORDZACAMO, LLC Toni Locy	1908 16th Avenue SE Olympia, WA 98501	(360) 753-8744
Perry, Inc. Laura Perry	2604 26th Street Puyallup, WA 98409	(253) 472-4267

EXHIBIT K

FINANCIAL STATEMENTS

The HBH Franchise Company, LLC

Financial Statements

September 25, 2022, September 26, 2021,
and September 27, 2020

The HBH Franchise Company, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Managers of
The HBH Franchise Company, LLC

Opinion
We have audited the accompanying financial statements of The HBH Franchise Company, LLC (the Company), which comprise the balance sheets as of September 25, 2022, September 26, 2021, and September 27, 2020, and the related statements of income, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The HBH Franchise Company, LLC as of September 25, 2022, September 26, 2021, and September 27, 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Windham Brannon, LLC

January 11, 2023

The HBH Franchise Company, LLC

Balance Sheets
September 25, 2022, September 26, 2021, and September 27, 2020

	2022	2021	2020
		(in Thousands)	
Assets			
Current assets			
Cash	**$ 801**	$ -	$ -
Franchisee receivables, net	**1,317**	1,678	1,484
Accounts receivable, related parties	**35,781**	29,805	24,754
Prepaid and other assets	**216**	58	46
Total current assets	**38,115**	31,541	26,284
Property and equipment, net	**4**	18	35
Goodwill, net	**6,087**	5,525	7,367
Other intangible assets, net	**3,739**	2,704	2,861
Total assets	**$ 47,945**	$ 39,788	$ 36,547
Liabilities and member's equity			
Current liabilities			
Accounts payable	**$ 350**	$ 100	$ 55
Accounts payable, related parties	**173**	159	140
Accrued expenses	**394**	678	293
Deferred revenue, current portion	**232**	269	246
Total current liabilities	**1,149**	1,206	734
Other liabilities	**-**	32	39
Deferred revenue, less current portion	**864**	881	920
Total liabilities	**2,013**	2,119	1,693
Member's equity	**45,932**	37,669	34,854
Total liabilities and member's equity	**$ 47,945**	$ 39,788	$ 36,547

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

The HBH Franchise Company, LLC

Statements of Member's Equity
For the Years Ended
September 25, 2022, September 26, 2021, and September 27, 2020

	2022	2021	2020
		(in Thousands)	
Royalties, advertising, and technology fees, net	**$ 16,944**	$ 14,426	$ 13,198
Product sales to franchisees, net	**3,106**	3,054	2,371
Franchise fees	**257**	253	268
Total revenues	**20,307**	17,733	15,837
Operating expenses			
Selling, general and administrative	**13,508**	12,901	11,089
Amortization (See Note 6)	**2,027**	1,999	1,999
Depreciation	**14**	16	20
Total operating expenses	**15,549**	14,916	13,108
Loss on disposal of property and equipment	**1**	1	1
Income from operations	**4,757**	2,816	2,728
Less other expense, net	**118**	1	95
Net income	**$ 4,639**	$ 2,815	$ 2,633

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

The HBH Franchise Company, LLC

Statements of Member's Equity
For the Years Ended
September 25, 2022, September 26, 2021, and September 27, 2020

		(in Thousands)
Balance, September 29, 2019	$	33,321
Cumulative effect of change in accounting principle (see Note 2)		(1,100)
Net income		2,633
Balance, September 27, 2020		34,854
Net income		2,815
Balance, September 26, 2021		37,669
Contribution (see Note 3)		3,624
Net income		4,639
Balance, September 25, 2022	**$**	**45,932**

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

The HBH Franchise Company, LLC

Statements of Cash Flows
For the Years Ended
September 25, 2022, September 26, 2021, and September 27, 2020

	2022	2021	2020
		(in Thousands)	
Cash flows from operating activities			
Net income	**$ 4,639**	$ 2,815	$ 2,633
Adjustments to reconcile net income to net cash used in operating activities:			
Depreciation and amortization	**2,041**	2,015	2,019
Provision for doubtful accounts	**16**	-	19
Loss on disposal of property and equipment	**1**	1	1
Changes in operating assets and liabilities:			
Franchisee receivables	**345**	(194)	(405)
Accounts receivable and payable, related party	**(5,962)**	(5,032)	(4,392)
Prepaid and other assets	**(158)**	(12)	153
Accounts payable	**250**	45	52
Deferred revenue	**(54)**	(16)	(13)
Accrued expenses and other liabilities	**(316)**	378	(99)
Net cash provided by (used in) operating activities	**802**	-	(32)
Cash flows from investing activities			
Payments received on note receivable	**-**	-	38
Capital expenditures	**(1)**	-	(6)
Net cash (used in) provided by investing activities	**(1)**	-	32
Net change in cash	**801**	-	-
Cash at beginning of year	**-**	-	-
Cash at end of year	**$ 801**	$ -	$ -

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

1. Organization and Nature of Business

The HBH Franchise Company, LLC (the Company) was organized on July 8, 1998 primarily for the purpose of owning and operating the "HoneyBaked Ham" franchise business. The Company is wholly-owned by The Franchise Holding Company, LLC (Holding or Member). The Franchise Holding Company, LLC is wholly-owned by The Honey Baked Ham Company, LLC (HBHC). HoneyBaked Ham stores engage in the operation of selling spiral-sliced glazed hams and related products. As the franchisor, the Company has the right to grant franchises under the HoneyBaked Ham name and related trademarks through several license agreements. The Company holds the right to grant franchises in all 50 states and the District of Columbia.

The following summarizes the number of franchise locations open during fiscal years 2022, 2021, and 2020:

	2022	2021	2020
Franchises open at beginning of year	**209**	209	212
Openings	**9**	1	3
Closures	**(3)**	(1)	(6)
Franchises open at end of year	**215**	209	209

Franchisees of the Company are generally limited to delivering to and serving customers in their territories, as defined in the franchise agreements. The Company acts as the administrator for the franchise system's national advertising fund, into which each franchisee pays a specified percentage of its monthly net sales. Franchisees also must expend a specified percentage of their net sales for local advertising. Upon termination of a franchise agreement, the Company has the option, but not the obligation, to purchase the assets of the store at fair market value, as agreed upon by the parties, or if they cannot agree, as determined by an appraiser.

2. Summary of Significant Accounting Policies

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fiscal Year

The Company's fiscal year ends on the last Sunday in September. The years ended September 25, 2022, September 26, 2021, and September 27, 2020 all contained 52 weeks. All references herein to "2022", "2021", and "2020" represent the respective fiscal years then ended.

Adoption of Accounting Standard in Previous Year

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, (Topic 606), as amended by subsequent ASUs (collectively, ASC 606). ASC 606 provides new guidance related to the core principle that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled, in exchange for those goods or services. It also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments.

The Company adopted this new guidance as of September 30, 2019 for fiscal year 2020 using the modified retrospective transition method. The adoption resulted in a change in accounting principle impacting the balance sheet, with an increase in current and non-current deferred revenue for certain contracts totaling $190,000 and $910,000, respectively, where performance obligations are satisfied over time, and a decrease in member's equity of $1,100,000 on the balance sheet as of September 30, 2019.

