

FRANCHISE DISCLOSURE DOCUMENT

The Kati Roll Company ✱

TKRC Franchising Company, LLC
A New York limited liability company
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(212) 730-6740
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www.TheKatiRollCompany.com

The franchisee will operate a South Asian and Indian street-food inspired fast casual restaurant offering Kati Rolls, Rice Bowls, Lassis, select Sides, and more.

The total investment necessary to begin operation of a The Kati Roll Company (“TKRC”) franchise ranges from \$394,500 to \$830,000. This includes \$43,000 to \$55,000 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of multiple TKRC franchises under the TKRC Area Development Program ranges from \$434,500 to \$910,000 for 3 to 5 TKRC locations. This includes \$83,000 to \$135,000 that must be paid to the franchisor or its affiliate(s).

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified this information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mr. Anil Bathwal at franchise@thekatirollcompany.com and (212) 730-6740. The terms of your contract will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or accountant.

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

Issuance Date: April 17, 2025

How To Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, or litigation only in New York. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with franchisor in New York than in your own state.
2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

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.

TKRC FRANCHISING COMPANY, LLC

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

To simplify the language in this Franchise Disclosure Document, “The Kati Roll Company,” “TKRC” “we,” “us,” and “our” means TKRC Franchising Company, LLC, doing business as The Kati Roll Company, the franchisor. “You,” “your,” and “Franchisee” means the person who buys the franchise from TKRC and its owners, if the Franchisee is a business entity.

Franchisor, Parent, and Affiliate

TKRC Franchising Company, LLC, a New York Corporation formed on December 27, 2023, with a principal business address at 330 Pearl Street, New York, New York 10038. We operate under our corporate name, “The Kati Roll Company.” We do not conduct business under any other name. We offer and support franchises for the TKRC Franchised Business and have done so since April 2024. We have, through our predecessor, The Kati Roll Company Franchising Corporation (“TKRCFC”), and TKRC Franchising Company LLC, conducted business in the same line as that offered in the FDD from November 2009 through 2011, and again in December 2016. We have not offered and do not offer franchises in any other line of business and do not own or operate any TKRC Franchised Businesses.

Our affiliate, The Kati Roll Company, Incorporated (“TKRCI”), owns a total of four Businesses in New York (three of which it owns and operates directly, and one of which is operated by a wholly-owned subsidiary) and two Businesses in London, England, each of which are of the type being offered in this Disclosure Document, and the addresses of which are listed in Exhibit D. TKRCI owns the “The Kati Roll Company” Marks and has developed the TKRC System and has granted us licenses to use the Marks and System and to grant our franchisees the right to use them in a cross-license agreement dated as of September 1, 2009. (See Item 13 of this Disclosure Document).

Our affiliate, TKRC Productions LLC, will provide products and/or services to our franchisees. TKRC Productions LLC is a New York corporation, incorporated in August 2014, with a principal business address at 620-630 Gerard Avenue, Bronx, New York 10451.

TKRCI and TKRC Productions LLC, supply our franchisees with certain Ap-proved Products and Services for the Franchised Business, including menu items. In addition, either by itself or through a parent, subsidiary or approved/affiliated organizations, TKRCI may offer to sell franchisees equipment, technology services, raw materials and other goods or services required to operate a Business. TKRCI also owns and operates a Franchised Business that currently sells the menu items at three locations in New York City. TKRCI’s subsidiary, TKRC5 LLC, operates one additional location in New York City. TKRCI’s other subsidiary, The Kati Roll Company Ltd., which operates one location in London, England. TKRCI will not operate a TKRC Franchised Business in the Territory of a franchisee. TKR-CI is a New York corporation and has been in business since August 2000. The principal business address of TKRCI is 330 Pearl Street, New York, New York 10038.

Our predecessor, TKRCFC, was formed on July 8, 2009, and operated from 330 Pearl Street, New York, New York 10038. TKRCFC ceased active operations in or about 2016. Our predecessor does not currently offer franchises in any other line of business and does not own or operate any TKRC Franchised Businesses.

TKRC Franchises

We offer franchises for TKRC Franchised Businesses (collectively, the “TKRC Franchised Business”) using our trade names, trademarks, service marks, associated logos and symbols (“Marks”), business system, procedures and trade secrets (collectively, the “System”). You will conduct a business offering a variety of food products and services for sale to the general public for consumption on the business’ premises (the “Franchised Business”). The Franchised Business is a fast-casual establishment offering a variety of Asian fast foods and related menu items (the “Approved Products and Services”). You must sign one of our standard Franchise Agreements, which is attached to this Franchise Disclosure Document as Exhibit A (a “Franchise Agreement”). You may operate one (1) TKRC Franchised Business, for each Franchise Agreement you sign.

If you are interested in becoming a TKRC franchisee, you may be asked to complete a confidential application and questionnaire when applying for consideration. This may include your authorization for us to do, at our discretion, various background checks on you, including making criminal and financial inquiries. This information will remain confidential.

Development Program

We offer and grant the right (the “Development Rights”) to develop and operate multiple TKRC Franchised Businesses within a certain defined geographic area (a “Development Area”) in keeping with a “Development Schedule.” We call this opportunity the “Area Development Program.” We use our form of Area Development Agreement and require those seeking to participate in it to sign one Franchise Agreement at the time they choose to participate in the Development Program. Upon establishing each additional outlet under the Development Schedule, an Area Developer will be required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included in this Franchise Disclosure Document. Under the Area Development Agreement, we defer the dates the franchisee has to open the TKRC Franchised Business for the second and third TKRC Franchised Businesses under their Development Schedule. We also agree not to place another TKRC Franchised Business in the Development Area during the Development Schedule, provided they are in compliance with the Development Addendum. The current form of Area Development Agreement is attached as Exhibit “B” to this Disclosure Document.

Market Competition

The Franchised Business market for fast-food menu items is competitive. However, the market for the goods and services offered by a TKRC Franchised Business is more niche and we do not have a dominant “Indian or Asian fast food” competitor that offers our Approved Products and Services. As a TKRC Franchisee you will be competing with a variety of food service establishments which may have financial, personnel, and technical resources far greater than us or you, including casual

Franchised Business chains and quick-service chains. In addition, your competitors will include other Franchised Business that offer “Indian or Asian food”, and other related food items. Some of these competitors are larger, international companies and may include other franchised businesses, offering similar types of food products. This is a very well-developed market, and you will be operating your TKRC Franchise in this highly competitive environment.

Industry Regulations

The Franchised Business industry is highly regulated at the federal, state, and local levels. These laws and regulations include design and construction requirements and permits, including the Americans with Disabilities Act of 1990 which requires readily accessible accommodations for disabled persons. Such laws and regulations may affect your building construction, site design, entrance ramps, doors, seating, and bathrooms, among other things. In addition, Franchised Business must comply with a number of health and safety laws and regulations concerning the preparation, storage, and service of food products. This includes various advertising and product and menu labeling requirements, each of which may impose additional compliance costs and may impact the conduct of your TKRC Franchised Business. You should investigate the applicability of these and possibly other regulations in the area in which you are interested in locating your Franchised Business and should consider both their effect and cost of compliance.

You must obtain real estate permits, where applicable, licenses and operational licenses. You are also subject to employment laws such as the Fair Labor Standards Act and various state laws governing minimum wages, employee tip reporting, overtime and working conditions. You will also be subject to other laws or regulations that are not specific to the industry, but which apply to businesses generally.

ITEM 2: BUSINESS EXPERIENCE

President, Director and CEO: Payal Saha

Ms. Payal Saha has been President and Director of TKRCI since June 2000, and the President, Director and CEO of TKRC Franchising Company, LLC since April 2024. With a background in film production, Ms. Saha moved to New York in 2000. Identifying a market for a niche product that she was passionate about, the kati roll, Ms. Saha trained in various kitchens and raised funding to open the first TKRC store in New York in 2002.

Managing Director and Executive Chef: Anil Bathwal

Mr. Anil Bathwal is our Managing Director and has held this position since October 2014. He has also served as the Executive Chef of TKRCI since June 2000) and has served as a marketing consultant and Managing Director for TKRCI since April 2007. Previously, he was a Creative Director with Ogilvy, one of the largest advertising agencies in the world.

Vice President, Franchise and Business Development: Debolina Sanjal

Ms. Debolina Sanyal is our Vice President of Franchise and Business Development and has held this position since November 2024. Ms. Sanyal has operated a multi-cuisine supper club and event management pop-up since 2016 and previously worked as a Client Service Manager at a premier immigration law firm supporting employment and global mobility needs of Fortune 500 companies in the finance, consulting and pharmaceutical industries.

Chief Operations Officer: Afshin Shirazi

Mr. Afshin Shirazi is our COO and has been with TKRC in various capacities since Jan 1, 2018. As the COO, Mr. Shirazi oversees business and tech strategy and vendor negotiation and management. He has over 35 years of experience in the restaurant business with over two decades at the C-level at small to large restaurant businesses.

Chief Financial Officer: Renuka Gupta

Ms. Renuka Gupta is our CFO and has held this position since July 2009. Ms. Gupta has been with TKRCI since April 2005, and has served at various capacities throughout the company including Head of Administration, Controller, and HR Coordinator.

ITEM 3: LITIGATION

No litigation required to be disclosed in this Item.

ITEM 4: BANKRUPTCY

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

ITEM 5: INITIAL FEES

Initial Franchise Fees

Initial Franchise Fee

If you are purchasing a TKRC Franchised Business, You must pay us an initial franchise fee (the “Initial Franchise Fee”) of \$40,000 when you sign the Franchise Agreement. The Initial Franchise Fee is deemed fully earned by us once paid. The Initial Franchise Fee is non-refundable.

Initial Inventory Requirement

Before your TKRC Franchised Business opens, you must purchase the initial inventory at an estimated cost of \$8,500 to \$20,000. You must order from us and approved suppliers promotional products for use in your business, such as supplies with the TKRC logo printed on them, menus, and any other offer/promotional items related to the opening of your TKRC Franchised Business.

Of the \$8,500 to \$20,000 paid for initial inventory, \$3,000 to \$15,000 is paid to us directly. This cost is not refundable.

Development Fee

If you sign an Area Developer Agreement and become a TKRC Franchised Business area developer, you will pay us an area development fee (the “Development Fee”) based on the number of Businesses to be developed, which shall be no less than three. The area development fee will be inclusive of the \$40,000 TKRC Franchised Business Initial Franchise Fee for your first TKRC Franchised Business to be developed and will be increased by \$20,000 for each additional TKRC Franchised Business that you commit to developing pursuant to the Area Development Agreement. Under an Area Development Agreement, you must develop a minimum of three (3) TKRC Franchised Business’s and there is no maximum amount of TKRC Franchised Business you must develop. The credit of \$20,000 for each additional TKRC Franchised Business that you will develop will be applied towards a TKRC Franchised Business Initial Franchise Fee of \$40,000 for each such additional TKRC Franchised Business that you will develop upon signing of each subsequent Franchise Agreement. For example, if you sign an Area Development Agreement to develop three (3) TKRC Franchised Businesses, you will pay an area development fee of \$80,000, inclusive of the \$40,000 TKRC Franchised Business Initial Franchise Fee for the first TKRC Franchised Business to be developed plus \$40,000 (\$20,000 for each of the second and third additional TKRC Franchised Businesses to be developed), and you will pay the remaining \$20,000 for each of the second and third TKRC Franchised Business upon signing the Franchise Agreement for such TKRC Franchised Businesses. You will be required to sign our then-current Franchise Agreement for each Business.

The number of Businesses required by the Development Schedule contained in your Area Development Agreement will be determined by a number of factors such as: the size of the Development Area, population of the Development Area and your financial capacity and expertise in developing businesses. We may permit you to open any number of TKRC Franchised Businesses under the Development Program, but no less than three.

The Development Fee is paid in a lump sum at the time the Area Development Agreement is signed, is not refundable and will not be credited against any other fees paid to us or our affiliates (other than the TKRC Franchised Business Initial Franchise Fees payable pursuant to each Franchise Agreement to be signed). We base our qualifications on whether or not we will also offer you the opportunity to become an area developer, based on your financial resources, your experience in the food services industry, your business experience, as well as your marketing and sales plans.

If you or your Operating Principal (as defined in the Franchise Agreement) fails to successfully complete our Initial Training Program, we can terminate the Franchise Agreement if the person fails to successfully complete the Initial Training Program again. If we terminate the Franchise Agreement, then we will refund 50% of the Initial Franchise Fee, less reasonable expenses incurred by us for assisting you in evaluating proposed sites, providing training to you and otherwise furnishing assistance before the date of termination of this Franchise Agreement, and you must sign a General Release in the form of Exhibit D to the Franchise Agreement.

ITEM 6: OTHER FEES

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Royalty Fee ⁽²⁾	6% of weekly Gross Revenues	Weekly via ACH on Tuesday for the sales week ending the immediately preceding Sunday.	Based on Gross Revenues (as defined herein ⁽²⁾) during the previous week. You will be subject to a minimum Royalty Fee ⁽³⁾ of \$650 per week after year one.
Brand Fund Contribution ⁽⁴⁾	2% of Gross Revenues	Paid weekly with Royalty Fee via ACH.	Based on Gross Revenues during the previous week. We reserve the right to increase your Brand Fund Contribution up to 3% of Gross Revenues.
Local Advertising Requirement ⁽⁵⁾	1% of Gross Revenues	As incurred.	Payable to local vendors. Any marketing materials you wish to use must first be approved by us. If you fail to spend the local advertising requirement in any given period, you will be required to pay the difference to the Brand Fund Contribution. We reserve the right to increase your Local Advertising Requirement.
Cooperative Advertising Programs	0% initially, we reserve the right to require up to 1% of Gross Revenues	As Cooperative Program directs. Affiliate outlets will have same vote as franchised outlets.	

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Site Selection Assistance Fee	Our then-current per diem rate, plus reporting costs Current daily rate = \$200 - \$400 Current reporting costs = up to \$400 per report. Not to exceed 10% of your Site Selection Assistance Fee requirement.	As incurred	We may (but are not required to) assist you in the selection for a site for your Franchised Businesses. If we do, you must pay our site selection assistance fee, and reimburse the costs we incur in connection therewith, including living, lodging and transportation expenses of all our representatives. In addition, we may (but are not required to) generate virtual report(s) to evaluate the trends in the trade area(s) that you propose for your Franchised Businesses site(s). If we do, you will be required to pay us the cost associated with the same (currently \$400, per report).
Construction Fee ⁽⁶⁾	\$5,000	Due when you sign lease	Payable to us for assistance with the real estate and construction processes as you develop your Franchised Businesses.
Insurance ⁽⁷⁾	You must reimburse our costs plus pay us plus an additional 15% as administrative fee if we procure insurance for you.	15 days after billing.	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Point of Sale (“POS”) System	\$500	Monthly	Payable directly to provider
Technology Fee	\$500	As incurred	Payable directly to technology partners and providers mandated by us. For continuing maintenance and support of the required technology to operate your TKRC Franchised Business.
Technology & Systems Fund	\$300	Monthly	For monitoring, testing, onboarding and updating new technologies as well as negotiating contracts to provide continuing efficiencies.
Annual Conference ⁽⁸⁾	Varies	On demand, prior to conference	This payment will be debited automatically from your business bank through ACH. The fee charged to you for attendance at the annual conference shall not exceed \$750.
Additional Training or Assistance	Currently, we charge \$1,000 per person, per day plus expenses for training at our location, or at your Business. Not to exceed 10% of your Additional Training or Assistance Fee requirement.	As incurred.	We may charge you for training newly hired personnel; for refresher training courses; for the annual convention; and for additional or special assistance or training you need or request. For all training sessions and conferences, you must pay for your trainees' and representatives' salaries and benefits, and for their travel, lodging and meal expenses.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Refresher Training	Up to \$1,000 per person, plus expenses	Before training	We may from time to time develop additional training programs which the personnel we designate must attend and successfully complete. If we do, we may require you to pay us this training charge, plus all living and transportation expenses of your trainees.
Fee for Required Ongoing Training Programs	\$1,000 per person, per day plus expenses for training at our location, or at your Business	As incurred.	
ADA (Area Development) Franchisee Training (if programs developed) ⁽⁹⁾	\$1,000 per day for each person trained plus expenses	As incurred.	
Franchise Advisory Council Dues or Contributions ⁽¹⁰⁾	As established by the FAC	As required by the FAC	
Transfer Fee	\$20,000 per location transferred or five percent (5%) of the sales price, whichever is greater	Payable upon request for our consent to transfer	No charge if Franchise Agreement transferred to an entity you control.
Renewal Fee	50% of the then-current franchise fee	At time of renewal.	
Relocation Fee	\$5,000	With your request to relocate the Franchised Businesses	If you wish to relocate your Franchised Businesses, you must apply to us for our consent to the relocation and pay us the relocation fee.
Testing of Products or Approval of new Suppliers ⁽¹¹⁾	\$750 to \$1,500 plus reasonable travel and expenses, depending on nature of item tested	When billed.	This covers the costs of testing new products or inspecting new suppliers you propose to us. May be paid by suppliers.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Audit ⁽¹²⁾	Cost of audit (estimated to be between \$2000 and \$5000)	When billed	Due if you do not give us reports, supporting records or other required information, or if you understate Gross Sales or required Continuing Support and Royalty payments or Fund contributions by more than 2%. In addition, you must also pay the understated amount plus interest.
Prohibited Product or Service Fine	\$1000 per day of use of unauthorized products or services	If incurred	This fee is in addition to other remedies available to us
Taxes on Payments to Us	Amount of tax or assessment	When imposed by taxing authority	
Interest	18% per annum or at the highest rate permitted by law.	5 days after billing.	Due on all overdue amounts. Interest accrues from the original due date until payment is received in full
Maintenance and Refurbishing of Business	You must reimburse our expenses	5 days after billing.	If, after we notify you, you do not undertake efforts to correct deficiencies in Business appearance/operations, then we can undertake the repairs and you must reimburse us.
Insufficient Funds ⁽¹³⁾	\$100 late fee	As incurred.	Payable if you have insufficient funds in your account to pay fees owed to us when due
Cost of Enforcement	All costs including reasonable attorneys' fees	As incurred	In case of default, you must reimburse us for all costs in enforcing obligations under both the Franchise Agreement and Area Development Agreement.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Management Fee ⁽¹⁴⁾	10% of your Business's weekly Gross Revenues for the period managed plus all related expenses.	As incurred.	In case of a managing owner's death, disability, default, abandonment, or in certain other circumstances we may step in to manage your Franchised Businesses.
Contamination, Adulteration, Dilution, or Failure of Sanitation ⁽¹⁵⁾	If you do not comply with the remedial measures or there is a repetition, you must pay us our costs and expenses in obtaining compliance, including, for example, attorney's fees, travel, lodging and meal expenses of our representatives and a proportionate part of their salaries.	As incurred.	
Indemnification	Will vary	As incurred.	You must reimburse us if we are held liable for claims from your Business' operation.
Liquidated Damages	The lower of the average monthly Royalty Fees you paid or owed to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in 2 full years) or (b) the number of months remaining in the Agreement had it not been terminated	15 days after termination	If we terminate your Franchise Agreement for cause, you must pay us liquidated damages

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Customer Satisfaction Audits (“Mystery Shopper Programs”)	Between \$200 to \$600 per month	As incurred	Payable to our approved supplier. You must participate in the mystery shopper program
ServSafe, TIPS (or similar) Industry Certifications	\$100-\$200 per person or current rate	As needed	Payable to an approved supplier. Your Designated Operating Principal, each of your Managers, and other employees that we designate must obtain the Industry Certifications we require prior to working at the Franchised Businesses and during the term of the Franchise Agreement
Restaurant Refurbishment	Varies, but not more than \$120,000 every 5 years	As incurred	You are required to consistently upkeep your Franchised Businesses and its equipment. If the renovation includes kitchen and interior elevations, you must work with an approved supplier. We may ask you to update your Franchised Businesses to align with the current brand image of new TKRC locations; however, this will not be required more often than once every five years.
Restaurant Inspections (Health, Safety, Sanitation & Other Standards)	\$250 to \$600 per quarter plus cost to remedy any deficiencies	As incurred	Payable to an approved supplier. Inspections can be either monthly or quarterly as determined by us

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Music Streaming	\$30 - \$50 per month	Monthly	Payable to approved supplier. In the event we provide the approved music streaming this amount is payable to us.

Notes:

1. All fees paid to us pursuant to this Franchise Disclosure Document are uniform and non-refundable. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We can require an alternative payment method and frequency for any fees or amounts owed to us under the Franchise Agreement.
2. As used in the Franchise Agreement, “Gross Revenues” means the total selling price of all services and products sold at or from your TKRC Franchised Business (not adjusted for credit card fees), including the full value of any gift certificate redeemed at your TKRC Franchised Business or coupon sold for use at your TKRC Franchised Business (fees retained by or paid to third-party sellers of such gift certificates or coupons are not excluded from calculation), and all income and revenue of every other kind and nature related to the TKRC Franchised Business operation, whether for cash or credit, including tips, but excluding taxes collected from customers and paid to taxing authority, and reduced by the amount of any documented refunds, credits, allowances, and chargebacks the Business in good faith gives to customers.
3. You must pay us a Royalty Fee of 6% of the previous week’s Gross Revenues of your TKRC Franchised Business until one year after the TKRC Franchised Business opens, when you must pay us a Royalty Fee of the greater of \$650 per week (the “Minimum Royalty Fee”) or 6% of the previous week’s Gross Revenues of your TKRC Franchised Business.
4. You must pay us a weekly Brand Fund Contribution equal to 2% of your prior week's Gross Revenues. We may in the future increase the percentage of your Brand Fund Contribution by an amount no greater than 3% per year, up to a total required weekly Brand Fund Contribution of 3% of your previous week’s Gross Revenues. These Contributions will currently be used solely for our national brand fund (“Brand Fund”) for the common benefit of franchisees. We may also, however, establish regional advertising funds (“Regional Funds”) for the benefit of System franchisees whose Businesses are located within designated regions. We have the right to require you to participate in either or both funds and to allocate your Brand Fund Contribution to either or both funds, but the total contribution will be no greater than the 3% of your previous week’s Gross Revenues described above. See Item 11 of this Disclosure Document for more details regarding marketing funds.

If we terminate the Brand Fund and we do not establish the Regional Fund, or once established, we may terminate the Regional Marketing Fund as well as the Brand Fund so that there is neither a brand nor regional marketing fund.

We may use any cooperative advertising allowances from TKRCI's and our suppliers of Approved Products and Services and other parties in our business judgment and they will not reduce your Brand Fund obligations.

5. In addition to the advertising fund contributions described above, you must expend at least a minimum percentage which we determine, currently 1% of your Gross Revenues per week (the "Minimum Local Advertising Expenditure"), subject to subsequent raising as described below), to advertise your TKRC Franchised Business through local advertising and marketing activities. The amount of such local marketing expenditures you spend may change weekly according to an annual marketing plan prepared by you and approved by us. We will notify you of the minimum percentage of each week's Gross Revenues you must spend. We reserve the right to increase the weekly maximum beyond the current maximum of 1.5% of your Gross Revenues on an annual basis by an amount not to exceed 10% of the then-current maximum per year and will provide you with written notice of any increase at least 30 days prior to the increase taking effect.

If we implement the Minimum Local Advertising Expenditure, your obligation to pay us Brand Fund Contribution will be suspended until we determine to establish or re-establish a Brand and/or Regional Marketing Fund, when your obligation to make the Minimum Local Advertising Expenditure will cease until any time when there again is no brand or regional marketing fund.

We may use any cooperative advertising allowances from Approved Suppliers and other parties in our business judgment and they will not reduce your local advertising obligations.

6. You must pay \$5,000 for assistance with the real estate and construction processes as you develop your Franchised Businesses. The fee is due when you sign a lease for the Franchised Businesses and must be paid via your automatic clearing house account as described above. This fee is non-refundable. Company may waive this fee under the Experienced Franchisee Program.
7. During the term of the Franchise Agreement, you must obtain and maintain at your expense comprehensive general liability insurance covering product and automobile liability, personal injury and property damage coverage in the amounts we prescribe. See Item 8 of this Disclosure Document for information about our insurance requirements. If you fail to comply with our minimum insurance requirements, we have the right to obtain and maintain the requisite insurance coverage at your sole expense for which you must pay us the premium cost of the insurance plus an administrative cost equal to 15% of the cost of obtaining insurance on your behalf. We have the right to increase or otherwise modify the minimum insurance requirements upon 30 days' prior written notice to you, and you must comply with any such modification within the time specified in the notice. See Items 7 and 8 of this Disclosure Document for more information on insurance requirements.
8. If we establish a franchisee annual conference you or your Managing Owner must attend the conference on the dates and at the location that we designate. You will be responsible for all

travel expenses that you incur to attend. We may charge you an Annual Conference fee in an amount not exceeding Seven Hundred and Fifty Dollars (\$750).

9. If you have signed an Area Development Agreement with us and we develop an initial training program or other additional training program or specialized seminar for Area Development Agreement (ADA) Franchisees in the future, then you (if an individual) and your Operating Principal must attend. We may charge you for ADA (Multi-Unit) training programs or seminars at our then current training rate (currently \$1,000 per day per person). We may have ADA (Multi-Unit) training conducted by an outside third party at our then current training rate (again, \$1000 per person per day). In addition, you must pay for your trainees' salaries, travel, living and all other costs and expenses in connection with attending the training.
10. We may establish a Franchisee Advisory Council ("FAC") for consultation with us concerning branding, marketing, menu development and other operational matters affecting the TKRC System. If we form a FAC, you may be required to pay a fee or make contributions to the FAC as required from time to time by a majority vote of the FAC membership or by the FAC leadership if we empower them to impose these requirements.
11. If you wish to purchase any item for which we have established Approved Suppliers from a supplier whom we have not yet approved, then among other things, at our request, you must provide us with a sample of the supplier's product for testing purposes. If we incur any costs in connection with evaluating a proposed supplier at your request, you must reimburse us our reasonable testing costs and any travel costs and related expenses regardless of whether the supplier is subsequently approved. See Item 8.
12. If we audit your Business, and you understated the Gross Revenues on the weekly statements you submitted to us by 2% percent or more for any week or for the entire period of examination, when compared with your actual Gross Revenues, then you must immediately pay us the cost of the audit and the additional amounts owing, plus interest at the highest legal rate or, if there is no maximum legal rate, then 4% percent above the prime rate. If you understated your Gross Revenues by 8% or more for any week or for the entire period, we could terminate the Franchise Agreement and you must pay the amount due, plus interest and the cost of the audit. If you understated your Gross Revenues by less than 2% percent for any week or for the entire period, you must immediately pay us the amount due, plus interest, but we will pay the cost of the audit. The percentages described in this footnote are fixed and will not change during the term of the Franchise Agreement.
13. You must pay us a late fee in the amount of not less than \$100 per incident for any late payment or underpayment of the royalty or advertising fees, and any other charges or fees you owe us or our affiliates. In addition, the Royalty Fee, Brand Fund Contributions, payment for products and marketing materials and all other fees and payments to us or our affiliates under this Agreement shall be considered past due if not received by the us within 30 days of the due date, and interest will be assessed until the date paid, at a rate of 18% per year, not to exceed the maximum rate permitted by law for commercial transactions. If you are in breach or default of any monetary or non-monetary material obligation under the Franchise Agreement or any related agreement between you and us and/or our affiliates, and we or our affiliates engage an

attorney to enforce our respective rights (whether or not we initiate formal judicial proceedings), you must pay all reasonable attorneys' fees, court costs and litigation expenses we or our affiliates incur. If you institute any legal action to interpret or enforce the terms of the Franchise Agreement, and your claim is denied or the action is dismissed, you must reimburse us our reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against the action. We are entitled, under the Franchise Agreement, to have this amount awarded as part of the judgment in the preceding.

14. Upon your death or disability (if you are an individual), or the death or disability of your last surviving owner or your Operating Principal (if you are a Business Entity), that person's rights will pass to his or her estate, as heirs, legates, guardians or representatives, as appropriate (collectively, the "Estate"). From the date of death or disability until a fully trained and qualified Operating Principal assumes full-time operational control of the franchised Business, we may assume full control of and operate the franchised Business, but will have no obligation to do so. If we do so, then during this period, we will deduct our expenses for travel, lodging, meals, and all other expenses and fees from the Business's Gross Sales and pay ourselves a management fee equal to the greater of (a) two times the salary paid to the individual(s) assigned by us to operate the Business, or (b) 10% of the Business's weekly Gross Revenues. This management fee will be in addition to the Royalty Fees due us under the Franchise Agreement. We will then remit any remaining funds to the Estate. The Estate must pay us any deficiency in sums due to us under the Franchise Agreement within ten days of our notifying the Estate of the deficiency. We will not be obligated to operate your Business. If we do so, we will not be responsible for any operational losses of the Business, nor will we be obligated to continue operating the Business.
15. If any products you prepare or dispense shows contamination, dilution or adulteration from our standards or violates applicable laws or regulations, or if any products, premises, equipment, utensils, personnel or operation of your Business fail to be maintained in accordance with any governmental requirements, you must immediately cease operations, find and destroy all contaminated, adulterated or diluted products, eliminate their source and remedy all unsanitary conditions. You may begin operations again only after our inspection and/or laboratory analysis of your products (from samples obtained for that purpose by us) shows compliance with all applicable governmental requirements and with all our standards. If you do not comply with any of these remedial measures, or there is a repetition of any contamination, dilution, adulteration or failure of sanitation at the Franchised Business, you must, among other things, pay us all costs and expenses, including attorney's fees and all costs which we may incur in enforcing these requirements and in obtaining your compliance, including the cost of the travel, lodging and meals of our representatives and a proportionate part of their salaries.

ITEM 7: ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Single Unit

Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee ⁽¹⁾⁽²⁾	\$40,000	As arranged	As incurred	To Us
Travel and Living Expenses While Training ⁽³⁾	\$5,000-\$15,000	As arranged	As incurred	To third party
Lease Deposit ⁽⁴⁾	\$10,000-\$80,000	As arranged	As incurred	To third party
Utility Deposits	\$2,000-\$4,000	As arranged	As incurred	To third party
Construction & Leasehold Improvements ⁽⁵⁾	\$150,000-\$300,000	As arranged	As incurred	To third party
Furniture, Equipment and Signage ⁽⁶⁾	\$130,000-\$240,000	As arranged	As incurred	To third party
Initial Inventory and Supplies ⁽⁷⁾	\$8,500-\$20,000	As arranged	As incurred	Suppliers and Us
Business Licenses and Permits ⁽⁸⁾	\$1,000-\$5,000	As arranged	As incurred, before signing lease	To third party
Initial Local Advertising Campaign ⁽⁹⁾	\$5,000-\$10,000	As arranged	As incurred	To third party
Computer and POS System ⁽¹⁰⁾	\$3,000-\$8,000	As arranged	As incurred	To third party
Insurance (3 months) ⁽¹¹⁾	\$1,000-\$3,000	As arranged	As incurred	To third party
Blueprints, Designs and Plans ⁽¹²⁾	\$5,000-\$25,000	As arranged	As incurred	To third party
Alarm, Office Supplies and Equipment ⁽¹³⁾	\$3,000-\$6,000	As arranged	As incurred	To third party
Promotional Materials ⁽¹⁴⁾	\$2,000-\$4,000	As arranged	As incurred	To third party
Accountant and Attorney Fees ⁽¹⁵⁾	\$3,000-\$15,000	As arranged	As incurred	To third party
Pre-Opening Labor / Recruiting & Training Costs	\$6,000-\$10,000	As arranged	As incurred	Employees

Additional Funds (3 Months) ⁽¹⁶⁾	\$20,000-\$45,000	As arranged	As incurred	To third party
TOTAL ⁽¹⁷⁾	\$394,500-\$830,000			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your TKRC Franchised Business for three (3) months. We do not offer direct or indirect financing for these items. The availability and terms of financing from third-parties depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you may request a loan. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your TKRC Franchised Business may be greater or less than the estimates given depending upon the location of your TKRC Franchised Business and current relevant market conditions. We did not include state or local sales taxes in any of the above estimates. Unless otherwise stated, these estimates are subject to increase based on changes in market conditions, our costs of providing services, and future policy changes.

1. All fees paid to us pursuant to this Franchise Disclosure Document are uniform and non-refundable. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers.
2. We discuss the Initial Franchise Fees in detail in Item 5 of this Franchise Disclosure Document. Your estimated total investment for each additional TKRC Franchised Business will be reduced by the reduction in Initial Franchise Fees and possibly other costs such as professional fees and travel expenses.
3. This estimate is for the cost of four (4) people to attend initial training in New York. You are responsible for the travel and living expenses, wages, and other expenses incurred by your trainees during initial training. The actual cost will depend on your point of origin, method of travel, class of accommodations, and dining choices.
4. This estimate is based on a commercial lease of approximately 750 to 1,250 square feet of interior retail space for a TKRC Franchised Business, with HVAC, lighting fixtures, electrical outlets and telephone wiring installed for your Business. We estimate that lease security deposits (and advance rent) will range from one to four times the base rent for most locations, and that rent may range from \$10,000 and \$80,000 per month for a TKRC Franchised Business, including common area maintenance (“CAM”) charges, if any, and depends on factors such as market, size, condition, requirements for build-out, and location of the leased premises. Landlords typically require an initial payment equal to the first month’s rent plus a guarantee deposit equal to one (1) month’s rent. This estimate reflects one month’s rent security deposit. If you choose to purchase instead of lease the premises for your location, then the purchase price, down payment, interest, and other financing terms will determine your monthly

mortgage payments. The costs of purchasing a Franchised Businesses vary so widely that we cannot reasonably estimate the cost.

5. The range in this category reflects an estimate for layout and construction build-out costs for a complete TKRC Franchised Business. Your cost for leasehold improvements will vary depending upon the size of your Business and its geographic location. Construction costs in some areas of the country may exceed these estimates.
6. The range in this category reflects an estimate for the cost of purchasing furniture and fixtures for both the main seating and back office of your Business and the purchasing of foodservice and Franchised Businesses equipment, and other equipment.
7. You must purchase certain initial inventory as we require in the Manual or otherwise in writing from us and our approved suppliers. The range in this category reflects our estimate of the cost for the initial inventory and food required to adequately stock your Business prior to your Business's opening. The cost for initial inventory will range from approximately \$8,500 to \$20,000, which you will pay before your Business opens. Of the \$8,500 to \$20,000 paid for initial inventory, \$3,000 to \$15,000 is paid to us.
8. We recommend that you consult with an attorney, accountant, and/or other advisor prior to purchasing a franchise. You must obtain state and local licenses and business licenses. You may have to post bonds in order to obtain certain governmental permits.
9. You must spend at least \$5,000 one month before the opening of your Business as the Initial Local Advertising Fee in conjunction with your Business's grand opening. See Item 11.
10. You will need a computer or laptop to operate your business. In addition, you must purchase a computerized electronic point of sale system (POS System) from our designated supplier prior to opening your Business. The POS System will include the hardware and software necessary to operate your Business and manage the POS and cash management elements of operating a fast food Franchised Businesses and servicing areas of your Business. We estimate the cost to be approximately \$2,500 to \$4,000 for up to two terminals. This figure also includes software maintenance and hardware extended service for the first year of operating your Business.
11. Business insurance coverage will vary from state to state and will depend upon your previous loss experience, if any, and/or the previous loss experience of your insurance carrier in the state of locale in which you operate the business, and national or local market conditions. We estimate that your annual insurance premium will range from \$1,000 to \$3,000. Insurance Carriers and brokers typically require a down payment equal to one quarter of the annual insurance payment and monthly payments of the remaining balance. This estimate is based upon the experience of our Affiliated Entity. Additional information regarding insurance needs, including coverage limits, can be found in Item 8 to this Franchise Disclosure Document.
12. The range in this category reflects our estimate of the cost for the initial and final blueprint drafting expense(s) for the build-out of your Business location prior to your Business's

opening. You will be responsible for employing an architect or engineer to prepare drawings and specification

13. The range in this category reflects the estimated cost of purchasing an alarm, 3-4 cameras (including installation) office supplies, and other miscellaneous equipment expenses to begin Business operations.
14. Before you begin operating your Business, you must order from us promotional products for use in your Business, such as supplies with the TKRC logo printed on them. We estimate the cost for such products to range from \$1,000 to \$2,500.
15. You may operate the Business as an individual, or you may transfer the Franchise Agreement to a corporation, partnership, or limited liability company. If you elect to operate the Business through a corporation or limited liability company, we estimate that your legal fees and state filing fees relating to forming the corporation or limited liability company and having the documents reviewed by a franchise attorney may range from \$3,000 to \$6,000.
16. The estimate of additional funds for the initial phase of your Business is based on your staff salaries and operating expenses for the first three months of operation. You are required to have a minimum of \$20,000 to \$45,000 on hand prior to your Business's opening to be used as working capital and to cover initial operating expenses, including payroll. This figure is for an owner-operated Business with no owner's draw or salary. We cannot guarantee that you will not have additional expenses starting and operating your business. Your costs will depend on such factors as the extent to which you follow our methods and procedures, your management skill, experience and business acumen, local economic conditions, the local market for the Menu, the prevailing wage rate, competition, the sales level reached during the initial period and occupancy costs for your Business. You must provide verification of available cash on hand by means of a bank statement or other similar documentation that meets our specifications. This estimate is based on our experience in opening and operating our affiliated businesses in New York. Because your actual needs are dependent on how fast you grow your business, you may need additional capital to operate your business beyond the three-month period noted and such capital needs may be significant.
17. Your costs will depend on factors like how closely you follow our methods and procedures; your management skill, experience, and business knowledge; local economic conditions; the local market for our product; the prevailing wage rate; inflation; competition; and the sales level achieved during the initial period. All expenses paid to us or our affiliates are non-refundable. We will not finance any part of the initial investment. These figures are estimates only, and we cannot and do not guarantee that you will not have additional expenses in starting this business. You should review this chart with a business advisor before making a decision to purchase a franchise.