The adoption of ASC 606 has been applied to those contracts that were not complete (or substantially complete) at the date of initial adoption. Contracts that were modified before the beginning of the earliest reporting period presented have not been retrospectively restated for these contract modifications.

Revenue Recognition

The Company's revenues consist of royalties, advertising, and technology fees from franchised stores, product sales to franchisees, and franchise fees.

Under ASC 606, the amount of revenue recognized for any goods or services reflects the consideration that the Company expects to be entitled to receive in exchange for these goods or services. To achieve this core principle, the Company applies the following five-step approach: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to performance obligations in the contract; and (5) recognize revenue when or as a performance obligation is satisfied (over time or at a point in time).

ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the consideration expected to be received for those goods or services.

Royalties and advertising fees from franchised stores are recognized at a point in time, when the related franchisee retail sale occurs. Royalty rates range from 5.5% to 6% of monthly net sales of the franchise, or $500 per month, whichever is greater. Advertising fees range from 2% to 3.25% of the unit's net sales.

Technology fees from franchised stores are recognized at a point in time, as the services are rendered. Technology fees range from $80-$200 per month.

Product sales to franchisees are recognized at a point in time, when goods are shipped and relate to inventory purchased by franchisees through the Company. The Company acts as a purchasing agent on behalf of the franchisee. The Company bills the franchisee at cost plus a fixed mark-up. In accordance with accounting principles generally accepted in the United States, the Company records this revenue on a net basis. Product sales to franchisees totaled $3,106,000, $3,054,000, and $2,371,000 for the years ended 2022, 2021, and 2020, respectively.

Initial, renewal, transfer, and area development franchise fees are recognized over time, as the Company satisfies the performance obligations set forth in the respective agreements, over the terms stated in the agreements, generally 10 years from when the agreements are executed. During 2022, 2021, and 2020, the Company recognized $257,000, $253,000, and $268,000, respectively, of revenue related to franchisee fees.

Initial, renewal, transfer, and area development franchise fees are typically fixed and collected upfront, unless specifically stated otherwise in the agreement. The Company does not consider the advance payment to include a significant financing component, as it is used to protect the Company from the franchise owner failing to adequately complete some or all of its obligations under the terms of the franchise agreement contract. Franchise fees received for which these conditions have not been met are recorded as deferred revenue in the accompanying balance sheets.

For product sales to franchisees, the Company does not adjust the promised amount of consideration for the effects of a significant financing component when, at contract inception, the Company expects that the period between transfer of a promised good or service to a customer and when the customer pays for that good or service will be one year or less. Additionally, the Company does not typically include extended payment terms in contracts with customers.

Advertising Fund

The Company collects advertising fees from each franchised unit, excluding those located in California (see Note 3), currently ranging from 2% to 3.25% of the unit's net sales. For any new franchisee contracts signed, the required minimum contribution to the ad fund is 3.25%. These fees are expended for various advertising programs and support activities. Advertising fees in excess of expenditures are recorded in accrued expenses, to be offset by future expenditures. Although rare, advertising expenditures in excess of advertising fees are recorded as prepaid expenses. Franchisees contributed $5,428,000, $4,713,000, and $4,273,000, respectively, to the advertising fund in 2022, 2021, and 2020. The contributions are recorded in royalties, advertising, and technology fees, net in the accompanying statements of income. Total expenditures paid from the advertising fund during 2022, 2021, and 2020 were $5,478,000, $4,466,000, and $4,440,000, respectively. Advertising fees in excess of expenditures, recorded

in accrued expenses, were $255,000, $306,000, and $59,000 as of the years ended 2022, 2021, and 2020, respectively.

Franchisee Receivables

Franchisee receivables relate primarily to royalties, advertising, technology fees, and product sales due from franchisees. Management periodically reviews accounts receivable for collectability and establishes an allowance for doubtful accounts for amounts which are excessively past due or otherwise considered to have the probability of loss.

Accounts Receivable and Payable, Related Parties

In the normal course of business, the Company has accounts receivable and payable for services with related parties. The balances do not have specified terms or conditions for repayment, and interest income or expense has not been accrued or received.

Property and Equipment

Property and equipment is stated at cost. Depreciation expense is calculated over the estimated useful lives of the related assets (three to ten years) using the straight-line method. Management regularly performs reviews to determine whether facts and circumstances exist which indicate that the carrying amount of assets may not be recoverable or that the useful life is shorter than originally estimated. Depreciation expense was $14,000, $16,000 and $20,000 for the years ended 2022, 2021, and 2020, respectively.

Goodwill and Other Intangible Assets

Goodwill consists of the excess of cost over fair value of businesses acquired. The Company has elected the accounting alternative for goodwill available to private companies under FASB Accounting Standard Codification 350-20, whereby, the Company is amortizing goodwill on a straight-line basis over a ten-year period. The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the entity may be below its carrying amount. When a triggering event occurs, the Company first assesses qualitative factors to determine whether the quantitative impairment test is necessary. If that qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company performs the quantitative test to compare the entity's estimated fair value with its carrying amount, including goodwill. If the qualitative assessment indicates that it is not more likely than not that goodwill is impaired, further testing is unnecessary. The goodwill impairment loss, if any, represents the excess of the carrying amount of the entity over its fair value.

Management did not identify any conditions that would suggest an impairment of goodwill exists in 2022, 2021, and 2020. Amortization expense related to goodwill for the years ended 2022, 2021, and 2020 was $1,862,000, $1,842,000 and $1,842,000, respectively.

Intangible assets consist of franchise rights and trademarks. Franchise rights are being amortized using the straight-line method over fourteen to thirty years. Trademarks are being amortized using the straight-line method over thirty years. Amortization expense related to intangible assets for years ended 2022, 2021, and 2020 was $165,000, $157,000, and $157,000, respectively.

Business Acquisitions and Common Control Transactions

Business acquisitions are accounted for in accordance with ASC Topic 805, *Business Combinations* (ASC 805). The Company allocates the purchase price (consideration transferred) to the fair value of assets acquired and liabilities assumed at the acquisition date. Goodwill is recognized as the excess of the purchase price over the fair value of net assets of the business acquired. Due to the time required to gather and analyze the necessary data for each acquisition, ASC 805 provides a "measurement period" of up to one year in which to finalize these fair value determinations. During the measurement period, the Company may finalize their determination of fair value and record any adjustments through goodwill. Once the purchase price allocation is finalized, any subsequent adjustments are recorded to income or expense, as appropriate.

Business units transferred in common control transactions are accounted for under ASC 805. The carrying value of the goodwill contributed as a result of the acquisition on September 1, 2022 (see Note 3), was based on the relative enterprise fair values and the provisional fair values of the assets transferred.

The accounting for the assets transferred in the September 1, 2022 acquisition is considered provisional because the Company has not yet finalized the valuation of the sub-franchise agreements.

Advertising

The Company expenses production costs of print, radio, television, and other advertisements as of the first date the advertisements take place. Such expenses amounted to $121,000, $72,000, and $101,000 for the years ended 2022, 2021, and 2020, respectively. All other marketing expenditures are expensed in the annual period in which the expenditure is incurred.

Income Taxes

The Company is organized as a single member limited liability company and is treated as a disregarded entity for income tax reporting purposes. As a result, HBHC includes taxable income of the Company in its tax return. For states which do not recognize a single member limited liability company, the Company may provide a provision if deemed significant. Income taxes are recorded in other expense, net in the statements of income.

Management of the Company considers the likelihood of changes by taxing authorities in its income tax returns and discloses potential significant changes that management believes are more likely than not to occur upon examination by tax authorities. Management has not identified any uncertain tax positions that require disclosure in the accompanying financial statements. The Company's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

Financial Instruments and Concentrations

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of franchisee receivables.

Franchisee receivables are unsecured, and the Company is at risk to the extent such amounts become uncollectible. For the years ended 2022, 2021, and 2020, no franchisee location or operator accounted for more than 10% of net revenues or of franchisee receivables.

Subsequent Events

On November 5, 2022, the Company terminated their agreement with an existing franchise store and the franchise store was acquired by HBHC. On November 7, 2022, HBHC signed a letter of intent for the acquisition of another franchise store.

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through January 11, 2023, which is the date the financial statements were available to be issued.

3. Acquisition

On September 1, 2022 (the Acquisition Date), HBHC, through its subsidiary HBH California, LLC, acquired certain assets and assumed certain liabilities of Honey Baked Ham, Inc. and R.J. Kali Corp. in a business combination (collectively, the Acquisition). Prior to the Acquisition Date, Honey Baked Ham, Inc. was a licensee of HBHC, operating 23 and sub-franchising 12 HoneyBaked Ham stores across the state of California. Concurrent with the Acquisition, 3 sub-franchised stores converted to company-owned stores of HBH California, LLC. Immediately following the Acquisition, the remaining 9 sub-franchised stores and their related acquired assets were contributed to the Company. The acquired assets contributed through member's equity on September 1, 2022 include provisional amounts of $1,200,000 of intangible assets related to the existing sub-franchise agreements of the 9 stores and related goodwill of $2,424,000. The fair value of the sub-franchise agreements are being amortized through June 2036, the remaining term of the franchise agreements with the franchisees. The goodwill is being amortized over ten years. The franchise agreements for the acquired locations require monthly royalty payments of 5.5% of net sales and no fees related to advertising or technology.

4. Disaggregation of Revenue

Revenues recognized under ASC 606 and disaggregated by timing of revenue recognition consist of the following:

	September 25, 2022	September 26, 2021	September 27, 2020
		(in Thousands)	
Revenues recognized over time:			
Area development fees	**$ 43**	$ 34	$ 19
Initial, renewal, and transfer franchise fees	**214**	219	249
	257	253	268
Revenues recognized at a point in time:			
Royalties and advertising fees	**16,347**	14,426	13,198
Product sales to franchisees	**3,106**	3,054	2,371
Technology fees	**597**	-	-
	20,050	17,480	15,569
Total	**$ 20,307**	$ 17,733	$ 15,837

Contract liabilities include franchise fees received for initial, renewal, transfer, and area development fees and advertising fees in excess of expenditures and primarily represent the Company's remaining performance obligations under its franchise agreements for which consideration has been received. Contract liabilities related to franchise fees are recognized on a straight-line basis over the remaining term of the related agreement and are included in deferred revenue in the balance sheets. Advertising fees in excess of expenditures are recognized as future expenditures are incurred and are included in accrued expenses in the balance sheets. Contract liabilities consist of the following:

	September 25, 2022	September 26, 2021	September 27, 2020
		(in Thousands)	
Advertising fees in excess of expenditures	**$ 32**	$ 306	$ 59
Deferred revenue:			
Current	**232**	269	246
Long-term	**864**	881	920
Total	**$ 1,128**	$ 1,456	$ 1,225

Contract assets and contract liabilities at September 30, 2019 totaled $1,136,000 and $1,326,000, respectively. Economic factors, such as type of customer, geographic location of a franchise, or type of product sold, are considered and determined to have an immaterial impact on the nature, timing, and uncertainty of revenue recognition and cash flows.

5. Related Party Transactions

In the normal course of business, the Company has accounts receivable and payable for services provided with the following related parties. These balances consist of the following:

	September 25, 2022	September 26, 2021	September 27, 2020
		(in Thousands)	
Accounts receivable, related parties:			
The Honey Baked Ham Company, LLC	**$ 35,613**	$ 29,637	$ 24,586
HBH Gifting Company, LLC	**168**	168	168
Total	**$ 35,781**	$ 29,805	$ 24,754
Accounts payable, related parties:			
The HH Franchise Company, LLC	**$ (53)**	$ (39)	$ (20)
The Franchise Holding Company, LLC	**(120)**	(120)	(120)
Total	**$ (173)**	$ (159)	$ (140)

Once posted by the financial institution, all cash is transferred and held in HBHC bank accounts and tracked separately. HBHC incurs and pays expenses on behalf of the related parties and other legal entities within its financial statements. These expenses are for overhead and general administrative tasks that directly benefit the other legal entities and include, but are not limited to, personnel in the following departments: Accounting/Finance, Building Services, Human Resources, Information Technology, Marketing, and Supply Chain. The Company was charged $4,909,000, $5,718,000, and $4,420,000, respectively, by HBHC for the years ended 2022, 2021, and 2020 for various general and administrative services.

In December of 2020, many of the HBHC systems were affected by a cybersecurity incident that disrupted customer and employee access to its applications and services. In connection with this incident, third party experts were engaged to assist with the restoration of the HBHC's systems. HBHC restored connectivity and resumed operations soon after the date of the incident. The operations and reporting of the franchisee stores were minimally impacted.

6. Goodwill and Other Intangible Assets

Goodwill and other intangible assets consist of the following:

	September 25, 2022	September 26, 2021	September 27, 2020
		(in Thousands)	
Goodwill	**$ 20,842**	$ 18,418	$ 18,418
Franchise rights	**5,466**	4,266	4,266
Trademarks	**382**	382	382
	26,690	23,066	23,066
Less accumulated amortization related to:			
Goodwill	**(14,755)**	(12,893)	(11,051)
Franchise rights	**(1,927)**	(1,774)	(1,630)
Trademarks	**(182)**	(170)	(157)
Total	**$ 9,826**	$ 8,229	$ 10,228

Amortization expense for goodwill, franchise rights, and trademarks over the next five years is estimated to be as follows for the periods ending:

Fiscal Year	Goodwill Amortization	Franchise Rights Amortization	Trademarks Amortization
		(in Thousands)	
2023	$ 2,084	$ 232	$ 12
2024	2,084	232	12
2025	242	232	12
2026	242	232	12
2027	242	232	12

7. Note Receivable from Franchisee

During 2019, the Company converted franchisee receivables of $38,000 into a 0% interest bearing note due in December of 2019. In conjunction with this note, an additional $25,000 of receivables due from the franchisee were written off. As of September 27, 2020, the outstanding amount of the note receivable was paid in full.