Area Development Agreement

Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
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Area Development Fee for 3 to 5 TKRC Franchised Businesses ⁽¹⁾⁽²⁾	\$80,000 - \$120,000	Lump Sum	Upon entering into Area Development Agreement	To Us
Initial Investment for Initial Business ⁽³⁾	\$354,500 - \$790,000	See Chart Above (Estimated Initial Investment)		
TOTAL ⁽⁴⁾	\$434,500-\$910,000			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your TKRC Franchised Business under the Development Program for three (3) months. We do not offer direct or indirect financing for these items. The availability and terms of financing from third-parties depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you may request a loan. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your TKRC Franchised Business may be greater or less than the estimates given depending upon the location of your TKRC Franchised Business and current relevant market conditions. We did not include state or local sales taxes in any of the above estimates. Unless otherwise stated, these estimates are subject to increase based on changes in market conditions, our costs of providing services, and future policy changes.

1. The estimates set forth in this Area Development chart assume that you will be entering into an Area Development Agreement for the right to open and operate three (low estimate) to five (high estimate) TKRC Franchised Businesses within a Development Territory and the cost of opening the first TKRC Franchised Business.
2. If you enter into an Area Development Agreement, you must pay the Initial Franchise Fee of \$40,000 for your first location at the time you enter into the Area Development Agreement, which will be included in the area development fee to be paid pursuant to the Area Development Agreement. The area development fee will be increased for each additional TKRC Franchised Business that you develop will by \$20,000, and the Initial Franchise Fee for each such additional TKRC Franchised Business to be developed will be \$40,000, payable when each subsequent Franchise Agreement is signed. From the area development fee paid, \$20,000 will be applied against the Initial Franchise Fee payable at the time of signing each subsequent Franchise Agreement. You must develop a minimum of three (3) TKRC Franchised Business's under an Area Development Agreement and there is no maximum amount of TKRC Franchised Business's you may develop.
3. This figure represents the total estimated initial investment required to open your initial TKRC Franchised Business pursuant to the Franchise Agreement you must sign at the same time that you sign the Area Development Agreement.

4. Other than the area development fee to be paid upon signing the Area Development Agreement, this figure does not include costs associated with opening a second and subsequent locations

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your TKRC Franchised Business according to our System and specifications. Except as described below, however, we do not require you to purchase or lease goods, services, supplies, fixtures, equipment, inventory, or real estate for your TKRC Franchised Business from us or any affiliate, or an Approved Supplier.

Approved Products and Services

You may only market, offer, sell, and provide the approved services, as well as any related merchandise and other products that we authorize for sale in conjunction with the Approved Products and Services. We will provide you with a list of our then-current Approved Products and Services, along with their standards and specifications, as part of the Manuals or otherwise in writing prior to the opening of your Franchised Business. We may update or modify this list in writing at any time. You must purchase Approved Products used or sold at your TKRC Franchised Business from us, TKRCI, TKRC Productions LLC, or an Approved Supplier whom we authorize.

If you wish to offer any product or service in your Franchised Business other than our Approved Products and Services, or use any item in connection with your Franchised Business that does not meet our System standards and specifications, then you must obtain our prior written approval as described more fully in this Item.

You must offer for sale at your TKRC Franchised Business only menu items we prescribe. You must offer and sell all private label products which we designate for TKRC franchisees. You must purchase and serve only Halal meat.

Approved Suppliers

We have the right to require you to purchase any items or services necessary to operate your Franchised Business from a supplier that we approve or designate (each, an “Approved Supplier”), which may include us or our affiliate(s). We will provide you with a list of our Approved Suppliers in writing as part of the Manuals or otherwise in writing, and we may update or modify this list as we deem appropriate.

Currently, we have approved suppliers for the following products: certain food and beverage supplies, ingredients, condiments, inventory, signs, furnishings, supplies, fixtures, equipment, paper, plastic goods, food trays, utensils, cooking utensils, and cleaning supplies. We are not the only approved suppliers for the above-referenced products.

TKRCI and TKRC Productions LLC are currently the only Approved Suppliers for the following Approved Products and Services: spices, sauces, marinades, breads, paper products bearing our Marks, and t-shirts and other merchandise bearing our Marks. We are the only Approved Supplier

for certain promotional products for use in your TKRC Franchised Business, such as pens and other supplies with our Marks. There are no other products for which we, TKRCI or TKRC Productions LLC is currently an Approved Supplier, but we reserve the right to change which Approved Products and Services we, our affiliates, or an Approved Supplier offers at any time.

Except as provided in this paragraph, neither we nor any of our officers own an interest in any of our Approved Suppliers. However, we reserve the right to require you to purchase additional items from us or our affiliates in the future.

We may develop proprietary products for use in your Franchised Business, including private-label products that bear our Marks, and require you to purchase these items from us or our affiliate(s).

If you wish to purchase a product or service that we require you to purchase from an Approved Supplier from an alternate source, then you must obtain our prior written approval as outlined more fully in this Item. We may provide our standards and specifications for our Approved Products and Services directly to our Approved Suppliers, and may provide these standards and specifications to an alternative supplier you propose if: (i) we approve the supplier in writing as outlined more fully in this Item; and (ii) the alternative supplier agrees to sign our prescribed form of non-disclosure agreement with respect to any confidential information we disclose.

Required Purchases and Right to Derive Revenue

The products or services we require you to purchase or lease from an Approved Supplier, or purchase or lease in accordance with our standards and specifications, are referred to collectively as your “Required Purchases.” We estimate that your Required Purchases, purchases from Approved Suppliers and purchases that must meet our specifications in total will be about 90% of your total purchases to establish the Franchised Businesses and about 90% of your purchases to continue the operation of the Franchised Businesses. Please be advised that these percentages do not include the lease payments that you make in connection with your premises.

We and our affiliates reserve the right to derive revenue from any of the purchases (items or services) that our System franchisees are required to make in connection with the Franchised Business. In our last fiscal year, ending on December 31, 2024, we and our affiliates received \$0.00 in revenue from all required purchases and leases of products and services by franchisees, including purchases of items to be resold in the Franchised Businesses, and rebates we receive from third-parties. This was 0.00% of our total revenue of \$0.00, as reported in our most recent audited financial statements.

We and/or our affiliate(s) may receive payments or other compensation from Approved Suppliers or any other suppliers on account of these suppliers’ dealings with us, you, or other Franchised Businesses in the System, such as rebates, commissions or other forms of compensation. We may use any amounts that we receive from suppliers for any purpose that we deem appropriate. We and/or our affiliates may negotiate supply contracts with our suppliers under which we are able to purchase products, equipment, supplies, services and other items at a price that will benefit us and our franchisees.

Non-Approved Product/Service and Alternate Supplier Approval

We may, but are not obligated to, grant your request to: (i) offer any products or services in connection with your Franchised Business that are not Approved Products and Services; or (ii) purchase any item or service we require you to purchase from an Approved Supplier from an alternative supplier.

If you wish to undertake either of these actions, you must request and obtain our approval in writing before: (i) using or offering the non-approved product or service in connection with your Franchised Business; or (ii) purchasing from a non-approved supplier. You must pay our then-current supplier or non-approved product evaluation fee when submitting your request, as well as cover our costs incurred in evaluating your request. We may ask you to submit samples or information so that we can make an informed decision whether the goods, equipment, supplies or supplier meet our specifications and quality standards. In evaluating a supplier that you propose to us, we consider not only the quality of the particular product at issue, but also the supplier's production and delivery capability, overall business reputation and financial condition. We may provide any alternate supplier you propose with a copy of our then-current specifications for any product(s) you wish the supplier to supply, provided the supplier enters into a confidentiality and non-disclosure agreement in the form we specify. We may also inspect a proposed supplier's facilities and test its products and/or services, and request that you reimburse our actual costs associated with the testing/inspection.

We will notify you in writing within 30 days after we receive all necessary information and/or complete our inspection or testing to advise you if we approve or disapprove the proposed item and/or supplier. The criteria we use in approving or rejecting new suppliers is proprietary, but we may (although are not required to) make it available to you upon request. Each supplier that we approve must comply with our usual and customary requirements regarding insurance, indemnification and non-disclosure. If we approve any supplier, we will not guarantee your performance of any supply contract with that supplier under any circumstances. We may re-inspect and/or revoke our approval of a supplier or item at any time and for any reason to protect the best interests and goodwill of our System and Marks. The revocation of a previously-approved product or alternative supplier is effective immediately when you receive written notice from us of revocation and, following receipt of our notice, you may not place any new orders for the revoked product, or with the revoked supplier.

Purchasing Cooperatives and Right to Receive Compensation

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and Approved Suppliers on behalf of the System. We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Franchised Businesses in our System. If we do establish those types of alliances or programs, we may: (i) limit the number of approved suppliers with whom you may deal; (ii) designate sources that you must use for some or all products, equipment and services; and (iii) refuse to approve proposals from franchisees to add new suppliers if we believe that approval would not be in the best interests of the System.

We and/or our affiliate(s) may receive payments or other compensation from Approved Suppliers or any other suppliers on account of these suppliers' dealings with us, you, or other Franchised Businesses in the System, such as rebates, commissions or other forms of compensation. We may use any amounts that we receive from suppliers for any purpose that we deem appropriate. We and/or our affiliates may negotiate supply contracts with our suppliers under which we are able to purchase products, equipment, supplies, services and other items at a price that will benefit us and/or our franchisees.

We reserve the right to create additional purchasing cooperatives in the future. We may negotiate volume purchase agreements with some vendors or Approved Suppliers for the purchase of goods and equipment needed to operate the Franchised Businesses.

Franchise Compliance

When determining whether to grant new or additional franchises, we consider many factors, including your compliance with the requirements described in this Item 8. You do not receive any further benefit as a result of your compliance with these requirements.

Specifications and Standards

Equipment and Supplies

You must purchase or lease certain equipment and supplies meeting our specifications. Also, you must purchase or lease initial equipment and supplies in amounts that we recommend, to use our experience in the business and to provide proper initial planning, training, operation and record keeping. The initial equipment and supplies that must meet our specifications are identified in our manuals. Any signs, logos, emblems, or pictorial materials using our trademarks must meet our specifications.

Site Selection Criteria

You must find a site for your business that meets our site selection criteria as stated in Item 11 within 90 days after signing your Franchise Agreement. We will not unreasonably withhold approval of any site that meets our standards. You agree that our approval or disapproval of a proposed site does not impose any liability on us.

Lease of the Site and Signs

We must approve of any lease or sublease for the site for your business, and your lease or sublease must include the Rider attached to the Franchise Agreement included herewith. At least one (1) exterior sign of stated design and size, if permitted by local sign ordinances, must be used for the premises.

Design Specifications

We may provide you with specifications for design, decoration, layout, equipment, furniture, fixtures and signs for your TKRC Franchised Business, but all items may be purchased from any source unless otherwise noted in this Item 8.

Maintenance and Repairs

You must uniformly maintain your TKRC Franchised Business to the degree of sanitation, repair, appearance, condition and security as stated in our manuals, as they may be updated from time-to-time. You must make additions, alterations, repairs and replacements to your TKRC Franchised Business as reasonably required for that purpose, including periodic repainting changes in appearance, upgrades and repairs to equipment, and replacement of obsolete signs as we reasonably direct. We cannot estimate these costs for you since the square footage and actual uses of each facility will vary. Maintenance is generally less expensive than replacement. You must meet and maintain the safety standards and ratings applicable to the operation of your TKRC Franchised Business as we reasonably require.

Renovation and Upgrading

You must abide by our requirements on alterations, remodeling, upgrading or other improvements to your TKRC Franchised Business. The requirements will not exceed those applicable to new franchised, affiliate-owned units, and company-owned units; and will not generally occur more frequently than every five (5) years. You will be responsible for the cost of changes or additions.

Modifications of Specifications

Our standards and specifications are found in our manuals. We may modify our specifications on reasonable written notice to you. We will consider your written request for a modification of a specification, if you explain the reason for the requested modification and provide us with sufficient technical data to enable us to evaluate your request. We will provide you with notification of approval or disapproval within 30 days after receipt of your request. We will approve a request if we determine that a modified specification is appropriate or that any equipment or supply meets our specifications then in effect. We may perform tests to determine any requested modification meets our specifications. We may charge you a fee to cover our reasonable costs and expenses in evaluating any request or conducting tests in order to grant our approval.

Insurance

You must obtain and maintain insurance, at your expense, as we require, in addition to any other insurance required by applicable law, your landlord, or otherwise. We may periodically change the amounts of coverage required under the insurance policies and require different or additional kinds of insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances, if the changes apply to all TKRC Franchised Business. Each insurance policy must name us and entities and persons affiliated with us as additional insureds. On our request, you must provide us with copies of all insurance policies together with proof of payment for insurance. You must send to us current

certificates of insurance and copies of all insurance policies on an annual basis. Before you open your TKRC Franchised Business, you must furnish us with a certificate of requirements insurance showing compliance with the insurance requirements. Currently, you must have the following insurance at a minimum:

- Comprehensive general liability insurance with limits of at least \$1,000,000 per person per occurrence (and \$2,000,000 aggregate for bodily injury) and at least \$25,000 for property damage per occurrence;
- Personal injury and advertising injury insurance with limits of at least \$1,000,000 per occurrence;
- Employer Practices Liability insurance with limits of at least \$1,000,000;
- An Umbrella Liability insurance policy with a limit of at least \$1,000,000;
- “All risk” insurance on the premises, equipment and supplies, for loss or damage by fire, windstorm, flood, casualty, theft and other risk usually insured against by the owners or lessors of similar property, for at least 100% of the replacement cost of the property. Unless you obtain a written waiver from us, any TKRC Franchised Business sustaining loss or damage must be repaired, restored, or rebuilt within 60 days after the date of the loss or damage;
- Automobile liability insurance on each vehicle used in the business within the minimum coverage limits as required by the law of the state or jurisdiction in which you are engaged in business;
- Worker’s compensation or similar insurance as required by the law of the state or jurisdiction in which you are engaged in business. This insurance must be maintained for trainees, as well as for those employed or engaged in the operation of your TKRC Franchised Business, if required by your state or jurisdiction; and
- TKRC Franchising Company, LLC as additional insured.

Computer System

You must purchase the computer system that we specify, including computer hardware, software, point of sale system, inventory control systems, and high-speed network connections (collectively, the “Computer System”). The component parts of the Computer System must be purchased from Approved Suppliers. If we require you to use any proprietary software or to purchase any software from a designated vendor, you must sign any software license agreements that we or the licensor of the software require and any related software maintenance agreements. Currently, we require you to utilize POS at an initial cost of approximately \$5,000 to \$10,000, plus a monthly fee of approximately \$500 for POS support and maintenance.

ITEM 9: FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement	Section in Area Development Agreement	Item in Franchise Disclosure Document
a.	Site selection and acquisition/lease	8.1	5	5, 7, 11
b.	Pre-opening purchases/leases	10.5	Not Applicable	7
c.	Site development and other pre-opening requirements	8.2.2, 10.7	2.1, 5.4.3	7, 11
d.	Initial and ongoing training	7	Not Applicable	11
e.	Opening	8.3	Exhibit B	6, 7
f.	Fees	6	4	5, 6, 7
g.	Compliance with standards and policies/ Operations Manual	12.1	5.4.3	11
h.	Trademarks and proprietary information	3.1, 3.2	Not Applicable	13, 14
i.	Restrictions on products/services offered	12.6	Not Applicable	8,16
j.	Warranty and customer service requirements	Not Applicable	Not Applicable	Not Applicable
k.	Territorial development	3	5.2	Not Applicable
l.	Ongoing products/service purchases	12.1.1	Not Applicable	8,16
m.	Maintenance, appearance, and remodeling requirements	12.1.1, 12.1.5	Not Applicable	11
n.	Insurance	15	Not Applicable	7
o.	Advertising	13	Not Applicable	6, 11
p.	Indemnification	15	Not Applicable	6, 13, 14
q.	Owner's participation/management/staffing	11.4	Not Applicable	11, 15
r.	Records and reports	12.2	Not Applicable	6
s.	Inspections and audits	12.7	Not Applicable	6, 11
t.	Transfer	16	6	17
u.	Renewal	5	Not Applicable	17
v.	Post-termination obligations	18	7.4	17

w.	Non-competition covenants	19.2	Not Applicable	17
x.	Dispute resolution	20	10	17

ITEM 10: FINANCING

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

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

Except as listed below, TKRC Franchising Company, LLC is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your TKRC Franchised Business, we (or our designee) will provide the following assistance and services to you:

- (1) Designate your Territory (See Sections 3.1 and 7.2 of the Franchise Agreement);
- (2) Loan you one (1) copy of the Confidential Operations Manual. The Confidential Operations Manual contains approximately 200 pages. The table of contents for the Confidential Operations Manual is attached to this Franchise Disclosure Documents as Exhibit E (See Section 19.1 of the Franchise Agreement);
- (3) Provide site selection guidelines and criteria and provide site selection assistance to determine an acceptable location for your TKRC Franchised Business (See Section 8.1 of the Franchise Agreement);
- (4) Within 30 days of your signing the approved lease or location purchase, we will provide you with access to prototype design plans, specifications, décor and layout for a Franchised Businesses, including requirements for design, color, scheme, image, interior layout and operation assets that include fixtures equipment interior signs and furnishings. We may also designate additional suppliers of goods and services. Aside from any designation of suppliers of goods and services, we do not provide assistance with providing equipment, signs, fixtures, or inventory and supplies, nor do we provide assistance with conforming the premises to local ordinances and building codes, or obtaining required permits (See Section 10.2 of the Franchise Agreement). We generally do not own the premises and leases that our franchisees operate from;
- (5) Provide assistance and guidance in establishing prices for products and services. The Company's Operations Manual shall provide you with a list of suggested minimum and

maximum prices for the sale of the products and services to be offered by you (See Section 12.5 of the Franchise Agreement);

- (6) Assist you in implementing an opening marketing initiative for your TKRC Franchised Business using your Initial Local Advertising Fee of \$5,000. Before your Business's opening and after we receive your payment of the Initial Local Advertising Fee, we will execute the campaign on your behalf (See Section 5 of the Franchise Agreement);
- (7) We, or our designee, will provide instruction and assistance prior to the opening of your TKRC Franchised Business and immediately following the opening by telephone or in-person, as we determine in our sole discretion (See Sections 7.3 of the Franchise Agreement); and
- (8) Provide an initial training program ("Initial Training Program") as described below.

Post-Opening Obligations

During the operation of your business, we may:

- (1) Provide periodic telephone and electronic mail assistance on daily operations, marketing, advertising, personnel and other operating issues that you encounter, and provide review and analyses of your operations (See Section 11.9 of the Franchise Agreement);
- (2) Update the manuals to incorporate improvements and new developments in the System. These revisions may be made at any time (See Section 10.3 of the Franchise Agreement);
- (3) Make available to you initial training of replacement managers at a location that we determine. We may charge you a fee for this training. (See Section 11.4.3 of the Franchise Agreement);
- (4) Advise as to source of supply for equipment, services, supplies, products and materials, and make reasonable efforts to negotiate, enter into and maintain contracts for equipment, supplies and services for your purchase (See Sections 10.7 and 12.1.1 of the Franchise Agreement);
- (5) Assist you with sales promotions and administer a system-wide Brand Fund (See Section 13.3.2 of the Franchise Agreement) (See Brand Fund below);
- (6) At our option, provide access to our manuals, franchisee resources and company news (See Section 10.3 of the Franchise Agreement);

- (7) At our option, maintain a website and provide you with a standard web page on the website (See Section 12.3.6 of the Franchise Agreement); and
- (8) Provide you access to print and television advertisements, if and when they exist, for use by you (See Section 5.5 of the Franchise Agreement).
- (9) At our option, hold a mandatory annual conference at our headquarters or at a location we determine, no more than once per year, which will last approximately one to three days. (See Section 7.4 of the Franchise Agreement).

Advertising and Promotion

Brand Fund

You are currently required to contribute 2% of Gross Revenues each week to our system-wide advertising and promotions fund (“Brand Fund”). TKRC reserves the right to require you to contribute up to 3% of Gross Revenues each week to the Brand Fund. The Brand Fund will be intended to promote the services of the System. We will administer the Brand Fund and all programs that the Brand Fund finances. All advertising and promotional activities financed by the Brand Fund are managed by an external third-party provider. We will use the Brand Fund for public relationships and the development and placement of print, electronic media and web-based advertising. We will not use the Brand Fund to solicit prospective franchisees, but we may use the Brand Fund to develop a website and social media platforms. We may use an outside advertising agency to create and place advertising, and handle public relations. The Brand Fund will advertise locally, regionally and nationally, as we decide in our sole discretion, to promote the System.

We will account for the Brand Fund separately from our other funds each year. The Brand Fund will not be audited, but we will prepare an annual unaudited financial statement of the Brand Fund that will be available on your request about 120 days after the end of the fiscal year. Other than reimbursement for reasonable costs and overhead incurred in activities for the administration or direction of the Brand Fund, which may include prorated salary and benefits of any personnel who manage and administer the Brand Fund, meeting costs and similar expenses, neither we nor any affiliate will receive any payment for providing services or products to the Brand Fund. We may, but are not required to, collect for deposit into the Brand Fund any advertising, marketing or similar allowances paid to us for that purpose by suppliers who deal with your TKRC Franchised Business.

We have established the Brand Fund for the common benefit of System franchisees. We may, in our sole business judgment, also establish Regional Funds for the benefit of System franchisees, whose Businesses are located within designated regions. You are required to contribute 2% of your Gross Revenues weekly to the Brand Fund (see Item 6). In the future, we may apply a portion of your Brand Fund Contributions described in Item 6 to a Regional Fund which encompasses your Territory. We have the right to use Brand Fund contributions, in our sole business judgment, to develop, produce, and distribute national, regional and/or local advertising and to create advertising and public relations materials that promote, in our sole judgment, the Approved Products and Services offered by System franchisees.

We may use these Brand Fund contributions to develop and prepare advertising that we distribute to System franchisees for their placement in the local media, or for other advertising of System Businesses as we direct. The Brand Fund may be used to meet any and all costs of administering, directing, preparing, placing and paying for national, regional or local advertising and public relations, including (without limitation): television, radio, magazine, newspaper and worldwide web/internet advertising campaigns; other advertising, marketing and public relations materials; point-of-purchase materials; consumer research, interviews and related activities; the creation, maintenance and periodic modification of the TKRC website (a portion of which will be devoted to describing the TKRC franchise offering and the solicitation of potential TKRC franchisees); reviewing any advertising material you propose to use (as provided below); search engine optimization; accounting for TKRC Brand and Regional Fund receipts and expenditures; other activities that we in our business judgment believe are appropriate to enhance, promote and/or protect the TKRC System or any component thereof, and engaging advertising agencies to assist in any or all of the foregoing activities, including retainers, commissions and other fees to have print, broadcast and/or internet advertising placed by an agency, and all other advertising agency fees. The advertising will be prepared by us and by outside sources. We presently intend to use national agencies for advertising.

We will use National Fund contributions, in our sole business judgment, to develop, produce, and distribute national, regional and/or local advertising and to create advertising and public relations materials that promote, in our sole judgment, the services offered by System franchisees. We will have the sole right to determine contributions to and expenditures of the Brand Fund or any other advertising program, and sole authority to determine, without limitation, the selection of the advertising and public relations materials and programs; provided, however, that we will make a good faith effort to expend such funds in the general best interests of the System.

We are not required, under the Franchise Agreement, to spend any amount of Brand Fund contributions in your Territory and not all System franchisees will benefit directly or on a pro rata basis from our expenditures. Businesses owned by TKRCI may benefit directly or indirectly from national, regional or local advertising programs. We have the right to reimburse ourselves from Brand Fund contributions for reasonable costs and overhead, if any, as we may incur in activities which are reasonably related to directing and implementing the Brand Fund and advertising programs for franchisees and the System, including costs of personnel for creating and implementing advertising, promotional and marketing programs. The Brand Fund is not a trust and we are not a fiduciary with respect to the Brand Fund. There is no requirement that the Brand Fund be audited. Upon your written request, we will provide you with an unaudited accounting of Brand Fund expenditures. Franchisees participating in the Brand Fund may contribute to the Brand Fund at varying rates.

We do not receive payments (other than reimbursement for expenses) for administering the Brand Fund. We do not anticipate that any part of the Brand Fund contributions will be used for advertising that is principally a solicitation for the sale of additional franchises, except that we reserve the right to include a notation in any advertisement indicating "Franchises Available." Although we anticipate that all Marketing Contributions will be spent in the fiscal year in which they accrue, any remaining amounts will be carried over to be expended during the next fiscal year.

We maintain the right to terminate the Brand Fund, but we will not do so until all of the monies in the Brand Fund have been expended for advertising and promotional purposes.

If we allocate Brand Fund contributions as Regional Fund contributions, we have the right to use the Regional Fund contributions, in our business judgment, to develop, produce, and distribute regional and/or local advertising and to create advertising and public relations materials which promote, in our sole judgment, the Approved Products and Services offered by those System franchisees whose businesses are located within the region for which the Regional Fund was established, as applicable. We will use Regional Fund contributions, in our business judgment, to develop, produce, and distribute regional and/or local advertising and to create advertising and public relations materials which promote, in our sole judgment, the service offered by System franchisees within each region. We will have the sole right to determine contributions to and expenditures of the Regional Fund, and sole authority to determine the selection of the advertising and public relations materials and programs. However, we will make a good faith effort to spend these funds in the general best interests of the System. Not all System franchisees within any given Region will benefit directly or on a pro rata basis from these expenditures. We have the right to reimburse ourselves from Regional Fund contributions for reasonable costs and overhead, if any, as we may incur in activities which are reasonably related to directing and implementing the Regional Fund and regional and local advertising programs for franchisees and the System, including costs of personnel for creating and implementing regional and local advertising, promotional, public relations and marketing programs and engaging advertising agencies to assist in any or all of the foregoing activities, including retainers, commissions and other fees to have print, broadcast and/or internet advertising placed by an agency, and all other advertising agency fees. The Regional Fund is not a trust and we are not a fiduciary with respect to the Regional Fund. There is no requirement that the Regional Fund be audited. Upon your written request, we will provide you with an unaudited accounting of Regional Fund expenditures. Franchisees participating in the Regional Fund may contribute to the Regional Fund at varying rates. Businesses owned by TKRC in a region may benefit directly or indirectly from regional or local advertising programs by a Regional Fund. We will not receive payments (other than reimbursement for expenses) for administering the Regional Fund. We do not anticipate that any part of the Regional Fund contributions will be used for advertising that is principally a solicitation for the sale of additional franchises, but we reserve the right to include a notation in any advertisement indicating "Franchises Available." Although we anticipate that all Regional Fund marketing contributions will be spent in the fiscal year in which they accrue, any remaining amounts will be carried over to be expended during the next fiscal year. Once formed, we maintain the right to terminate the Regional Fund, but we will not do so until all of the monies in the Regional Fund have been expended for advertising and promotional purposes. Businesses owned by TKRCI will contribute to the Brand and Regional Fund on the same basis as franchisees under our then-current franchise disclosure document.

If we terminate the Brand Fund and we do not establish the Regional Fund, or once established, we terminate the Regional Fund as well as the Brand Fund so that there is neither a brand nor regional marketing fund, we may require you to spend an additional 2% of your weekly Gross Revenues on local advertising in addition to your otherwise required minimum advertising expenditures based on a percentage of weekly Gross Revenues. If we do so, your obligation to pay us Brand Fund Contribution will be suspended until we determine to establish or re-establish a

Brand and/or Regional Fund, when your obligation to make the Minimum Local Advertising Expenditure will cease until any time when there again is no national or regional marketing fund.

Franchisee Advisory Council

We do not currently have a Franchisee Advisory Council (“FAC”). We may establish a FAC for consultation with us concerning branding, marketing, menu development and other operational matters affecting the TKRC System. If we form a FAC, we will seek and give reasonable consideration to the advice, counsel and input of the FAC and any of its subcommittees concerning these matters, but we retain the right to make all decisions in our sole business judgment. If we form a FAC, you may be required to pay a fee or make contributions to the FAC as required from time to time by a majority vote of the FAC membership or by the FAC leadership if we empower them to impose these requirements. If we form a FAC, we may subsequently modify or dissolve it.

Local Advertising

Before your Business’s scheduled opening, we will develop, execute and manage an initial advertising campaign for your Business. As described in Item 5, you must pay us an Initial Local Advertising Fee of \$5,000 to \$10,000 for this campaign. You will then administer and execute a continuous local advertising/marketing campaign for the promotion of your Business. We may require you to spend at least 1% of Gross Revenue per week on local advertising each week, as outlined in Item 6 of this Franchise Disclosure Document. We are not required to spend any amount on advertising in your territory. The advertising is prepared by you or by outside Approved Suppliers you contract with, and you may use a variety of appropriate advertising media you select and we approve. You must expend at least the minimum percentage of your Gross Revenues to fund and support this advertising.

You may develop sales promotional and advertising materials for your own use, at your own cost, if done through a design, marketing and advertising agency which we approve for franchisees, and if we approve the materials developed. Within 30 business days of our receipt of any sample sales promotional material or advertising materials from you, we will notify you in writing of our approval or disapproval of the materials. If we do not approve or disapprove the materials within 30 days of receipt this will be considered our disapproval, and you may not use the materials.

You are not currently required to participate in a local or regional advertising cooperative, but we may require you do so in the future.

You must submit to us, for our approval, all media and materials to be used for local advertising, unless the media and/or materials have been approved before or unless we provided the materials to you. All materials containing our proprietary marks must include the designation service mark SM, trademark TM, registered trademark [®], copyright [©], or any other designation we specify. If you do not receive written or oral approval of any materials submitted within 30 days from the date we receive the materials, the materials are disapproved. We may require you to withdraw and/or discontinue the use of any promotional materials or advertising, even if previously approved. We must make this requirement in writing, and you have 5 days after receipt of our notice to withdraw

and/or discontinue use of the materials or advertising. Your submission of advertising for our approval does not affect your right to determine the prices at which you sell your services.

You may have as many telephone numbers and telephone directory listing for the franchised business as you choose; however, you acknowledge and agree that we will own all rights and interest in each telephone number (regardless of whether such telephone number pre-existed any Franchise Agreement) and telephone directory listing, email address, domain name, social media platform, and comparable electronic identify that is associated in any manner with your Franchise and/or with any Mark (“Listing”). You acknowledge and agree that all goodwill arising from or in connection with the use of each Listing will inure to our benefit. Promptly after expiration, termination, repurchase or transfer of the Franchise, you will notify each telephone or Internet Service Provider (“ISP”) with whom you have any Listing and direct them to transfer the Listing to us, or any persons we designate, at your expense; and you agree to execute all documents necessary to complete these transfers.

You must include in any significant display advertisements, and in marketing materials for your TKRC Franchised Business, a notice that your TKRC Franchised Business is individually owned and operated. Subject to any legal restrictions, you also are required to display or make available in your TKRC Franchised Business’s reception area, marketing materials that we may provide to you about the purchase of TKRC franchises, but you have no responsibility or authority to act for us in franchise sales.

You may not solicit business outside your Territory through the use of a toll-free number, direct mail, website, social media platform, or other advertising method without our prior written approval. You may not establish your own website or social media platforms without approval.

No funds were collected or used in our last fiscal year.

Advertising Cooperative

Currently, we do not require you to participate in any advertising cooperative; however, we in our sole discretion, may designate any geographic area for purposes of establishing a regional advertising and promotional cooperative, and determine whether a cooperative is applicable to your territory. If established, you may be required to contribute up to 1% of Gross Revenues, in addition to your Local Advertising or Brand Fund contributions requirements. You are required to become a member of any advertising cooperative within thirty (30) days of opening your business (if one is established at the time, you open your TKRC Franchised Business) or within thirty (30) days of establishment of the cooperative. Membership is defined by all operating locations in a particular geographic region, and all franchised and corporate locations will contribute equally, with administration decided by a majority of the locations in a particular Cooperative. We reserve the right to require you to contribute a portion of your gross revenues to the cooperative.

If we establish an advertising cooperative, each TKRC Franchised Business, whether franchisee-owned or affiliate-owned, will be required to contribute its proportional share of the cooperative's advertising costs. These cooperative advertising contributions will be in addition to your required payments to the Brand Fund and your mandatory spending on local advertising. The advertising

cooperative will be administered in accordance with its bylaws, which will be adopted through a vote of the franchisees and the franchisor. The franchisor will not solely control or administer the cooperative. If established, documents governing the advertising cooperative will be available for your review.

System Website

At our option, we may establish one or more websites to advertise, market and promote the System and the franchise opportunity. We currently maintain the website www.thekatirollcompany.com; however, we are not obligated to continue to maintain that website, and are not barred from (or required to) creating additional or replacement websites. In any website now in existence or hereinafter-created, we may provide you with a listing for your location, or a web page to promote your business, if you provide us with the information that we request to develop your web page. Our system standard will apply to any website advertising. We may provide a secure intranet for our franchisees, but do not currently have one.

You are not permitted to maintain an independent individual website for your Business. You may not advertise your Business, or any Approved Products or Services offered by your Business via the Internet without our prior advance consent, which we may give or withhold in our sole business judgment.

Computer System and Internet Access

You must purchase and use the complete computer software services and electronic cash register/point-of-sale system (*i.e.*, the “POS System”) we require, which we have the right to change at any time. We currently require a Toast Franchised Businesses POS System, which you may purchase from any REVEL distributor that is pre-approved by us. This POS system is subject to change at any time, and allows us access to customer, transaction, and operational information. The POS System will include the hardware and software necessary to operate your Business and manage the point-of sale and cash management elements of operating a fast-food Franchised Businesses and servicing areas of your Business. We estimate the cost to be approximately \$2,500 to \$4,000 for up to two terminals. You must obtain and maintain high-speed communications access, such as broadband, DSL or other high-speed capacity that we require for your POS System.

Beyond the POS System, you are required to obtain other, necessary computer services, an electronic cash register system. Currently, the approximate annual cost to you for the POS System and other required equipment, is \$3,000 to \$8,000, plus a monthly fee of approximately \$500 for POS support and maintenance. This cost is subject to increases by the vendors. The POS system and other required hardware and software will collect customer information and transaction details. Any maintenance, repair or updates due to the computer system are Your responsibility. (See Section 7.3.8 of the Franchise Agreement).

You must sign a Service Agreement with a Toast distributor for maintenance of software and hardware of the POS System. You must pay the Toast or then current distributor fees for these services ranging from an estimated \$3,800 to \$4,200 per year for a Franchised Businesses with

one or two terminals. This fee covers maintenance of the POS System. Extended weekend service for hardware will be available from the Toast distributor at an additional cost.

Independent Access to Information. We have a right and you are required to provide us with independent access to the information that will be generated or stored in your computer systems, which includes, but is not limited to, customer, transaction, and operational information. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business.

You must have broadband Internet access, which will permit you to use web-based technology, gather information, exchange ideas and transfer data. You may use any independent Internet Service Provider of your choosing that provides broad-band access. You must maintain a functioning email address so that we can communicate with you electronically.

We may upgrade our minimum computer system requirements at any time in order to keep pace with technology. There are no contractual limitations on the frequency or cost of this obligation, but we expect you will need to upgrade at least every five (5) years. If we modify or impose a requirement, we will notify you in our manuals or other written communications, and will give you a reasonable time in which to comply at your expense. We estimate that the cost of upgrading and replacing a computer system is approximately \$3,000.

We may assist you in obtaining the computer system and related services, but we are not obligated to do so. We may, in the future, designate an approved supplier for computer components.

We disclaim all implied warranties to the extent permitted by law. Neither we nor any affiliate is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your computer system. You should determine for yourself whether or not any third-party supplier from whom you purchase any component of your computer system is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your computer system, and determine the additional cost for the services.

Manuals

After you sign your Franchise Agreement, and prior to initial training, we will give you electronic access to or lend you a paper or read-only disk copy of a single copy of our manuals. The manuals contain proprietary information, and you must keep this information confidential as described in Item 14. A copy of the Table of Contents for the Operations Manual, which contains approximately 200 pages, as of December 31, 2024, is attached hereto as Exhibit E.

Initial Training Program

We will provide our 4-week Initial Training Program to the following individuals: 1 General Manager, 3 Assistant General Managers and 1 cook, and (if we require their attendance, as we reserve the right to require in our sole discretion) all owners of the franchise (the “Trainees” and

the first set of the Trainees who successfully complete the Initial Training Program, the “Certified Trainees”). We will conduct this Initial Training Program at our headquarters offices, at our Affiliate’s Franchised Business located in New York, New York, at your Franchised Business and/or at another location we designate.

The Initial Training Program will be offered at various times during the year depending on the number of new franchisees entering the System, replacement general managers, assistant general managers and other personnel needing training, the number of new Franchised Businesses being opened and the timing of the scheduled openings of Franchised Businesses. No later than 10 days before the date your first Franchised Businesses begins operation, all of the Trainee’s must attend (all at the same time) and successfully complete (to our satisfaction, in our sole discretion) the Initial Training Program.

If we reasonably conclude in our business judgment that any of the Trainees has failed to attend and/or successfully complete the Initial Training Program to our satisfaction, then that person (or, if more than one person failed then those persons) may re-enroll in the next scheduled Initial Training Program at no additional charge (and if there is more than one person who failed, all such persons must attend the next scheduled Initial Training Program at the same time). If any of the Trainees fail to attend or successfully complete the Initial Training Program after being afforded the right to re-enroll, such failure will be a material and incurable breach of the Franchise Agreement which will entitle us to terminate your Franchise Agreement immediately upon notice, with no opportunity to cure (and if we do, you will not be entitled to any refund).

If the Franchised Businesses you are opening is your second or subsequent Franchised Businesses operating under the System, then attendance at such Initial Training Program will be optional, so long as the Franchised Businesses staff of each such subsequent Franchised Businesses is adequately trained by Certified Trainees. However, any additional and/or subsequently appointed Multi-Unit Operations Director must attend and successfully complete the Initial Training Program. The Initial Franchise Fee includes the cost of the Initial Training Program for the Trainees. You must pay our then-current fee (currently, \$1,000 per person) for the Initial Training Program we provide to a replacement or successor employee, or for any additional trainee you request attend the Initial Training Program. You must also pay for all expenses your trainees incur while attending any training program, including costs of travel, lodging, meals and wages.

The Initial Training Program is currently conducted by our certified trainers. Each of our trainers has between 5 and 10 years of experience relevant to the subject being taught, and at least 1 year of experience with us and/or our Affiliate (except for one trainer who just started with us in December of 2021). We reserve the right to make changes in our training staff as we deem necessary and advisable without prior notice. In addition, we may determine from time to time, in our sole judgement, to suspend in-person gatherings such as the Initial Training Program and instead conduct them virtually. The instructional materials used in the initial training consist of our Manual, marketing and promotion materials, and any other materials that we believe will be beneficial to our franchisees in the training process.

TRAINING PROGRAM

Subject	Hours of Classroom Instruction	Hours of On-the-Job Training	Location
Orientation	4	4	New York, NY
Food & Kitchen Safety	2	4	New York, NY
Food Prep & Cooking	2	56	New York, NY
Inventory & Cost Control	6	4	New York, NY
General Manager	2	58	New York, NY
POS System & Cashier Training	2	8	New York, NY
Total Hours	18	134	

You will receive the following training before you open your TKRC Franchised Business:

TRAINING PROGRAM

Training Program for Franchisees and Operating Principals (Four Days)

Subject	Hours of Classroom Instruction	Hours of On-the-Job Training	Location
Orientation, Kitchen operation Introduction to Training Program Policies and Procedures	2	3	New York, NY
Observing the restaurant operation Food receiving and storage Inventory management	3	4	New York, NY
Back office operation Bookkeeping Human resource Management	3	4	New York, NY
Review: Practices and procedures learned during the previous four days Question and Answer Session	2	3	New York, NY
Total Hours	10	14	

*Schedule may differ slightly from actual events at time of training, but with no impact on training hours.

The hours devoted to each subject are estimates only and may vary substantially based on how quickly trainees grasp the material, their prior experience with the subject, and scheduling. Our training program for franchisees and Operating Principals lasts for four days and the required initial training program for managers lasts seven days. Training will be held at our headquarters in New York City or another location of our choosing. We will train up to three (3) people, including you and/or your Operating Principal and one manager. We will train additional persons at a tuition rate of \$1,500 per person so long as this person(s) attends the initial training program with you or your Operating Principal. Prior to scheduling training, key pre-opening tasks must be completed and verified by the support center. We typically schedule on an as-needed basis.

All trainees who will attend our initial training program must successfully complete the ServSafe or an equivalent food safety training from an accredited third party before attending our initial training program.

The Operations team led by Afshin Shirazi will oversee initial training and her background can be found in Item 2 of this document. Any instructor will have Franchised Business operation experience and/or substantial familiarity with the TKRC Franchised Business. Trainees are expected to read and have reviewed the Operations Manual prior to attending training. Supplemental training will be provided in a review of the material along with hands-on, observational and visual instruction on our daily procedures and best practices for operating the Franchised Business.

If you are an individual, you and your original manager, if any, must attend and complete our initial training program to our satisfaction. If you are a legal entity, your Operating Principal and your original manager, if any, must attend and successfully complete initial training. We recommend that you plan to attend training before you sign a lease for your business.

If you (or, if you are a legal entity, your Operating Principal) do not attend and complete the training to our satisfaction, you will be in material breach of the Franchise Agreement, and we will be entitled to terminate the Franchise Agreement immediately upon notice to you with no opportunity to cure. If we terminate the Franchise Agreement for this reason, then all funds you paid us will be considered earned by us, except that we will return to you 50% of the Initial Franchise Fee which you paid to acquire the franchise, less reasonable expenses incurred by us for assisting you in evaluating proposed sites, providing training to you and otherwise furnishing assistance before the date of termination of this Agreement, on condition that you execute a General Release in the form of Exhibit D, running in favor of us and our affiliates.

We do not currently conduct, but may in the future, regional and/or national conferences. If and when we do, you (or your Operating Principal) must attend a regional or national conference, which shall not occur more than one time per year. At our option, we may charge you a conference fee or a proportionate share of our out-of-pocket costs for each annual conference.

You (or your Operating Principal) and/or any previously trained manager must attend any refresher or follow-up training that we designate. We will charge you a \$1000 fee per person for this, in addition, you may incur out-of-pocket costs in attending.

Training for replacement managers or employees is required and provided on the same terms as the initial training provided to you, except that there may be a fee. Training for replacement managers will occur at a time we schedule on a space-available basis, and may not be available immediately after the replacement manager (or employee) is hired. You will be responsible for all expenses incurred by you and your employees in connection with attending all training programs, including the cost of transportation, lodging, meals and wages.

Training for transferees of your franchised business is required and provided on the same terms as the initial training provided to you, except that there may be a fee. Training for transferees will occur at a time we schedule on a space-available basis, but must be completed before the transfer takes place.

You must pay our travel, lodging, and meal expenses during training. You must also pay travel, lodging, and meal expenses for trainees and any compensation or benefits due trainees during initial training, or during any regional or national conferences, or any additional or refresher training.

As of the issuance date of this Disclosure Document, we do not have an additional initial training program for ADA (Multi-Unit) Franchisees. If you sign an ADA with us and we subsequently develop a Multi-Unit initial training program or other additional training program or specialized seminar for Multi-Unit Franchisees in the future, then you (if an individual) and your Operating Principal must attend. We may charge you for Multi-Unit training programs or seminars at our then current training rate (currently \$1000 per day per person). We may have Multi-Unit training conducted by an outside third party at our then current training rate (again, \$1000 per person per day). In addition, you must pay for your trainees' salaries, travel, living and all other costs and expenses in connection with attending the training.

Site Selection - TKRC Franchised Business

If you have not selected a site when you sign your Franchise Agreement, we will approve a Territory within which you can locate a site for your business. We will assist you in evaluating proposed sites based on information that you provide to us and on other information that we deem relevant. The factors that we consider relevant are square footage, a storefront location, and traffic patterns. We may, but we are not required to, visit proposed sites with you. We will approve or disapprove a proposed site within 30 days after you propose it in writing with appropriate documentation as stated in our manuals. If we disapprove of a site, you must locate another site. If you do not, we may terminate the Franchise Agreement.

We must approve your site before you open your TKRC Franchised Business franchise. You must open for business within 365 days after signing your Franchise Agreement, subject to our opening schedule availability. If you are delayed from opening within the 365 days, you must provide us with a written request to delay opening. Your request must state: (1) that a delay is anticipated; (2) the reasons that caused the delay; (3) the efforts that you are making to proceed with the opening; and (4) an anticipated opening date. In considering the request, we will not unreasonably withhold our consent to delay, up to a maximum of 90 days, if you have been diligently pursuing the opening. If, for any reason (including your failure to locate a site acceptable to us), you do not open your business within one year (or any longer period to which we have consented), we may terminate your franchise without refunding any of the initial franchise fee.

Opening Business

For a TKRC Franchised Business, you are required to obtain a site (via a signed letter of intent or lease agreement) within three (3) months of the Effective Date. The maximum time to open, after the Effective Date, is 12 (12) months. The typical length of time between the signing of a Franchise Agreement and the opening of a business is six (6) to twelve (12) months. Factors that may affect this time include your ability to obtain business licenses and permits, receive delivery of supplies, when you complete training, select a site, negotiate a lease and complete any construction or renovation of your facility.

ITEM 12: TERRITORY

The specific location for each Franchised Business granted shall be identified in the Franchise Agreement itself or an addendum, as the case may be, once a site has been approved. You will have the license to operate a Franchised Business within your Territory.

The Approved Location of a single franchise will be at the center of the Territory, composed of a circle having a radius of $\frac{1}{4}$ of a mile in a densely populated downtown urban area, or a three (3) mile radius in all other areas. The Approved Location of a single franchise in a metropolitan area will be at the center of a Territory composed of a circle having a radius that TKRC believes will not cause a material adverse effect on the Franchised Business.

We grant you a franchise for a specific Approved Location within the Territory. The site may not be changed without our written approval and compliance with our relocation procedures, and you may not operate out of any site other than the approved site within the Territory without our written approval. We may allow you to move your site under the following conditions: the structure in which you are located is sold and/or slated for demolition; you find that you are able to negotiate a better lease elsewhere and are willing to relocate; or another condition that makes it impossible for you to retain your site.

All sales must be made from the approved site. You may not solicit business outside your Territory through other channels of distribution, such as the use of a toll-free number, direct mail, Internet website, social media platform or other advertising method without our prior written approval.

During the term of your franchise, your Territory may not be modified except by a written agreement between you and us. On renewal or transfer of your franchise, the Territory may be modified. Depending on the then-current demographics of the Territory, and on our then-current standards for territories, if the Territory is larger than our then-current standard Territory, we may require you or the transferee to accept a renewal Territory or a transfer Territory smaller than the Territory.

You will not receive an exclusive Territory in that we may: (a) at locations outside your Territory, including locations near the boundaries of your Territory, establish and operate, and grant others the right to establish and operate, a TKRC Franchised Business; (b) at locations outside your Territory, establish and operate, and grant others the right to operate, businesses similar to the TKRC Franchised Business; (c) at any location, license the use of alternative proprietary marks or methods in connection with the operation of businesses that may be similar to or different from the TKRC Franchised Business; (d) use other channels of distribution, including the Internet; (e) operate a TKRC concept at any non-traditional location, such as an airport, college campus, sporting event, concert, stadium, hospital, military base, government office, convention center, highway rest stop, turnpike plaza, or similar location, within Your Approved Territory; and (f) Purchase, merge, acquire, be acquired by or affiliate with one or more network, chain of independent fast food or similar themed businesses or any other type of business regardless of the location of that other business's facilities, one or more which may be located within the Territory, and to convert and operate, or grant third parties the right to operate these businesses at TKRC Franchised Businesses, so long as we offer you the right of first refusal to purchase and operate those of the business(s) within the Territory. We are not required to pay you if we exercise any of these reserved rights. We are not required to compensate you for soliciting or accepting orders from inside your Territory. Currently, we do not operate or franchise, and do not have any plans to operate or franchise, any other businesses under alternative proprietary marks.

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.

As a single-unit TKRC Franchised Business franchisee, you do not receive the automatic right to acquire additional franchises.

We also reserve the right to contract with “National Accounts” to establish, franchise or license others to establish TKRC Franchised Businesses that engage in the sale of TKRC menu items and/or other items identified by the Proprietary Marks, whether or not their locations are within your Territory. A “National Account” means a regional or national chain with eight or more locations, which chain has contracted with us to establish one or more TKRC Franchised Businesses in the National Account locations. If a National Account location is within your Territory, we will offer you the right of first refusal to purchase or operate the Business, if permitted by the National Account. If you wish to purchase or operate the Business, you will have 30 days to notify us of your decision, and if you notify us that you wish to purchase or operate the Business, you must sign a then-current franchise agreement following the procedures required by the Franchise Agreement and pay an initial franchise fee in an amount calculated as described in Item 5 for the Business. If the National Account does not permit a third party to own or operate the Business, we will provide you with the opportunity to serve as the primary supplier of products and services for the National Account Business located within your Territory under the terms and conditions approved by us, so long as we offer you the right of first refusal to provide products priced no higher than our prices offered to the National Account. If, for any reason, you do not desire to or cannot purchase or operate a business at a National Account location within your Territory, or if the National Account does not permit a third party to own or operate the Business and you for any reason do not wish to serve as the primary supplier of products and services for the National Account Business located within your Territory under the terms and conditions approved by us at prices no higher than our prices offered to the National Account, then we, our affiliate or any other TKRC franchisee may operate the Business or serve as the primary supplier of products and services for the National Account Business within your Territory as applicable, and you will not be entitled to any compensation.

Area Development Rights

If you participate in the Development Program, we will designate a “Development Area” for each Franchise Agreement you sign in the Area Development Agreement. The Development Area under each Franchise Agreement is the same as the Site Selection Area, unless otherwise negotiated. Factors that influence the scope of the Development Area are the same as for Site Selection Areas. During the Development Schedule, that Development Area will be afforded the same protections as your Designated Area. But, once you open each TKRC Franchised Business under the Development Addendum, the Development Schedule and the Development Area ceases to exist and your rights and protections are governed only by your Franchise Agreements as each relates to your Designated Area for each of your TKRC Franchised Businesses. You will not receive an exclusive territory. You may face competition from other franchisees, from agencies we own, or from other channels of distribution or competitive brands that we may own or control. We can terminate the Area Development Agreement and its Development Schedule if you do not meet the Development Schedule or you breach the Franchise Agreement. We have no obligation to offer you any right of first refusal, or rights to acquire any additional or contiguous unit franchises, expansion of any Development Area or Site Selection Areas or any additional Area Development rights whatsoever.

You have no right of first refusal or similar rights to acquire additional franchises or establish additional Businesses that are not in your Development Area. In addition, you will not be entitled

to a right of first refusal for any territories that are immediately adjacent to your own which are not in your Development Area. If you wish to obtain an additional location, it must be included in your Development Schedule and you will be required to enter into a separate Franchise Agreement for such location.

ITEM 13: TRADEMARKS

We grant you the right to operate a business using our System, which is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin (the “Marks”), as are designated by us in writing for use in connection with the System. Our right to use and license others to use the Marks is exercised pursuant to a cross-license agreement with our affiliate, The Kati Roll Company, Inc. (“TKRCI”), dated as of September 1, 2009 (the “Cross-License Agreement”). The initial term of the Cross-License Agreement is twenty years. So long as we are not in default, we will have the right to enter into renewal of the Cross-License Agreement for additional consecutive terms of twenty years each. The Cross-License Agreement contains no specific provisions for termination, but can be terminated where permitted by New York law. The Cross-License Agreement can only modified in writing by both parties.

Under the Cross-License Agreement, we are granted the right to use and to permit others to use the Marks. We have the right to license the use of the registered trademarks to you for the term of the Franchise Agreement, including any extensions or renewals.

The following trademarks have been registered with the United States Patent and Trademark Office:

Trademark	Registration Date	Registration Number	Register
The Kati Roll Company	December 11, 2007	3352040	Principal
	September 30, 2011	4018066	Principal
TKRC	January 9, 2018	5374826	Principal

You must follow our rules when you use the Marks. You cannot, under any circumstances, use any Mark with modifying words, designs or symbols, except for those which we license to you or have expressly approved in writing. You cannot modify a Mark in any way without our express written consent. You may not use any Mark in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

All required affidavits have been filed, and all registrations have been renewed and approved, if applicable.

You may not, under any circumstances, use any of the Marks, including “The Kati Roll Company,” “Kati Roll,” “TKRC,” or any variation, in any manner, in the name of your corporation, limited liability company, partnership, or other legal entity.

In connection with the establishment of our trademarks, we operate a website for the promotion of the marks and TKRC Franchised Business. This website lists the location, operating hours, and other facts regarding our Franchised Business. You may not register any domain name nor operate any website that includes the terms “The Kati Roll Company,” “TKRC,” or any variation thereof.” You may request the establishment of a web page within the TKRC website to include additional information specific to your franchised TKRC Franchised Business. You may not use any electronic media, including the Internet, or any social media, for viewing by the public that contains our registered trademarks without our prior written approval. You may not establish a Facebook®, TikTok®, SnapChat®, or similar page, post through Instagram® or on YouTube®, or utilize other, similar social media, without our prior written approval. You may not establish a Twitter® feed or other social media without our prior, written approval. The confidentiality provisions of the Franchise Agreement apply to all uses of electronic media.

Except for the Cross-License Agreement described above, there are no agreements in effect that significantly limit the rights of the franchisor to use or license the use of the principal trademarks that are material to the franchise.

Determinations

There is no currently effective determination of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court, or any pending interference, opposition or cancellation proceeding, or any pending material litigation involving the above-described Marks which are relevant to your use of these Marks.

No currently effective material determinations or agreements limit our right to use or license the use of the trademarks listed in this section in a manner material to the franchise.

We do not know of any pending material state or federal court litigation regarding our use or ownership rights in the trademarks.

Protection of Rights

You must notify us immediately when you learn about an infringement of or challenge to your use of our trademarks. We will take the action we think is appropriate in these situations, and we have exclusive control over any settlement or proceeding concerning any Mark. You must take actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks. While we are not required to defend you against a claim arising from your use of our Marks, we will indemnify and hold you harmless from all of your expenses reasonably incurred in any legal proceeding disputing

your authorized use of any Mark in accordance with the Franchise Agreement and the Operations Manual, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding. We have the right to control the defense and settlement of any proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel and for expenses in removing signage or discontinuing your use of any Mark. We will not reimburse you for disputes where we challenge your use of a Mark.

You must promptly notify us in writing of any claim, demand, or suit against you or your principals in connection with your use of the Marks. We have the right to select legal counsel and to control the proceedings. In certain cases, as described in Section 8.5 of the Franchise Agreement, we will indemnify and hold you harmless.

Modification of Trademarks

You must modify or discontinue the use of a trademark if we modify or discontinue it at your own cost. Because your telephone listings and email addresses will be associated with our trademarks, we will own all rights to the telephone listings, and all goodwill generated from the use of the telephone listings will inure to our benefit.

We may acquire or develop additional trademarks, and may use those trademarks ourselves, make those trademarks available for use by you and other TKRC franchisees or make those trademarks available for use by other persons or entities. You may not directly or indirectly contest our rights in our trademarks. We may require you to use and display a notice in a form we approve that you are a franchisee under the System using the trademarks under a Franchise Agreement.

You may not directly or indirectly contest our rights to our trademarks, trade secrets or business techniques that are part of our business.

Superior Prior Rights or Infringing Uses

We do not know of any superior rights of infringing uses that could materially affect your use of our principal trademarks.

ITEM 14: PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

No patents are material to the franchise.

Copyrights

We have various marketing, sales, training, management and other materials that we have created and will be protected under the U.S. Copyright Act, whether or not we have obtained registrations. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for the purpose of promoting your franchised business.

There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials that are relevant to their use by our franchisees.

There are no agreements currently in effect that significantly limit our right to use or license the use of our copyrighted materials in any manner material to the franchise. All of the provisions in Item 13 under the heading “Protection of Rights” also apply to copyrights; provided, however, that you must modify or discontinue use of any subject matter covered by a copyright if directed by us. We do not know of any superior rights in or any infringing uses of our copyrighted materials that could materially affect your use of the copyrighted materials.

Proprietary Information

We have proprietary, copyrighted manuals that include guidelines, standards and policies for the operation of your business, and other proprietary, copyrighted materials. Item 11 and Exhibit E to this Franchise Disclosure Document describe the manuals and the manner in which you may use them. All proprietary manuals and materials provided to you are for your exclusive use during the term of the franchise, and may not be reproduced, copied, loaned to, used by or shown to any person outside the System without our permission.

Each Operating Principal, manager, supervisory employee, independent contractor, or other person attending initial training must sign an agreement in which he or she agrees to the confidentiality of the System, agrees not to use any information about the system for his or her own benefit, and agrees not to compete in certain respects with your business and other franchisees’ businesses. Each of these persons must sign the confidentiality agreement (see Exhibit E to the Franchise Agreement), before you grant him or her access to our manuals or any other confidential information.

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

We strongly believe that the success of your franchised business will depend to a large extent on your personal and continued efforts, supervision and attention. If you are an individual, you or a trained manager must personally manage the franchised business at all times. You and your manager, if any, must attend and successfully complete initial training.

If you are a legal entity, you must designate a managing shareholder, partner, or member (“Operating Principal”). If you are a legal entity, your Operating Principal or a trained manager must personally manage the franchised business at all times. Your Operating Principal and your manager, if any, must attend and successfully complete initial training.

Any replacement manager must attend and successfully complete initial training. Neither an original manager nor a replacement manager needs to have an equity interest in the franchised

business. Each Operating Principal, manager, supervisory employee, independent contractor, or other person attending initial training must sign an agreement in which he or she agrees to the confidentiality of System, agrees not to use any information about the system for his or her own benefit, and agrees not to compete in certain respects with your business and other franchisees' businesses. Each of these persons must sign the confidentiality agreement (see Exhibit E to the Franchise Agreement), before you grant him or her access to our manuals or any other confidential information.

If you are a legal entity, each shareholder, principal officer, partner, or member must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for breach of, the Franchise Agreement. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails. (see Exhibit C to the Franchise Agreement).

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale and sell only services and products that we have approved or authorized. You may not offer for sale or sell services or products that would detract from or be inconsistent with the System. You may use services or products not purchased from us, but those services or products must be of comparable quality and must be approved by us in writing before use to ensure maintenance of proper quality standards. You may not use or permit the use of your premises for any other purpose or activity at any time without first obtaining our written consent.

You must offer for sale all approved services and products; must not deviate from our specifications for the approved services and products without our written consent; and must discontinue offering any items that we disapprove in writing.

We may change the types of services and products that we approve or authorize, if the services and products are compatible with the System. There are no other limits on our right to make these changes.

You are not restricted in the customers to whom you may sell approved services or products or the prices the services are rendered or products are sold. However, all sales must occur at or from your Franchised Business. You may not solicit business outside your site through the use of a toll-free number, direct mail, Internet website or other advertising method without our prior written approval. Your Business must be open for at least twelve hours a day from Monday through Sunday, and at least fourteen hours a day on Friday and Saturday, or as otherwise specified in the Operations Manual or approved by us.

ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision		Article in Franchise Agreement	Article in Area Development Agreement	Summary
a.	Length of the franchise term	4	3	Ten (10) years from the Effective Date of the Franchise Agreement.
b.	Renewal or extension of the term	5	4	If you are in good standing, and have met the conditions set forth in row (c), below, you have the right to renew the Franchise Agreement for One (1) ten (10) year term (or the length of your then-current lease term, whichever is shorter), with payment of any franchise renewal fee that is in effect at the time of renewal. The current renewal fee is 50% of the then-current Franchisee Fee.
c.	Requirements for you to renew or extend	5	Not Applicable	Good standing; timely advance notice; pay any then-current renewal fee; sign new Franchise Agreement that may contain materially different terms and conditions than the Franchise Agreement in this Disclosure Document; be current in payments; sign release; and modernize Franchised Business to meet then-current standards.
d.	Termination by you	Not Applicable	Not Applicable	
e.	Termination by us without cause	Not Applicable	Not Applicable	
f.	Termination by us with cause	17	7	We can terminate only if you default.

g.	“Cause” defined – curable defaults	17	7	You have 30 days to cure noticed curable defaults other than for non-payment of fees. You have five (5) days to cure non-payment of fees.
h.	“Cause” defined – non-curable defaults	17	7	Non-curable defaults include misuse of trademarks; breach of non-competition; unauthorized assignment or transfer of any rights of the Franchise Agreement; material misrepresentation; lack of prior consent when required; abandonment; repeated defaults even if cured; threat to public health or safety; bankruptcy; plead guilty or no contest to or conviction of a felony. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. § 1101, <i>et seq.</i>).
i.	Your obligations on expiration, termination or non-renewal	18	8	Obligations include final accounting, complete de-identification, our option to purchase assets, our option to assume your real estate lease (if any), and payment of amounts due. See row (r) below.
j.	Our transfer of Franchise Agreement	16	9	No restriction on our right to assign.
k.	“Transfer” by you – definition	16	9	Includes transfer of contract or assets, or any change of ownership.
l.	Our approval of your transfer	16	9	We have the right to approve all transfers.

m.	Conditions for our approval of transfer	16	9	New franchisee qualifies, payment of all of your outstanding debts to us, cure of any defaults, then-current agreement signed by new franchisee or assumption of existing agreement, transfer fee paid; training completed; and release signed by you and your Related Parties.
n.	Our right of first refusal to acquire your business	16	9	We or our designee can match any offer for your business.
o.	Our option to purchase your business	16	9	We or our designee may, but are not required to, purchase your inventory and equipment at the lesser of the fair market value or depreciated value, if franchise is terminated for any reason.
p.	Your death or disability	16	9	Heirs or beneficiaries must demonstrate within 90 days ability to operate franchise. Otherwise, franchise must be assigned by estate to approved buyer within six (6) months.
q.	Non-competition covenants during the term of the franchise	19	Not Applicable	No competing business during the Term.
r.	Non-competition covenants after the franchise expires, is terminated, or is not renewed	19	Not Applicable	No competing business for two (2) years: (i) at the Approved Location, (ii) within 25 miles of the Approved location, or (iii) within 25 miles of another TKRC Franchised Business (including after assignment).
s.	Modification of the Franchise Agreement	21	Not Applicable	No modification, generally, unless on consent of both parties, but Operations Manual subject to change.

t.	Integration/merger clause	21	Not Applicable	Only the terms of the Franchise Agreement are binding (subject to this Disclosure Document and applicable state law). Any other promises may not be enforceable.
u.	Dispute resolution by arbitration or mediation	20	10	Except for certain claims, claims must first be mediated prior to arbitration or litigation. All disputes must be litigated in New York. (subject to applicable state law). The arbitration will occur with each respective party paying their own costs.
v.	Choice of forum	20	10	Arbitration in Fairfield County, New York, or, if litigated, the United States District Court for the Southern District of New York (subject to applicable state law).
w.	Choice of law	20	10	New York law applies. (subject to applicable state law).

ITEM 18: PUBLIC FIGURES

We do not use any public figures to promote any TKRC Franchised Business.

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.

Part I: Definitions

1. “Affiliated Locations” means four (4) affiliate-owned franchised locations in New York City, all which operate a business similar to the TKRC Franchised Business offered by way of this Franchise Disclosure Document, under the trade name “The Kati Roll Company.”

2. “Gross Revenue” means the total selling price of all services and products sold at each location and all income and revenue of every other kind related to each location whether for cash or credit, but excluding tips and taxes collected from customers and paid to taxing authority, and reduced by the amount of any documented refunds, credits, allowances, and chargebacks to customers.

Part II: 2022, 2023 and 2024 Performance of Our Affiliated Entity-Owned Business

The following table contains the Gross Revenue for each of our four Affiliated Locations, for the years 2021 through 2023, along with the average for each year.

YEAR	Location 1	Location 2	Location 3	Location 4	Average
2024	\$3,587,680.74	\$1,324,838.25	\$1,037,994.92	\$900,717.62	\$1,712,557.88
2023	\$3,096,274.46	\$1,265,650.45	\$990,026.94	\$732,212.39	\$1,521,041.06
2022	\$2,629,468.21	\$1,243,382.43	\$950,759.9	\$663,861.50	\$1,371,868.01

We have referred to these four locations as Locations 1 through 4, in lieu of providing their physical addresses/locations.

This table shows the additional expenses a Franchised Business would incur based on the Gross Revenue of the average above-referenced businesses:

	2024	2023	2022
Annual Royalty Fees (6%)	\$411,073.90	\$91,262.46	\$82,312.08
Annual Local Advertising Requirement (1%)	\$68,512.32	\$15,210.41	\$13,718.68
Brand Fund Requirement (2%)	\$137024.63	\$30,420.82	\$27,437.36

Some TKRC Franchised Businesses have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representation, TKRC does 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 the franchisor's management by contacting Anil Bathwal, TKRC Franchising Company, LLC, 330 Pearl Street, New York, New York 10038, and (212) 730-6740, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: RESTAURANTS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Company-Owned	2022	4	4	0
	2023	4	4	0
	2024	4	4	0
Total Outlets	2022	4	4	0
	2023	4	4	0
	2024	4	4	0

Table No. 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2022 to 2024

State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0

Table No. 3
Status of Franchised Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations	Outlets at End of Year
All States	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Total	2022	0	0	0	0	0	0	0

	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

Table No. 4
Status of Company-Owned Outlet
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
New York	2022	4	0	0	0	0	4
	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
Total	2022	4	0	0	0	0	4
	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4

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

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
New Jersey	0	1	0
New York	0	0	0
Texas	0	3	0
Total	0	4	0

Attached as Exhibit D to this disclosure document is a list of the names, addresses and telephone numbers of our current franchised businesses. Also attached as Exhibit D to this disclosure document is a list of the names and city, state and last known business telephone number, of every franchisee who had an outlet terminated, canceled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the previous fiscal year, or who has not communicated with us within 10 weeks of the issuance 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.

Please note that Exhibit D is current as of the issuance date of this Disclosure Document, while the tables above reflect the status of our outlets at the end of our prior fiscal year. Any discrepancies between Exhibit D and the Item 20 tables are due to events that have occurred in the intervening period.

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses with us that would restrict them from speaking openly with you about their experience with us.

There are no trademark-specific franchisee organizations associated with our franchise system.

ITEM 21: FINANCIAL STATEMENTS

We began offering Franchises in April of 2024. **We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission.** Exhibit D to this Franchise Disclosure Document includes our audited financial statements, dated December 31, 2024, and December 31, 2023. Our fiscal year end is December 31st.

ITEM 22: CONTRACTS

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

- | | |
|-------------------------------|-----------|
| 1. Franchise Agreement | Exhibit B |
| 2. Area Development Agreement | Exhibit C |

ITEM 23: RECEIPTS

A receipt in duplicate is attached to this Disclosure Document as Exhibit I. You should sign both copies of the receipt. Keep one copy for your own records and return the other signed copy to Anil Bathwal, TKRC Franchising Company, LLC, 330 Pearl Street, New York, New York, 10038.

EXHIBIT A

AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360

State	State Agency	Agent for Service of Process
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8222 Phone	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard State Capitol, 14 th Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733

State	State Agency	Agent for Service of Process
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT B
FRANCHISE AGREEMENT

TKRC FRANCHISING COMPANY, LLC

**THE KATI ROLL COMPANY
FRANCHISE AGREEMENT**

FRANCHISEE

EFFECTIVE DATE

**TKRC FRANCHISING COMPANY, LLC
FRANCHISE AGREEMENT**

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Attachments

- 1 – Trademarks
- 2 – Territory
- 3 – ACH Authorization
- 4 – Collateral Assignment of Lease
- 5 – Statement of Ownership Interests in Franchisee
- 6 – Spousal Guaranty
- 7 – Internet Advertising, Social Media, Software, and Telephone Account Agreement
- 8 – Confidentiality and Non-Compete Agreement
- 9 – General Release

THIS FRANCHISE AGREEMENT (the “Agreement”) is being entered into this day of _____ (the “Effective Date”), by and between TKRC Franchising Company, LLC, a New York limited liability company, with its principal place of business at 330 Pearl Street, New York, NY, 10038 (herein “Franchisor”), and _____, a(n) _____, with its principal place of business located at _____, and _____’s principal(s) _____, an individual, residing at _____, and _____, an individual, residing at _____ (“Principal(s)”). _____ and Principal(s) shall be individually and collectively referred to, and each is, the “Franchisee”.

RECITATIONS

Through the expenditure of considerable time, effort and money, Franchisor has developed an Asian and Indian street-food inspired fast casual restaurant offering Kati Rolls, Rice Bowls, Lassis, select Sides, and more, using the The Kati Roll Company trademarks and Franchisor’s confidential operations manual (“Manual”) of business practices and policies, and Franchisor’s distinctive, décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training, assistance, advertising, and promotional programs, all of which may be changed, improved or further developed by Franchisor at any time (taken together herein the “System”).

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including but not limited to the The Kati Roll Company service marks, as set forth in Attachment 1, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the “Marks”).

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System’s high standards of quality, appearance, and service.

Franchisee understands and acknowledges the importance of Franchisor’s high and uniform standards of quality, service, and appearance, and the necessity of operating the business franchised hereunder in conformity with Franchisor’s standards and specifications.

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. **RECITATIONS.** The Recitations set out above form part of this Agreement.

2. **GRANT OF FRANCHISE.** Franchisor hereby grants to Franchisee and Franchisee accepts, upon the terms and conditions contained in this Agreement, the license to operate a The Kati Roll Company franchise (the “Franchise” or “Franchised Business”), using only the Marks licensed hereunder, in strict conformity with the System, which may be changed, improved, and further developed by Franchisor from time to time. This grant applies only to the single premises and within a territory that is designated in Attachment 2 attached hereto and incorporated herein (the “Territory”).

3. **TERRITORY.**

3.1 **Protected Territory.** Franchisor agrees that Franchisor will not, and will not permit any other The Kati Roll Company franchisees, to operate a dedicated The Kati Roll Company outlet in the

Territory using the same Marks as licensed to Franchisee in this Agreement so long as Franchisee is not in default under this Agreement or this Agreement has not expired or been terminated, subject to Section 3.2 below. Notwithstanding, Franchisee acknowledges that the Territory does not grant Franchisee any exclusive customer base. Franchisee further acknowledges that Franchisor and all System franchisees have the right to conduct sales by delivery in any area with Franchisor's consent, which may include the Territory. Except as otherwise specified in this Agreement, Franchisor reserves the right to open, operate or franchise The Kati Roll Company outlets around, bordering, and adjacent to the Territory.

3.2 Reservation of Rights. Franchisee understands and agrees that all rights to any businesses, other than as specified in this Agreement, are fully reserved to Franchisor within or outside of the Territory. By way of example only, Franchisor reserves the right, within and/or outside of the Territory to (i) offer and sell other products or services not offered under the Marks; (ii) offer and sell other food service concepts under the Marks or other trademarks; (iii) offer and sell The Kati Roll Company products or services at non-traditional or captive market venues, which includes distribution through kiosks, carts, food trucks, counters, stores-within-a-store, grocery stores, convenience stores, amusement or theme parks, sports stadiums and arenas, enclosed shopping centers, military bases, airports, train stations, and gas stations; and (iv) engage in solicitation and sales of The Kati Roll Company products or services through the Internet, catalog sales, telemarketing and direct marketing ("Alternate Distribution Channels"). Franchisor further specifically reserves the right to solicit, sell to, negotiated rates with, and provide Franchised Business goods and service to events businesses and other organizations that conduct public or private events ("Commercial Accounts"). Franchisor may offer Franchisee the right to service Commercial Accounts in the Territory, provided that Franchisee accepts negotiated terms; otherwise, Franchisor may service the Commercial Accounts either directly or permit another franchisee to provide such service. Franchisee will receive no compensation for Franchisor's sales made within the Territory pursuant to rights reserved in this Section 3.2, including sales through Alternate Distribution Channels or declined Commercial Accounts made within the Territory. Franchisee further agrees that implementation of Franchisor's rights pursuant to this Section 3.2 is deemed not to impair or injure Franchisee's rights pursuant to Section 2 hereof.

3.3 Solicitation and Sales Restrictions. Franchisee must target Franchisee's advertising within the Territory and may only solicit sales from customers located within the Territory. Notwithstanding, Franchisee may engage in sales by delivery outside of the Territory, with Franchisor's prior consent. Franchisee is prohibited from selling and soliciting customers through Alternate Distribution Channels, provided that Franchisee may fulfill at the Franchised Business premises orders received through Franchisor's approved online ordering platform or approved third-party delivery applications.

3.4 Acquisition of Competing System. If Franchisee is in compliance with this Agreement and Franchisor acquires a system of Competitive Businesses as defined in Section 19.5.1 herein (an "Acquired System") during the Term, the following terms apply:

3.4.1. Franchisor may offer Franchisee the option to purchase and operate, as a The Kati Roll Company Franchise, any unit of the Acquired System (an "Acquired Unit") that is both purchased by Franchisor for operation by Franchisor or an Affiliate (e.g., the unit will not be operated by a licensee of the Acquired Systems) and is located within the Territory. Franchisor may provide Franchisee with written notice of Franchisor's purchase of the Acquired System, the terms and conditions applicable to Franchisee's option to purchase Acquired Units, and such other information that Franchisor deems necessary to be included in the notice. The terms and conditions offered to Franchisee will include, without limitation, the following: (i) the purchase price of the unit; and (ii) the requirement that Franchisee enters into Franchisor's then-current form of the franchise agreement for the Acquired Unit provided that Franchisee shall not be required to pay an Initial Franchise Fee for an Acquired Unit. If Franchisee does not elect to purchase or fails to complete the purchase of an Acquired Unit within two (2) months after its receipt of the notice,

Franchisor has the right to operate itself or through an Affiliate or third-party licensee, the Acquired Unit under any trade name or trademark other than the Marks.

3.4.2. Franchisee has no right to purchase, and Franchisor is not obligated to offer Franchisee any option to purchase any Acquired Unit that a licensee operates under the Acquired Systems. Franchisor may license such units to be operated under any trade name or trademarks other than the Marks and may also license additional units of the Acquired Systems to be developed and operated within the Territory.

4. TERM. Unless terminated earlier in accordance with the terms set forth in this Agreement, this Agreement and the Franchise granted hereunder shall commence upon the Effective Date set forth above and terminate on the date that is ten (10) years following the Opening Date, as defined in Section 8 hereof (the “Term”).