8. Franchisee Receivables

Amounts due from franchisees are as follows:

	September 25, 2022	September 26, 2021	September 27, 2020
		(in Thousands)	
Product purchases, net of allowance for doubtful accounts of $15, $12, and $14, respectively	**$ 725**	$ 676	$ 570
Royalties, advertising, and technology fees	**536**	510	447
Other reimbursable costs	**56**	492	467
Total	**$ 1,317**	$ 1,678	$ 1,484

9. Property and Equipment

Property and equipment consist of the following:

	September 25, 2022	September 26, 2021	September 27, 2020
		(in Thousands)	
Equipment	**$ 13**	$ 19	$ 26
Furniture and fixtures	**3**	3	3
Computer software	**113**	112	114
	129	134	143
Less: Accumulated depreciation	**(125)**	(116)	(108)
Total	**$ 4**	$ 18	$ 35

10. Retirement Plan

The Company participates in a retirement savings plan (the Plan) offered by an affiliate company, HBHC, under Section 401(k) of the Internal Revenue Code. The Plan allows all employees, other than those classified as seasonal, to participate in the Plan upon obtaining six months of service and the attainment of age 18. Employees classified as seasonal are eligible to participate in the Plan upon attainment of age 21 and completion of 1,000 hours of service during the Plan year. The Plan operates under a Safe Harbor provision whereby participants in the Plan receive a non-elective employer matching contribution of 100% of the first 3% of compensation contributed to the Plan and 50% of the next 2% of compensation contributed to the Plan. As of May 29, 2020, the Company suspended its matching contributions for the remainder of the 2020 calendar year. As of January 1, 2021, the Company reinstated its matching contributions to the

Plan. The Company's matching portion under the Plan totaled $33,000, $31,000, and $21,000 for the years ended 2022, 2021, and 2020, respectively.

11. Commitments and Contingencies

On May 13, 2019, the Company guaranteed a revolving credit agreement between HBHC and a bank that provides for borrowings of up to $65,000,000 during June through December and $30,000,000 from January through May until the maturity date of May 13, 2024. Effective June 30, 2022, the revolving credit agreement was amended to allow for an additional accordion borrowing of up to $20,000,000 and extend the maturity date through June 30, 2027. The outstanding and guaranteed amounts as of the years ended 2022, 2021, and 2020 were $15,033,000, $0, and $11,031,000, respectively.

The Company is, in the routine operation of its business, subject to litigation, claims, assessments, and various other legal matters. In the opinion of management, none of these matters is expected to result in a settlement or judgment having a material adverse effect on the Company's financial position or results of operations.

12. Supplemental Cash Flow Information

As discussed in Note 3, on September 1, 2022, commensurate with the Acquisition, HBHC made a non-cash contribution of intangible assets of $1,200,000 and goodwill of $2,424,000 related to the transfer of 9 franchise stores.

EXHIBIT L

FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

You are preparing to enter into a Franchise and/or Area Development Agreement ("Agreement") with The HBH Franchise Company, LLC ("we," "us," or "our"). Please review each of the following questions carefully and provide honest and complete responses to each question.

Franchise Applicant _____

1. Have we provided you with a Franchise Disclosure Document at least 14 calendar days (or the earlier of the first personal meeting or 10 business days if you are a prospect based in or will operate in New York; the earlier of the first personal meeting or 14 days if you are a prospect based in or will operate in Iowa; or 10 business days if you are a prospect based in or will operate in Michigan) before you signed any agreements or paid any money or other consideration to us or our affiliates?

   Yes __ No __

2. Did you sign a Receipt indicating the date on which you received the Franchise Disclosure Document?

   Yes __ No __

3. Please list any questions you have regarding the franchise opportunity that you would like to discuss prior to signing the Agreement. (Attach additional pages, if necessary.)

   _____

   _____

   _____

   _____

4. Please list any information provided to you by any employee or other person speaking on our behalf concerning the sales, revenue, profits, or operating costs of one or more HoneyBaked stores operated by us, our affiliates, or our franchisees or that you may earn or experience that is in addition to the information contained in the Franchise Disclosure Document:

   _____

   _____

   _____

   _____

   _____

****

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the

California Franchise Investment Law, Maryland Franchise Registration and Disclosure Law or the Washington Franchise Investment Protection Act.

****

You acknowledge that one or more other copies of this Questionnaire have been reviewed and signed by the owners of your proposed business entity.

FRANCHISE APPLICANT: _____

By: _____

Print Name: _____

Date: _____

EXHIBIT M

CMS SUPPORT AGREEMENT

CMS SUPPORT AGREEMENT

This CMS Support Agreement ("Agreement") is by and between the user of the CMS Retail Point of Sale System ("CMS System") identified on the signature page to this Agreement ("User") and The Honey Baked Ham Company, LLC ("HBH Co.").

1. CMS SYSTEM. HBH Co. will provide access to and support for its proprietary CMS System to User, subject to the terms and conditions set forth in this Agreement. The CMS System is designed for use with proprietary software ("Software"), which is installed on the CMS System and shall be licensed to User separately pursuant the "HoneyBaked CMS End User Software License Agreement" attached to this Agreement ("EUSLA"), which EUSLA may be revised or replaced from time to time in HBH Co.'s sole discretion.

2. SUPPORT. HBH Co. shall provide telephone and/or e-mail help desk assistance to assist User in diagnosing and correcting errors or malfunctions with the CMS System. Support will be provided Monday through Sunday during regularly posted hours, with extended hours during the holidays.

3. USER OBLIGATIONS.

A. User will provide HBH Co., its employees, agents and representatives with all information, documentation and technical assistance and such access to the CMS System as HBH Co. may reasonably require in order to perform its duties under this Agreement. HBH Co. will be relieved of any obligation to perform its affected duties under this Agreement if User is unable or otherwise fails to provide HBH Co. with any of the foregoing.

B. User will provide the CMS System a stable network connection to the Internet (t1, DSL or Cable). In the event User's sharing of the CMS System circuit causes bandwidth constraints or other problems for CMS System transactions, interrupts or impedes data flow to corporate HBH databases, or causes any other problems deemed in HBH Co.'s sole discretion to be outside the normal parameters for the successful network operation of the CMS System, User will be required to provide a dedicated broadband circuit for the CMS System. User is responsible for connectivity issues related to User's broadband connection.

C. User may not modify the CMS System or network. User shall not plug any equipment other than CMS System equipment into the Cisco Meraki MX64 Router or any successor router.

D. Internet security is the sole responsibility of User.

E. Software reconfiguration or re-imaging of the CMS System may be required due to non-compliance with these User obligations. In this event, all charges with restoring the normal operation of the CMS System will be paid to HBH Co. by User including shipping charges to and from HBH's Co.'s Help Desk.

F. To utilize HBH Co.'s Integrated CMS Credit Card Authorization System, User must have a broadband circuit (DSL or Cable modem - analog dial-up is not supported). User shall obtain credit card authorization/settlement accounts with HBH Co.'s authorized payment systems vendor and will be liable to that vendor for transaction fees under a separate agreement.

4. FEES. On or before January 31st of each year, User shall pay an annual CMS System support and licensing fee ("CMS Fee") to HBH Co. in the amount of Two Thousand Four Hundred Dollars ($2,400) which shall cover the license of the Software for use on up to four (4) registers for the one (1) year period

from February 1 to January 31. User shall pay a prorated CMS Fee for the period from the opening date of User's HoneyBaked Store under User's Franchise Agreement with The HBH Franchise Company through January 31 of the following year. HBH Co. reserves the right to increase the CMS Fee on an annual basis, with notification to User prior to January 1st, and User shall pay such increased CMS Fee. Fees for support in addition to that provided in this Agreement will be charged based on a case-by-case assessment.