5. SUCCESSOR AGREEMENT OPTION.

Subject to the terms and conditions of this Agreement, Franchisee shall have the right, following the expiration of the Term hereof, to enter into a new franchise agreement and other agreements then customarily employed by Franchisor and in the form then generally being offered to prospective franchisees in the state in which the Territory is located (the “Successor Franchise Agreement”) for one (1) additional term of ten (10) years. The term of the Successor Franchise Agreement shall commence upon the date of expiration of the immediately preceding term. Franchisee shall be charged a successor agreement fee equal to 50% of the then-current Franchisee Fee (“Successor Agreement Fee”). In the event Franchisee is not in full compliance with Section 5.2 below at the time Franchisee notifies Franchisor of Franchisee’s desire to enter into a successor agreement, it shall be in Franchisor’s sole and absolute discretion whether to permit a successor term.

5.1 Form and Manner of Exercise. If Franchisee desires to exercise Franchisee’s option to enter into a Successor Franchise Agreement, it shall be done in the following manner:

5.1.1 Not less than six (6) months, but not more than one (1) year, prior to the expiration of the Term of this Agreement, Franchisee shall request from Franchisor in writing, a copy of Franchisor’s then current Disclosure Document (including Franchisor’s then current franchise agreement).

5.1.2 Franchisee must execute and return to Franchisor all required documents, including any and all ancillary documents, within thirty (30) days after receipt by Franchisee of a copy of Franchisor’s then current Disclosure Document.

5.1.3 The Successor Franchise Agreement shall supersede this Agreement in all respects, and Franchisee understands and acknowledges that the terms of such new agreement may differ from the terms of this Agreement, including, without limitation, higher or lower royalty and other fees.

5.1.4 If Franchisee fails to perform any of the acts or deliver any of the notices required pursuant to this Paragraph 5 in a timely fashion, such failure shall be deemed an election by Franchisee not to exercise Franchisee’s option to enter into the Successor Franchise Agreement, and such failure shall cause Franchisee’s right and option to automatically lapse and expire, without further notice by Franchisor.

5.1.5 Franchisee acknowledges that the initial Term of this Agreement provides Franchisee more than a sufficient opportunity to recoup Franchisee’s investment in the Franchise, as well as a reasonable return on such investment.

5.2 Conditions of Exercise. Franchisee's right to enter into a Successor Franchise Agreement is conditioned upon the following:

5.2.1 Franchisee shall be in full compliance with this Agreement and shall have materially performed Franchisee's obligations under this Agreement, the Manual and under all other agreements that may be in effect between Franchisee and Franchisor, including but not limited to all monetary obligations.

5.2.2 Franchisee shall not have committed three (3) or more events constituting default during the then current Term of this Agreement, whether or not such defaults were cured.

5.2.3 Franchisee will have completed any required additional training to Franchisor's reasonable satisfaction.

5.2.4 Franchisee shall have obtained the right to continue to occupy the premises of the Franchised Business following the expiration of the Term hereof for the full term of the Successor Franchise Agreement and/or have received Franchisor's approval regarding locating the Franchised Business to a new premises.

5.2.5 Franchisee shall execute Franchisor's then-current form of general release of all claims Franchisee may have against TKRC Franchising Company, LLC, its parent, subsidiaries and affiliates, its officers, directors, shareholders, agents, and employees, whether in their corporate and/or individual capacities. This release will include all claims arising under any federal, state, or local law, rule, or ordinance.

5.2.6 Franchisee performs such remodeling, repairs, replacements, and redecoration as Franchisor may require in order to cause the Franchised Business premises, equipment, fixtures, furnishings, and furniture to conform to the plans and specifications being used for new or remodeled franchised businesses on the Successor Franchise Agreement date.

5.2.7 Franchisee shall pay the required Successor Agreement Fee and sign the Successor Franchise Agreement.

5.3 Notice Required by Law. If applicable law requires Franchisor to give notice to Franchisee prior to the expiration of the Term, this Agreement shall remain in effect on a month-to-month basis until Franchisor has given the notice required by such applicable law. If Franchisor is not offering new The Kati Roll Company franchises, is in the process of revising, amending or renewing Franchisor's form of franchise agreement or disclosure document, or Franchisor is not lawfully able to offer Franchisee the then-current form of Successor Franchise Agreement at the time Franchisee advises Franchisor pursuant to Paragraph 5.2 hereof that Franchisee desires to exercise Franchisee's option to enter into a Successor Franchise Agreement, Franchisor may, in Franchisor's sole discretion, (i) offer to renew this Agreement upon the same terms set forth herein for the appropriate successor term or (ii) offer to extend the Term hereof on a month-to-month basis following the expiration of the Term for as long as Franchisor deems necessary or appropriate so that Franchisor may lawfully offer the then current form of Successor Franchise Agreement. Any timeframes specified in this Paragraph 5 shall be inclusive of any state mandated notice periods.

5.4 Additional Reservation of Rights. Notwithstanding anything herein to the contrary, Franchisor reserves the right not to enter into a Successor Franchise Agreement as a result of a decision to withdraw from the Territory in which Franchisee's Franchised Business is located.

6. FEES.

6.1 Initial Franchise and Royalty Fee. As part of the consideration for the right to operate the Franchise granted herein, Franchisee shall pay to Franchisor the following fees:

6.1.1 Initial Franchise Fee. Franchisee acknowledges and agrees that the grant of this Franchise and the rights and obligations of the parties under this Agreement constitute the sole and only consideration for the initial franchise fee of Forty Thousand Dollars (\$40,000.00) (the “Initial Franchise Fee”). **The Initial Franchise Fee is fully earned at the time this Franchise Agreement is signed and is not refundable under any circumstances.** Franchisee shall pay the full amount of the Initial Franchise Fee to Franchisor upon Franchisee’s execution of this Agreement.

6.1.2 Royalty Fee. Franchisee agrees to pay Franchisor, throughout the Term, a royalty fee equal to six percent (6%) of the weekly Gross Revenue, as hereinafter defined, realized from the Franchised Business and from any other revenues received using Franchisor’s methods, operations and/or trade secrets (the “Royalty Fee”). The term “Gross Revenue” includes all revenues and income from any source derived or received by Franchisee from, through, by or on account of the operation of the Franchised Business or made pursuant to the rights granted hereunder, including but not limited, any and all other revenues received using Franchisor’s methods, operations and/or trade secrets whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise. Gross Revenue shall include the full amount payable by customers, without deduction for delivery costs, third party delivery fees, or for other write-offs; however, Gross Revenue shall not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) properly documented refunds to customers, or (iii) properly documented promotional discounts (i.e., coupons). Gross Revenue does not include gift card purchases, at the time of purchase, but Gross Revenue does include the redemption amount of purchases made by gift card.

6.1.3 Gross Revenue Reports. Franchisee shall, on the Tuesday following the close of each week (Monday through Sunday), furnish Franchisor with a report verifying Franchisee’s Gross Revenue at or from the Franchised Business and/or made pursuant to the rights granted hereunder during the preceding week (the “Gross Revenue Report”). The Gross Revenue Report shall be in such form and shall contain such information as Franchisor may from time to time prescribe. Franchisor reserves the right to establish point of sale systems (“POS System”) that Franchisor may require Franchisee to use from time to time in the operation of the Franchised Business. At Franchisor’s option, Franchisee shall submit the Gross Revenue Report by an electronic transfer of data via the POS System at the times and interims then specified by Franchisor.

6.1.4 Method of Payment. Franchisee shall, together with the submission of the Gross Revenue Report, pay Franchisor the Royalty Fee and the Brand Fund Contribution, as defined and more particularly described in Article 13, then due. At Franchisor’s request, Franchisee must execute documents, including but not limited to, the Authorization attached as Attachment 3, that allow Franchisor to automatically take the Royalty Fee and Brand Fund Contribution due as well as other sums due Franchisor, from business bank accounts via electronic funds transfers or Automated Clearing House (“ACH”) payments. Franchisee’s failure to allow electronic funds transfers or ACH payments on an ongoing basis is a material breach of this Agreement. If Franchisee fails to timely report Gross Revenue, then, in addition to a late fee and interest pursuant to Sections 6.3 and 6.4 hereof, Franchisor shall collect one hundred twenty percent (120%) of the last Royalty Fee payable. Franchisor shall reconcile amounts when Gross Revenue are reported. Franchisor reserves the right to modify the method and frequency of Gross Revenue Report submission and/or collection of the Royalty Fee and Brand Fund Contribution upon forty-five (45) days’ prior notice to Franchisee.

6.2 Point-of-Sale (“POS”) System Fee. Franchisee shall pay the required vendors for a Point-of-Sale System fee, in an amount that Franchisor reasonably determines, for the development, adoption and/or

use of the required POS System and access (“POS Fee”). In Franchisor’s sole discretion, Franchisor may (i) increase the amount of the POS Fee or (ii) replace the Point-of-Sale software with different technology, developed by Franchisor or a third-party, and Franchisee shall pay the then-current fees for the replacement software and for continuous access thereto. Franchisee shall pay the POS Fee in the manner and frequency as reasonably determined by Franchisor.

6.3 Technology Fee. Franchisee agrees to pay the required vendors for a technology fee, in an amount that Franchisor reasonably determines, for continuing maintenance and support of the required technology to operate the Franchised Business (“Technology Fee”). In Franchisor’s sole discretion, Franchisor may (i) increase the amount of the Technology Fee or (ii) replace the technology with different technology, developed by Franchisor or a third-party, and Franchisee shall pay the then-current fees for the replacement technology and for continuous access thereto. Franchisee shall pay the Technology Fee in the manner and frequency as reasonably determined by Franchisor.

6.4 Technology & System Fund. Franchisee agrees to pay Franchisor a Technology & System Fund fee, in an amount that Franchisor reasonably determines, for the development, adoption and/or use of new or improved technology for the benefit of the System and Franchised Business, which may include but is not limited to, online ordering integration systems, digital menu board software, assigned phone numbers and email addresses required for use in the Franchised Business, a franchise portal, benchmarking platform or other operations or communications systems (“Technology & Systems Fund Fee”). In Franchisor’s sole discretion, Franchisor may (i) increase the amount of the Technology & Systems Fund Fee or (ii) replace the technology with different technology, developed by Franchisor or a third-party, and Franchisee shall pay the then-current fees for the replacement technology and for continuous access thereto. Franchisee shall pay the Technology & Systems Fund Fee in the manner and frequency as reasonably determined by Franchisor.

6.5 Late Fee. If the Royalty Fee, Brand Fund Contribution, Technology & Systems Fund Fee, any other fee due and payable to Franchisor, or any Gross Revenue Reports are not received by Franchisor as required by this Agreement, Franchisee shall pay to Franchisor, in addition to the overdue amount, a late fee of One Hundred Dollars (\$100.00). This late fee is reasonably related to Franchisor’s costs resulting from the delay in payment and/or receipt of any report, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement for Franchisee’s failure to pay amounts to Franchisor and/or submit Gross Revenue Reports in accordance with the terms of this Agreement.

6.6 Interest. Any and all amounts that shall become due and owing from Franchisee to Franchisor under the terms hereof shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum or at the highest rate permitted by law, whichever is lower.

6.7 Insufficient Funds Fee. In the event any of Franchisee’s checks are returned, or an electronic funds transfer from Franchisee’s bank account is denied, for insufficient funds, Franchisee shall pay Franchisor, in addition to the amount due, a non-sufficient funds fee of One Hundred Dollars (\$100.00). This non-sufficient fund fee is reasonably related to Franchisor’s costs resulting from the delayed and declined payment, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement.

6.8 Taxes. If any sales, excise, use or privilege tax is imposed or levied by any government or governmental agency on Franchisor for any Royalty Fee, Brand Fund Contribution or other fees due and payable to Franchisor under this Agreement, Franchisee shall pay Franchisor a sum equal to the amount of such tax.

7. TRAINING.

7.1 Initial Training Program. Franchisee (specifically including all Franchisee's principals) and Franchisee's general manager shall attend and complete to Franchisor's sole and absolute satisfaction, Franchisor's initial training program ("Initial Training Program") prior to the opening of the Franchised Business. The Initial Training Program consists of a course conducted at Franchisor's headquarters and/or an affiliate-owned or franchised outlet. Franchisee must at all times during the term of this Agreement have principals who have successfully completed the Initial Training Program to Franchisor's sole and complete satisfaction. No charge shall be for the following individuals: 1 General Manager, 3 Assistant General Managers and 1 cook, and (if we require their attendance, as we reserve the right to require in our sole discretion) all owners of the franchise ("Initial Trainees"). Notwithstanding the foregoing, Franchisee shall be required to pay all of the expenses of the Initial Trainees, including, without limitation, costs of travel, lodging, meals, and wages.

7.2 Satisfactory Completion. Franchisor shall determine, in Franchisor's sole discretion, whether the Initial Trainees have satisfactorily completed the Initial Training Program. If the Initial Training Program is not satisfactorily completed or if Franchisor, in Franchisor's reasonable business judgment based upon the performance of the Initial Trainees, determines that the Initial Training Program cannot be satisfactorily completed by Franchisee and Franchisee's Principal(s), Franchisor may terminate this Agreement.

7.3 Pre-Opening Assistance. At no charge to Franchisee, Franchisor shall provide Franchisee with in-Territory assistance for up to four (4) days to prepare for Franchisee's Initial Local Advertising campaign and to assess Franchisee's competence with System marketing, operations, and financial reporting standards. Franchisor's representative shall provide Franchisee with feedback on process and management and may provide Franchisee with additional training, as determined by Franchisor. Franchisor also reserves the right to delay Franchisee's opening of the Franchised Business to the public until Franchisor is satisfied that Franchisee's operation complies with System standards.

7.4 Additional Training. Franchisor may offer mandatory and/or optional additional training programs from time to time and as may be set forth in the Manual. If required by Franchisor, Franchisee, or Franchisee's Principals shall participate in additional training, which includes on-going and refresher training and/or an annual national business meeting or conference, for up to ten (10) days per year at a location designated by Franchisor. Franchisor reserves the right to impose a reasonable fee for all additional training programs. **Franchisee hereby authorizes Franchisor to take payment of additional training program fees, at Franchisor's option, through electronic funds transfer or ACH payment.** Franchisee shall be responsible for any and all incidental expenses incurred by Franchisee or Franchisee's personnel in connection with additional training or attendance at Franchisor's national business meeting or annual conference, including, without limitation, costs of travel, lodging, meals, and wages. Franchisee's failure to attend and/or complete mandatory additional training or failure to attend Franchisor's national business meeting or annual convention is a material default of this Agreement. Franchisee or Principal(s) shall be required to (i) pay a non-attendance fee, as set forth in the Manual, and (ii) obtain any missed mandatory additional training at a location Franchisor designates. Franchisee shall pay all costs and expenses for such additional training, including but not limited to, tuition at the then-current rate and any and all transportation, meals and lodging of Franchisee, Franchisee's principal, and Franchisor's training personnel. Franchisee shall pay to Franchisor any incurred expenses by Franchisor's training personnel within ten (10) days of Franchisor's billing thereof to Franchisee.

7.5 On-Site Remedial Training. Upon Franchisee's reasonable request or as Franchisor shall deem appropriate, Franchisor shall, during the term hereof, subject to the availability of personnel, provide Franchisee with additional trained representatives who shall provide on-site remedial training and

assistance to Franchisee's personnel at the Franchised Business premises. For any additional on-site training and assistance, Franchisee shall pay the per diem fee then being charged to franchisees under the System for the services of such trained representatives, plus their costs of travel, lodging, and meals.

7.6 Counseling and Assistance. In addition to visits by Franchisor's field representatives, as Franchisor deems appropriate, Franchisor shall, within reasonable limits and subject to the availability of Franchisor's personnel, upon Franchisee's request and at no charge, unless such assistance is provided at the Franchised Business pursuant to Section 7.5, furnish consultation and assistance to Franchisee, either by telephone, video conferencing, e-mail or postal service, as determined by Franchisor, in Franchisor's sole discretion, with respect to the operation of the Franchised Business, including consultation and advice regarding training, marketing, operation issues, purchasing and inventory control, bookkeeping and System improvements.

8. FRANCHISED BUSINESS SITE REQUIREMENTS.

8.1 Site Selection.

8.1.1 Franchisee assumes all cost, liability, expense, and responsibility for obtaining and developing a site for the Franchised Business within the Territory and for constructing and equipping the Franchised Business at such site. Franchisee shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Franchised Business unless the site premises is approved by Franchisor. While Franchisor may render assistance to Franchisee in the selection of a site, as set forth in Section 8.1.2 below, Franchisee has sole responsibility for procuring and developing a site for the Franchised Business and Franchisee may and is encouraged to consult with professionals of Franchisee's choosing in discharging such responsibility. Franchisee acknowledges that Franchisor's approval of a prospective site is permission only, does not constitute a representation, promise, warranty, or guarantee, express or implied, by Franchisor that the Franchised Business operated at that site will be profitable or otherwise successful, and cannot, and does not, create a liability for Franchisor. Franchisee releases Franchisor from any claims over the site location selection and evaluation by Franchisor, and Franchisee shall hold Franchisor harmless with respect to Franchisee's selection of the site for the Franchisee's Franchised Business.

8.1.2 Franchisee shall locate a site that satisfies the site selection guidelines provided to Franchisee by Franchisor and shall submit to Franchisor, in writing, a description of the site, together with written certification the site complies with Franchisor's site selection guidelines, and such other information and materials as Franchisor may reasonably require. Recognizing that time is of the essence, Franchisee shall submit such information and materials for a proposed site to Franchisor for its consent no later than ninety (90) days after the execution of this Agreement. Within thirty (30) days after receipt of this information and materials, Franchisor will approve, or disapprove with comment, the proposed site as the location for the Franchised Business. No site may be used for the location of the Franchised Business unless it is approved in writing by Franchisor.

8.1.3 Within thirty (30) days after Franchisor has consented to the site for the Franchised Business (or such longer period as Franchisor consents to in writing), Franchisee shall execute a lease therefor, as applicable, and obtain physical possession of the premises. Any lease must include Franchisor's Conditional Assignment of Lease Agreement, a copy of which is attached hereto as Attachment 4. Failure by Franchisee to acquire the site for the Franchised Business within the time and in the manner required herein shall constitute a material event of default under this Agreement.

8.1.4 Upon consent by Franchisor to the site for the Franchised Business, Franchisor shall set forth the premises address and Territory in Attachment 2 of this Agreement and shall provide a

copy thereof to Franchisee. Attachment 2, as completed by Franchisor, shall be incorporated herein and made a part hereof. Franchisee shall notify Franchisor within fifteen (15) days of any error or rejection of Attachment 2; otherwise, the Attachment 2 provided to Franchisee shall be deemed final.

8.2 Construction.

8.2.1 Franchisee shall be responsible for obtaining clearances that may be required by state or local laws, ordinances, or regulations or that may be necessary as a result of any restrictive covenants or regulations relating to the Franchised Business premises. Prior to beginning the construction of the Franchised Business, Franchisee shall (a) obtain Franchisor's approval of Franchisee's architect and contractor, which approval shall not be unreasonably withheld, (b) adapt Franchisor's prototypical construction plans and specifications, provided to Franchisee, for the construction of the Franchised Business premises and submit such adapted plans and specifications to Franchisor for approval, (c) obtain all permits, licenses, insurance and certifications required for the lawful construction or remodeling and operation of the Franchised Business, including, but not limited to, permits for the installation of signage, and (d) certify in writing to Franchisor that all required approvals, clearances, permits, insurance and certifications have been obtained.

8.2.2 During the time of construction or remodeling, Franchisee shall provide Franchisor, or its designated representative, with such periodic reports regarding the progress in obtaining all licenses and permits; and of the construction or remodeling as may be reasonably requested by Franchisor or its representative. In addition, Franchisor or its representative may make such on-site inspections as it may deem reasonably necessary to evaluate such progress. At least thirty (30) days prior to completion of the construction or remodeling, Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling. Within a reasonable time after the date of completion of construction or remodeling, Franchisor or its representative may, at its option, conduct a virtual or in-person inspection of the completed Franchised Business premises improvements.

8.2.3 Franchisee acknowledges and agrees that it will not open the Franchised Business for business without the written authorization of Franchisor and that authorization to open shall be conditioned upon Franchisee's strict compliance with this Agreement.

8.3 Time to Open. Franchisee acknowledges that time is of the essence in this Agreement. Subject to Franchisee's compliance with the conditions stated below, Franchisee shall open the Franchised Business and commence business within one hundred twenty (120) days after Franchisee has obtained possession of the Franchised Business premises, unless Franchisee obtains a written extension of such time period from Franchisor. The date the Franchised Business opens for business to the public shall be defined herein as the "Opening Date". Prior to the Opening Date, Franchisee shall (i) complete all exterior and interior preparations for the Franchised Business, including installation and cleaning of equipment, fixtures, furnishings and signs, in accordance with System requirements and the plans and specifications consented to by Franchisor, (ii) satisfactorily complete Franchisor's Initial Training Program, as further set forth in Article 7, (iii) hire and train staff, as required, (iv) purchase and stock initial inventory, and (v) obtain all required licenses and insurance (as described in Article 15 hereof) to operate the Franchised Business. If Franchisee fails to comply with any of such obligations, Franchisor shall have the right to prohibit Franchisee from opening for business. Franchisee's failure to open the Franchised Business and commence business (i) in accordance with the foregoing and (ii) within three hundred sixty-five (365) days following the date of this Agreement shall be deemed a material event of default under this Agreement.

8.4. No Relocation. Franchisee's rights to operate the Franchised Business shall be limited to Franchised Business premises address and Territory set forth in Attachment 2, and no other. Franchisee shall not relocate the premises of the Franchised Business at any time without Franchisor's written approval,

which approval shall be granted only in the sole and complete discretion of Franchisor, and, if permitted, shall be at Franchisee's sole expense. In the event such permission is granted, Franchisee shall (i) pay a relocation fee equal to Five Thousand Dollars (\$5,000) of Franchisor's then-current initial franchise fee, (ii) secure and outfit the replacement premises in accordance with Sections 8.1 and 8.2 within one hundred twenty (120) days of Franchisor's consent, (iii) if feasible, continue to operate at the original premises during the construction of the replacement premises, and (iv) upon relocation, remove any signs or other property from the original Franchised Business premises which identified the original Franchised Business premises as part of the System. Failure to comply with the foregoing requirements shall be a material default of this Agreement. Franchisor shall revise Attachment 2 to reflect the address of the new Franchised Business premises and, in Franchisor's sole discretion, any adjustment to the Territory.

9. MAINTENANCE AND IMPROVEMENT OF THE PREMISES AND SYSTEM.

9.1 Maintenance of Franchised Business Premises. Franchisee shall equip and maintain the Franchised Business premises to the standards of décor, sanitation, repair, and condition required by Franchisor, which standards are specified in the Manual and other written directives, standards, and specifications. Franchisee, at Franchisee's expense, shall make such additions, alterations, repairs, refurbishing and replacements as may be required to comply with Franchisor's standards, including, without limitation, periodic repainting and repairs or replacement of worn or impaired décor, materials, furniture, fixtures, equipment, and signage as Franchisor may direct.

9.2 Inspections. Franchisee shall operate and maintain the Franchised Business and Franchised Business premises in conformance with all regulations and best practices for food and beverage storage, handling, preparation, service, and disposal and in a manner that will ensure the highest rating possible for businesses of like kind from the governmental authorities that may inspect such businesses in the Territory. Franchisee shall submit to Franchisor a copy of any inspection reports. It shall be a default of this Agreement if, upon inspection, Franchisee does not obtain such rating or if Franchisee fails to operate in accordance with the general standards of quality, maintenance, repairs, and sanitation required by the System, and Franchisor may, at its option, terminate this Agreement.

9.3 Equipment and Technology Updates. Franchisee shall make any and all upgrades to equipment, including but not limited to, food preparation and storage equipment, the POS System, and any technology used in conjunction therewith, as Franchisor requires in its sole and absolute discretion.

9.4 Trade Dress Modifications.

9.4.1 Franchisee is aware that to maintain and improve the image and reputation of the System, Franchisor, in its sole and absolute discretion, may change and modify identifying elements of the System, including but not limited to, the adoption and use of new exterior premises designs, new interior decors, new color schemes, new or modified marks, and new furnishings (collectively, "Trade Dress Modifications").

9.4.2 No more than once in a two (2)-year period, at Franchisor's request, Franchisee shall refurbish the Franchised Business premises at Franchisee's sole expense, as required by Franchisor, to conform to Trade Dress Modifications. This includes, without limitation, structural changes, remodeling, redecoration, and modifications to existing improvements. Notwithstanding the foregoing restriction on the frequency of Trade Dress Modifications, Franchisee, upon notice by Franchisor and in accordance with Section 14.6 hereof, shall immediately discontinue the use of any Mark that is no longer desirable or available to Franchisor and substitute a different Mark or Marks as Franchisor directs.

9.4.3 Franchisee will accept, use, and display any such Trade Dress Modifications as if they were a part of this Franchise Agreement at the time of execution hereof.

9.5 No Liability/Waiver of Claims. Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications, including Trade Dress Modifications, required by this Article 9. Franchisee hereby covenants not to commence or join in any litigation or other proceeding against Franchisor or any third party, complaining of any such or seeking expenses, losses or damages caused thereby. Further, Franchisee expressly waives any claims, demands or damages arising from or related to the modifications contemplated by this Article 9, including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

9.6 Franchisee Advisory Council. Franchisor reserves the right to create (and if created the right to change or dissolve) a franchisee advisory council as a formal means for System franchisees to communicate ideas. In the event a franchisee advisory council is created, Franchisor may invite Franchisee to participate in council-related activities and meetings, which invitation may be based on factors, including but not necessarily limited to, a franchisee's level of success, superior performance, and outlet profitability.

10. FRANCHISOR'S OBLIGATIONS.

Franchisor and/or its designated representative will provide the services described below:

10.1 Site Selection Guidelines. Site selection criteria, as Franchisor may deem advisable. Franchisor shall also approve the site in accordance with Section 8.1.2.

10.2 Construction. Criteria and specifications for a The Kati Roll Company outlet. Such criteria and specifications include, but are not necessarily limited to, criteria with respect to required food storage and preparation, waste removal and ventilation systems. Franchisee shall independently, and at Franchisee's expense, have such criteria and specifications incorporated into the construction of the Franchised Business premises in accordance with Article 8.

10.3 Manual. Access to the Confidential Operations Manual and such other manuals and written materials as Franchisor may hereafter develop for use by franchisees, as the same may be revised by Franchisor from time to time. Such documents may be provided electronically or via the Internet, at Franchisor's sole and absolute discretion.

10.4 Inspection. Inspection of the Franchised Business and evaluations of the products sold and services rendered therein whenever reasonably determined by Franchisor.

10.5 Pre-Opening Requirements. A list of equipment, fixtures, furnishings, signage, supplies, and products that will be required and/or recommended to open the Franchised Business for business.

10.6 Advertising Materials. Samples of certain advertising and promotional materials and information as may be developed by Franchisor from time to time for use by Franchisee in marketing and conducting local advertising for the Franchised Business.

10.7 List of Supplies/Suppliers. Make available from time to time, and amend as deemed appropriate by Franchisor, a list of required and/or recommended products and services for System franchisees and a list of approved and/or recommended suppliers of such items. Franchisee acknowledges that Franchisor or Franchisor's affiliate(s) may be the sole approved supplier(s) of certain products and services that Franchisee is required to purchase to operate the Franchised Business.

10.8 Training. The training programs specified in Article 7 herein.

10.9 On-Site Assistance. On-site post-opening assistance at the Franchised Business premises in accordance with the provisions of Article 7.

10.10 Brand Fund. Administration of a Brand Fund in accordance with Section 13.3.

11. FRANCHISEE'S REPRESENTATIONS, WARRANTIES AND COVENANTS.

11.1 Best Efforts. Franchisee, including each of Principal, covenant and agree that he or she shall make all commercially reasonable efforts to operate the Franchised Business so as to achieve optimum sales.

11.2 Corporate Representations. If Franchisee is a corporation, partnership, limited liability company, or other legal entity, Franchisee and each Principal represent, warrant and covenant that:

11.2.1 The Franchisee entity is duly organized and validly existing under the state law of its formation;

11.2.2 Attachment 5 of this Agreement accurately reflects all individuals with an ownership interest, whether direct or beneficial, in the Franchisee entity;

11.2.3 The Franchisee entity is duly qualified and is authorized to do business in the jurisdiction of the Franchised Business premises and the Territory;

11.2.4 The Franchisee entity's organizational documents shall at all times provide that the activities of Franchisee are confined exclusively to the operation of the Franchise granted herein, unless otherwise consented to in writing by Franchisor, which consent may be withheld by Franchisor in Franchisor's sole discretion;

11.2.5 The execution of this Agreement and the consummation of the transactions contemplated hereby are within Franchisee's power and have been duly authorized by Franchisee; and

11.2.6 Any financial statements and tax returns provided to Franchisor shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of the statements or returns, whether accrued, unliquidated, absolute, contingent or otherwise, that are not reflected as liabilities.

11.3 Spouse Guaranty. If any Principal is a married individual and the Principal's spouse has not executed this Agreement, such Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty, in the form attached as Attachment 6 hereof.

11.4 Appointment of Manager.

11.4.1 Franchisee shall designate and retain at all times a general manager ("General Manager") to direct the operation and management of the Franchised Business premises. Franchisee shall designate its General Manager prior to attending the Initial Training Program. The General Manager shall

be responsible for the daily operation of the Franchised Business premises. Unless otherwise permitted by Franchisor, the General Manager shall be, Franchisee, if Franchisee is an individual, or a Principal.

11.4.2 The General Manager shall, during the entire period he or she serves as General Manager, meet the following qualifications:

11.4.2.1 The General Manager shall meet Franchisor's standards and criteria for such individual, as set forth in the Manual or otherwise in writing by Franchisor and shall be an individual otherwise acceptable to Franchisor in its sole discretion.

11.4.2.2 The General Manager shall devote his or her full time and best efforts to the supervision and management of the Franchised Business and may not engage in any other business activity without the Franchisor's consent, which may be withheld in Franchisor's sole discretion.

11.4.2.3 The General Manager shall satisfy the training requirements set forth in Article 7.

11.4.3 If the General Manager is not able to continue to serve in such capacity, or no longer qualifies to act as such in accordance with this Agreement, Franchisee shall promptly notify Franchisor and designate a replacement within forty-five (45) days after the General Manager ceases to serve, such replacement being subject to the same qualifications required by this Agreement. Franchisee's replacement General Manager shall attend and satisfactorily complete the Initial Training Program, at Franchisee's sole cost and expense, including the payment of the then-current tuition. Until such replacement is designated and trained, Franchisee shall provide interim management of the Franchised Business, who shall act in accordance with the terms of this Agreement. Any failure to comply with the requirements of this Section shall be deemed a material event of default under this Agreement. Franchisor, in Franchisor's sole discretion, may provide interim management support and charge Franchisee the then-current interim management support fee until such General Manager is properly trained or certified in accordance with Franchisor's requirements, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, and shall be withdrawn from Franchisee's designated bank account in accordance with Section 6.1.5.

11.5 Legal Compliance. Franchisee shall comply with all federal, state, and local laws, rules and regulations and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business. Such laws, rules and regulations shall include, without limitation, licenses to do business, health and sanitation inspections, if required, fictitious name registrations, sales and other tax permits, fire and police department clearances, Americans With Disability Act compliance, certificates of occupancy, any permits, certificates or licenses required by any environmental federal, state or local law, rule or regulation and any other requirement, rule, law or regulation of any federal, state or local jurisdiction. Franchisee shall further comply with all industry best practices with respect to the handling, storage, preparation, service and disposal of food and beverage products.

11.6 Claims and Potential Claims. Franchisee shall notify Franchisor in writing within three (3) days of any incident or injury that could lead to, or the actual 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 in any way relates to or affects the operation or financial condition of the Franchised Business. Any and all media inquiries concerning the Franchised Business or Franchised Business premises, including, but not limited to, the business operation and incidents and occurrences related to a customer or employee, shall be referred to Franchisor. Neither Franchisee, Franchisee's

employees nor anyone on Franchisee's behalf may comment to any broadcast medium, except as directed by Franchisor.

11.7 Assignment of Numbers and Listings. Franchisee shall execute such forms and documents included in Attachment 7 to appoint Franchisor its true and lawful attorney-in-fact, with full power and authority, for the sole purpose of assigning to Franchisor, Franchisee's telephone numbers, listings, and passwords and administrator rights for all email and social media accounts used or created by Franchisee. Upon the expiration or termination of this Agreement, Franchisor may exercise its authority, pursuant to such documents, to obtain any and all of Franchisee's rights to the telephone numbers of the Franchised Business and all related telephone directory listings and other business listings, and all Internet listings, domain names, Internet advertising, websites, listings with search engines, electronic mail addresses, social media, or any other similar listing or usages related to the Franchised Business.

11.8 Access to Tax Filings. Upon execution of this Agreement, and at any time thereafter upon Franchisor's request, Franchisee shall execute such forms and documents as Franchisor deems necessary, to appoint Franchisor its true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all tax returns and reports related to the Franchised Business filed by Franchisee with any state or federal taxing authority.

11.9 Continuing Obligation. Franchisee and each Principal acknowledge and agree that the representations, warranties, and covenants set forth in this Article 11 are continuing obligations of Franchisee and each Principal, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement. Franchisee and each Principal shall cooperate with Franchisor in any efforts made by Franchisor to verify compliance with such representations, warranties, and covenants.

12. FRANCHISEE'S OPERATIONS.

12.1 Operation of Franchised Business Premises. To maintain the highest degree of quality and service on a uniform System-wide basis, Franchisee shall operate the Franchised Business in conformity with the methods, standards and specifications prescribed by Franchisor. Franchisee agrees to comply with the Manual, as it is modified from time to time, and all directives, rules and procedures specified by Franchisor, and will, among other things:

12.1.1 Use only those furnishings, fixtures, décor, equipment, ingredients, recipes, supplies and signage that conform with Franchisor's specifications and/or which shall be purchased from only those vendors then-currently designated and approved by Franchisor. Franchisee acknowledges and agrees that: (i) Franchisor and/or Franchisor's affiliate may be a designated supplier or sole approved supplier of any product or service that Franchisee is required to lease or purchase, (ii) Franchisor and/or Franchisor's affiliate may receive payment from supplier(s) related to Franchisee's required purchases or leases, and (iii) any payments so received are for Franchisor's benefit only and may be used or applied in any manner determined by Franchisor in Franchisor's sole and absolute discretion;

12.1.2 Maintain and operate the Franchised Business premises in attractive condition and good repair, using Franchisee's best efforts to maintain a clean, enjoyable and inviting atmosphere therein in accordance with System standards, the Manual and all other directives and requirements of Franchisor, and do such redecoration, repairing, refurbishing and restoration as from time to time may be reasonably required to meet System standards and Franchisor's requirements as they may be modified from time to time. Franchisee, at Franchisee's sole expense, shall cause Franchisee's equipment to be regularly serviced in accordance with any warranty and manufacturer's guidelines and the Manual;

12.1.3 Procure the necessary licenses or permits to allow food and beverage preparation and service and otherwise comply with all applicable governmental laws, ordinances, rules, and regulations including those related to health and sanitation;

12.1.4 Maintain sufficient inventories of ingredients, supplies and merchandise held for resale, as prescribed by Franchisor;

12.1.5 Conduct sales in accordance with Franchisor's standards and specifications, which shall include offering food and beverages in the format(s) Franchisor requires, such as dine-in, take-out, curbside pickup, catering, and delivery (either directly or through use of third-party delivery services and applications). Franchisee acknowledges and accepts that Franchisee may only engage in providing food and beverage service to end-consumers. Franchisee is expressly prohibited from selling products or services using the Franchised Business operations, assets and/or premises (i) that are not a part of the The Kati Roll Company System or that are not approved by Franchisor, (ii) outside of the Franchised Business premises (excluding promotional and sales events in the Territory with Franchisor's prior approval), (iii) on the internet (excluding fulfillment of orders received online through Franchisor's approved platform or through approved third-party delivery applications), or (iv) to dealers and/or distributors for subsequent re-sale. Engaging in such sales shall be a material default of this Agreement;

12.1.6 Employ only qualified individuals, with food handler certifications as set forth in the Manual and other certification(s) required by the laws and regulations of the Territory, who Franchisee has trained to provide System goods and services in accordance with Franchisor's standards, which includes but is not limited to, the protection of Franchisor's confidential and proprietary information, and who will at all times enhance Franchisor's brand and conduct themselves in a competent and courteous manner in accordance with this Agreement and the image and reputation of the System. Franchisee shall use its best efforts to ensure that Franchisee's employees maintain a neat and clean appearance and render competent and courteous service to customers of the Franchised Business. Franchisee acknowledges and agrees that poorly trained employees, sloppy or unclean appearances and incompetent or discourteous service are extremely damaging to the goodwill of the System and the Marks and are a material default of this Agreement;

12.1.7 Permit Franchisor or its agents, to inspect the Franchised Business premises and any services, products, or equipment, to determine whether they meet Franchisor's then-current standards, specifications, and requirements. In addition to any other remedies Franchisor may have, Franchisee shall reimburse Franchisor for Franchisor's inspection costs of any item that does not conform to the System standards and specifications;

12.1.8 Prominently display signs in and upon the Franchised Business premises using the Marks and/or other advertising and/or signs of such nature, form, color, number, location and size, and containing such material, as Franchisor may from time to time reasonably direct or approve in writing; and to not display in or upon the Franchised Business premises or elsewhere any sign or advertising media of any kind to which Franchisor reasonably objects, including signs and advertising media which have not been approved by Franchisor, or which have been improperly made or are outdated. Upon giving Franchisee notice of its objection to same or upon termination hereof, Franchisor may at any time enter upon the Franchised Business premises or elsewhere and remove any objectionable or non-approved signs or advertising media and keep or destroy same without paying therefor or without being deemed guilty of trespass or any other tort;

12.1.9 Conduct all advertising programs in a manner consistent with Franchisor's standards and specifications, in a manner satisfactory to Franchisor and that will not detract from the reputation of the System or the Marks.