5. **DISCLAIMER OF WARRANTIES/ LIMITATION OF LIABILITY**. HBH CO. DOES NOT WARRANT THE SERVICES PROVIDED UNDER THIS AGREEMENT, OR THAT ANY OR ALL ERRORS, MALFUNCTIONS OR DEFECTS CAN OR WILL BE CORRECTED. ALL CORRECTIONS AND SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE. EXCEPT FOR LIABILITY FOR PERSONAL INJURY, HBH CO. SHALL NOT BE LIABLE TO USER FOR ANY DAMAGES RESULTING FROM OR RELATED TO ANY SERVICES PERFORMED BY OR ON BEHALF OF HBH CO. UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY LOSS OF DATA OR SOFTWARE, INABILITY OF HBH CO. TO CORRECT ANY ERRORS, MALFUNCTIONS OR DEFECTS, OR ANY DELAY OF HBH CO. IN PERFORMING ANY SERVICES UNDER THIS AGREEMENT. IN NO EVENT SHALL HBH CO. BE LIABLE TO USER FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF OR RELATING TO THIS AGREEMENT, EVEN IF HBH CO. HAS BEEN ADVISED OF THE POSSIBILITY OR SHOULD HAVE KNOWN OF SUCH DAMAGES. HBH CO.'S LIABILITY TO USER, IF ANY, SHALL NOT EXCEED THE TOTAL ANNUAL CMS FEES OR OTHER FEES PAID BY USER TO HBH CO. UNDER THIS AGREEMENT.

6. **TERM AND RENEWAL**. Unless earlier terminated pursuant to Section 7, this Agreement shall remain in effect until February 1st of the year following the year that this Agreement was signed and shall thereafter automatically be renewed for additional successive terms of one (1) year unless one party provides to the other party notice of its intention not to renew this Agreement at least thirty (30) days prior to the expiration of the then-current term. HBH Co. shall have the right to amend and replace this Agreement upon renewal. User's continued use of the CMS System after notification of an amendment shall constitute acceptance of the amended Agreement.

7. **TERMINATION**. This Agreement shall terminate automatically upon the expiration or termination of the User's Franchise Agreement with The HBH Franchise Company or the EUSLA. HBH Co. may terminate this Agreement effective upon five (5) days' advance written notice to User if User fails to pay any CMS Fees or other fees when due or commits a material breach of this Agreement.

8. **MISCELLANEOUS**. This Agreement constitutes the entire agreement between HBH Co. and User with respect to access to and support for the CMS System and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral or written that relate to its subject matter. This Agreement will be governed by the laws of the State of Georgia without regard to its conflict of law provisions. Each party consents to the exclusive jurisdiction and venue of the appropriate courts in Fulton County, Georgia, for all disputes arising out of or relating to this Agreement. The prevailing party in any action or proceeding to enforce its rights hereunder shall be entitled to recover reasonable attorneys' fees and other reasonable costs incurred in the action or proceedings. The failure of a party to exercise or enforce any right or provision of this Agreement will not constitute a waiver of such right or provision. HBH Co. may assign this Agreement, in whole or in part, at any time without User's consent. User may not assign this Agreement, in whole or in part, without HBH Co.'s consent. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, the parties nevertheless agree that the court should endeavor to give the maximum effect to the parties' intentions as reflected in the provision, and that the other provisions of the Agreement shall remain in full force and effect. All notices, demands,

or consents required or permitted hereunder shall be in writing and shall be delivered in person or sent via overnight delivery or certified mail to the respective parties at the addresses set forth herein or at such other address as shall have been given to the other party in writing. Such notices shall be deemed effective upon the earliest to occur of: (i) actual delivery; or (ii) three (3) days after mailing, addressed and postage prepaid, return receipt requested. All notices to HBH Co. shall be sent to the attention of HBH Co.'s Vice President of Information Technology.

The Honey Baked Ham Company, LLC
End User Software License Agreement
CMS Products
3875 Mansell Rd.
Alpharetta, GA 30022-1532
Tel: (678) 966-3100
Fax: (678) 966-3134
Email: CMSsales@hbham.com

I have read and accept the HoneyBaked CMS End User Software License Agreement below and I agree to the above terms and conditions of this CMS Support Agreement.

User:

Signed by User: _____ Date: _____

Name:

Store Number: #_____

Notice Address:

HONEYBAKED CMS END USER SOFTWARE LICENSE AGREEMENT

IMPORTANT -- CAREFULLY REVIEW THIS AGREEMENT BEFORE CONTINUING THE USE OF THE HONEY BAKED HAM COMPANY, LLC ("HBH CO.") CMS RETAIL POINT OF SALE SYSTEM SOFTWARE ("SOFTWARE"). THIS END-USER SOFTWARE LICENSE AGREEMENT ("EUSLA") IS A LEGAL AGREEMENT BETWEEN YOU (EITHER AN INDIVIDUAL OR ENTITY) ("YOU") AND HBH CO. IF YOU DO NOT AGREE TO THE TERMS OF THIS EUSLA, DISCONTINUE THE USE OF ALL SOFTWARE AND DOCUMENTATION ASSOCIATED WITH THE SOFTWARE ("DOCUMENTATION"). THE SOFTWARE INCLUDES COMPUTER SOFTWARE, THE ASSOCIATED MEDIA, AND ANY DOCUMENTATION (INCLUDING PRINTED, ELECTRONIC, DIGITAL, AND ONLINE MATERIALS). BY DOWNLOADING THE SOFTWARE AND/OR OPENING THE SOFTWARE PACKET(S) AND/OR USING THE SOFTWARE, YOU ACKNOWLEDGE THAT YOU HAVE READ THIS EUSLA, UNDERSTAND IT AND AGREE TO BE BOUND BY ITS TERMS. CAPITALIZED TERMS NOT DEFINED IN THIS EUSLA SHALL HAVE THE MEANING GIVEN THEM IN THE CMS SUPPORT AGREEMENT.

1. GRANT OF LICENSE. Subject to the terms and conditions of this EUSLA and your payment of the applicable CMS Fees, HBH Co. grants you a limited, nontransferable, nonexclusive license to use the Software solely (i) in object (executable) code form, (ii) on a CMS Retail Point of Sale System (the "CMS System"), and (iii) for your internal use in connection with the operation of your franchise with

The HBH Franchising Company only. You understand that you must comply with HBH Co.'s Software registration policies and the failure to comply with those policies may result in the disablement of the Software. The Software is in "use" on a computer when it is loaded into temporary memory (i.e. RAM) or installed into permanent memory (e.g. hard disk, CD-ROM, or other storage device) of a computer.

2. COPYRIGHT. The Software provided to you is licensed and not sold. The Software is proprietary and confidential to HBH Co. The Software is protected by U.S. copyright laws and international copyright treaties. As between you and HBH Co., HBH Co. owns and retains all right, title and interest in and to the Software. Your possession, installation, or use of the Software does not transfer to you any title to the intellectual property in the Software, and you will not acquire any rights to the Software except as expressly set forth in this EUSLA. You may not copy the Software or any Documentation.