12.1.10 Accept and honor all loyalty cards, promotional coupons, or other System-wide offers, on a uniform basis, as accepted by other franchisees in the System.

12.2 Bookkeeping and Reports.

12.2.1 Franchisee agrees to keep and maintain complete and accurate books and records of its transactions and business operations using the accounting procedures and chart of accounts specified by Franchisor. Franchisee agrees to purchase the POS System and other computer systems specified in Section 12.3 to maintain the records and accounts of the Franchisee to the standards of the Franchisor. Franchisee acknowledges and agrees that the financial data of Franchisee's Franchised Business (i) is owned by Franchisor, (ii) is Franchisor's proprietary information, (iii) may be published in franchise disclosure document(s) issued by Franchisor following the Effective Date hereof, and (iv) may be shared with other franchisees in the System.

12.2.2 Within ten (10) days after the close of each calendar month and within ninety (90) days after the close of each fiscal year, Franchisee will furnish Franchisor a full and complete written statement of income and expense and a profit and loss statement for the operation of the Franchised Business during said period, together with a balance sheet for the Franchised Business, all of which shall be prepared in accordance with generally accepted accounting principles and practice. Franchisee's annual statements and balance sheets shall be prepared by an independent certified public accountant and certified to be correct.

12.2.3 The financial statements required hereunder shall be in such form and contain such information as Franchisor may from time to time reasonably designate.

12.2.4 Franchisor reserves the right to require Franchisee, at Franchisee's expense, to engage the services of a third-party accounting services firm, designated and approved by Franchisor, in the event that (i) Franchisee fails to keep books and records in accordance with Franchisor's standards or (ii) Franchisor, in its sole discretion, determines that use of a third-party accounting services firm by all System franchisees is beneficial to the System.

12.2.5 Franchisor shall have the right at all reasonable times to examine, at its expense, Franchisee's books, records, and tax returns. If Franchisor's examination finds an understatement of any Gross Revenue Report, Franchisee shall pay Franchisor the amounts due together with interest thereon at the rate provided herein, and if understated by two percent (2%) or more, Franchisee shall reimburse Franchisor for the cost of such examination. Such understatement may be considered a material default hereunder. Two (2) such understatements during the term of this Agreement may, at the option of Franchisor, be considered an incurable default and thereby subject to termination as provided herein.

12.3 Computer Systems.

12.3.1 Franchisee, at Franchisee's sole expense, shall install and maintain the POS System and computer hardware, software and applications Franchisor requires for the operation of the Franchised Business and shall follow the procedures related thereto that Franchisor specifies in the Manual or otherwise in writing.

12.3.2 Franchisor may require Franchisee, at Franchisee's sole expense, to install and maintain systems and web-based payment processing accounts that permit Franchisor to independently and electronically access and retrieve any information stored in Franchisee's POS System, other computer systems and web-based payment processing accounts, including, without limitation, information concerning Gross Revenue. Upon Franchisor's request, Franchisee shall execute such documents as Franchisor deems necessary to permit Franchisor to independently and electronically access and retrieve

all information stored on Franchisee's POS System, other computer systems and web-based payment processing accounts.

12.3.3 Any and all customer data collected or provided by Franchisee, retrieved from Franchisee's POS System, or otherwise collected from Franchisee by Franchisor or provided to Franchisor, is and will be owned exclusively by Franchisor and will be considered to be Franchisor's proprietary and Confidential Information. Franchisor has the right to use such data in any manner without compensation to Franchisee. Franchisor licenses to Franchisee the use of such data solely for the purpose of operating the Franchised Business; provided that, this license shall automatically and irrevocably terminate, without any additional action or notice required by Franchisor, upon the expiration or earlier termination of this Agreement.

12.3.4 Franchisor may require Franchisee, at Franchisee's sole expense, to enter into software license agreements in the form that Franchisor requires for software Franchisor develops or acquires for use in the System.

12.3.5 Franchisee shall have and maintain adequate hardware and software in order to access the Internet at the speed required by Franchisor from time to time. Franchisee shall utilize the electronic mail account provided by Franchisor. Franchisee shall promptly read and respond to all electronic mail related to the Franchised Business no less often than on a daily basis and shall accept and acknowledge receipt of all electronic mail sent by Franchisor. Franchisee shall not establish any website or other listing on the Internet except as provided and specifically permitted herein.

12.3.6 Franchisor has established a website that provides information about the System and the products and services offered by the The Kati Roll Company System (the "Website"). Franchisor has sole discretion and control over the Website. Franchisor shall include a listing on its Website with Franchisee's Franchised Business address, and may, at Franchisor's option, provide Franchisee with a linked webpage for the Franchised Business. Franchisee has no ownership or other proprietary rights to Franchisor's Website and Franchisee will lose all rights to such listing and/or webpage of Franchisee's outlet upon expiration or termination of this Agreement for any reason.

12.3.7 In addition to Franchisee's obligation pursuant to Section 6.2 hereof, Franchisee shall pay all fees and expenses for technology required by this Agreement, including but not limited to, the costs of computer hardware and software and applications, installation costs and regularly recurring fees for software, Internet access, webpage maintenance fees, telecommunication systems, license fees, help desk fees, and licensing or user-based fees.

12.3.8 Franchisee is solely responsible for maintaining the security and integrity of the computer and payment processing systems used in the Franchised Business and the customer and other data stored therein. Franchisee, at Franchisee's sole cost and expense, shall implement all computer hardware, software, and Internet security procedures, including required updates or upgrades thereto, that are reasonably necessary to protect Franchisee's computer and payment processing systems and the data stored therein from viruses, malware, privacy breaches or other unauthorized access.

12.4 Safety and Security of Premises. Franchisee is solely responsible for the safety and security of the Franchised Business premises for Franchisee, Franchisee's personnel, agents, customers, and the general public. Any suggestions by Franchisor on such matters are for guidance only and not binding on Franchisee. All matters of safety and security are within Franchisee's discretion and control, and Franchisee's indemnification obligations set forth in Section 15.6 hereof shall apply to any claims made against Franchisor regarding safety or security.

12.5 Prices. Subject to applicable law, Franchisor may recommend set advertised and/or maximum prices for System services and products. Franchisee shall have the right to provide services and sell products at any price through promotional discounts. Franchisee acknowledges that Franchisor has made no guarantee or warranty that offering services or products at any particular price will enhance Franchisee's sales or profits.

12.6 Unapproved Item/Suppliers. If Franchisee desires to purchase, lease, or use any unapproved equipment, product, or service or to purchase, lease or use any equipment, product or service from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval prior to using such product, service, or supplier. Franchisee shall not purchase or lease any item or use any supplier until and unless such item or supplier has been approved in writing by Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities and to test or otherwise evaluate samples from the supplier. Franchisor reserves the right to charge Franchisee a fee equal to the actual cost and expense for inspection and testing. Franchisor shall notify Franchisee whether Franchisor approves or disapproves of the proposed item or supplier within thirty (30) days after Franchisor receives all required information to evaluate the product, service, or supplier. If Franchisor fails to respond to Franchisee's submission within said thirty (30) days, such item or supplier shall be deemed "disapproved." Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria. Nothing in the foregoing shall be construed to require Franchisor to approve any particular item or supplier.

12.7 External Quality Assurance Services. Franchisor reserves the right to establish quality assurance programs conducted by third-party providers, including, but not limited to, mystery shop programs and periodic quality assurance audits ("Quality Review Services"). Upon Franchisor's request and at Franchisee's sole cost and expense, Franchisee shall subscribe to any such third-party provider for Quality Review Services to monitor the operations of the Franchised Business as directed by Franchisor.

12.8 Operations Standards. Franchisor has established certain Operations standards, as set forth in the Operations Manual. Franchisee acknowledges that any deviation from a Operations standard constitutes a violation of this Agreement and will require Franchisor to incur incalculable administrative and management costs to address such violation. Accordingly, Franchisee agrees that, to compensate Franchisor for its incalculable administrative and management costs due to Franchisee's Operations standard violation, Franchisee shall pay Franchisor an Operations Standard Violation Fee, as set forth in the Operations Manual, for each violation of an Operations standard. **Franchisee hereby authorizes Franchisor to take payment of the Operations Standard Violation Fee, at Franchisor's option, through electronic funds transfer or ACH payment.** Franchisor need not give Franchisee a cure opportunity before charging the Operations Standard Violation Fee, and Franchisor's imposition of a Operations Standard Violation Fee does not preclude Franchisor from seeking injunctive relief to restrain any subsequent or continuing violation, formally defaulting and terminating this Agreement or exercising any of Franchisor's rights under this Agreement.

12.9 Variations in Standards. Notwithstanding anything to the contrary contained in this Agreement and this Section 12 in particular, Franchisee acknowledges and agrees that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary performance standards for some franchisees based upon the peculiarities and characteristics of the particular site or circumstance, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such particular franchise business. Franchisor has full rights to vary standard specifications and practices

for any other franchisee at any time without giving Franchisee comparable rights. Franchisee shall not be entitled to require Franchisor to disclose or grant to Franchisee a like or similar variation.

13. ADVERTISING, PROMOTIONS AND RELATED FEES.

13.1 Advertising Programs. Franchisor may from time to time develop and administer advertising and sales promotion programs designed to promote and enhance the collective success of all Franchised Businesses operating under the System. Franchisee shall participate in all such advertising and sales promotion programs, at Franchisee's expense, in accordance with the terms and conditions established by Franchisor from time to time for each program. In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by Franchisor, as modified from time to time, shall be final and binding upon Franchisee.

13.2 Local Advertising.

13.2.1 Franchisor reserves the right, at any time during the Term, to require Franchisee to spend a reasonable percentage of Gross Revenue per month, as determined from time to time in Franchisor's sole discretion, in the Territory set forth in Attachment 2 ("Local Advertising"). Local Advertising payments will be in addition to the ongoing advertising contributions set forth herein, and following the expenditures set forth in Section 13.2.3 below. Franchisor may require Franchisee to allocate to an advertising cooperative, as described in Section 13.4, some or all of Franchisee's required Local Advertising expenditures. Such allocation will be in partial or full satisfaction of Franchisee's obligations pursuant to this Section 13.2.1.

13.2.2 Within ten (10) business days of Franchisor's request, Franchisee shall provide a quarterly expenditure report accurately reflecting Franchisee's Local Advertising expenditures for the preceding quarterly period. The following costs and expenditures incurred by Franchisee shall **not** be included in Franchisee's expenditures on Local Advertising for purposes of this Section, unless approved in advance by Franchisor in writing: (i) incentive programs for employees or agents of Franchisee; (ii) research expenditures; (iii) salaries and expenses of any of Franchisee's personnel to attend advertising meetings, workshops or other marketing activities; (iv) charitable, political or other contributions or donations.

13.2.3 In addition to the requirements of Section 13.2.1, Franchisee shall spend a minimum of Five Thousand Dollars (\$5,000.00) on Initial Local Advertising and promotional activities in the Territory within the sixty (60) days surrounding the Opening Date to promote the opening of the Franchised Business ("Initial Local Advertising"). Franchisee shall conduct the Initial Local Advertising Campaign in accordance with plans approved by Franchisor pursuant to Section 13.6. Franchisor reserves the right to collect some or all of Franchisee's Initial Local Advertising Campaign expenditure and implement Initial Local Advertising Campaign activities on Franchisee's behalf. Notwithstanding, Franchisor makes no representation or warranty that the Initial Local Advertising Campaign activities conducted by Franchisor in the Territory will be successful or will yield any particular level of sales for Franchisee, and Franchisee hereby waives any and all claims against Franchisor relating thereto.

13.3 Brand Fund.

13.3.1 Franchisee shall be required to contribute two percent (2%) of Gross Revenue generated per week, as determined from time to time in Franchisor's sole discretion, by Franchisee's Franchised Business to the Brand Fund ("Brand Fund Contribution"). Payments will be made in the same manner and time as the Royalty Fees. If Franchisee fails to timely report Gross Revenue, then, in addition

to a late fee and interest pursuant to Sections 6.3 and 6.4 hereof, Franchisor shall collect one hundred twenty percent (120%) of the last Brand Fund Contribution payable. Franchisor shall reconcile amounts when Gross Revenue are reported.

13.3.2 Franchisor shall direct all Brand Fund activities and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Brand Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Franchised Businesses operating under the System.

13.3.3 Franchisor may, but has no obligation to, contribute to the Brand Fund on the same basis as Franchisee with respect to The Kati Roll Company outlets operated by Franchisor or Franchisor's affiliates.

13.3.4 Franchisor may use the Brand Fund to satisfy any and all costs of developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, promotional and public relations materials, programs, campaigns, sales and marketing seminars and training programs of every kind and nature, through media now existing or hereafter developed (including, without limitation, the cost of television, radio, magazine, social media, newspaper and electronic advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; System-wide franchisee development programs and activities; conducting marketing research, employing advertising agencies to assist therein; developing, enhancing and maintaining the Website, social media platforms, apps, and other technology for the benefit of the The Kati Roll Company brand image and/or Systemwide improvements; and staff salaries and other personnel and departmental costs for advertising that Franchisor internally administers or prepares). While Franchisor does not intend that any part of the Brand Fund will be used for advertising which is principally a solicitation for franchisees, Franchisor reserves the right to use the Brand Fund for public relations, to explain the franchise system, and/or to include a notation in any advertisement indicating "Franchises Available."

13.3.5 The Brand Fund will not be used to defray any of Franchisor's general operating expenses, except for reasonable administrative costs, staff salaries of Brand Fund personnel and overhead that Franchisor may incur in activities related to the administration and direction of the Brand Fund and such costs and expenses pursuant Section 13.3.4. The Brand Fund and its earnings shall not otherwise inure to Franchisor's benefit except that any resulting technology and intellectual property shall be deemed the property of Franchisor.

13.3.6 Franchisor will prepare an unaudited annual statement of the Brand Fund's operations and will make it available to Franchisee upon request. In administering the Brand Fund, Franchisor undertakes no obligation to make expenditures for Franchisee that are equivalent or proportionate to Franchisee's contribution or to ensure that any particular franchisee benefits directly or pro rata from the production or placement of advertising.

13.3.7 Although the Brand Fund is intended to be of perpetual duration, Franchisor may terminate it at any time and for any reason or no reason. Franchisor will not terminate the Brand Fund, however, until all monies in the Brand Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.

13.4 Regional Advertising. Franchisor reserves the right to establish, in Franchisor's sole discretion, a cooperative advertising program. If a cooperative advertising program is established during the term of this Agreement, Franchisee agrees to sign all documents Franchisor requests to become a member of the cooperative according to the terms of the documents. If Franchisor establishes a cooperative

advertising program, Franchisee agrees to contribute amounts equal to Franchisee's share of the total cost of cooperative advertising, in addition to required Brand Fund Contributions.

13.5 Directory Listings and Social Media. At Franchisee's sole cost and expense, Franchisee must list the Franchised Business in local business directories, including, but not limited to, listings on Internet search engines. If feasible, and with Franchisor's prior written approval, Franchisee may do cooperative listings with other System franchisees. Notwithstanding the foregoing, Franchisee may not maintain any business profile on Facebook, Instagram, X (Twitter), Bluesky, LinkedIn, YouTube, Threads, Tik Tok, blogs, or any other social media and/or networking site without Franchisor's prior written approval, and use of any social media accounts shall be in strict accordance with Franchisor's requirements. Franchisee shall provide Franchisor with all passwords and administrative rights to any and all social media accounts for the Franchised Business, and Franchisee hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking whatever action as is necessary for the best interest of the System, if Franchisee fails to maintain such accounts in accordance with Franchisor's standards.

13.6 Approval of Advertising. All advertising and promotion by Franchisee, in any medium, shall be conducted in a professional manner and shall conform to the standards and requirements of Franchisor as set forth in the Manual or otherwise. Franchisee shall submit to Franchisor for its approval samples of all advertising, press releases, promotional plans and materials and public relations programs that Franchisee desires to use, including, without limitation, any materials in digital, electronic, or computerized form, or in any form of media now or hereafter developed that have not been either provided or previously approved by Franchisor. Franchisor shall approve or disapprove such plans and materials within fifteen (15) calendar days of Franchisor's receipt thereof. If Franchisor fails to respond to Franchisee's submission within fifteen (15) calendar days, such plans and materials shall be deemed "approved". Franchisee shall not use such unapproved plans or materials until they have been approved by Franchisor in writing and shall promptly discontinue use of any advertising or promotional plans or materials, whether or not previously approved, upon notice from Franchisor. Any advertising, marketing or sales concepts, programs or materials proposed or developed by Franchisee for the The Kati Roll Company brand and approved by Franchisor may be used by other System franchisees without any compensation to Franchisee.

14. INTELLECTUAL PROPERTY.

14.1 Ownership.

14.1.1 Franchisee expressly understands and acknowledges that Franchisor and/or Franchisor's affiliate(s) are the record owner of the Marks. Franchisor holds the exclusive right to license the Marks to franchisees of the System for use pursuant to the System. Franchisee further expressly understands and acknowledges that Franchisor and/or Franchisor's affiliate(s) claim copyrights on certain material used in the System, including but not limited to, recipes, instructional material, the Website, documents, photographs, social media content, advertisements, promotional materials and the Manual, whether or not Franchisor and/or Franchisor's affiliate(s) have filed for copyrights thereto with the U.S. Copyright Office. The Marks and copyrights, along with Franchisor's trade secrets, service marks, trade dress and proprietary systems are hereafter collectively referred to as the "Intellectual Property".

14.1.2 As between Franchisor and Franchisee, Franchisor and/or Franchisor's affiliate(s) are the owner of all right, title, and interest in and to the Intellectual Property and the goodwill associated with and symbolized by them.

14.2 No Interference. Neither Franchisee nor any Principal shall take any action that would prejudice or interfere with the validity of Franchisor's and/or Franchisor's affiliate(s)'s rights with respect to the Intellectual Property. Nothing in this Agreement shall give the Franchisee any right, title, or interest in or to any of the Intellectual Property or any of Franchisor's and/or Franchisor's affiliate(s)'s service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Intellectual Property and the System in accordance with the terms and conditions of this Agreement for the operation of a Franchised Business and only at or from the Franchised Business premises or in approved advertising related to the Franchised Business.

14.3 Goodwill. Franchisee understands and agrees that any and all goodwill arising from Franchisee's use of the Intellectual Property and the System shall inure solely and exclusively to the benefit of Franchisor and/or Franchisor's affiliate(s), and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the Intellectual Property.

14.4 Validity. Franchisee shall not contest the validity of, or Franchisor's and/or Franchisor's affiliate(s)'s interest in, the Intellectual Property or assist others to contest the validity of, or Franchisor's and/or Franchisor's affiliate(s)'s interest in, the Intellectual Property.

14.5 Infringement. Franchisee acknowledges that any unauthorized use of the Intellectual Property shall constitute an infringement of Franchisor's and/or Franchisor's affiliate(s)'s rights in the Intellectual Property and a material event of default hereunder. Franchisee shall provide Franchisor and/or Franchisor's affiliate(s) with all assignments, affidavits, documents, information and assistance Franchisor and/or Franchisor's affiliate(s) reasonably request to fully vest in Franchisor and/or Franchisor's affiliate(s) all such rights, title and interest in and to the Intellectual Property, including all such items as are reasonably requested by Franchisor and/or Franchisor's affiliate(s) to register, maintain and enforce such rights in the Intellectual Property.

14.6 Substitution. Franchisor reserves the right to substitute different Marks for use in identifying the System and the Franchised Business, if it in its sole discretion, determines that substitution of different Marks will be beneficial to the System. Franchisor will not be liable to Franchisee for any expenses, losses or damage sustained by Franchisee as a result of any additions, modifications, substitutions, or discontinuation of the Marks. Franchisee covenants not to commence or join in any litigation or other proceeding against Franchisor for any of these expenses, losses, or damages.

14.7 Franchisee's Use of the Intellectual Property. With respect to Franchisee's use of the Intellectual Property pursuant to this Agreement, Franchisee further agrees that:

14.7.1 Unless otherwise authorized or required by Franchisor, Franchisee shall advertise the Franchised Business only under the Mark "The Kati Roll Company" and design. Franchisee shall not use the Marks, or any portions, variations, or derivatives thereof, as part of its corporate or other legal name. All fictitious names used by Franchisee shall bear the designation "a franchisee of TKRC Franchising Company, LLC".

14.7.2 Franchisee shall identify itself as the owner of the Franchised Business and as an independent The Kati Roll Company franchisee in conjunction with any use of the Intellectual Property, including, but not limited to, uses on invoices, order forms, receipts, and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Franchised Business as Franchisor may designate in writing.

14.7.3 Franchisee shall not use the Intellectual Property to incur any obligation or indebtedness on behalf of Franchisor.

14.7.4 Any item offered by Franchisee that contains the Marks, must be approved by Franchisor in writing prior to being distributed or sold by Franchisee and such approval may be granted or denied in Franchisor's sole and absolute discretion.

14.8 Claims. Franchisee shall notify Franchisor immediately via both email and telephone, of any apparent infringement of or challenge to Franchisee's use of any Intellectual Property and of any claim by any person of any rights in any Intellectual Property. Franchisee shall not communicate with any person other than Franchisor or any designated affiliate thereof, their counsel and Franchisee's counsel in connection with any such infringement, challenge, or claim. Franchisor shall have complete discretion to take such action as it deems appropriate in connection with the foregoing, and the right to control exclusively, or to delegate control to any of its affiliates of, any settlement, litigation or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Intellectual Property. Franchisee agrees to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in the opinion of Franchisor, reasonably be necessary or advisable to protect and maintain the interests of Franchisor or any other person or entity in any litigation or other proceeding or to otherwise protect and maintain the interests of Franchisor or any other interested party in the Intellectual Property. Franchisor will indemnify and defend Franchisee against and reimburse Franchisee for actual damages (including settlement amounts) for which Franchisee is held liable in any proceeding arising out of Franchisee's use of any of the Intellectual Property that infringes on the rights of any other party, provided that the conduct of Franchisee with respect to such proceeding and use of the Intellectual Property is in full compliance with the terms of this Agreement.

14.9 Franchisor may use and grant franchises and licenses to others to use the Intellectual Property and the System and to establish, develop and franchise other systems, different from the System licensed to Franchisee herein, without offering or providing Franchisee any rights in, to or under such other systems and Franchisor may modify or change, in whole or in part, any aspect of the Intellectual Property or the System, so long as Franchisee's rights thereto are in no way materially harmed thereby.

14.10 Franchisee shall not register or attempt to register the Intellectual Property in Franchisee's name or that of any other person, firm, entity, or corporation.

15. INSURANCE AND INDEMNIFICATION.

15.1 Procurement. Franchisee shall procure, prior to the commencement of any operations under this Agreement, and thereafter maintain in full force and effect during the term of this Agreement at Franchisee's sole cost and expense and to Franchisor's sole satisfaction, insurance policies, which shall be primary and non-contributory to any insurance that Franchisor may carry. Franchisee's insurance shall be provided by insurance companies with an A.M. Best rating of not less than A-VII, protecting Franchisee and Franchisor, and naming Franchisor, its officers, directors, partners, owners, employees and affiliates as additional insureds as their interests may appear, in the following minimum limits (except as additional coverage and higher policy limits may reasonably be specified from time to time in the Manual or otherwise in writing):

15.1.1 Liability. Commercial general liability insurance, including public liability, premises liability, personal injury, and advertising injury in the amount of at least One Million Dollars (\$1,000,000);

15.1.2 Employment. Worker's compensation coverage in the limits required by state law,

as well as such other insurance as may be required by statute or rule of the state in which the Franchised Business is operated;

15.1.3 Property. Fire, vandalism, windstorm and hail, and extended coverage insurance for property damage with primary and excess limits of not less than the full replacement value of the leasehold improvements, equipment, furniture, fixtures, and inventory, or the amount required by the lease for the Franchised Business premises, whichever is greater; and

15.2 Evidence of Insurance. Franchisee shall deliver to, and maintain at all times with Franchisor, current Certificates of Insurance evidencing the existence and continuation of the required coverages. Franchisee shall deliver the initial Certificate of Insurance no later than ten (10) days before Franchisee opens the Franchised Business. In addition, if requested by Franchisor, Franchisee shall deliver to Franchisor a copy of the insurance policy or policies required hereunder.

15.3 Failure to Procure. If, for any reason, Franchisee should fail to procure or maintain the insurance required by this Agreement as revised from time to time for all franchisees by the Manual or otherwise in writing, Franchisor shall have the right and authority (without, however, any obligation) to immediately procure such insurance and to charge Franchisee for the cost thereof together with an administrative fee for Franchisor's expenses in so acting plus interest at a rate of fifteen percent (15%) per annum or the highest rate allowed by law, whichever is less, also including all attorneys' fees. Franchisee shall pay Franchisor immediately upon notice by Franchisor to Franchisee that Franchisor has undertaken such action and the cost thereof.

15.4 Increase in Coverage. The levels and types of insurance stated herein are minimum requirements. Franchisor reserves the right to raise the required minimum requirements for any type of insurance or add additional types of insurance requirements as Franchisor deems reasonably prudent to require. Within thirty (30) days of any such required new limits or types of coverage, Franchisee must submit proof to Franchisor of Franchisee's coverage pursuant to Franchisor's requirements.

15.5 Additional Insured. All required insurance policies shall name Franchisor and their affiliates and their members, officers, agents, and employees as additional insureds as their interests may appear. All public liability policies shall contain a provision that the additional insureds, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss caused by Franchisee or Franchisee's servants, agents or employees, and all required insurance policies shall contain a waiver of subrogation in favor of the additional insureds.

15.6 Indemnification. TO THE FULLEST EXTENT PERMITTED BY LAW, FRANCHISEE AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS TKRC FRANCHISING COMPANY, LLC, TGB HOSPITALITY GROUP, LLC, AND ANY OF THEIR PARENT COMPANIES, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, AND SHAREHOLDERS (COLLECTIVELY REFERRED TO AS THE "FRANCHISOR PARTY INDEMNITEES"), FROM ALL CLAIMS BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO FRANCHISEE'S FRANCHISE AND/OR THE OPERATION THEREOF, INCLUDING BUT NOT LIMITED TO, ANY CLAIM IN CONNECTION WITH FRANCHISEE'S EMPLOYEES OR AGENTS; FRANCHISEE'S COMPUTER SYSTEMS; FRANCHISEE'S PREPARATION, STORAGE, HANDLING AND/OR DISPOSAL OF FOOD OR BEVERAGE PRODUCTS; THE FRANCHISED BUSINESS PREMISES; OR FRANCHISEE'S ADVERTISING OR BUSINESS PRACTICES. FRANCHISEE AGREES TO PAY FOR ALL FRANCHISOR PARTY INDEMNITEES' LOSSES, EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS' FEES) OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY

(REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY FRANCHISEE HEREUNDER. THE FRANCHISOR PARTY INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE FRANCHISOR PARTY INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. FRANCHISEE AGREES THAT TO HOLD THE FRANCHISOR PARTY INDEMNITEES HARMLESS, FRANCHISEE WILL REIMBURSE THE FRANCHISOR PARTY INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE FRANCHISOR PARTY INDEMNITEES.

Initial

16. TRANSFERS.

16.1 Transfers by Franchisor.

16.1.1 Franchisor shall have the right to assign this Agreement, and all of Franchisor's rights and privileges hereunder, to any person, firm, corporation, or other entity, without Franchisee's permission or prior knowledge, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of Franchisor's obligations, the assignee shall expressly assume and agree to perform Franchisor's obligations hereunder. Specifically, and without limitation to the foregoing, Franchisee expressly affirms and agrees that Franchisor may: (i) sell Franchisor's assets and Franchisor's rights to the Marks and the System outright to a third party; (ii) engage in a public or private placement of some or all of Franchisor's securities; (iii) merge, acquire other corporations, or be acquired by another corporation, including competitors; (iv) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring; and (v) with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or relating to the loss of association with or identification of Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the business franchised herein or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its prerogative hereunder to assign Franchisor's rights in this Agreement.

16.1.2 Franchisee agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of the facilities (which Franchisee acknowledges may be within the Territory, proximate thereto, or proximate to any of Franchisee's outlets). However, Franchisor represents that it will not convert any such acquired facilities that are operating within the Territory to a The Kati Roll Company franchise outlet during the Term of this Agreement.

16.1.3 If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor to remain in the food service business or to offer or sell any products or services to Franchisee.

16.2 Restrictions on Transfers by Franchisee. Franchisee's rights and duties under this Agreement are personal to Franchisee as it is organized and with the principals of the business as they exist on the date of execution of this Agreement, and Franchisor has made this Agreement with Franchisee in reliance on Franchisor's perceptions of the individual and collective character, skill, aptitude, attitude,

business ability, and financial capacity of Franchisee. Thus, no transfer, as hereafter defined, may be made without Franchisor's prior written approval. Franchisor may void any transfer made without such approval.

16.3 Transfers by Franchisee. Neither Franchisee nor any Principal(s) shall directly or indirectly sell, assign, transfer, give, devise, convey or encumber this Agreement or any right or interest herein or hereunder (a "Transfer"), the Franchise, the Franchised Business or any assets thereof (except in the ordinary course of business) or suffer or permit any such assignment, transfer, or encumbrance to occur by operation of law, unless Franchisee or Principal(s) first obtains the written consent of Franchisor. A transfer of any stock in the Franchisee if it is a corporation or a transfer of any ownership rights in Franchisee if it is a partnership, a limited liability company or limited partnership shall be considered a Transfer restricted hereunder. If Franchisee and Principal(s) have complied fully with this Agreement and subject to Franchisor's Right of First Refusal set forth in Section 16.6, Franchisor will not unreasonably withhold its consent of a Transfer that meets the following requirements:

16.3.1 The proposed transferee and all its principals must have the demeanor and be individuals of good character and otherwise meet Franchisor's then-applicable standards for franchisees.

16.3.2 The transferee must have sufficient business experience, aptitude, and financial resources to operate the Franchised Business and to comply with this Agreement;

16.3.3 The transferee has agreed to complete Franchisor's Initial Training Program to Franchisor's satisfaction;

16.3.4 Franchisee has paid all amounts owed to Franchisor and third-party creditors;

16.3.5 The transferee agrees to renovate, refurbish, remodel, and/or replace, at the transferee's own cost, elements of the Franchised Business premises, signage and/or equipment within timeframes specified by Franchisor to comply with Franchisor's then-current specifications;

16.3.6 The transferee has executed Franchisor's then-standard form of Franchise Agreement, which may have terms and conditions different from this Agreement, except that the transferee shall not be required to pay the Initial Franchise Fee;

16.3.7 Franchisee and the transferee and each of Franchisee's and the transferee's Principal(s) shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's officers, directors, shareholders, members and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. Franchisee will agree to subordinate any claims Franchisee may have against the transferee to Franchisor, and indemnify Franchisor against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by Franchisor in the Franchise Disclosure Document given to the transferee;

16.3.8 Franchisor has granted written approval of the material terms and conditions of the Transfer, including, without limitation, that the price and terms of payment will not adversely affect the Franchised Business's operation. However, Franchisor's approval of a Transfer is not in any way a representation or warranty of the transferee's success or the soundness of transferee's decision to purchase the Franchise on such terms and conditions. Franchisee shall provide Franchisor all proposed transfer documents for Franchisor's review at least thirty (30) days prior to a closing of the proposed Transfer;

16.3.9 If Franchisee or any Principal finances any part of the sale price of the Transfer, Franchisee or its Principal have agreed that all obligations of the transferee under any notes, agreements or

security interests to Franchisee or its Principal will be subordinate to the transferee's obligations to Franchisor; and

16.3.10 If consent is required, the lessor of the Franchised Business's premises consents to the assignment or further sublet of the premises to the transferee.

16.4 As a condition to any Transfer, Franchisee shall pay Franchisor a transfer fee equal to Twenty Thousand Dollars (\$20,000.00); provided however, for a transfer to add a business entity or new shareholder or member of the Franchisee entity and such transfer does not change management control of the franchise, the transfer fee is waived.

16.5 Entity Formation Documents. The By-Laws of a corporation or Operating Agreement of a limited liability company of a Franchisee that is an entity must state that (i) the issuance and assignment of any interest in Franchisee are restricted by this Article 16; (ii) Franchisee may conduct no business except the operation of a Franchised Business pursuant to the terms of this Agreement; (iii) transfers of interests in Franchisee are subject to the terms of this Agreement governing transfers; and (iv) stock or member certificates will contain a legend so indicating.

16.6 Franchisor 's Right of First Refusal.

16.6.1 If Franchisee wishes to transfer all or part of its interest in the Franchised Business or this Agreement or if a Principal wishes to transfer any ownership interest in Franchisee, pursuant to any bona fide offer to purchase such interest, then Franchisee or such Principal shall promptly notify Franchisor in writing of each such offer and shall provide such information and documentation relating to the offer as Franchisor may require.

16.6.2 Franchisor has the right, exercisable by written notice to Franchisee within thirty (30) days after receipt of written notification and copies of all documentation required by Franchisor describing such offer, to buy the interest in this Agreement and the Franchised Business or the Principal's interest in Franchisee for the price and on the terms and conditions contained in the offer, subject to Section 16.6.3.

16.6.3 Franchisee further agrees, in the event Franchisor exercises its right of first refusal, notwithstanding anything to the contrary contained in the offer, that (i) Franchisor may substitute cash for any other form of consideration contained in the offer; (ii) at Franchisor 's option, Franchisor may pay the entire purchase price at closing; (iii) Franchisor 's credit will be deemed equal to the credit of any proposed transferee; (vi) Franchisor will have at least ninety (90) days to close the purchase; and (v) Franchisor will be entitled to receive from the Franchisee all customary representations and warranties given by a seller of the assets of a business or equity interest in an entity, as applicable.

16.6.4 If Franchisor does not exercise its right to buy within thirty (30) days, Franchisee may thereafter transfer the interest to the transferee on terms no more favorable than those disclosed to Franchisor, provided that such transfer is subject to Franchisor's prior written approval pursuant to Section 16.3 hereof. However, if (i) the sale to the transferee is not completed within one hundred twenty (120) days after the offer is given to Franchisor or (ii) there is any material change in the terms of the offer, the offer will again be subject to Franchisor's right of first refusal.

16.7 Death or Permanent Disability. The grant of rights under this Agreement is personal to Franchisee, and on the death or permanent disability of Franchisee or any Principal, the executor, administrator, conservator or other personal representative of Franchisee or Principal, as the case may be, shall transfer Franchisee's or Principal's interest in the Franchise within six (6) months from the date of

death or permanent disability to a third party approved by Franchisor. A transfer under this Section 16.7, including without limitation, transfer by devise or inheritance, is subject to the conditions for Transfers in this Article 16 and unless transferred by gift, devise, or inheritance, subject to the terms of Section 16.6 above. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of Franchisee's Franchised Business during the six (6)-month period from its onset.

Immediately after the death or permanent disability of such person, or while the Franchise is owned by an executor, administrator, guardian, personal representative or trustee of that person, the Franchised Business shall be supervised by an interim successor manager satisfactory to Franchisor, or Franchisor, in its sole discretion, may provide interim management at Franchisor's then-current interim management support fee, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, pending transfer of the Franchise to the deceased or disabled individual's lawful heirs or successors.

16.8 Effect of Consent to Transfer. Franchisor's consent to a Transfer will not waive any claims Franchisor may have against the Franchisee or any Principals nor waive its right to demand that the transferee comply strictly with this Agreement.

16.9 Security Interests to Lender. If Franchisee is in full compliance with this Agreement, Franchisee may pledge or give a security interest in Franchisee's interest in the assets of the Franchised Business to a lender of the funds needed by Franchisee for Franchisee's initial investment, provided that the security interest is subordinate to Franchisee's obligations to Franchisor, that a foreclosure on such a pledge or security interest and/or any Transfer resulting from such a foreclosure shall be subject to all provisions of this Agreement, and that Franchisee obtains from the lender a written acknowledgement to Franchisor of these restrictions. Notwithstanding the foregoing, in the event Franchisee obtains financing whereby funding is provided with the assistance of the United States Small Business Administration ("SBA Financing"), Franchisee shall be permitted to grant the lender of such SBA Financing a senior lien on any collateral Franchisee uses to secure the SBA Financing, and Franchisor agrees to (i) subordinate its interest in any lien on Franchisee's collateral to that of the lender of the SBA Financing and (ii) waive the requirement of the written acknowledgement referenced in this Section.

17. DEFAULTS.

17.1 Default and Automatic Termination. Franchisee shall be deemed to be in material default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or makes a general assignment for the benefit of creditors; or if Franchisee files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or admits in writing its inability to pay its debts when due; or if Franchisee is adjudicated a bankrupt or insolvent in proceedings filed against Franchisee under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if Franchisee entity is dissolved; or if execution is levied against Franchisee's business or property; or if suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days.

17.2 Defaults with No Opportunity to Cure. Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon notice to Franchisee, if Franchisee, or any Principal, as the case may be:

17.2.1 has misrepresented or omitted material facts in applying for the Franchise;

17.2.2 fails to (i) acquire a site for the Franchised Business, (ii) complete construction of the Franchised Business premises, (iii) obtain all licenses and permits before opening, or (iv) open the Franchised Business within the time and in the manner specified in Article 8.

17.2.3 ceases to operate the Franchised Business for a period of five (5) days or more; subject to loss or casualty which is governed by Section 17.2.5 and Section 17.2.6;

17.2.4 loses for any cause whatsoever the right of possession of the Franchised Business premises; provided, however, that this provision shall not apply if through no fault of Franchisee, Franchisee loses right of possession and Franchisee applies within thirty (30) days after such event, for Franchisor's approval to relocate the Franchised Business (which approval shall not be unreasonably withheld) and Franchisee diligently pursues such relocation in accordance with Section 8.4;

17.2.5 fails to restore the Franchised Business premises to full operation within a reasonable period of time but not more than one hundred twenty (120) days from the date the Franchised Business premises is rendered inoperable by any casualty, as may be extended by Franchisor in Franchisor's reasonable discretion;

17.2.6 fails to comply with any federal, state, or local law, rule, or regulation, applicable to the operation of the Franchised Business, including, but not limited to, the failure to pay taxes;

17.2.7 defaults under any lease or sublease of the real property on which the Franchised Business is located;

17.2.8 understates Gross Revenue on two (2) occasions or more, whether or not cured on any or all of those occasions;

17.2.9 fails to comply with the covenants in Article 15;

17.2.10 permits a Transfer in violation of the provisions of Article 16 of this Agreement;

17.2.11 fails, or Franchisee's legal representative fails, to transfer the interests in this Franchise Agreement and the Franchised Business upon death or permanent disability of Franchisee or any Principal as required by Section 16.7.

17.2.12 is convicted of, or pleads no contest to, a felony or to a crime that could damage the goodwill associated with the Marks; or engages in any other conduct that may harm the reputation of the System or the goodwill associated with the Marks;

17.2.13 receives an adverse judgment or a consent decree in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which is likely to have an adverse effect on the System, or the Marks, the goodwill associated therewith or Franchisor's interest therein, in Franchisor's sole opinion;

17.2.14 conceals revenues, maintains false books, or records, or submits any false reports;

17.2.15 creates a threat or danger to public health or safety from the construction, maintenance, or operation of the Franchised Business;

17.2.16 refuses to permit Franchisor to inspect the Franchised Business premises or audit Franchisee's books or records;

17.2.17 makes any unauthorized use of the Marks or copyrighted material or any unauthorized use or disclosure of Confidential Information (as defined in Section 19.2);

17.2.18 fails to comply with the non-competition covenants in Section 19.5;

17.2.19 defaults in the performance of Franchisee's obligations under this Agreement three (3) or more times during the term of this Agreement or has been given at least two (2) notices of default in any consecutive twelve (12)-month period, whether or not the defaults have been corrected;

17.2.20 has insufficient funds to honor a check or electronic funds transfer two (2) or more times within any consecutive twelve (12)-month period;

17.2.21 defaults, or an affiliate of Franchisee defaults, under any other agreement, including any other franchise agreement, with Franchisor or any of its affiliates or suppliers and does not cure such default within the time period provided in such other agreement; or

17.2.22 terminates this Agreement without cause.

17.3 Curable Defaults. Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, if Franchisee fails to cure the default within the time period set forth in this Section 17.3, effective immediately upon notice to Franchisee, if Franchisee, or any Principal, as the case may be:

17.3.1 fails to pay when due any amounts due to Franchisor under this Agreement or any related agreement and does not correct the failure within five (5) days after written notice; provided, however, Franchisor has no obligation to give written notice of a late payment more than two (2) times in any twelve (12)-month period, and the third such late payment in any twelve (12)-month period shall be a non-curable default under Sections 17.2.19 and/or 17.2.20;

17.3.2 fails to perform any non-monetary obligation imposed by this Agreement (excepting those defaults of obligations set forth in Sections 17.1 and 17.2 for which there is no opportunity to cure) and such default shall continue for five (5) days after Franchisor has given written notice of such default, or if the default cannot be reasonably corrected within said five (5)-day period, then if it is not corrected within such additional time as may be reasonably required assuming Franchisee proceeds diligently to cure; provided, however, Franchisor has no obligation to give written notice of a non-monetary default more than two (2) times in any twelve (12)-month period, and the third such default, whether monetary or non-monetary, in any twelve (12) - month period shall be a non-curable default under Section 17.2.19.

17.4 Franchisor's Cure of Franchisee's Defaults. In the event of a default by Franchisee, in addition to Franchisor's right to terminate the Franchise Agreement, and not in lieu thereof, Franchisor may, but has no obligation to:

17.4.1 effect a cure on Franchisee's behalf and at Franchisee's expense, and Franchisee shall immediately pay Franchisor the costs incurred by Franchisor upon demand; or

17.4.2 enter upon the Franchised Business premises and exercise complete authority with respect to the operation thereof until such time as Franchisor determines that the default of Franchisee has been cured and that Franchisee is complying with the requirements of this Agreement. Franchisee specifically agrees that a designated representative of Franchisor may take over, control, and operate the Franchised Business. In addition to all other fees paid under this Agreement, Franchisee shall pay Franchisor the then-current interim management support fee, plus any and all costs of travel, lodging, meals, and other expenses reasonably incurred by Franchisor during Franchisor's operation thereof as compensation therefor. Further, Franchisee shall reimburse Franchisor for the full compensation paid to such representative including the cost of all fringe benefits plus all travel expenses, lodging, meals, and other expenses reasonably incurred by such representative until the default has been cured and Franchisee is complying with the terms of this Agreement.

17.5 Notice to Suppliers. In the event of a default by Franchisee, in addition to Franchisor's right to terminate the Franchise Agreement, and not in lieu thereof, Franchisor reserves the right with five (5) days' prior written notice to Franchisee to direct suppliers to stop furnishing any and all products and supplies until such time as Franchisee's default is cured. In no event shall Franchisee have recourse against Franchisor for loss of revenue, customer goodwill, profits or other business arising from Franchisor's actions and the actions of suppliers.

17.6 Reimbursement of Costs. Franchisee shall reimburse Franchisor all costs and expenses, including but not limited to attorneys' fees, incurred by Franchisor as a result of Franchisee's default, including costs in connection with collection of any amounts owed to Franchisor and/or enforcement of Franchisor's rights under this Agreement.

18. POST-TERMINATION.

18.1 Franchisee's Obligations. Upon termination or expiration of this Agreement, all rights and licenses granted hereunder to Franchisee shall immediately terminate and Franchisee and each Principal, if any, shall:

18.1.1 immediately cease to operate the Franchised Business, and shall not thereafter, directly, or indirectly identify himself, herself, or itself as a current The Kati Roll Company owner, franchisee, or licensee;

18.1.2 immediately and permanently (i) cease to use the Marks, any imitation of any Mark, logos, copyrighted material, or other intellectual property, Confidential Information (as defined in Section 19.2 hereof), confidential or proprietary material or indicia of a The Kati Roll Company outlet, (ii) cease to use any trade name, trade or service mark or other commercial symbol that suggests a current or past association with Franchisor, Franchisor's affiliates, or the System and (iii) de-identify the Franchised Business premises. In particular, Franchisee shall cease to use, without limitation, all signs, billboards, advertising materials, displays, stationery, forms, and any other articles, which display the Marks;

18.1.3 take such action as may be necessary to cancel any assumed name or equivalent registration that contains the Mark or any other service mark or trademark of Franchisor, and Franchisee shall furnish Franchisor with evidence of compliance with this obligation, which is satisfactory to Franchisor, within five (5) days after termination or expiration of this Agreement;

18.1.4 promptly pay all sums owing to Franchisor and its affiliates. Such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of any default by Franchisee. The payment obligation herein shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by Franchisee and located at the Franchised Business premises at the time of default;

18.1.5 pay to Franchisor all damages for any breach or early termination of this Agreement, plus, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor in connection with obtaining any remedy available to Franchisor, including injunctive or other relief for the enforcement of any provisions of this Agreement that survive its termination;

18.1.6 immediately deliver at Franchisee's sole cost and expense, to Franchisor the Manual and all records, files, instructions, correspondence, invoices, agreements, all confidential, proprietary and copyrighted material and all other materials related to operation of the Franchised Business, including but not limited to recipes, customer lists and records, and advertising material (all of which are acknowledged to be Franchisor's property), delete all electronic copies and retain no copy or record of any of the foregoing, except Franchisee's copy of this Agreement and of any correspondence between the parties and any other documents that Franchisee reasonably needs for compliance with any provision of law;

18.1.7 comply with the non-disclosure and non-competition covenants contained in Article 19; and

18.1.8 in the event this Agreement is terminated due to Franchisee's default, pay Franchisor a lump sum payment (as liquidated damages and not as a penalty) in an amount equal to: (a) the average monthly Royalty Fee and Brand Fund Contribution payable by Franchisee over the twelve (12) month period immediately prior to the date of Franchisee's default (or such shorter time period if the Franchised Business has been open less than twelve (12) months); (b) multiplied by the lesser of (i) twenty-four (24) or (ii) the number of months then remaining in the then-current term of this Agreement. Franchisee acknowledges that a precise calculation of the full extent of the damages Franchisor will incur in the event of termination of this Agreement as a result of Franchisee's default is difficult to determine and that this lump sum payment is reasonable in light thereof. The liquidated damages payable by Franchisee pursuant to this Section 18.1.8 shall be in addition to all other amounts payable under this Agreement and shall not affect Franchisor's right to obtain appropriate injunctive relief and remedies pursuant to any other provision of this Agreement.

18.2 Right to Purchase.

18.2.1 Franchisor shall have the option, to be exercised within thirty (30) days after the termination of this Agreement, to purchase from Franchisee any or all of the furnishings, equipment (including any point of sale system), signs, fixtures, advertising materials, supplies, and inventory of Franchisee related to the operation of the Franchised Business, at Franchisee's cost or fair market value, whichever is less. Franchisor shall purchase Franchisee's assets free and clear of any liens, charges, encumbrances or security interests and Franchisor shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of Franchisor's exercise of its option, fair market value shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and shall split the appraisal fees equally. If Franchisor elects to exercise its option to purchase herein provided, it shall have the right to set off (i) all fees for any such independent appraiser due from Franchisee, (ii) all amounts due from Franchisee to

Franchisor or any of its affiliates and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash. Closing of the purchase shall take place no later than thirty (30) days after Franchisor notifies Franchisee that Franchisor exercises its option to purchase the assets.

18.2.2 With respect to the options described in Sections 18.2.1, Franchisee shall deliver to Franchisor in a form satisfactory to Franchisor, such warranties, releases of lien, bills of sale, assignments and such other documents and instruments that Franchisor deems necessary in order to perfect Franchisor's title and possession in and to the assets being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, Franchisee has not obtained all of these certificates and other documents, Franchisor may, in its sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents.

18.2.3 Franchisor shall be entitled to assign any and all of its option in Section 18.2.1 to any other party, without the consent of Franchisee.

18.3 Assignment of Communications. Franchisee, at the option of Franchisor, shall assign to Franchisor all rights to the telephone numbers of the Franchised Business and any related public directory listing or other business listings and execute all forms and documents required by Franchisor and any telephone company at any time, to transfer such service and numbers to Franchisor. Further, Franchisee shall assign to Franchisor any and all social media and internet listings, domain names, internet advertising, websites, listings with search engines, electronic mail addresses or any other similar listing or usage related to the Franchised Business. Notwithstanding any forms and documents that may have been executed by Franchisee under Section 11.7, Franchisee shall provide Franchisor with all passwords and administrative rights, and hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. Franchisee shall thereafter use different telephone numbers, electronic mail addresses or other listings or usages at or in connection with any subsequent business conducted by Franchisee.

18.4 Survival. The rights and obligations of the parties contained in this Article 18 shall survive the expiration or sooner termination of this Agreement.

19. NON-DISCLOSURE AND NON-COMPETITION COVENANTS.

19.1 Operations Manual.

19.1.1 Franchisor has provided to Franchisee, on loan, a current copy of the Manual. The Manual may be in hard copy or made available to Franchisee in digital, electronic, or computerized form or in some other form now existing or hereafter developed that would allow Franchisee to view the contents thereof. If the Manual (or any changes thereto) are provided in a form other than physical copy, Franchisee shall pay any and all costs to retrieve, review, use or access the Manual. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation under Franchisor's Marks, Franchisee shall operate all aspects of the Franchised Business in accordance with the Manual, as they may from time to time be modified by Franchisor, other written directives that Franchisor may issue to Franchisee from time to time, whether or not such directives are included in the Manual, and any other manual and materials created or approved for use in the operation of the Franchised Business.

19.1.2 Franchisee and each Principal shall at all times treat the Manual, written directives, and other materials and any other confidential communications or materials, and the information contained therein, as confidential and shall maintain such information as trade secret and confidential in accordance

with this Article and this Agreement. Franchisee and Principal(s) shall not divulge and make such materials available to anyone other than those of Franchisee's employees who require the information contained therein to operate the Franchised Business. Franchisee shall, prior to disclosure, fully train and inform its employees on all the restrictions, terms, and conditions under which it is permitted to use Franchisor's intellectual, proprietary, and confidential information; and shall ensure its employees' compliance with such restrictions, terms, and conditions. Franchisee, Principal(s), and any person working with Franchisee shall agree not, at any time to use, copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent.

19.1.3 The Manual, written directives, and other materials and any other confidential communications provided or approved by Franchisor shall at all times remain the sole property of Franchisor. Franchisee shall maintain the Manual and all Franchisor's confidential and proprietary materials at all times in a safe and secure location, shall take all reasonable measures to prevent unauthorized access thereto, whether any attempted unauthorized access takes the form of physical access or access via computer or telecommunications networks or otherwise, and shall report the theft or loss of the Manual, or any portion thereof, immediately to Franchisor. At a minimum, Franchisee shall, in the case of computer and telecommunications networks, use the latest available firewall, encryption and similar technology to prevent unauthorized access. Franchisee shall delete all electronic copies and return and cease using any physical copy of the Manual and other confidential and proprietary materials to Franchisor immediately upon request or upon transfer, termination, or expiration of this Agreement.

19.1.4 Franchisor may from time to time revise the contents of the Manual and other materials created or approved for use in the operation of the Franchised Business. Franchisee expressly agrees to comply with each new or changed policy, standard or directive. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by Franchisor shall control.

19.1.4 If Franchisee loses, misplaces or otherwise requests a physical copy of the Manual, Franchisor, in its discretion, may provide such physical copy and Franchisee shall pay Franchisor the then-current replacement fee.

19.2 Confidential Information. Franchisee along with its Principal(s) acknowledge and accept that during the term of this Agreement, Franchisee and Principal(s) will have access to Franchisor's trade secrets, including, but not limited to, recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Franchised Business; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively referred to herein as the "Confidential Information"). Neither Franchisee nor Principal(s) shall, during the term of this Agreement and thereafter, communicate or divulge to, or use for the benefit of, any other person or entity, and, following the expiration or termination of this Agreement, shall not use for their own benefit, any Confidential Information that may be communicated to Franchisee or Principal(s) or of which Franchisee or Principal(s) may be apprised in connection with the operation of the Franchised Business under the terms of this Agreement. Franchisee and Principal(s) shall not divulge and make any Confidential Information available to anyone other than those of Franchisee's employees who require the Confidential Information to operate the Franchised Business and who have themselves entered into confidentiality and non-compete agreements containing the same provisions as contained in this Agreement, in accordance with Section 19.10 hereof. Franchisee and Principal(s) shall not at any time copy,

duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent. The covenant in this Section 19.2 shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Franchisee and each Principal.

19.3 Protection of Information. Franchisee shall take all steps necessary, at Franchisee's own expense, to protect the Confidential Information and shall immediately notify Franchisor if Franchisee finds that any Confidential Information has been divulged in violation of this Agreement.

19.4 New Concepts. If Franchisee or Principal(s) develops any new concept, process, product, recipe, or improvement in the operation or promotion of the Franchised Business ("Improvements"), Franchisee is required to promptly notify Franchisor and provide Franchisor with all related information, processes, products, recipe or other improvements, and sign any and all forms, documents and/or papers necessary for Franchisor to obtain full proprietary rights to such Improvements, without compensation and without any claim of ownership or proprietary rights to such Improvements. Franchisee and Principal(s) acknowledge that any such Improvements will become the property of Franchisor, and Franchisor may use or disclose such information to other franchisees as it determines to be appropriate. Franchisee acknowledges and agrees that nothing in this Section 19.4 permits Franchisee to test, introduce, provide, or otherwise offer any Improvement to customers, or use any Improvement in the operation of the Franchised Business, unless and until Franchisor consents to the use of the Improvement for such purpose.

19.5 Noncompetition Covenants. Franchisee and Principal(s) specifically acknowledge that, pursuant to this Agreement, Franchisee and Principal(s) will receive valuable training, trade secrets and Confidential Information of the System that are beyond the present knowledge, training and experience of Franchisee and Principal(s). Franchisee and Principal(s) acknowledge that such specialized training, trade secrets and Confidential Information provide a competitive advantage and will be valuable to them in the development and operation of the Franchised Business, and that gaining access to such specialized training, trade secrets and Confidential Information is, therefore, a primary reason why Franchisee and Principal(s) are entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and rights, Franchisee and Principal(s) covenant that, except as otherwise approved in writing by Franchisor:

19.5.1 During the term of this Agreement, Franchisee and each Principal shall not, either directly or indirectly, for themselves or through, on behalf of, or in conjunction with, any person or entity (i) divert, or attempt to divert, any business or customer of the Franchised Business or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any capacity in a restaurant, diner, or café that derives more than twenty percent (20%) of its gross receipts from the sale of Asian and Indian street-food, and/or other lunch and dinner items ("Competitive Business"); or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any The Kati Roll Company franchisees or Franchisor-affiliated outlets..

19.5.2 Upon the expiration or earlier termination of this Agreement or upon a Transfer and continuing for twenty-four (24) months thereafter, Franchisee and Principal(s) shall not, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person or entity (i) divert, or attempt to divert, any business or customer of the Franchised Business or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; or (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any Competitive Business within ten (10) miles of the Territory or of any The Kati Roll Company outlet; or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the

Marks and the System; or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any The Kati Roll Company franchisees.

19.6 Reasonableness of Restrictions. Franchisee and Principal(s) acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Franchisee or Principal(s) since Franchisee or Principal(s), as the case may be, have other considerable skills, experience and education which afford Franchisee or Principal(s), as the case may be, the opportunity to derive income from other endeavors.

19.7 Reduction of Time or Scope. If the period of time or the geographic scope specified above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Paragraph 19 or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees to forthwith comply with any covenant as so modified.

19.8 Injunctive Relief. Franchisee and Principal(s) acknowledge that a violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Accordingly, Franchisee and Principal(s) hereby consent to the entry of an injunction prohibiting any conduct by Franchisee or Principal(s) in violation of the terms of the covenants not to compete set forth in this Agreement.

19.9 No Defense. Franchisee and Principal(s) expressly agree that the existence of any claims they may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Article 19.

19.10 Covenants of Employees, Agents, and Third Persons. Franchisee shall require and obtain execution of covenants similar to those set forth in this Article 19 (including covenants applicable upon the termination of a person's employment with Franchisee) from all employees, contractors or third persons who will have access to Franchisor's Confidential Information, and Franchisee shall provide Franchisor with executed versions thereof. Such covenants shall be substantially in the form set forth in Attachment 8 as revised and updated from time to time and contained in the Manual. Franchisee shall indemnify and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of Franchisee's failure to obtain executed restricted covenants by employees, agents and third persons as required by this Section.

20. DISPUTE RESOLUTION.

20.1 Internal Dispute Resolution. Franchisee shall first bring any claim, controversy or dispute arising out of or relating to this Agreement, the Attachments hereto or the relationship created by this Agreement to Franchisor's president and/or chief executive officer for resolution by providing notice as set forth in Section 21.6 below. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

20.2 Mediation. At Franchisor's option, any claim, controversy, or dispute that is not resolved pursuant to Section 20.1 hereof shall be submitted to non-binding mediation. Franchisee shall provide Franchisor with written notice of Franchisee's intent to pursue any unresolved claim, controversy, or dispute, specifying in sufficient detail the nature thereof, prior to commencing any legal action. Franchisor

shall have thirty (30) days following receipt of Franchisee's notice to exercise Franchisor's option to submit such claim, controversy, or dispute to mediation. Mediation shall be conducted through a mediator or mediators in accordance with the American Arbitration Association Commercial Mediation Rules. Such mediation shall take place in the then-current location of Franchisor's corporate headquarters. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorney's fees incurred by either party), shall be borne by the parties equally. Franchisor may specifically enforce Franchisor's rights to mediation, as set forth herein.

20.3 Arbitration.

20.3.1 Except disputes not subject to alternative dispute resolution as set forth in Section 20.4, any dispute between Franchisor and Franchisee and/or any Principal arising out of or relating to this Agreement, the Attachments hereto or any breach thereof, including any claim that this Agreement or any of its parts, is invalid, illegal or otherwise voidable or void, which has not been resolved in accordance with Sections 20.1 or 20.2, will be resolved by submission to the American Arbitration Association or its successor organization to be settled by a single arbitrator in accordance with the Commercial Arbitration Rules then in effect for such Association or successor organization.

20.3.2 All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Article 20 will be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) and the federal common law of arbitration. All hearings and other proceedings will take place in Fairfield County, New York, or, if Franchisor so elects, at the offices of the American Arbitration Association or in the county where the principal place of business of Franchisee is then located.

20.3.3 This arbitration provision is self-executing and will remain in full force and effect after expiration or termination of this Agreement. Any arbitration will be conducted on an individual, and not a class-wide or multiple plaintiffs, basis. If either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against the party by default or otherwise, notwithstanding the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Franchisee, or entities related to either of them, in an arbitration proceeding or otherwise, and are hereby waived.

20.3.4 The provisions of this Section 20.3 are independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law.

20.3.5 In proceeding with arbitration and in making determinations hereunder, no arbitrator shall extend, modify, or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. No notice, request or demand for arbitration shall stay, postpone, or rescind the effectiveness of any termination of this Agreement.

20.3.6 Except as expressly required by law, Franchisor, Franchisee, and Principal(s) shall keep all aspects of any mediation and/or arbitration proceeding in confidence and shall not disclose any information about the proceeding to any third party other than legal counsel who shall be required to maintain the confidentiality of such information.

20.4 Exceptions. Notwithstanding the requirements of Sections 20.2 or 20.3, the following claims shall not be subject to mediation or arbitration:

20.4.1 Franchisor's claims for injunctive or other extraordinary relief;

20.4.2 disputes and controversies arising from the Sherman Act, the Clayton Act or any other federal or state antitrust law;

20.4.3 disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the Marks;

20.4.4 disputes and controversies relating to actions to obtain possession of the premises of the Franchised Business; and

20.4.5 enforcement of Franchisee's post-termination obligations, including but not limited to, Franchisee's non-competition covenants.

20.5 Governing Law and Venue. Any claims, controversies, disputes or actions arising out of this Agreement shall be governed, enforced and interpreted pursuant to the laws of the State of New York. Franchisee and Principal(s), except where specifically prohibited by law, hereby irrevocably submit themselves to the sole and exclusive jurisdiction of the state and federal courts in New York. Franchisee and Principal(s) hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision.

20.6 Mutual Benefit. Franchisee, Principal(s), and Franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 20.5 provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising hereunder. Each of Franchisee, Principal(s), and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

20.7 Waiver of Jury Trial and Certain Damages. Franchisee and Principal(s) hereby waive, to the fullest extent permitted by law, any right to or claim for (i) a trial by jury in any action, proceeding or counterclaim brought by or against Franchisor, and (ii) any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever. Each of Franchisee and Principal(s) agree that in the event of a dispute, Franchisee and each Principal shall be limited to the recovery of any actual damages sustained.

20.8 Injunctive Relief. Nothing herein contained (including, without limitation, Sections 20.1 through 20.3 above) shall bar Franchisor from the right to obtain immediate injunctive relief from any court of competent jurisdiction against threatened conduct by Franchisee that may cause Franchisor loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions.

20.9 Limitations of Claims. Any and all claims asserted by Franchisee arising out of or relating to this Agreement or the relationship with Franchisor will be barred unless a proceeding for relief is commenced within one (1) year from the date on which Franchisee knew or should have known of the facts giving rise to such claims.

20.10 Attorney's Fees. In the event of any action in law or equity by and between Franchisor and Franchisee concerning the operation, enforcement, construction or interpretation of this Agreement,

the prevailing party in such action shall be entitled to recover reasonable attorney's fees and court costs incurred.

20.11 Survival. The provisions of this Article 20 shall continue in full force and effect notwithstanding the expiration or termination of this Agreement or a transfer by Franchisee or any Principal of their respective interests in this Agreement.

21. GENERAL.

21.1 Relationship of the Parties.

21.1.1 Independent Licensee. Franchisee is and shall be an independent licensee under this Agreement, and no partnership shall exist between Franchisee and Franchisor. This Agreement does not constitute Franchisee as an agent, legal representative, or employee of Franchisor for any purpose whatsoever, and Franchisee is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, or in any way to bind Franchisor. Franchisee agrees not to incur or contract any debt or obligation on behalf of Franchisor or commit any act, make any representation, or advertise in any manner which may adversely affect any right of Franchisor or be detrimental to Franchisor or other franchisees of Franchisor. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Franchisee which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Franchisee operation of the Franchised Business. Pursuant to the above, Franchisee agrees to indemnify Franchisor and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of claims, demands, taxes, costs, or judgments against Franchisor arising out of any allegation of an agent, partner, or employment relationship.

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

21.1.3 Franchisee's Employees. Franchisor has no authority to control, either directly or indirectly, the essential terms and conditions of employment of Franchisee's employees. Franchisee acknowledges and agrees that Franchisee, in Franchisee's sole and absolute discretion, shall determine all such essential terms and conditions of employment, which are defined in the Manual. Franchisee specifically agrees that any training Franchisor provides for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems, and operations of a The Kati Roll Company Franchise and in no fashion reflects any employment relationship between Franchisor and such employees. If ever it is asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agrees to assist Franchisor in defending said allegation, appearing at any venue requested by Franchisor to testify on Franchisor's behalf, participate in depositions, other appearances or preparing affidavits rejecting any assertion that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees.

21.2 Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of Franchisor and shall be personally binding on and inure to the benefit of Franchisee (including the individuals executing this Agreement on behalf of the Franchisee entity) and its or their respective heirs, executors, administrators and successors or assigns; provided, however, the foregoing provision shall not be construed to allow a transfer of any interest of Franchisee or Principal(s) in this Agreement or the Franchised Business, except in accordance with Article 16 hereof.

21.3 Invalidity of Part of Agreement. Should any provisions in this Agreement, for any reason, be declared invalid, then such provision shall be invalid only to the extent of the prohibition without in any way invalidating or altering any other provision of this Agreement.

21.4 Construction. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any provision herein may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Franchisee and any Principals shall be deemed to be joint and several covenants, agreements, and obligations of each of the persons named as Franchisee, if more than one person is so named.

21.5 Captions. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

21.6 Notices. Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as set forth in the introductory paragraph of this Agreement, or at such other address or addresses as the parties may from time to time designate in writing.

21.7 Effect of Waivers. No waiver, delay, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising from any default or breach by Franchisee shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or of a different kind. Any use by Franchisee of the System or any part thereof at any place other than at the Franchised Business premises approved by Franchisor shall not give Franchisee any rights not specifically granted hereunder. Failure to take action to stop such use shall not in any event be considered a waiver of the rights of Franchisor at any time to require Franchisee to restrict said use to the approved Franchised Business outlet.

21.8 Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies that are provided for herein or that may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between Franchisee or any of its affiliates and Franchisor or any of its affiliates. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination, or exercise of Franchisor's rights pursuant to Article 17 shall not discharge or release Franchisee or any Principal from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination, or the exercise of such rights under this Agreement.

21.9 Consent to Do Business Electronically. This agreement is made in the State of New York. The parties to the Franchise Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of New York, the parties hereby affirm to each other that they agree with the terms of the Franchise Agreement and its Attachments, and by attaching their signature electronically to the Franchise Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to the Franchise Agreement can rely on an electronic signature as the respective party's signature.

21.10 Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

21.11 Survival. Any obligation of Franchisee or Principal(s) that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of Franchisee or a Principal thereof shall be deemed to survive such termination, expiration or transfer.

21.12 Entire Agreement. This Agreement, including all attachments, is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Franchisee, provided that nothing in this Agreement is intended to disclaim the representations made to Franchisee in Franchisor's Franchise Disclosure Document. No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.

The parties hereto have executed this Franchise Agreement on the day and year first above written.

FRANCHISOR:
TKRC FRANCHISING COMPANY, LLC

By: _____

_____,
(Print Name, Title)

FRANCHISEE (Entity):

By: _____

_____,
(Print Name, Title)

FRANCHISEE (Principal):

(Print Name)

ATTACHMENT 1

TRADEMARKS

Service Marks –

THE KATI ROLL COMPANY



TKRC

The Kati Roll Company *

ATTACHMENT 2

**TERRITORY DESCRIPTION AND
FRANCHISED BUSINESS ADDRESS**

(If there is no Approved Site on the Effective Date, include: **TERRITORY AND ADDRESS TO BE DETERMINED AND INSERTED AFTER A THE KATI ROLL COMPANY SITE IS APPROVED BY FRANCHISOR IN THE NON-EXCLUSIVE SITE SEARCH AREA OF _____.)

Territory (insert map and/or define by zip codes):

Approved Franchised Business Address:

ATTACHMENT 3

**AUTHORIZATION AGREEMENT
AUTOMATIC DEPOSITS (ACH WITHDRAWALS)**

Franchisor Name: TKRC Franchising Company, LLC

I (We) hereby authorize TKRC Franchising Company, LLC, hereinafter called Franchisor, to initiate debit entries to my (our) Checking Account/Savings Account (Select One) indicated below at the depository financial institution named below, and to debit the same to such account. I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. Law, and that I will be responsible for any banking fees that my institution charges.

Financial Institution Name: _____ Branch: _____

City: _____ State: _____ Zip: _____ Phone: _____

ACH/Routing Number: _____ Account Number: _____
(Nine Digits)

This authorization is to remain in full force and effect until Franchisor has received a written replacement ACH Withdrawal Form notification from me. I (We) understand that revocation of this Authorization Agreement by me (us) may constitute an event of Default under the Franchise Agreement.

I (We) understand that the amount to be withdrawn by Franchisor will not be the same each month and I (We) therefore authorize all monetary transfers pursuant to Articles 6 and 18 of the Franchise Agreement.

Print Franchisee / Account Holder Name

Print Franchisee/Co-Account Holder Name

Franchisee/ Account Holder Signature-Date
Signature-Date

Franchisee/Co-Account Holder

Daytime Phone Number

Email Address

PLEASE ATTACH A VOIDED CHECK TO THIS FORM

Please Return Form to:

TKRC Franchising Company, LLC
330 Pearl Street
New York, New York, 10038

ATTACHMENT 4

CONDITIONAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned _____ ("Assignor") hereby assigns and transfers to TKRC Franchising Company, LLC, a New York limited liability company, with its principal place of business at 330 Pearl Street, New York, NY, 10038 ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which shall be attached hereto (the "Lease") respecting premises commonly known as _____. This Assignment is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that Assignor has full power and authority to so assign the Lease and Assignor's interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of Assignor's interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement for a The Kati Roll Company outlet between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment, or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place, and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

DATED: _____ By: _____

_____,
(Print Name, Title)

DATED: _____

DATED: _____

CONSENT AND AGREEMENT OF LANDLORD

to that Conditional Assignment of Lease from _____ (Assignor) to TKRC Franchising Company, LLC (Assignee) dated _____ for the property known as _____.

The undersigned Landlord under the aforescribed Lease further hereby:

- (a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;
- (b) Agrees that Assignee shall have the right, but shall not be obligated, to cure any default by Assignor under the Lease within 30 days after delivery by Landlord of notice thereof in accordance with paragraph (a) above;
- (c) Consents to the foregoing Conditional Assignment and agrees that if Assignee takes possession of the Premises demised by the Lease and confirms to Landlord the assumption of the Lease by Assignee as tenant thereunder, Landlord shall recognize Assignee as tenant under the Lease, provided that Assignee cures within the 30-day period the non-monetary defaults, if any, of Assignor under the Lease;
- (d) Agrees that Assignee may further assign the Lease to a person, firm or corporation who shall agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Landlord and upon such assignment Assignee shall have no further liability or obligation under the Lease as assignee, tenant or otherwise.
- (e) Permits Assignee to enter upon the Premises without being guilty of trespass or any other crime or tort to de-identify the Premises as a The Kati Roll Company outlet if Tenant fails to do so following termination of the Franchise Agreement or Lease, provided that Assignee shall repair any damage caused thereby.

DATED: _____

LANDLORD:

ATTACHMENT 5

STATEMENT OF OWNERSHIP INTERESTS IN THE FRANCHISEE

Name

Percentage of Ownership

ATTACHMENT 6

GUARANTY

This Guaranty and Covenant (this “Guaranty”) is given by the undersigned (“Guarantor”) on _____, (the “Effective Date”) to TKRC Franchising Company, LLC, a New York limited liability company (“Franchisor”), in order to induce Franchisor to enter into that certain Franchise Agreement dated on or about the Effective Date hereof (the “Franchise Agreement”) with _____, a(n) _____, _____ and _____ (collectively “Franchisee”).

Guarantor acknowledges that Guarantor is the spouse of Franchisee’s Principal, as that term is used in the Franchise Agreement.

Guarantor acknowledges that Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty is in partial consideration for, and a condition to the granting of, the rights granted in the Franchise Agreement to Franchisee, and that Franchisor would not have granted these rights without the execution of this Guaranty by Guarantor.

Guarantor hereby individually makes, agrees to be bound by, and agrees to perform, all of the monetary obligations and non-competition covenants and agreements of the Franchisee as set forth in the Franchise Agreement, including but not limited to, the covenants set forth in Sections 19.2, 19.5, 19.6, 19.8 and 19.9 of the Franchise Agreement (“Guaranteed Obligations”). Guarantor shall perform and/or make punctual payment to Franchisor of the Guaranteed Obligations in accordance with the terms of the Franchise Agreement or other applicable document forthwith upon demand by Franchisor.

This Guaranty is an absolute and unconditional continuing guaranty of payment and performance of the Guaranteed Obligations. This Guaranty shall not be discharged by renewal of any claims guaranteed by this instrument, change in ownership or control of the Franchisee entity, transfer of the Franchise Agreement, the suffering of any indulgence to any debtor, extension of time of payment thereof, nor the discharge of Franchisee by bankruptcy, operation of law or otherwise. Presentment, demand, protest, notice of protest and dishonor, notice of default or nonpayment and diligence in collecting any obligation under any agreement between Franchisee and Franchisor are each and all waived by Guarantor and/or acknowledged as inapplicable. Guarantor waives notice of amendment of any agreement between Franchisee and Franchisor and notice of demand for payment by Franchisee. Guarantor further agrees to be bound by any and all amendments and changes to any agreement between Franchisee and Franchisor.

Franchisor may pursue its rights against Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy.

If other guarantors have guaranteed any and or all of the Guaranteed Obligations, their liability shall be joint and several to that of Guarantor.

Until all of the Guaranteed Obligations have been paid in full and/or performed in full, Guarantor shall not have any right of subrogation, unless expressly given to Guarantor in writing by Franchisor.

All Franchisor's rights, powers, and remedies hereunder and under any other agreement now or at any time hereafter in force between Franchisor and Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Franchisor by law.

Should any one or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

This Guaranty shall extend to and inure to the benefit of Franchisor and its successors and assigns and shall be binding on Guarantor and its successors and assigns.

Guarantor has signed this Guaranty as of the date set forth above.

GUARANTOR - SPOUSE OF FRANCHISEE'S PRINCIPAL:

Signature

Name:_____

Address:_____

ATTACHMENT 7

INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE LISTING AGREEMENT

THIS INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE ACCOUNT AGREEMENT (the “Agreement”) is made and entered into this day of _____ (the “Effective Date”) by and between TKRC Franchising Company, LLC, a New York limited liability company (the “Franchisor”), and _____ a(n) _____, with its principal place of business located at _____ and _____’s principal(s) _____, an individual residing at _____ and _____, an individual residing at _____ (“Principal(s)”). _____ and Principal(s) shall be individually and collectively referred to, and each is, the “Franchisee”.

WHEREAS, Franchisee desires to enter into a franchise agreement with Franchisor for a The Kati Roll Company business (“Franchise Agreement”) which will allow Franchisee, among other things, to conduct internet-based advertising, maintain social media accounts, software accounts, and use telephone listings linked to the The Kati Roll Company brand.

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

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions**

All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. “Termination” of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

2. **Internet Advertising and Telephone Accounts**

2.1 **Interest in Websites, Social Media, and Software Accounts and Other Electronic Listings.** Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of Franchise Agreement, certain right, title, or interest in and to certain domain names, social media accounts, software accounts, hypertext markup language, uniform resource locator addresses, access to corresponding internet websites, and the right to hyperlink to certain websites and listings on various internet search engines (collectively, “Electronic Advertising”) related to the Franchised Business or the Marks.

2.2 **Interest in Telephone Numbers and Listings.** Franchisee has or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, internet page, and other telephone directory listings (collectively, the “Telephone Listings”) related to the Franchised Business or the Marks.