3. OTHER RESTRICTIONS. You may not decompile, translate, disassemble, or otherwise reverse engineer the Software, or attempt to access or view the source code of the Software, except to the extent that the foregoing restriction is expressly prohibited by applicable law. You may not sublicense, lend, lease, donate, sell, load, pledge, transfer, or distribute (on a temporary or permanent basis) the Software. You may not use the Software for commercial time-sharing, rental, or service bureau use.

4. U.S. GOVERNMENT RESTRICTED RIGHTS. The Software is provided with RESTRICTED RIGHTS. Use, duplication, or disclosure by the Government is subject to restrictions as set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 or subparagraphs (c)(1) and (2) of the Commercial Computer Software -- Restricted Rights at 48 CFR 52.227-19, as applicable. Contractor/manufacturer is The HoneyBaked Ham Company of Georgia, Inc., 3875 Mansell Rd., Alpharetta, Georgia 30022-1532.

5. UPDATES/AMENDMENT OF EUSLA. HBH Co. shall have no obligation to but may, at its sole discretion, replace, modify, or upgrade the Software, including its operation and functionality, without prior notice to you. This EUSLA shall apply to the updated Software automatically, regardless of whether you receive notification of the update. HBH Co. may amend this EUSLA from time to time in its sole discretion. Your continued use of or access to the Software after notification of an amendment (which may appear upon access of the Software or through a separate communication) shall constitute acceptance of the amended EUSLA.

6. DISCLAIMER OF WARRANTIES. THE SOFTWARE IS PROVIDED "AS IS" AND, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, HBH CO. DISCLAIMS ALL WARRANTIES REGARDING THE SOFTWARE, EXPRESSED OR IMPLIED, AND INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, TITLE, AND FITNESS FOR A PARTICULAR PURPOSE. THIS LIMITED WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS. YOU MAY HAVE OTHER RIGHTS THAT VARY FROM JURISDICTION TO JURISDICTION.

7. NO LIABILITY FOR CONSEQUENTIAL DAMAGES. HBH CO. AND ALL PARTIES INVOLVED IN THE CREATION OR DELIVERY OF THE SOFTWARE TO YOU SHALL HAVE NO LIABILITY TO YOU OR ANY THIRD PARTY FOR SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY, OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, GOODWILL OR SAVINGS, DOWNTIME, DAMAGE TO OR REPLACEMENT OF SOFTWARE AND DATA) ARISING FROM CLAIMS BASED IN WARRANTY, CONTRACT, TORT OR OTHERWISE, RELATING IN ANY MANNER TO THE SOFTWARE, EVEN IF HBH CO. HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH CLAIM OR DAMAGE. IN ANY CASE, HBH CO.'S ENTIRE LIABILITY RELATING IN ANY MANNER TO THE SOFTWARE, REGARDLESS OF THE FORM OR NATURE OF THE CLAIM, SHALL BE LIMITED TO THE AMOUNT ACTUALLY

PAID BY YOU FOR THE SOFTWARE. ANY WRITTEN OR ORAL INFORMATION OR ADVICE GIVEN BY HBH CO.'S DEALERS, DISTRIBUTORS, AGENTS OR EMPLOYEES WILL IN NO WAY INCREASE THE SCOPE OF THIS WARRANTY. BECAUSE SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF IMPLIED WARRANTIES OR LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

8. EXPIRATION AND TERMINATION. This EUSLA and the license granted herein will expire automatically upon the expiration or termination of your CMS Support Agreement with HBH Co. or your Franchise Agreement with The HBH Franchise Company. HBH Co. may terminate this EUSLA at any time as a result of a material breach by you by giving written notice of termination to you. Unless otherwise agreed to by the parties in writing, upon the expiration or termination of this EUSLA, you shall immediately remove from your CMS System all copies of the Software.

9. EXPORT/LAWS. You shall fully comply with all laws and regulations of the United States and other countries, as applicable, relating to the export, import and use of the Software. You will defend, indemnify and hold harmless HBH Co. from and against any and all claims, proceedings, losses, damages, liabilities, fines, penalties, costs, and fees (including reasonable attorneys' fees) arising in connection with any violation of any regulation of any United States or other governmental authority relating to the use of the Software by you or your agents.

10. THIRD PARTY BENEFICIARIES. You are hereby notified that persons and entities that have licensed software to HBH Co. for inclusion in the Software are third party beneficiaries to this EUSLA as it applies to their respective software product(s) included in the Software.

11. MISCELLANEOUS. The EUSLA constitutes the entire agreement between HBH Co. and you as to the Software and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral or written that relate to its subject matter. This EUSLA will be governed by the laws of the State of Georgia without regard to its conflict of law provisions. Each party consents to the exclusive jurisdiction and venue of the appropriate courts in Fulton County, Georgia, for all disputes arising out of or relating to this EUSLA. The prevailing party in any action or proceeding to enforce its rights hereunder shall be entitled to recover reasonable attorneys' fees and other reasonable costs incurred in the action or proceedings. The failure of a party to exercise or enforce any right or provision of this EUSLA will not constitute a waiver of such right or provision. HBH Co. may assign this EUSLA, in whole or in part, at any time without your consent. You may not assign this EUSLA, in whole or in part, without HBH Co.'s consent. If any provision of this EUSLA is found by a court of competent jurisdiction to be invalid, the parties nevertheless agree that the court should endeavor to give the maximum effect to the parties' intentions as reflected in the provision, and that the other provisions of the EUSLA shall remain in full force and effect.

EXHIBIT N

DEVELOPMENT INCENTIVE PROGRAM ADDENDA

EXHIBIT N.1

MULTI-STORE DEVELOPMENT INCENTIVE PROGRAM ADDENDA TO DEVELOPMENT AGREEMENT AND FRANCHISE AGREEMENT

MULTI-STORE DEVELOPMENT INCENTIVE PROGRAM ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC AREA DEVELOPMENT AGREEMENT

This Multi-Store Development Incentive Program Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of _____.

RECITALS

Pursuant to the Development Agreement, Developer agreed to develop ___ (__) HoneyBaked Stores (each a "Store") in compliance with the Development Schedule.

In order to encourage the development of new franchised HoneyBaked Sores, HBH has implemented a development incentive program (the "Program") for qualified developers that sign an Area Development Agreement with HBH on or before December 31, 2023 and agree to develop at least two (2) franchised HoneyBaked Stores in compliance with the Development Schedule set forth in the Development Agreement.

Developer and HBH are entering into this Addendum to modify the Development Agreement and to provide the Program benefits to Developer.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Program Requirements. Under the Program:

A. HBH will waive Development Fees for the third and any additional Stores that Developer has agreed to develop under the Development Agreement.

B. Developer must remain in full compliance with the Development Schedule for each Store.

C. Developer must spend ten thousand dollars ($10,000) on approved local marketing during each Store's first year of operation in addition to Developer's ten thousand dollar ($10,000) opening advertising requirement and all national, regional and local marketing obligations.

D. For each Store, HBH will agree to waive the Royalty Fees during the Store's first year of operation and reduce the Royalty Fee to three percent (3%) of net sales during the Store's second year of operation. Developer shall pay the standard Royalty Fee for each Store beginning with its third year of operation.

E. The Program incentives may not be combined with any other incentive programs.

F. Simultaneously with Developer's execution of the Franchise Agreement for each Store, Developer will execute a Multi-Store Development Incentive Program Addendum to the Franchise Agreement in the form attached as Exhibit 1 to this Addendum, which shall memorialize the Program incentives.

2. Termination. This Program incentives offered pursuant to this Addendum for a Store shall terminate following written notice to Developer upon the occurrence of either of the following events:

(1) Developer fails to remain in full compliance with the Development Schedule for the Store; or (2) prior to the first anniversary of the opening date of the Store, Developer fails to spend the additional ten thousand dollars ($10,000) on approved local marketing. Upon termination of the Program incentives for a Store, any Royalty Fee waiver or reduction Developer is receiving for that Store at the time of termination shall immediately cease and Developer must pay to HBH all waived and reduced Royalty Fees for that Store within thirty (30) days of receipt of invoice.

3. Miscellaneous.

A. The Recitals are hereby incorporated into this Addendum by this reference. The captions in this Addendum are for convenience only. Any capitalized term that is not defined in this Addendum shall have the meaning given to it in the Development Agreement.

B. The Development Agreement and this Addendum constitute the entire, full and complete agreement between the parties concerning the matters herein and supersede any and all prior agreements. In the event of a conflict between the terms of the Development Agreement and this Addendum, the terms of this Addendum shall control. Except as amended, modified or supplemented by this Addendum, the terms and conditions of the Development Agreement are hereby ratified and confirmed.

C. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: THE HBH FRANCHISE COMPANY, LLC, a Georgia limited liability company	DEVELOPER: _____, a _____
By: _____ Print Name: _____ Title: _____	By: _____ Print Name: _____ Title: _____

EXHIBIT 1
FORM OF MULTI-STORE DEVELOPMENT INCENTIVE ADDENDUM
TO THE HBH FRANCHISE COMPANY, LLC FRANCHISE AGREEMENT

THIS MULTI-STORE DEVELOPMENT INCENTIVE ADDENDUM ("Addendum") to The HBH Franchise Company, LLC Franchise Agreement dated as of _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH") and _____ ("Franchisee") is entered into as of _____.

RECITALS

Pursuant to the Franchise Agreement, HBH granted Franchisee the right to develop and operate a franchised HoneyBaked Store located at _____ (the "Store"). Franchisee and HBH entered into an Area Development Agreement for the Store dated as of _____ (the "Development Agreement")

In order to encourage the development of new franchised HoneyBaked Stores, HBH has implemented a development incentive program (the "Program") for qualified franchisees that signed an Area Development Agreement with HBH on or before December 31, 2023 agreeing to develop at least two (2) franchised HoneyBaked Stores in compliance with the Development Schedule set forth in the Development Agreement.

Since the development of the Store meets the criteria for the Program, HBH and Franchisee are entering into this Addendum to provide the Program benefits to Franchisee and to modify certain provisions of the Franchise Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Program Requirements. Under the Program:

A. Franchisee must remain in full compliance with the Development Schedule for the Store.

B. Franchisee agrees to spend ten thousand dollars ($10,000) on approved local marketing during the Store's first year of operation in addition to Franchisee's ten thousand dollar ($10,000) opening advertising requirement and all national, regional and local marketing obligations.

C. HBH agrees to waive the Royalty Fees for the Store during its first year of operation. During the second year of operation, Franchisee agrees to pay a Royalty Fee in the amount of three percent (3%) of net sales. Franchisee shall pay the standard Royalty Fee set forth in the Franchise Agreement beginning with the third year of operation of the Store.

D. The Program incentives may not be combined with any other incentive programs.

2. Termination. The Program incentives offered pursuant to this Addendum shall terminate following written notice to Franchisee upon the occurrence of either of the following events: (1) Franchisee fails to remain in full compliance with the Development Schedule for the Store; or (2) prior to the first anniversary of the opening date of the Store, Franchisee fails to spend the additional ten thousand dollars ($10,000) on approved local marketing for the Store. Upon termination, any Royalty Fee waiver or reduction Franchisee

is receiving at the time of termination shall immediately cease and Franchisee must pay to HBH all waived and reduced Royalty Fees within thirty (30) days of receipt of invoice.

3. Miscellaneous.

A. The Recitals are hereby incorporated into this Addendum by this reference. The captions in this Addendum are for convenience only. Any capitalized term that is not defined in this Addendum shall have the meaning given to it in the Franchise Agreement or the Development Agreement, as the context requires.

B. The Franchise Agreement and this Addendum constitute the entire, full and complete agreement between the parties concerning the matters herein and supersede any and all prior agreements. In the event of a conflict between the terms of the Franchise Agreement and this Addendum, the terms of this Addendum shall control. Except as amended, modified or supplemented by this Addendum, the terms and conditions of the Franchise Agreement are hereby ratified and confirmed.

C. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH:	FRANCHISEE:
THE HBH FRANCHISE COMPANY, LLC, a Georgia limited liability company	_____, a _____
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____

EXHIBIT N.2

SINGLE STORE DEVELOPMENT INCENTIVE PROGRAM ADDENDA TO DEVELOPMENT AGREEMENT AND FRANCHISE AGREEMENT

SINGLE STORE DEVELOPMENT INCENTIVE PROGRAM ADDENDUM TO THE HBH FRANCHISE COMPANY, LLC AREA DEVELOPMENT AGREEMENT

This Single Store Development Incentive Program Addendum to the Area Development Agreement dated _____ ("Development Agreement") between The HBH Franchise Company, LLC ("HBH"), a Georgia limited liability company, and _____ ("Developer"), a _____, is entered into as of _____.

RECITALS

Pursuant to the Development Agreement, Developer agreed to develop one (1) HoneyBaked Store (the "Store") in compliance with the Development Schedule.

In order to encourage the development of new franchised HoneyBaked Stores, HBH has implemented a development incentive program (the "Program") for qualified developers that sign an Area Development Agreement with HBH on or before December 31, 2023 agreeing to develop one (1) franchised HoneyBaked Store in compliance with the Development Schedule set forth in the Development Agreement.

Developer and HBH are entering into this Addendum to modify the Development Agreement and to provide the Program benefits to Developer.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Program Requirements. Under the Program:

A. Developer must remain in full compliance with the Development Schedule for the Store.

B. Developer must spend ten thousand dollars ($10,000) on approved local marketing during the Store's first year of operation in addition to Developer's ten thousand dollar ($10,000) opening advertising requirement and all national, regional and local marketing obligations.

C. HBH will agree to waive the Royalty Fees for the Store during its first year of operation. Developer shall pay the standard Royalty Fee beginning with the second year of operation of the Store.

D. The Program incentives may not be combined with any other incentive programs.

E. Simultaneously with Developer's execution of the Franchise Agreement for the Store, Developer will execute a Single Store Development Incentive Program Addendum to the Franchise Agreement in the form attached as Exhibit 1 to this Addendum, which shall memorialize the Program incentives.

2. Termination. This Program incentives offered pursuant to this Addendum shall terminate following written notice to Developer upon the occurrence of either of the following events: (1) Developer fails to remain in full compliance with the Development Schedule for the Store; or (2) prior to the first anniversary of the opening date of the Store, Developer fails to spend the additional ten thousand dollars ($10,000) on approved local marketing. Upon termination of the Program incentives for the Store, any Royalty Fee waiver Developer is receiving at the time of termination shall immediately cease and Developer must pay to HBH all waived Royalty Fees within thirty (30) days of receipt of invoice.