2.3 **Transfer.** On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately:

2.3.1 direct all internet service providers, domain name registries, internet search engines, social media and software companies, and other listing agencies (collectively, the “Internet Companies”) with which Franchisee has Electronic Advertising and Telephone Listings: (i) to transfer all of Franchisee’s interest in such Electronic Advertising and Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Advertising and Telephone Listings, Franchisee will immediately direct the Internet Companies to terminate such Electronic Advertising and Telephone Listings or will take such other actions with respect to the Electronic Advertising and Telephone Listings as Franchisor directs; and

2.3.1 direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the “Telephone Companies”) with which Franchisee has Telephone Listings: (i) to transfer all Franchisee’s interest in such Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Listings or will take such other actions with respect to the Telephone Listings as Franchisor directs.

2.4 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor’s benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee’s true and lawful attorney-in-fact with full power and authority in Franchisee’s place and stead, and in Franchisee’s name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.4.1 Direct the Internet Companies to transfer all Franchisee’s interest in and to the Electronic Advertising and Telephone Listings to Franchisor, or alternatively, to direct the Internet Companies to terminate any or all of the Electronic Advertising and Telephone Listings;

2.4.2 Direct the Telephone Companies to transfer all Franchisee’s interest in and to the Telephone Listings to Franchisor, or alternatively, to direct the Telephone Companies to terminate any or all of the Telephone Listings; and

2.4.3 Execute such standard assignment forms or other documents as the Internet Companies and/or Telephone Companies may require in order to affect such transfers or terminations of Franchisee’s interest.

2.5 Certification of Termination. Franchisee hereby directs the Internet Companies and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor’s written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.6 Cessation of Obligations. After the Internet Companies and the Telephone Companies have duly transferred all Franchisee’s interests as described in paragraph 2.3 above to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations with respect to the particular Electronic Advertising and/or Telephone Listing. Notwithstanding the foregoing,

Franchisee will remain liable to each and all of the Internet Companies and Telephone Companies for the respective sums Franchisee is obligated to pay to them for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such interests, or for any other obligations not subject to the Franchise Agreement or this Agreement.

3. **Miscellaneous**

3.1 **Release.** Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet Companies and/or Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertible in, or in any way related to this Agreement.

3.2 **Indemnification.** Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Agreement.

3.3 **No Duty.** The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's interest in any matter hereunder.

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

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

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

3.7 **Survival.** This Agreement shall survive the Termination of the Franchise Agreement.

3.8 **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of New York, without regard to the application of New York conflict of law rules.

The undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

TKRC FRANCHISING COMPANY, LLC

By: _____
_____, _____
(Print Name, Title)

FRANCHISEE (Entity):

By: _____
_____, _____
(Print Name, Title)

FRANCHISEE (Principal):

(Print Name)

FRANCHISEE (Principal):

(Print Name)

ATTACHMENT 8

CONFIDENTIALITY AND NON-COMPETE AGREEMENT

This Confidentiality and Non-Compete Agreement (the “Agreement”) is made and entered into this day of _____, by _____, a(n) _____ (“Franchisee”), a franchisee of TKRC Franchising Company, LLC, a New York limited liability company (“Franchisor”), and _____, an individual (“Covenantor”).

WHEREAS, Franchisee and Franchisor are parties to a franchise agreement dated _____ (the “Franchise Agreement”), whereby Franchisor has granted Franchisee the right to use certain of Franchisor’s trademarks and copyrights, including but not limited to, the The Kati Roll Company trademarks and logo, website, documents, recipes, advertisements, photographs, social media content, promotional materials and operations manual (collectively referred to as the “Intellectual Property”) for the establishment and operation of a The Kati Roll Company franchised business;

WHEREAS, in connection with his or her duties, it will be necessary for Covenantor to have access to some or all of the Intellectual Property and other confidential information, knowledge, know-how, techniques, training, and other materials used in or related to the The Kati Roll Company brand and/or concerning the methods of operation of a The Kati Roll Company franchised business (collectively referred to as “Confidential Information”);

WHEREAS, the Intellectual Property and Confidential Information provide economic advantages to Franchisor and licensed users of Franchisor, including Franchisee;

WHEREAS, Franchisee has acknowledged the importance of restricting the use, access and dissemination of the Intellectual Property and Confidential Information, and Franchisee therefore has agreed to obtain from Covenantor a written agreement protecting the Intellectual Property and Confidential Information and further protecting the The Kati Roll Company brand against unfair competition; and

WHEREAS, Covenantor acknowledges that receipt of and the right to use the Intellectual Property and Confidential Information constitutes independent valuable consideration for the representations, promises and covenants made by Covenantor herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Confidentiality Agreement.

a. Covenantor shall, at all times, maintain the confidentiality of the Confidential Information and shall use the Intellectual Property and such Confidential Information only in the course of his or her employment by or association with Franchisee in connection with the operation of a The Kati Roll Company franchised business under the Franchise Agreement and in accordance with the requirements thereof.

b. Covenantor shall not at any time make copies of any documents or compilations containing some or all of the Intellectual Property or Confidential Information, and shall not reproduce, in whole or in part, any of the Intellectual Property or Confidential Information, without Franchisor’s express written permission.

c. Covenantor shall not at any time disclose or permit the disclosure of the Confidential Information except, and only then to the limited extent necessary, to those employees of Franchisee for training and assisting such employees in the operation of Franchisee's The Kati Roll Company franchised business.

d. Covenantor shall surrender any material containing some or all of the Intellectual Property or Confidential Information to Franchisee or Franchisor, upon request, or upon termination of employment or association with Franchisee.

e. Covenantor shall not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the The Kati Roll Company brand.

f. Upon termination of employment or association with Franchisee, Covenantor shall immediately lose all rights to access and/or use the Intellectual Property and Confidential Information for any purpose whatsoever.

2. Covenants Not to Compete.

a. In order to protect the goodwill and unique qualities of the The Kati Roll Company brand, and in consideration for the disclosure to Covenantor of the Confidential Information, Covenantor further agrees and covenants that during Covenantor's employment or association with Franchisee, Covenantor shall not, for Covenantor or through, on behalf of or in conjunction with any person or entity:

(i) divert, or attempt to divert, any business or customer of Franchisee's The Kati Roll Company franchised business or of other franchisees in the The Kati Roll Company system to any competitor, by direct or indirect inducement or otherwise, or

(ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in a restaurant, diner, or café that either derives more than twenty percent (20%) of its gross receipts from the sale of Asian and Indian street-food, and/or other lunch and dinner items or ("Competitive Business") other than Franchisee's The Kati Roll Company franchised business.

b. In further consideration for the disclosure to Covenantor of the Confidential Information and to protect the goodwill and unique qualities of the The Kati Roll Company system, Covenantor further agrees and covenants that, upon the termination of Covenantor's employment or association with Franchisee and continuing for twenty-four (24) months thereafter, Covenantor shall not, for Covenantor or through, on behalf of or in conjunction with any person or entity:

(i) divert, or attempt to divert, any business or customer of Franchisee's The Kati Roll Company franchised business or of other franchisees in the The Kati Roll Company system to any competitor, by direct or indirect inducement or otherwise, or

(ii) participate as an owner, partner, director, officer, employee, or consultant or serve in any other managerial, operational, or supervisory capacity in any Competitive Business within ten (10) miles of Franchisee's Territory or of any other The Kati Roll Company outlet.

c. The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor.

d. If the period of time or the geographic scope specified Section 2.b. above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement or any portion thereof, without Covenantor's or Franchisee's consent, effective immediately upon receipt by Covenantor of written notice thereof, and Covenantor agrees to forthwith comply with any covenant as so modified.

3. General.

a. Franchisee shall take full responsibility for ensuring that Covenantor acts as required by this Agreement.

b. Covenantor agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions hereof, Franchisee is obligated to enforce the provisions of this Agreement and shall be entitled, in addition to any other remedies that are made available to it at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

c. Covenantor agrees to pay all expenses (including court costs and reasonable attorneys' fees) incurred by Franchisor and Franchisee in enforcing this Agreement.

d. Any failure by Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Covenantor shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Covenantor.

e. THIS AGREEMENT SHALL BE INTERPRETED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE FRANCHISEE'S THE KATI ROLL COMPANY FRANCHISED BUSINESS IS LOCATED, WITHOUT REFERENCE TO SUCH STATE'S CHOICE OF LAW PRINCIPLES. COVENANTOR HEREBY IRREVOCABLY SUBMITS HIMSELF OR HERSELF TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS OF SUCH STATE. COVENANTOR HEREBY WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. COVENANTOR HEREBY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON COVENANTOR IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY SUCH STATE OR FEDERAL LAW. COVENANTOR FURTHER AGREES THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE IN SUCH STATE; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR OR FRANCHISEE MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

f. The parties agree that each of the foregoing covenants contained herein shall be construed as independent of any other covenant or provision of this Agreement.

g. Covenantor acknowledges and agrees that each of the covenants contained herein will not impose any undue hardship on Covenantor since Covenantor has other considerable skills, experience and education which affords Covenantor the opportunity to derive income from other endeavors.

h. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

i. All notices and demands required to be given hereunder shall be in writing, and shall be delivered personally or by certified or registered mail, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or the date delivery is refused. All such notices shall be addressed to the party to be notified at the following addresses:

If directed to Franchisee:

If directed to Covenantor:

Any change in the foregoing addresses shall be effected by giving written notice of such change to the other parties.

j. Franchisor is an intended third-party beneficiary of this Agreement, and Franchisor may take whatever action it deems necessary to enforce Covenantor's obligations hereunder. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and shall inure to the benefit of its respective affiliates, successors and assigns.

k. The respective obligations of Franchisee and Covenantor hereunder may not be assigned by Franchisee or Covenantor, without the prior written consent of Franchisor.

The undersigned have entered into this Confidentiality and Non-Compete Agreement as witnessed by their signatures below.

FRANCHISEE:

By: _____

Name: _____

Title: _____

COVENANTOR:

Name: _____

ATTACHMENT 9

GENERAL RELEASE

This release (the "Release") is given this day of _____ by _____, a(n) _____, with its principal place of business located at _____ ("Franchisee") and _____'s principals _____, an individual residing at _____ and ("Principal(s)").

Franchisee and Principal(s), on behalf of themselves and their respective officers, directors, employees, successors, assigns, heirs, personal representatives, and all other persons acting on their behalf or claiming under them (collectively, the "Franchisee Releasors"), hereby release, discharge and hold harmless TKRC Franchising Company, LLC ("Franchisor") and Franchisor's parent company(ies), affiliates, officers, directors, members, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the "Franchisor Releasees") from any suits, claims, controversies, rights, promises, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action of every nature, character and description, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected arising under, relating to, or in connection with the Franchise Agreement dated _____ between Franchisee and Franchisor and any related agreements and the relationship created thereby, or the Franchised Business operated under the Franchise Agreement, or any claims or representations made relative to the sale of the franchise to operate such Franchised Business or under any federal or state franchise or unfair or deceptive trade practice laws, which any of the Franchisee Releasors now own or hold or have at any time heretofore owned or held against the Franchisor Releasees (collectively, the "Franchisee Released Claims").

FRANCHISEE AND PRINCIPAL(S) ON BEHALF OF THEMSELVES AND THE FRANCHISEE RELEASORS WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS WHICH THE FRANCHISEE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT. The Franchisee Releasors also covenant not to bring any suit, action, or proceeding, or make any demand or claim of any type, against any Franchisor Releasees with respect to any Franchisee Released Claim, and Franchisee and Principal(s) shall defend, indemnify and hold harmless each of Franchisor Releasees against same.

-SIGNATURES APPEAR ON FOLLOWING PAGE(S)-

Release given this day of _____ by:

FRANCHISEE (Entity):

By: _____

Name: _____
(Print Name, Title)

FRANCHISEE (Principal):

By: _____

Name: _____
(Print Name, Title)

FRANCHISEE (Principal):

By: _____

Name: _____
(Print Name)

FRANCHISEE (Principal):

By: _____

Name: _____
(Print Name)

EXHIBIT C

AREA DEVELOPMENT AGREEMENT

TKRC FRANCHISING COMPANY, LLC

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ATTACHMENTS:

ATTACHMENT 1: DEVELOPMENT AREA

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this "Agreement") is being entered into this day of _____, (the "Effective Date") by and between TKRC Franchising Company, LLC a New York limited liability company with its principal place of business at 330 Pearl St, New York, New York, 10038 (herein "Franchisor") (herein "Franchisor") and _____, an individual residing at _____ and _____, an individual residing at _____ (herein "Developer").

RECITATIONS

Through the expenditure of considerable time, effort and money, Franchisor has developed and established a distinctive fast-casual restaurant featuring South Asian and Indian street-food inspired fast casual restaurant offering Kati Rolls, Rice Bowls, Lassis, select Sides, and more using Franchisor's confidential operations manual ("Manual") of business practices and policies, and Franchisor's distinctive, décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training, assistance, advertising, and promotional programs, all of which may be changed, improved or further developed by Franchisor at any time (taken together herein the "System").

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including but not limited to the TKRC service marks, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the "Marks").

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System's high standards of quality, appearance, and service.

Pursuant to franchise agreements, Franchisor licenses to others the right to operate TKRC Franchised Businesses, using the Marks and System, in strict conformity therewith, which may be changed, improved and further developed by Franchisor from time to time (each a "Franchise Agreement").

Developer understands and acknowledges the importance of Franchisor's high and uniform standards of quality, service, and appearance, and the necessity of operating franchised businesses of the System in conformity with Franchisor's standards and specifications.

Developer desires to obtain the right to further develop and expand the System in accordance with the development schedule described in Section 5.2 hereof (the "Mandatory Development Schedule") within the development area described in Attachment 1 (the "Development Area"), under the System and Marks, on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. RECITATIONS. The Recitations set out above form part of this Agreement.

2. GRANT OF DEVELOPMENT RIGHTS.

2.1 Grant. Franchisor hereby grants to Developer, and the Developer hereby accepts from the Franchisor, on the terms and conditions set forth in this Agreement, which includes, but is not limited to, the execution of a Franchise Agreement pursuant to Section 4.2 hereof, the right to develop, construct, open and operate one (1) TKRC Franchised Business within the Development Area set forth in Attachment 1. Developer shall be granted rights to establish additional TKRC Franchised Businesses in the Development Area, up to the total number of outlets set forth in the Mandatory Development Schedule set forth in Section 5.2 hereof, subject to Developer's full compliance with all conditions precedent to the grant of such rights outlined below, which rights shall be exercised in accordance with Sections 5.1 and 5.4 hereof.

2.2 Reservation of Rights. Notwithstanding the provisions of Section 2.1 above, Developer understands and agrees Franchisor fully reserves all other rights, other than as specified in this Agreement, for sales, solicitation and distribution of TKRC products and services within or outside of the Development Area. This reservation of Franchisor's rights includes, but is not limited to, Franchisor's right to the rights to (i) offer and sell other products or services not offered under the Marks; (ii) offer and sell other food service concepts under the Marks or other trademarks; (iii) offer and sell TKRC products or services at non-traditional or captive market venues, which includes distribution through kiosks, carts, counters, stores-within-a-store, grocery stores, convenience stores, amusement or theme parks, sports stadiums and arenas, enclosed shopping centers, military bases, airports, train stations, and gas stations; and (iv) engage in solicitation and sales of TKRC products or services through the Internet, catalog sales, telemarketing and direct marketing.

2.3 No License to System and Marks. Developer expressly acknowledges that this Agreement is not a Franchise Agreement and does not grant to Developer any right or license to operate a TKRC Franchised Business, distribute any product or service, or use the Marks. This Agreement sets forth conditions which, if fully satisfied, confer upon Developer the rights to enter a Franchise Agreement with Franchisor to establish one or more TKRC Franchised Businesses in the Development Area only. Developer's rights to open and operate a TKRC Franchised Business and use the System and Marks shall be derived only through the execution of a Franchise Agreement for each TKRC Franchised Business to be established in the Development Area.

3. TERM.

Unless sooner terminated in accordance with this Agreement, the term of this Agreement and all rights granted by Franchisor under this Agreement shall expire on the date on which Developer successfully and in a timely manner has complied with all of Developer's obligations hereunder and has completed the development obligations in accordance with the Development Schedule.

4. DEVELOPMENT AND FRANCHISE FEES.

4.1 Area Development Fee. In consideration of the rights granted under this Agreement, Developer shall pay Franchisor a development fee equal to Eighty Thousand Dollars (\$80,000.00) for three (3) TKRC Franchised Businesses, plus an additional Twenty Thousand Dollars (\$20,000.00) for each additional TKRC Franchised Business (if applicable). Developer agrees to develop as set forth on the Mandatory Development Schedule (the "Development Fee"). The Development Fee is fully earned at the time this Area Development Agreement is signed and is not refundable under any

circumstances. Developer shall pay the full amount of the Development Fee to Franchisor upon Developer's execution of this Agreement.

4.2 Application of Development Fee. Contemporaneous with the execution of this Agreement, Developer shall execute the initial Franchise Agreement for the first TKRC Franchised Business to be established pursuant to the Mandatory Development Schedule. Developer shall receive a Forty Thousand Dollar (\$40,000.00) credit from the Development Fee, which shall be payment in full of the Initial Franchise Fee due under the initial Franchise Agreement. Upon the execution of the second and third Franchise Agreement, Developer shall receive a Twenty Thousand Dollar (\$20,000.00) credit from the Development Fee for each of the second and third Franchise Agreements, which shall be applied as partial payment toward the Initial Franchise Fee of Forty Thousand Dollars (\$40,000.00) then due pursuant to each of the second and third Franchise Agreements. Contemporaneous with the execution of each of the second and third Franchise Agreements, Developer shall promptly pay the balance of the Initial Franchise Fee due thereunder. Upon the execution of each additional Franchise Agreement pursuant to the Mandatory Development Schedule, Developer shall receive a Twenty Thousand Dollar (\$20,000.00) credit from the Development Fee for each additional Franchise Agreement, which shall be applied as partial payment toward the Initial Franchise Fee of Forty Thousand Dollars (\$40,000.00) then due pursuant to each additional Franchise Agreement. Contemporaneous with the execution of each additional Franchise Agreement, Developer shall promptly pay the balance of the Initial Franchise Fee due thereunder. Upon Franchisor's approval, Developer may enter into the initial Franchise Agreement or any subsequent Franchise Agreement as required under this Agreement using a newly formed entity, such as a limited liability company, corporation or partnership, for the sole purpose of entering into a Franchise Agreement and operating the TKRC Franchised Business pursuant thereto, provided that Developer shall also personally sign such Franchise Agreement as a principal.

5. EXERCISE OF DEVELOPMENT RIGHTS.

5.1 Valid Exercise. Developer shall exercise the development rights granted hereunder only by entering into a separate Franchise Agreement with Franchisor for each TKRC Franchised Business for which a development right is granted. Developer shall execute and deliver to Franchisor, concurrently with the execution and delivery of this Agreement, Franchisor's current form of Franchise Agreement for the first TKRC Franchised Business to be established by Developer pursuant to the Mandatory Development Schedule. For each subsequent TKRC Franchised Business to be established hereunder, Developer shall execute and deliver to Franchisor Franchisor's then-current form of Franchise Agreement, which shall be presented to Developer together with Franchisor's then-current Franchise Disclosure Document. The then-current form of Franchise Agreement may differ from the current form of Franchise Agreement; provided however, the initial franchise fee for each additional outlet shall be the applicable amount set forth in in Section 4.2 hereof. Further, Developer acknowledges and agrees that Developer shall not receive any initial training related to each additional TKRC Franchised Business. Developer hereby waives all obligations by Franchisor to provide any training to Developer contained in each Franchise Agreement, other than the initial Franchise Agreement executed concurrently with this Agreement, by and between Franchisor and Developer. Developer hereby acknowledges and agrees that the training Developer receives pursuant to the initial Franchise Agreement executed concurrently with this Agreement is sufficient to allow Developer to construct, equip, open and operate each of Developer's TKRC Franchised Businesses in the Development Area.

5.2 **Mandatory Development Schedule.** Subsequent to Developer's signing of this Agreement and the initial Franchise Agreement, and provided that all conditions in Section 5.4 hereof are satisfied or waived, upon the execution of a lease for Developer's first TKRC Franchised Business, Developer shall execute an additional Franchise Agreement for the development of the second TKRC Franchised Business to be opened under the Mandatory Development Schedule. Provided that all conditions in Section 5.4 hereof are satisfied or waived, upon the execution of a lease for each subsequent TKRC Franchised Business to be developed by Developer, Developer shall execute an additional Franchise Agreement for the development of the next TKRC Franchised Business to be opened under the Mandatory Development Schedule. Notwithstanding the foregoing, Developer shall open the TKRC Franchised Businesses in accordance with the following schedule:

Outlet for Development	Mandatory Open Date
1	12 months following the Effective Date
2	24 months following the Effective Date
3	36 months following the Effective Date
4 (if applicable)	48 months following the Effective Date
5 (if applicable)	60 months following the Effective Date

Developer acknowledges and agrees that the terms of the Mandatory Development Schedule are reasonable and viable based upon Developer's independent investigation and analysis. Failure by Developer to adhere to the Mandatory Development Schedule (including any extensions thereof approved by Franchisor in writing pursuant to Section 5.3 below) shall constitute a material event of default under this Agreement.

5.3 **Extension of Mandatory Development Schedule.** If Developer is unable to meet the Mandatory Development Schedule for any outlet, Developer may seek a reasonable extension from Franchisor. Any request for an extension must be in writing and submitted to Franchisor at least sixty (60) days prior to the Mandatory Open Date for such outlet. Franchisor shall not unreasonably withhold consent for such reasonable extension provided that Developer has (i) submitted its extension request in a timely manner; (ii) demonstrated diligent efforts to meet the original Mandatory Open Date; and (iii) has at all times acted in good faith and is otherwise fulfilling its obligations under this Agreement.

5.4 **Conditions to Exercise Developer's Rights.** All of the following conditions must be satisfied or waived, in Franchisor's sole discretion, before Franchisor grants Developer the right to develop an additional TKRC Franchised Business in accordance with Section 4.2 hereof and pursuant to a Franchise Agreement:

5.4.1 Developer shall (i) request Franchisor's then-current Franchise Disclosure Document, (ii) submit to Franchisor all information and other documents requested by Franchisor prior to and as a basis for the issuance of Franchise Agreements in the System, (iii) submit to Franchisor all financial statements reasonably requested by Franchisor, and (iv) satisfy Franchisor's then-current financial criteria.

5.4.2 Developer shall be in full compliance with this Agreement, the Mandatory Development Schedule, and all Franchise Agreements with Franchisor and any other agreement with Franchisor or Franchisor's affiliates;

5.4.3 Developer has demonstrated the management skills necessary for competent operation, organization, customer service and record keeping of an additional TKRC Franchised Business as determined by Franchisor, in Franchisor's sole discretion.

5.5 Termination for Failure of Condition. Notwithstanding anything to the contrary contained herein, in the event that Franchisor determines, in Franchisor's sole and absolute discretion, that any condition set forth in Section 5.4 hereof cannot be satisfied, Franchisor may terminate this Agreement upon written notice to Developer. Termination of this Agreement in accordance with this Section 5.5 shall have no effect on the validity of any other agreement between Franchisor and Developer, provided that Developer is in full compliance therewith.

6. TRANSFER

6.1. Transfers by Franchisor.

6.1.1. Franchisor shall have the right to assign this Agreement, and all of Franchisor's rights and privileges hereunder, to any person, firm, corporation or other entity, without Developer's permission or prior knowledge, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of Franchisor's obligations, the assignee shall expressly assume and agree to perform Franchisor's obligations hereunder. Specifically, and without limitation to the foregoing, Developer expressly affirms and agrees that Franchisor may: (i) sell Franchisor's assets and Franchisor's rights to the Marks and the System outright to a third party; (ii) engage in a public or private placement of some or all of Franchisor's securities; (iii) merge, acquire other corporations, or be acquired by another corporation, including competitors; (iv) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring; and (v) with regard to any or all of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands or damages arising from or relating to the loss of association with or identification of Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the business franchised herein or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its prerogative hereunder to assign Franchisor's rights in this Agreement.

6.1.2. Developer agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of the facilities (which Developer acknowledges may be within the Development Area, proximate thereto, or proximate to any of Developer's TKRC Franchised Businesses).

6.1.3. If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor or any of its affiliates to remain in any line of business or to offer or sell any products or services to Developer.

6.2 Restrictions on Transfers by Developer. Developer's rights and duties under this Agreement are personal to Developer, and Franchisor has made this Agreement with Developer in reliance on Franchisor's perceptions of the individual and collective character, skill, aptitude, attitude, business ability, and financial capacity of Developer. Thus, no transfer, as hereafter defined, may be made without Franchisor's prior written approval. Franchisor may void any transfer made without such approval.

6.3 Transfers by Developer. Developer shall not directly or indirectly sell, assign, transfer, give, devise, convey, pledge, mortgage or encumber this Agreement or any right granted or interest herein or hereunder (a “Transfer”) or suffer or permit any such assignment, transfer, or encumbrance to occur by operation of law unless Developer first obtains the written consent of Franchisor, which Franchisor may or may not grant in Franchisor’s sole discretion, and subject to the following:

6.3.1 The proposed transferee must be an individual of good moral character and otherwise meet Franchisor’s then-applicable standards for multi-unit franchisees.

6.3.2 The transferee must have sufficient business experience, aptitude and financial resources to operate multiple TKRC Franchised Businesses and to comply with this Agreement;

6.3.3 The transferee has agreed to complete Franchisor’s Initial Training Program to Franchisor’s satisfaction;

6.3.4 Developer has paid all amounts owed to (i) Franchisor pursuant to this Agreement and all Franchise Agreements and other agreements between Franchisor and/or Franchisor’s affiliates and Developer and (ii) third-party creditors;

6.3.5 The transferee has executed Franchisor’s then-standard form of Area Development Agreement, which may have terms and conditions different from this Agreement, for a term no less than the unexpired term of future development obligations due pursuant to the Mandatory Development Schedule of this Agreement;

6.3.6 Developer and the transferee shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor’s officers, directors, shareholders, members and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. Developer agrees to subordinate any claims Developer may have against the transferee to Franchisor, and indemnify Franchisor against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by Franchisor in the Franchise Disclosure Document given to the transferee;

6.3.7 Franchisor has granted written approval of the material terms and conditions of the Transfer, including, without limitation, that the price and terms of payment will not adversely affect the transferee’s development obligations. However, Franchisor’s approval of a Transfer is not in any way a representation or warranty of the transferee’s success or the soundness of transferee’s decision to purchase the Developer’s development rights on such terms and conditions. Developer shall provide Franchisor all proposed transfer documents for Franchisor’s review at least thirty (30) days prior to a closing of the proposed Transfer; and

6.3.8 If Developer, through Developer or any entity, finances any part of the sale price of the Transfer, Developer agrees that all obligations of the transferee under any notes, agreements or security interests to Developer or Developer’s entity will be subordinate to the transferee’s obligations to Franchisor.

6.4 Transfer Fee. As a condition to any Transfer, Developer shall pay Franchisor a transfer fee equal to Ten Thousand Dollars (\$10,000.00).

6.5 Franchisor’s Right of First Refusal.

6.5.1 If Developer wishes to transfer all or part of his or her interest in this Agreement pursuant to any bona fide offer received from a third party to purchase such interest, then Developer shall promptly notify Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require.

6.5.2 Franchisor has the right, exercisable by written notice to Developer within thirty (30) days after receipt of written notification and copies of all documentation required by Franchisor describing such offer, to buy the interest in this Agreement for the price and on the terms and conditions contained in the offer.

6.5.3 Developer further agrees, in the event Franchisor exercises its right of first refusal, notwithstanding anything to the contrary contained in the third-party offer, that (i) Franchisor may substitute cash for any other form of consideration contained in the offer; (ii) at Franchisor's option, Franchisor may pay the entire purchase price at closing; (iii) Franchisor's credit will be deemed equal to the credit of any proposed transferee; (iv) Franchisor will have at least sixty (60) days to close the purchase; and (v) Franchisor will be entitled to receive from Developer all customary representations and warranties given by a seller of franchise development rights.

6.5.4 If Franchisor does not exercise its right to buy within thirty (30) days, Developer may thereafter transfer the interest to the transferee on terms no more favorable than those disclosed to Franchisor, provided that such transfer is subject to Franchisor's prior written approval pursuant to Section 6.3 hereof. However, if (i) the sale to the transferee is not completed within one hundred twenty (120) days after the offer is given to Franchisor or (ii) there is any material change in the terms of the offer, the offer will again be subject to Franchisor's right of first refusal.

6.6 Death or Permanent Disability. The grant of rights under this Agreement is personal to Developer, and on the death or permanent disability of Developer, the executor, administrator, conservator or other personal representative of Developer shall transfer Developer's interest in this Agreement within six (6) months from the date of death or permanent disability, to a third party approved by Franchisor. A transfer under this Section 6.6, including without limitation, transfer by devise or inheritance, is subject to the conditions for Transfers in this Article 6 and unless transferred by gift, devise or inheritance, subject to the terms of Section 6.5 above. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Developer from supervising the development and operation of Developer's TKRC Franchised Businesses continuously for six (6) months from its onset.

7. DEFAULT AND TERMINATION.

7.1 Default and Automatic Termination. Developer shall be deemed to be in material default under this Agreement, and all rights granted herein shall automatically terminate without notice to Developer, if Developer shall become insolvent or makes a general assignment for the benefit of creditors; or if Developer files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or admits in writing his or her inability to pay debts when due; or if Developer is adjudicated a bankrupt or insolvent in proceedings filed against Developer under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer; or if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed by any court of competent

jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Developer; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if Developer is dissolved; or if execution is levied against Developer's business or property; or if suit to foreclose any lien or mortgage against any of Developer's TKRC Franchised Business premises or equipment is instituted against Developer and not dismissed within thirty (30) days.

7.2 Defaults With No Opportunity to Cure. Developer shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Developer any opportunity to cure the default, effective immediately upon notice to Developer, if Developer:

7.2.1 has misrepresented or omitted material facts in applying for the development rights granted hereunder;

7.2.2 falsifies any report required to be furnished Franchisor hereunder;

7.2.3 fails to comply with any federal, state or local law, rule or regulation, applicable to the development and operations of Developer's TKRC Franchised Businesses;

7.2.4 fails to develop the TKRC Franchised Businesses in accordance with the Mandatory Development Schedule.

7.2.5 attempts a Transfer in violation of the provisions of Article 6 of this Agreement;

7.2.6 is convicted of, or pleads no contest to, a felony or to a crime that could damage the goodwill associated with the Marks or does anything that may harm the reputation of the System or the goodwill associated with the Marks;

7.2.7 receives an adverse judgment or a consent decree in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which is likely to have an adverse effect on the System, or the Marks, the goodwill associated therewith or Franchisor's interest therein, in Franchisor's sole opinion;

7.2.8 fails to comply with the non-disclosure and non-competition covenants in Article 8 hereof;

7.2.9 defaults, or an affiliate of Developer defaults, under any other agreement, including any Franchise Agreement, with Franchisor or any of its affiliates or suppliers and does not cure such default within the time period provided in such other agreement; or

7.2.10 terminates this Agreement without cause.

7.3 Curable Defaults. Developer shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, if Developer fails to cure the default within the time period set forth in this Section 7.3, effective immediately upon notice to Developer, if Developer:

7.3.1 fails to pay when due any amounts due to Franchisor under this Agreement or any related agreement and does not correct the failure within five (5) days after written notice; provided, however, Franchisor has no obligation to give written notice of a late payment more than two (2) times in any twelve (12)-month period, and the third such late payment in any twelve (12)-month period shall be a non-curable default under Section 7.2;

7.3.2 fails to perform any non-monetary obligation imposed by this Agreement (excepting those defaults of obligations set forth in Sections 7.1 and 7.2 for which there is no opportunity to cure) and such default shall continue for five (5) days after Franchisor has given written notice of such default, or if the default cannot be reasonably corrected within said five (5)-day period, then if it is not corrected within such additional time as may be reasonably required assuming Developer proceeds diligently to cure; provided, however, Franchisor has no obligation to give written notice of a non-monetary default more than two (2) times in any twelve (12)-month period, and the third such default, whether monetary or non-monetary, in any twelve (12) – month period shall be a non-curable default under Section 7.2.

7.4. Post-Termination Obligations. Upon termination or expiration of this Agreement, all rights and licenses granted hereunder to Developer shall immediately terminate and Developer shall (i) immediately cease all development operations pursuant to this Agreement; and (ii) comply with the non-disclosure and non-competition covenants contained in Article 8.

8. NON-DISCLOSURE AND NON-COMPETITION COVENANTS.

8.1 Confidential Information. Developer acknowledges and accepts that during the term of this Agreement, Developer will have access to Franchisor's trade secrets, including, but not limited to, recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, services, equipment, technologies and procedures relating to the operation of TKRC franchises; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively referred to herein as the "Confidential Information"). Developer shall not, during the term of this Agreement and thereafter, communicate or divulge to, or use for the benefit of, any other person or entity, and, following the expiration or termination of this Agreement, shall not use for Developer's own benefit, any Confidential Information that may be communicated to Developer or of which Developer may be apprised in connection with the development of TKRC Franchised Businesses under the terms of this Agreement. Developer shall not at any time copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person, without Franchisor's prior written consent. The covenant in this Section 8.1 shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Developer.

8.2 Protection of Information. Developer shall take all steps necessary, at Developer's own expense, to protect the Confidential Information and shall immediately notify Franchisor if Developer finds that any Confidential Information has been divulged in violation of this Agreement.

8.3 Noncompetition Covenants. Developer acknowledges that, pursuant to this Agreement and the Franchise Agreement(s), Developer will receive valuable training, trade secrets

and Confidential Information of the System that are beyond the present knowledge, training and experience of Developer. Developer acknowledges that such specialized training, trade secrets and Confidential Information provide a competitive advantage and will be valuable to him or her in the development and operation of TKRC Franchised Businesses, and that gaining access to such specialized training, trade secrets and Confidential Information is, therefore, a primary reason why Developer is entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and rights, Developer covenants that, except as otherwise approved in writing by Franchisor:

8.3.1 During the term of this Agreement, Developer shall not, either directly or indirectly, for himself or herself or through, on behalf of, or in conjunction with, any person or entity (i) divert, or attempt to divert, any business or customer of the Developer's TKRC Franchised Businesses or of other developers or franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any capacity in any restaurant, shop or food truck or other business that derives its revenues from the sale of South Asian and Indian street-food or any other product offered by any outlets in the TKRC System ("Competitive Business"); or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor, Franchisor's affiliate-owned outlets, or any TKRC developers or franchisees.

8.3.2 Upon the expiration or earlier termination of this Agreement or upon a Transfer and continuing for twenty-four (24) months thereafter, Developer shall not, either directly or indirectly, for himself or herself or through, on behalf of or in conjunction with any person or entity (i) divert, or attempt to divert, any business or customer of Developer's TKRC Franchised Businesses or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; or (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any Competitive Business within twenty-five (25) miles of the Development Area or of any TKRC Franchised Business location; or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor, Franchisor's affiliate-owned outlets, or any TKRC developers or franchisees.

8.4 Reasonableness of Restrictions. Developer acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Developer since Developer has other considerable skills, experience and education which afford Developer the opportunity to derive income from other endeavors.

8.5 Reduction of Time or Scope. If the period of time or the geographic scope specified above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Article 8 or any portion thereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof, and Developer agrees to forthwith comply with any covenant as so modified.

8.6 Injunctive Relief. Developer acknowledges that a violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Accordingly, Developer hereby

consents to the entry of an injunction prohibiting any conduct by Developer in violation of the terms of the covenants not to compete set forth in this Agreement.

8.7 No Defense. Developer expressly agrees that the existence of any claims he or she may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section.

9. INDEMNIFICATION. TO THE FULLEST EXTENT PERMITTED BY LAW, DEVELOPER AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS TKRC FRANCHISING COMPANY, LLC, AND ANY OF ITS PARENT COMPANIES, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES (COLLECTIVELY REFERRED TO AS THE FRANCHISOR ENTITY INDEMNITEES”), FROM ALL CLAIMS BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO THE DEVELOPMENT, OPERATION, CONDITION, OR ANY PART OF ANY OF DEVELOPER’S TKRC FRANCHISED BUSINESSES TO BE DEVELOPED HEREUNDER, INCLUDING BUT NOT LIMITED TO, CLAIMS RELATED TO DEVELOPER’S CONTRACTS, EMPLOYEES OR AGENTS OR CONSTRUCTION, ADVERTISING OR OTHER BUSINESS PRACTICES. DEVELOPER AGREES TO PAY FOR ALL THE FRANCHISOR ENTITY INDEMNITEES’ LOSSES, EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS’ FEES) OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY (REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY DEVELOPER HEREUNDER. THE FRANCHISOR ENTITY INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE FRANCHISOR ENTITY INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. DEVELOPER AGREES THAT TO HOLD THE FRANCHISOR ENTITY INDEMNITEES HARMLESS, DEVELOPER WILL REIMBURSE THE FRANCHISOR ENTITY INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE FRANCHISOR ENTITY INDEMNITEES.