3. Miscellaneous.

A. The Recitals are hereby incorporated into this Addendum by this reference. The captions in this Addendum are for convenience only. Any capitalized term that is not defined in this Addendum shall have the meaning given to it in the Development Agreement.

B. The Development Agreement and this Addendum constitute the entire, full and complete agreement between the parties concerning the matters herein and supersede any and all prior agreements. In the event of a conflict between the terms of the Development Agreement and this Addendum, the terms of this Addendum shall control. Except as amended, modified or supplemented by this Addendum, the terms and conditions of the Development Agreement are hereby ratified and confirmed.

C. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: THE HBH FRANCHISE COMPANY, LLC, a Georgia limited liability company	DEVELOPER: _____ a _____
By: _____ Print Name: _____ Title: _____	By: _____ Print Name: _____ Title: _____

EXHIBIT 1
FORM OF SINGLE STORE DEVELOPMENT INCENTIVE ADDENDUM
TO THE HBH FRANCHISE COMPANY, LLC FRANCHISE AGREEMENT

THIS SINGLE STORE DEVELOPMENT INCENTIVE ADDENDUM ("Addendum") to The HBH Franchise Company, LLC Franchise Agreement dated as of _____ ("Franchise Agreement") between The HBH Franchise Company, LLC ("HBH") and _____ ("Franchisee") is entered into as of _____.

RECITALS

Pursuant to the Franchise Agreement, HBH granted Franchisee the right to develop and operate a franchised HoneyBaked Store located at _____ (the "Store"). Franchisee and HBH entered into an Area Development Agreement for the Store dated as of _____ (the "Development Agreement")

In order to encourage the development of new franchised HoneyBaked Stores, HBH has implemented a development incentive program (the "Program") for qualified franchisees that signed an Area Development Agreement with HBH on or before December 31, 2023 and agreed to develop one (1) franchised HoneyBaked Store in compliance with the Development Schedule set forth in the Development Agreement.

Since the development of the Store meets the criteria for the Program, HBH and Franchisee are entering into this Addendum to provide the Program benefits to Franchisee and to modify certain provisions of the Franchise Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Program Requirements. Under the Program:

A. Franchisee must remain in full compliance with the Development Schedule for the Store.

B. Franchisee agrees to spend ten thousand dollars ($10,000) on approved local marketing during the Store's first year of operation in addition to Franchisee's ten thousand dollar ($10,000) opening advertising requirement and all national, regional and local marketing obligations.

C. HBH agrees to waive the Royalty Fees for the Store during its first year of operation. Franchisee shall pay the standard Royalty Fee set forth in the Franchise Agreement beginning with the second year of operation of the Store.

D. The Program incentives may not be combined with any other incentive programs.

2. Termination. The Program incentives offered pursuant to this Addendum shall terminate following written notice to Franchisee upon the occurrence of either of the following events: (1) Franchisee fails to remain in full compliance with the Development Schedule for the Store; or (2) prior to the first anniversary of the opening date of the Store, Franchisee fails to spend the additional ten thousand dollars ($10,000) on approved local marketing for the Store. Upon termination, any Royalty Fee waiver Franchisee is receiving at the time of termination shall immediately cease and Franchisee must pay to HBH all waived Royalty Fees within thirty (30) days of receipt of invoice.

3. Miscellaneous.

A. The Recitals are hereby incorporated into this Addendum by this reference. The captions in this Addendum are for convenience only. Any capitalized term that is not defined in this Addendum shall have the meaning given to it in the Franchise Agreement or the Development Agreement, as the context requires.

B. The Franchise Agreement and this Addendum constitute the entire, full and complete agreement between the parties concerning the matters herein and supersede any and all prior agreements. In the event of a conflict between the terms of the Franchise Agreement and this Addendum, the terms of this Addendum shall control. Except as amended, modified or supplemented by this Addendum, the terms and conditions of the Franchise Agreement are hereby ratified and confirmed.

C. This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Addendum by electronic transmission (including an electronic signature platform such as DocuSign or the transmission of a scanned PDF document) shall be effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HBH: THE HBH FRANCHISE COMPANY, LLC, a Georgia limited liability company	FRANCHISEE: _____, a _____
By: _____ Print Name: _____ Title: _____	By: _____ Print Name: _____ Title: _____

State Effective Dates

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

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

State	Effective Date
California	January 18, 2023
Illinois	January 18, 2023
Indiana	January 18, 2023
Maryland	January 19, 2023 as amended _____
Michigan	January 18, 2023
Minnesota	February 6, 2023 as amended _____
New York	January 18, 2023
North Dakota	January 18, 2023 as amended _____
Rhode Island	January 21, 2023 as amended _____
South Dakota	January 18, 2023
Virginia	January 23, 2023 as amended _____
Washington	January 20, 2023
Wisconsin	January 18, 2023 as amended _____

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

RECEIPT

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

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale or sooner if required by applicable state law. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency identified on Exhibit A.

The franchisor is The HBH Franchise Company, LLC, located at 3875 Mansell Road, Alpharetta, Georgia 30022-1532. Its telephone number is (678) 966-3100.

Issuance Date: January 18, 2023 as amended June 27, 2023

The franchise sellers for this disclosure are: Robert K. McLaughlin, III, Chief Marketing Officer; Daniel McAleenan, Chief Operating Officer; Rick Gestring, Senior Vice President, Franchise; Scott Temme, Franchise Operations Development Manager; Lisa Hubbert, Senior Training Manager; Jason Simons, Director of Retail Store Marketing; Christopher Gates, Senior Director of Development and Facilities; Olivia Cochran, Senior Field Marketing Manager; and Bill Adams, Director of Franchise Operations located at The HBH Franchise Company, LLC, 3875 Mansell Road, Alpharetta, Georgia 30022-1532, (678) 966-3100.

The HBH Franchise Company, LLC authorizes the respective state agencies identified on Exhibit A to receive service of process of it in the particular state.

I have received a disclosure document dated January 18, 2023 as amended June 27, 2023 that included the following Exhibits:

A List of State Administrators and Agents for Service of Process
B Confidentiality Agreement
C Area Development Agreement
D Franchise Agreement
E State Specific Agreement and Disclosure Document Addenda
F VetFran Addendum to Franchise Agreement
G Franchise Operations Manual Table of Contents
H Training Participation and Nondisclosure Agreement
I Noncompetition and Nondisclosure Agreement
J Franchisee Lists
K Financial Statements
L Franchisee Disclosure Questionnaire
M CMS Support Agreement
N N.1 Multi-Store Development Incentive Program Addenda to Development Agreement and Franchise Agreement
N.2 Single-Store Development Incentive Program Addenda to Development Agreement and Franchise Agreement

Date	Signature of Prospective Franchisee	Print Name

RECEIPT

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

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale or sooner if required by applicable state law. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency identified on Exhibit A.

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N.2 Single-Store Development Incentive Program Addenda to Development Agreement and Franchise Agreement

Date	Signature of Prospective Franchisee	Print Name

Return this signed Receipt either by electronically signing and submitting it through DocuSign or another electronic signature platform or by signing, dating, and mailing it to The HBH Franchise Company, LLC at 3875 Mansell Road, Alpharetta, Georgia 30022-1532.