Initial

10. DISPUTE RESOLUTION

10.1 Internal Dispute Resolution. Developer shall first bring any claim, controversy or dispute arising out of or relating to this Agreement, the Attachments hereto or the relationship created by this Agreement to Franchisor’s president and/or chief executive officer for resolution. After providing notice as set forth in Section 11.6 below. Developer must exhaust this internal dispute resolution procedure before Developer may bring Developer’s dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

10.2 Mediation. At Franchisor’s option, any claim, controversy or dispute that is not resolved pursuant to Section 10.1 hereof shall be submitted to non-binding mediation. Developer shall provide Franchisor with written notice of Developer’s intent to pursue any unresolved claim, controversy or dispute, specifying in sufficient detail the nature thereof, prior to commencing any

legal action. Franchisor shall have thirty (30) days following receipt of Developer's notice to exercise Franchisor's option to submit such claim, controversy or dispute to mediation. Mediation shall be conducted through a mediator or mediators in accordance with the American Arbitration Association Commercial Mediation Rules. Such mediation shall take place in the then-current location of Franchisor's corporate headquarters. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorneys' fees incurred by either party), shall be borne by the parties equally. Franchisor may specifically enforce Franchisor's rights to mediation, as set forth herein.

10.3 Arbitration.

10.3.1 Except disputes not subject to alternative dispute resolution as set forth in Section 10.4, any dispute between Franchisor and Developer arising out of or relating to this Agreement, the Attachments hereto or any breach thereof, including any claim that this Agreement or any of its parts, is invalid, illegal or otherwise voidable or void, which has not been resolved in accordance with Sections 10.1 or 10.2, will be resolved by submission to the American Arbitration Association or its successor organization to be settled by a single arbitrator in accordance with the Commercial Arbitration Rules then in effect for such Association or successor organization.

10.3.2 All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Article 20 will be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) and the federal common law of arbitration. All hearings and other proceedings will take place in the Southern District of New York or, if Franchisor so elects, at the offices of the American Arbitration Association or in the county where the principal place of business of Developer is then located.

10.3.3 This arbitration provision is self-executing and will remain in full force and effect after expiration or termination of this Agreement. Any arbitration will be conducted on an individual, and not a class-wide or multiple plaintiffs, basis. If either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against the party by default or otherwise, notwithstanding the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Developer, or entities related to either of them, in an arbitration proceeding or otherwise, and are hereby waived.

10.3.4 The provisions of this Section 10.3 are independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law.

10.3.5 In proceeding with arbitration and in making determinations hereunder, no arbitrator shall extend, modify or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. No notice, request or demand for arbitration shall stay, postpone or rescind the effectiveness of any termination of this Agreement.

10.3.6 Except as expressly required by law, Franchisor and Developer shall keep all aspects of any mediation and/or arbitration proceeding in confidence and shall not disclose any information about the proceeding to any third party other than legal counsel who shall be required to maintain the confidentiality of such information.

10.4 Exceptions. Notwithstanding the requirements of Sections 10.2 or 10.3, the following claims shall not be subject to mediation or arbitration:

10.4.1 Franchisor's claims for injunctive or other extraordinary relief;

10.4.2 disputes and controversies arising from the Sherman Act, the Clayton Act or any other federal or state antitrust law;

10.4.3 disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the Marks; and

10.4.4 enforcement of Developer's post-termination obligations, including but not limited to, Developer's non-competition covenants.

10.5 Governing Law and Venue. Any claims, controversies, disputes or actions arising out of this Agreement shall be governed, enforced and interpreted pursuant to the laws of the State of New York. Developer, except where specifically prohibited by law, hereby irrevocably submit himself and/or herself to the sole and exclusive jurisdiction of the state and federal courts in the Southern District of New York. Developer hereby waives all questions of personal jurisdiction for the purpose of carrying out this provision.

10.6 Mutual benefit. Developer and Franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 10.5 provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising hereunder. Each of Developer and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

10.7 Waiver of Jury Trial and Certain Damages. Developer hereby waives, to the fullest extent permitted by law, any right to or claim for (i) a trial by jury in any action, proceeding or counterclaim brought by or against Franchisor, and (ii) any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever. Each of Developer agrees that in the event of a dispute, Developer shall be limited to the recovery of any actual damages sustained.

10.8 Limitations of Claims. Any and all claims asserted by Developer arising out of or relating to this Agreement or the relationship among the parties will be barred unless a proceeding for relief is commenced within one (1) year from the date on which Developer knew or should have known of the facts giving rise to such claims.

10.9 Attorneys' Fees. In the event of any action in law or equity by and between Franchisor and Developer concerning the operation, enforcement, construction or interpretation of this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney's fees and court costs incurred.

10.10 Survival. The provisions of this Article 10 shall continue in full force and effect notwithstanding the expiration or termination of this Agreement or a transfer by Developer of his/her respective interests in this Agreement.

11. GENERAL

11.1 Independent Licensee. Developer is and shall be an independent licensee under this Agreement, and no partnership shall exist between Developer and Franchisor. This Agreement does not constitute Developer as an agent, legal representative, or employee of Franchisor for any purpose whatsoever, and Developer is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, or in any way to bind Franchisor. Developer agrees not to incur or contract any debt or obligation on behalf of Franchisor or commit any act, make any representation or advertise in any manner which may adversely affect any right of Franchisor or be detrimental to Franchisor or other developers or franchisees of Franchisor. Pursuant to the above, Developer agrees to indemnify Franchisor and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of claims, demands, taxes, costs or judgments against Franchisor arising out of the relationship hereby established which specifically, but not exclusively, includes costs, losses, expenses, attorneys fees relative to assignment or the transfer of right to develop and transactional costs relative thereto, defaults under any leases, subleases, notes, receipt of revenues or any other relationships arising directly or indirectly out of the development and operation of the TKRC Franchised Businesses.

11.2 Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of Franchisor and shall be personally binding on and inure to the benefit of Developer and his or her respective heirs, executors, administrators and successors or assigns; provided, however, the foregoing provision shall not be construed to allow a transfer of any interest of Developer in this Agreement, except in accordance with Article 6 hereof.

11.3 Invalidity of Part of Agreement. Should any provisions in this Agreement, for any reason, be declared invalid, then such provision shall be invalid only to the extent of the prohibition without in any way invalidating or altering any other provision of this Agreement.

11.4 Construction. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any provision herein may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Developer shall be deemed to be joint and several covenants, agreements and obligations of each of the persons named as Developer, if more than one person is so named.

11.5 Captions. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

11.6 Notices. Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as first above written, or at such other address or addresses as the parties may from time to time designate in writing.

11.7 Effect of Waivers No waiver, delay, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Developer shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or of a different kind.

11.8 Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies that are provided for herein or that may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between Developer or any of its affiliates and Franchisor or any of its affiliates. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination or exercise of Franchisor's rights pursuant to Article 7 shall not discharge or release Developer from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.

11.9 Consent to Do Business Electronically. The parties to this Area Development Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of New York, the parties hereby affirm to each other that they agree with the terms of this Area Development Agreement and its Attachments, and by attaching their signature electronically to this Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to this Agreement can rely on an electronic signature as the respective party's signature.

11.10 Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

11.11 Survival. Any obligation of Developer that contemplates performance of such obligation after termination, expiration or transfer of this Agreement shall be deemed to survive such termination, expiration or transfer.

11.12 Entire Agreement. This Agreement is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Developer, provided that nothing in this Agreement is intended to disclaim the representations made to Developer in Franchisor's Franchise Disclosure Document. No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.

-SIGNATURES APPEAR ON FOLLOWING PAGE(S)-

The parties hereto have executed this Area Development Agreement in on the day and year first above written.

FRANCHISOR:
TKRC FRANCHISING COMPANY, LLC

By: _____

_____, _____
(Print Name, Title)

DEVELOPER:

(Print Name)

DEVELOPER:

(Print Name)

ATTACHMENT 1

DEVELOPMENT AREA

(insert map and/or define by zip codes):

EXHIBIT D
FINANCIAL STATEMENTS



Divine
Blalock
Martin
Sellari
LLC
Est. in 1932

TKRC FRANCHISING COMPANY, LLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2024

(With Independent Auditors' Report Theron)

TKRC FRANCHISING COMPANY, LLC

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MEMBERS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

WILBUR F. DIVINE, III, CPA (1896-1964)
WILBUR F. DIVINE, IV, CPA (1925-1989)
JAMES A. BLALOCK, CPA (1914-1996)
G. MICHAEL MARTIN, CPA (1945-2014)

*REGULATED BY THE STATE OF FL
**REGULATED BY THE STATE OF FL
AND THE STATE OF NY
****REGULATED BY THE STATE OF FL
AND THE STATE OF NJ
****REGULATED BY THE STATE OF NY

INDEPENDENT AUDITORS' REPORT

To the Members of
TKRC Franchising Company, LLC
New York, NY

Opinion

We have audited the accompanying financial statements of TKRC Franchising Company, LLC (a New York Limited Liability Company), which comprise the balance sheet as of December 31, 2024, and the related statements of income, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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 TKRC Franchising Company, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 TKRC Franchising Company, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TKRC Franchising Company, LLC's ability to continue as a going concern for a reasonable period of time.

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

Divine, Blalock, Martin & Sellari, LLC

**West Palm Beach, FL
February 24, 2025**

TKRC FRANCHISING COMPANY, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2024

Assets

Current Assets

Cash and cash equivalents	\$ 60,437
Due from parent company	<u>19,794</u>

Total Current Assets	<u>80,231</u>
-----------------------------	---------------

Total Assets	<u><u>\$ 80,231</u></u>
---------------------	-------------------------

Liabilities and Members' Equity

Current Liabilities

Accounts payable	\$ 1,559
Credit card payable	<u>13,152</u>

Total Current Liabilities	<u>14,711</u>
----------------------------------	---------------

Members' Equity

Members' equity	<u>65,520</u>
-----------------	---------------

Total Members' Equity	<u>65,520</u>
------------------------------	---------------

Total Liabilities and Members' Equity	<u><u>\$ 80,231</u></u>
--	-------------------------

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

TKRC FRANCHISING COMPANY, LLC
STATEMENT OF INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2024

Revenue

Initial franchise fees	\$ -
Royalty fee	-

Total Revenue -

Operating Expenses

Accounting & payroll	1,000
Bank charges	55
Computer and internet expenses	-
Professional fees	23,425

Total Operating Expenses

24,480

Loss From Operations

(24,480)

Net Loss

\$ (24,480)

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

TKRC FRANCHISING COMPANY, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2024

Members' equity @ January 1	\$ 90,000
Members' contribution	-
Net loss	<u>(24,480)</u>
Members' equity @ December 31	<u><u>\$ 65,520</u></u>

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

TKRC FRANCHISING COMPANY, LLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss	\$ (24,480)
<i>Adjustments to reconcile Net income/(loss)</i> <i>to net cash used by operating activities:</i>	
<i>(Increase) Decrease in Operating Assets</i>	
Due from parent company	(19,794)
<i>Increase (Decrease) in Operating Liabilities</i>	
Accounts payable	1,559
Credit card payable	<u>13,152</u>
Total Adjustments	<u>(5,083)</u>
Net Cash Used in Operating Activities	<u>(29,563)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Members' contribution	<u>-</u>
Advance on Line of Credit - Member/ Stockholder	-
Proceeds from Florida Bridge Loan	-
Proceeds from Long-Term Debt	-
Net Cash Provided by Financing Activities	<u>-</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS (29,563)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 90,000

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 60,437

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

TKRC FRANCHISING COMPANY, LLC

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1 – BUSINESS ACTIVITY

TKRC Franchising Company, LLC., a New York Limited Liability Company, was formed on December 27, 2023; the Company is in the business of offering franchises for the operation of an Asian and Indian inspired fast casual restaurant offering Kati Rolls, Momos, Lassi and more. Unless otherwise indicated, the terms “we,” “us,” “our,” and “Company” refer to TKRC Franchising Company, LLC.

Affiliates

Our affiliate, The Kati Roll Company, Inc. (“TKRCI”), owns a total of four Businesses in New York (three of which it owns and operates directly, and one of which is operated by a wholly-owned subsidiary) and one Business in London, England, each of which are of the type being offered. TKRCI owns the “The Kati Roll Company” Marks and has developed the TKRC System and has granted the licenses to use the Marks and System and to grant franchisees the right to use them in a cross-license agreement.

Our affiliate, TKRC Productions LLC, is a New York corporation, incorporated in August 2014, and provides products and/or services to franchisees.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Company’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when received, and expenses are recognized when the obligation is incurred rather than when cash is disbursed.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Customer accounts receivable are stated at the amount management expects to collect on balances. Management evaluates the collectability of receivables at each reporting date, considering factors such as historical collection patterns, the aging of accounts, and known economic or operational risks.

For the year ended December 31, 2024, the Company had no account receivables and therefore no allowance for credit losses was needed or recorded. In the future a determination on an allowance will be based on collection patterns, historical losses, and any indicators of increased credit risk.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization are generally provided using the straight-line method over the estimated useful lives of the related assets which ranges between 5 to 40 years. As of December 31, 2024, the Company did not own any fixed assets.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Long-Lived Assets

The Company reviews long-lived assets to be held and used by an entity for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable. As there are no owned assets for the year ended January 31, 2025, no impairment of the carrying values of its long-lived assets existed at January 31, 2025. There can be no assurance, however, that demands for the Company's products or market conditions will not change which could result in impairment losses in the future.

Advertising

Advertising costs are expensed as incurred.

Concentrations of Credit Risk

The Company maintains cash in bank and deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Income Taxes

Certain transactions of the Company may be subject to accounting methods for income tax purposes that differ significantly from the accounting methods used in preparing the financial statements in accordance with generally accepted accounting principles. Accordingly, the taxable income of the Company reported for federal and state income tax purposes may differ from net income in these financial statements.

As a limited liability company, income or loss of the Company is allocated to the members. No provision for federal or state income taxes is necessary because any income or loss is includable in the tax returns of the individual members. Local income taxes, if any, are paid by the Company. The Company was not subject to any local income taxes for the year ending December 31, 2024. The Company's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

The Company accounts for uncertain tax positions in accordance with ASC 740-10, *Accounting for Uncertainty in Income Taxes*. ASC 740-10 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740-10 also provides guidance on de-recognition, classification, interest and penalties, and disclosure and transition accounting. The Company has concluded that no liability for uncertain tax positions was required as of December 31, 2024.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by the Company’s management include but are not limited to, allowances for doubtful accounts and contracts receivable, the allowance for losses on contracts in process, and the percentage of completion on uncompleted contracts. Actual results could materially differ from those estimates.

Revenue Recognition

The Company’s revenue recognition policies are in compliance with accounting standards ASC Topic 606, *Revenue from Contracts with Customers*. The new guidance includes the following five-step revenue recognition model:

- Identify the contract with the customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to performance obligations.
- Recognize revenue when (or as) each performance obligation is satisfied.

In 2020, the Financial Accounting Standards Board (FAB) issued Accounting Standards Update (ASU), *Franchisors-Revenue from Contracts with Customers (Subtopic 952-606) Practical Expedient*. This new practical expedient will allow franchisors that are not public business entities to account for pre-opening services provided to a franchise as a single performance obligation in the services are in line with the services listed within the guidance, and they meet certain other conditions.

The Company recognizes franchise royalties, brand funds, on a weekly basis and local marketing fees as incurred, which are generally based upon a percentage of sales made by the Company’s franchises when they are earned and deemed collectible.

The following services are provided by the Company prior to the opening of a franchised location:

- *Designate the territory.*
- *Loan a copy of the proprietary operations manual.*
- *Provide site selection guidelines, criteria & assistance.*
- *Access to prototype design plans, specifications, décor and layout.*
- *Provide assistance and guidelines in establishing prices for products & services.*
- *Assist in implementing an opening marketing initiative*
- *Provide instruction and assistance and guidance prior to opening and immediately following opening.*

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (CONTINUED)

Fair Value of Financial Assets and Liabilities

We measure and disclose certain financial assets and liabilities at fair value. ASC Topic 820, Fair Value Measurements and Disclosures, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

We utilize the active market approach to measure fair value for our financial assets and liabilities. We report separately each class of assets and liabilities measured at fair value on a recurring basis and include assets and liabilities that are disclosed but not recorded at fair value in the fair value hierarchy.

Recently Issued and Adopted Accounting Pronouncements

In June 2016, the FASS issued ASU 2016-13, Measurement of Credit Losses on Financial Instruments which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model.

Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. The Company had no Financial assets that are subject to the guidance in FASS ASC 326 as of December 31, 2024. The impact of the adoption was not considered material to the financial statements and primarily resulted in new disclosures.

The Company's management has evaluated recently issued accounting pronouncements through the date of this report and concluded that they will not have a material effect on the financial statements as December 31, 2024.

Commitments and Contingencies

The company may be party to various claims, legal actions, and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the company.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 3 – PREPAID FRANCHISE EXPENSES

Deferred expenses represent expenses paid to assist franchisee’s in getting their business open. This includes broker fees, advertising fees, and technology costs. These costs are fully recognized when Franchisees open their doors. The amount deferred as of December 31, 2024 was \$0.

NOTE 4 – DEFERRED FRANCHISE REVENUE

Deferred revenue represents initial franchise sales for which substantially all the services to be provided by the Company have not yet been performed. These revenues are fully recognized when Franchisees open their doors. The amount deferred as of December 31, 2024 was \$0.

NOTE 5– RELATED PARTY TRANSACTIONS

The Company paid certain expenses on behalf of its affiliate The Kati Roll Company, Inc. (“TKRCI”) (see note 1). For the year ended December 31, 2024, the net amount of these transactions resulted in a balance due to TKRC Franchising Company, LLC of \$19,794.

NOTE 6– SUBSEQUENT EVENTS

The Company has evaluated subsequent events through February 24, 2025, the date on which the financial statements were available to be issued and nothing has occurred that would require disclosure.

TKRC FRANCHISING COMPANY, LLC.

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

DECEMBER 31, 2023

(With Independent Auditors' Report Theron)



Divine
Blalock
Martin
Sellari
LLC
Est. Jan. 1993

TKRC FRANCHISING COMPANY, LLC.
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THE STATE OF TN
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AND THE STATE OF NY
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AND THE STATE OF NJ
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INDEPENDENT AUDITORS' REPORT

To the Members of
TKRC Franchising Company, LLC
New York, NY

Opinion

We have audited the accompanying financial statements of TKRC Franchising Company, LLC (a New York Limited Liability Company), which comprise the balance sheet as of December 31, 2023, and the related statements of income, changes in members' equity, and cash flows for the period from inception (December 27, 2023) to December 31, 2023, 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 TKRC Franchising Company, LLC as of December 31, 2023, and the results of its operations and its cash flows for the period from inception (December 27, 2023) to December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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 TKRC Franchising Company, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 TKRC Franchising Company, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TKRC Franchising Company, LLC's ability to continue as a going concern for a reasonable period of time.

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

Divine, Blalock, Martin & Sellari, LLC

West Palm Beach, FL
February 7, 2024

TKRC FRANCHISING COMPANY, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2023

<i>Assets</i>	
Current Assets	
Cash and cash equivalents	<u>\$ 90,000</u>
Total Current Assets	<u>90,000</u>
Total Assets	<u><u>\$ 90,000</u></u>
 <i>Liabilities and Members' Equity</i>	
Current Liabilities	
Accounts payable	<u>\$ -</u>
Total Current Liabilities	<u>-</u>
Members' Equity	
Members' equity	<u>90,000</u>
Total Members' Equity	<u>90,000</u>
Total Liabilities and Members' Equity	<u><u>\$ 90,000</u></u>

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

TKRC FRANCHISING COMPANY, LLC
STATEMENT OF INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2023

Revenue

Initial franchise fees	\$ -
Royalty fee	-

Total Revenue -

Operating Expenses

Advertising	-
Bank charges	-
Computer and internet expenses	-
Filing fees	-
Professional fees	-

Total Operating Expenses -

Income/(Loss) From Operations -

Net Income/(loss) **\$** -

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

●

TKRC FRANCHISING COMPANY, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2023

Members' equity @ December 27, 2023	\$ -
Members' contribution	90,000
Net income/(loss)	<u>-</u>
Members' equity @ December 31, 2023	<u>\$ 90,000</u>

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

TKRC FRANCHISING COMPANY, LLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income/(loss)	\$ -
<i>Adjustments to reconcile Net income/(loss)</i>	
<i>to net cash used by operating activities:</i>	
<i>(Increase) Decrease in Operating Assets</i>	
<i>Increase (Decrease) in Operating Liabilities</i>	
Accounts payable	<u>-</u>
Total Adjustments	<u>-</u>
Net Cash Used in Operating Activities	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Members' contribution	<u>90,000</u>
Net Cash Provided by Financing Activities	<u>90,000</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	90,000
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>-</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>\$ 90,000</u></u>

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

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2023

NOTE 1 – BUSINESS ACTIVITY

TKRC Franchising Company, LLC, a New York Limited Liability Company, was formed on December 27, 2023; the Company is in the business of offering franchises for the operation of an Asian and Indian inspired fast casual restaurant offering Kati Rolls, Momos, Lassi and more. Unless otherwise indicated, the terms “we,” “us,” “our,” and “Company” refer to TKRC Franchising Company, LLC. The Company is in its initial start-up phase and is currently in the process of acquiring franchisees to operate in various states.

Affiliates

Our affiliate, The Kati Roll Company, Incorporated (“TKRCI”), owns a total of four Businesses in New York (three of which it owns and operates directly, and one of which is operated by a wholly-owned subsidiary) and one Business in London, England, each of which are of the type being offered. TKRCI owns the “The Kati Roll Company” Marks and has developed the TKRC System and has granted the licenses to use the Marks and System and to grant franchisees the right to use them in a cross-license agreement.

Our affiliate, TKRC Productions LLC, is a New York corporation, incorporated in August 2014, and provides products and/or services to franchisees.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Company’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when received, and expenses are recognized when the obligation is incurred rather than when cash is disbursed.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable and Bad Debts

Customer accounts receivable are stated at the amount management expects to collect on balances. The Company uses the direct write-off method for bad debts; management closely monitors outstanding balances and writes off, as of year-end, any balances that are considered to be uncollectible. Bad debts amounted to \$0 for the period ended December 31, 2023.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization are generally provided using the straight-line method over the estimated useful lives of the related assets which ranges between 3 to 10 years. As of December 31, 2023, the Company did not own any fixed assets.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Advertising

Advertising costs are expensed as incurred.

Concentrations of Credit Risk

The Company maintains cash in bank and deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Income Taxes

Certain transactions of the Company may be subject to accounting methods for income tax purposes that differ significantly from the accounting methods used in preparing the financial statements in accordance with generally accepted accounting principles. Accordingly, the taxable income of the Company reported for federal and state income tax purposes may differ from net income in these financial statements.

As a limited liability company, income or loss of the Company is allocated to the members. No provision for federal or state income taxes is necessary because any income or loss is includable in the tax returns of the individual members. Local income taxes, if any, are paid by the Company. The Company was not subject to any local income taxes for the period ending December 31, 2023. The Company's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

The Company accounts for uncertain tax positions in accordance with ASC 740-10, *Accounting for Uncertainty in Income Taxes*. ASC 740-10 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740-10 also provides guidance on de-recognition, classification, interest and penalties, and disclosure and transition accounting. The Company has concluded that no liability for uncertain tax positions was required as of December 31, 2023.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by the Company's management include but are not limited to, allowances for doubtful accounts and contracts receivable, the allowance for losses on contracts in process, and the percentage of completion on uncompleted contracts. Actual results could materially differ from those estimates.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition

The Company's revenue recognition policies are in compliance with accounting standards ASC Topic 606, *Revenue from Contracts with Customers*. The new guidance includes the following five-step revenue recognition model:

- Identify the contract with the customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to performance obligations.
- Recognize revenue when (or as) each performance obligation is satisfied.

In 2020, the Financial Accounting Standards Board (FAB) issued Accounting Standards Update (ASU), *Franchisors-Revenue from Contracts with Customers (Subtopic 952-606) Practical Expedient*. This new practical expedient will allow franchisors that are not public business entities to account for pre-opening services provided to a franchise as a single performance obligation in the services are in line with the services listed within the guidance, and they meet certain other conditions.

The Company recognizes franchise royalties, brand funds, on a weekly basis and local marketing fees as incurred, which are generally based upon a percentage of sales made by the Company's franchises when they are earned and deemed collectible.

The following services are provided by the Company prior to the opening of a franchised location:

- *Designate the territory.*
- *Loan a copy of the proprietary operations manual.*
- *Provide site selection guidelines, criteria & assistance.*
- *Access to prototype design plans, specifications, décor and layout.*
- *Provide assistance and guidelines in establishing prices for products & services.*
- *Assist in implementing an opening marketing initiative*
- *Provide instruction and assistance and guidance prior to opening and immediately following opening.*

Fair Value of Financial Assets and Liabilities

We measure and disclose certain financial assets and liabilities at fair value. ASC Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Fair Value of Financial Assets and Liabilities, continued

The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

We utilize the active market approach to measure fair value for our financial assets and liabilities. We report separately each class of assets and liabilities measured at fair value on a recurring basis and include assets and liabilities that are disclosed but not recorded at fair value in the fair value hierarchy.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued a new accounting standard on leases. The new standard, among other changes, will require lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases. The lease liability will be measured at the present value of the lease payments over the lease term. The right-of-use asset will be measured at the lease liability amount, adjusted for lease prepayments, lease incentives received, and the lessee's initial direct costs (e.g., commissions). The new standard is effective for annual reporting periods beginning after December 15, 2021, including interim reporting periods within those annual reporting periods. The adoption will require a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest period presented. Effective December 27, 2023, the Company adopted the new lease standard. As of December 31, 2023, the Company had no lease agreements in place.

NOTE 3 – PREPAID FRANCHISE EXPENSES

Deferred expenses represent expenses paid to assist franchisee's in getting their business open. This includes broker fees, advertising fees, and technology costs. These costs are fully recognized when Franchisees open their doors. The amount deferred as of December 31, 2023 was \$0.

NOTE 4 – DEFERRED FRANCHISE REVENUE

Deferred revenue represents initial franchise sales for which substantially all the services to be provided by the Company have not yet been performed. These revenues are fully recognized when Franchisees open their doors. The amount deferred as of December 31, 2023 was \$0.

TKRC FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2023

NOTE 5– COMMITMENTS AND CONTINGENCIES

The company may be party to various claims, legal actions, and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the company.

NOTE 6– SUBSEQUENT EVENTS

The Company has evaluated subsequent events through February 7, 2024, the date on which the financial statements were available to be issued and nothing has occurred that would require disclosure.

EXHIBIT E

OPERATIONS MANUAL TABLE OF CONTENTS

The Kati Roll Company*

FRANCHISE OPERATIONS MANUAL

Table of Contents

1. Introduction & How to Use This Manual

(An overview of our brand’s story, mission, and the purpose of this manual. Explains how to navigate each section—both in print and digital format—and clarifies its legal significance as part of the franchise system.)

1.1 **Welcome to The Kati Roll Company Family**

1.2 **Mission, Vision & Core Values**

1.3 **Purpose & Scope of This Manual**

1.4 **Navigating the Manual: Printed & Digital**

1.5 **Updates, Revisions & Compliance Requirements**

2. Legal & Franchise Framework

(Essential legal foundations of the franchise, highlighting the Franchise Disclosure Document (FDD) and key clauses of the Franchise Agreement. Emphasizes the importance of compliance with national, state, and local regulations.)

2.1 **Franchise Disclosure Document (FDD) Overview**

2.2 **Key Provisions in the Franchise Agreement**

2.3 **Legal & Regulatory Requirements**

2.4 **Franchisee Responsibilities & Compliance**

2.5 **Brand Protection & Intellectual Property**

3. Brand & Culture Essentials

(Details our brand identity and cultural roots—how to tell our story consistently and create the unique Kati Roll customer experience across all franchise locations.)

3.1 **History & Heritage of The Kati Roll Company**

3.2 **Brand Philosophy & Personality**

3.3 **Customer Experience & Brand Promise**

3.4 **Brand Visual Elements: Logos, Colors, Signage**

3.5 **Storytelling: How to Speak About Our Brand**

4. Setting Up Your Kati Roll Franchise

(Step-by-step guidelines for turning a chosen site into a fully operational franchise, including location criteria, layout design, and obtaining necessary permits and licenses.)

4.1 **Site Selection Criteria & Lease Considerations**

4.2 **Design & Layout Guidelines**

4.3 **Equipment & Fixtures Specification**

4.4 **Permits, Licenses & Local Regulations**

4.5 **Pre-Opening Timeline & Checklist**

5. Operations Infrastructure & Technology

(Focuses on the operational backbone—POS systems, digital integrations, and software solutions—that streamline daily tasks, uphold data security, and ensure seamless customer service.)

5.1 **Point-of-Sale (POS) Systems**

5.2 **Inventory Management Tools**

5.3 **Online Ordering & Delivery Integration**

5.4 **Data Security & Privacy**

5.5 **IT Support & Troubleshooting**

6. Human Resources & Staffing

(Covers modern hiring, training, and team management practices to maintain a motivated, well-trained staff that embodies The Kati Roll Company culture and meets all labor law requirements.)

6.1 **Hiring the Right Team**

6.2 **Training & Onboarding Programs**

6.3 **Workplace Policies & Compliance**

6.4 **Performance Management & Staff Retention**

6.5 **Employee Engagement & Culture Building**

7. Food Preparation & Menu Management

(All about consistent, high-quality food. Details approved suppliers, recipe standards, safe kitchen operations, and how to handle menu updates while protecting our brand's authenticity.)

7.1 **Ingredient Sourcing & Approved Suppliers**

7.2 **Kitchen Organization & Food Safety**

7.3 **Standard Recipes & Portion Control**

7.4 **Menu Updates & Seasonal Specials**

7.5 **Allergen & Dietary Accommodations**

8. Quality Control & Customer Service Standards

(Maintains the high standards our customers expect. Explains auditing processes, customer interaction protocols, and methods for measuring and improving guest satisfaction.)

8.1 **Daily Quality Audits & Checklists**

8.2 **Customer Interaction & Service Protocols**

8.3 **Complaint Resolution & Feedback Loops**

8.4 **Guest Experience Measurements (e.g., NPS, Reviews)**

8.5 **Continuous Improvement Best Practices**

9. Safety, Sanitation & Compliance

(Protecting customers, employees, and the brand through rigorous health, safety, and sanitation measures. Outlines emergency procedures and local inspection expectations.)

9.1 ****Food Handling Protocols & HACCP Guidelines****

9.2 ****Equipment Maintenance & Cleaning Schedules****

9.3 ****Workplace Health & Safety****

9.4 ****Regulatory Inspections & Audits****

9.5 ****Emergency Preparedness & Incident Reporting****

10. Marketing & Community Engagement

(How to grow your customer base while staying on-brand, including guidelines for local promotions, social media best practices, and community outreach to support neighborhood goodwill.)

10.1 ****National & Local Marketing Support****

10.2 ****Social Media Playbook & Brand Voice****

10.3 ****Grand Opening Promotions & Events****

10.4 ****Community Outreach & Partnerships****

10.5 ****Measuring Marketing ROI****

11. Financial & Performance Management

(A blueprint for healthy finances, covering reporting, royalty payments, budgeting, and the key performance indicators to track success.)

11.1 ****Bookkeeping & Accounting Tools****

11.2 ****Sales & Royalty Reporting****

11.3 ****Budgeting & Cash Flow Management****

11.4 ****Profitability Benchmarks & KPIs****

11.5 ****Audit & Review Process****

12. Ongoing Support & Communication

(Highlights the franchisor support systems, from headquarters to peer networks, and clarifies how each franchisee can stay connected and access help when needed.)

12.1 ****Support from The Kati Roll Company HQ****

12.2 ****Regular Communication Channels (e.g., Webinars)****

12.3 ****Regional Meetings & Conferences****

12.4 ****Mentorship & Peer-to-Peer Collaboration****

12.5 ****Escalation Matrix & Conflict Resolution****

13. Glossary, Reference Guides & Quick Links

(A central library of terms, resources, and contacts for quick reference, ensuring franchisees have fast access to forms, FAQs, and critical information.)

13.1 ****Key Terms & Acronyms****

13.2 ****Quick Reference Cards (Checklists, Flowcharts)****

13.3 ****Common Troubleshooting FAQs****

13.4 ****Digital Toolkit & Resources (Links, Videos, Templates)****

13.5 ****Contact Directory (HQ, Vendors, Service Providers)****

14. Appendices

(Supplementary documents, forms, and legal notices to support everyday operations and clarify any specific local-market adaptations.)

Appendix A: Sample Forms & Checklists (e.g., Opening/Closing Checklists)

Appendix B: Detailed Equipment List & Maintenance Logs

Appendix C: Sample Employee Handbook Template

Appendix D: Local Market Adaptation Guides

Appendix E: Legal Notices & Required Disclosures

EXHIBIT F

FRANCHISED OUTLETS AS OF 12/31/2024

None.

**FRANCHISEE'S WHO HAVE SIGNED A FRANCHISE AGREEMENT BUT ARE NOT YET
OPEN FOR BUSINESS AS OF 12/31/2024:**

None.

FRANCHISEE'S WHO HAVE LEFT THE SYSTEM AS OF 12/31/2024

None.

EXHIBIT G

GENERAL RELEASE

This release (the "Release") is given this day of _____ by _____, a(n) _____, with its principal place of business located at _____ ("Franchisee") and _____'s principals _____, an individual residing at _____ and ("Principal(s)").

Franchisee and Principal(s), on behalf of themselves and their respective officers, directors, employees, successors, assigns, heirs, personal representatives, and all other persons acting on their behalf or claiming under them (collectively, the "Franchisee Releasors"), hereby release, discharge and hold harmless TKRC Franchising Company, LLC ("Franchisor") and Franchisor's parent company(ies), affiliates, officers, directors, members, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the "Franchisor Releasees") from any suits, claims, controversies, rights, promises, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action of every nature, character and description, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected arising under, relating to, or in connection with the Franchise Agreement dated _____ between Franchisee and Franchisor and any related agreements and the relationship created thereby, or the Franchised Business operated under the Franchise Agreement, or any claims or representations made relative to the sale of the franchise to operate such Franchised Business or under any federal or state franchise or unfair or deceptive trade practice laws, which any of the Franchisee Releasors now own or hold or have at any time heretofore owned or held against the Franchisor Releasees (collectively, the "Franchisee Released Claims").

FRANCHISEE AND PRINCIPAL(S) ON BEHALF OF THEMSELVES AND THE FRANCHISEE RELEASORS WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS WHICH THE FRANCHISEE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT. The Franchisee Releasors also covenant not to bring any suit, action, or proceeding, or make any demand or claim of any type, against any Franchisor Releasees with respect to any Franchisee Released Claim, and Franchisee and Principal(s) shall defend, indemnify and hold harmless each of Franchisor Releasees against same.

-SIGNATURES APPEAR ON FOLLOWING PAGE(S)-

Release given this day of _____ by:

FRANCHISEE (Entity):

By: _____

Name: _____
(Print Name, Title)

FRANCHISEE (Principal):

By: _____

Name: _____
(Print Name, Title)

FRANCHISEE (Principal):

By: _____

Name: _____
(Print Name)

FRANCHISEE (Principal):

By: _____

Name: _____
(Print Name)

EXHIBIT H

STATE ADDENDA

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND AREA DEVELOPMENT AGREEMENT REQUIRED BY THE STATE OF CALIFORNIA

The Department of Financial Protection and Innovation for the State of California requires that certain provisions contained in franchise documents be amended to be consistent with California Franchise Investment Law, Cal. Corp. Code Section 31000 et seq., and of the Rules and Regulations promulgated thereunder. To the extent that this Disclosure Document contains provisions that are inconsistent with the following, such provisions are hereby amended.

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

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

3. Item 3 is amended to add:

Neither Franchisor nor any person described in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C. 8.78(a) et seq. suspending or expelling such persons from membership in such association or exchange.

4. Item 17 is amended to state:

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

(b) The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

(c) The franchise agreement contains a liquidated damages clause. Under California Civil Code section 1671, certain liquidated damages clauses are unenforceable.

(d) The Franchise Agreement requires application of the laws of New York. This provision may not be enforceable under California law.

5. California Business and Professions Code sections 20000 through 20043 (the Franchise Relations Act) provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

6. Before the franchisor can ask you to materially modify your existing franchise agreement, Section 31125 of the California Corporations Code requires the franchisor to file a material modification application with the Department that includes a disclosure document showing the existing terms and the proposed new terms of your franchise agreement. Once the application is registered, the franchisor must provide you with that disclosure document with an explanation that the changes are voluntary.

7. The franchise agreement requires binding arbitration. The arbitration will occur at Fairfield County, New York with the costs being borne by both parties. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9. California's Franchise Investment Law (Corporations Code section 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the Franchise Investment Law.

STATE EFFECTIVE DATES

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

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

<u>STATE</u>	<u>EFFECTIVE DATE</u>
California	<i>Pending</i>

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

EXHIBIT I

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If TKRC Franchising Company, LLC, offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

California requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If TKRC Franchising Company, LLC, does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Payal Saha 330 Pearl Street New York, New York, 10038 (212) 730-6740		
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Issuance Date: April 17, 2025

I received a Disclosure Document dated _____, that included the following Exhibits:

- EXHIBIT A: List of State Franchise Administrators and Agents for Service of Process
- EXHIBIT B: Franchise Agreement
- EXHIBIT C: Area Development Agreement
- EXHIBIT D: Financial Statements
- EXHIBIT E: Operations Manual Table of Contents
- EXHIBIT F: Franchised Outlets
- EXHIBIT G: General Release
- EXHIBIT H: State Addenda
- EXHIBIT I: Receipt

Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

Please return signed receipt to TKRC Franchising Company, LLC,
330 Pearl Street
New York, New York, 10038

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(Signature of recipient)

KEEP FOR YOUR RECORDS