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Department of
Business Oversight

FRANCHISE DISCLOSURE DOCUMENT

Tropical Smoothie Café, LLC
(a Georgia limited liability company)
1117 Perimeter Center West
Suite W200
Atlanta, Georgia 30338
(770) 821-1900 phone
(770) 821-1895 fax
E-mail: info@tropicalsmoothie.com
www.tropicalsmoothiecafe.com
www.facebook.com/tropicalsmoothiecafe

The franchise is for the establishment and operation of a café offering customers a variety of premium quality real fruit smoothies blended fresh in the store using proprietary recipes, as well as specialty sandwiches, gourmet wraps, salads, soups and coffee drinks (a "**Tropical Smoothie Café® franchise**" or "**Franchised Business**").

The total investment necessary to begin operation of a single-unit Tropical Smoothie Café® franchise ranges from **$222,095 to $569,335.** This includes $37,500 that must be paid to us. If a franchisee chooses to develop multiple units, $20,000 of additional fees must be paid to us for the second and each additional unit.

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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Charles Watson at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338 and (770) 821-1900.

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

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

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

Date of Issuance: April 20, 2018, as amended July 2, 2018, as amended October 23, 2018.

STATE COVER PAGE

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

Call the state franchise administrator listed in Exhibit A for information about the franchisor or about franchising in your state.

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

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION OR LITIGATION ONLY IN GEORGIA. OUT OF STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US IN GEORGIA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. UPON EARLY TERMINATION OF THE FRANCHISE, YOU MUST PAY US LIQUIDATED DAMAGES IN AN AMOUNT EQUAL TO THE AVERAGE MONTHLY ROYALTY FEES DURING THE TWELVE MONTHS PRIOR TO TERMINATION MULTIPLIED BY 18 OR THE NUMBER OF MONTHS REMAINING IN THE FRANCHISE AGREEMENT, WHICHEVER IS LESS.

4. AS PER THE AUDITED BALANCE SHEET DATED DECEMBER 31, 2017, THE FRANCHISOR HAD A NET WORTH DEFICIENCY OF ($7,248,000). WHICH INDICATES WE MAY NOT BE ABLE TO MEET OUR OBLIGATIONS.

5. THE FRANCHISEE OR MULTI-UNIT OPERATOR WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM **$222,095 to $569,335**. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2017, WHICH IS A DEFICIT OF ($7,248,000).

6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. With the exception of referrals in the state of Washington, we pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

The effective dates of this disclosure document in the states with franchise registration laws in which we have sought registration appear on the following page.

TROPICAL SMOOTHIE CAFÉ, LLC
STATE REGISTRATIONS

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

STATE	EFFECTIVE DATE
California	June 7, 2018, amended effective July 10, 2018, amended effective _____
Hawaii	April 30, 2018, amended effective _____
Illinois	April 23, 2018, amended effective July 3, 2018, amended effective _____
Indiana	August 25, 2018, amended effective _____
Maryland	May 17. 2018, amended effective July 3, 2018, amended effective _____
Michigan	September 10, 2018, amended effective _____
Minnesota	May 14, 2018, amended effective July 6, 2018, amended effective _____
New York	See state specific FDD
North Dakota	May 16, 2018, amended effective July 19, 2018, amended effective _____
Rhode Island	May 11, 2018, amended effective July 6, 2018, amended effective _____
South Dakota	May 31, 2018, amended effective July 2, 2018, amended effective _____
Virginia	May 17, 2018, amended effective July 27, 2018, amended effective _____
Washington	January 5, 2018, amended effective May 25, 2018, amended effective August 2, 2018, amended effective _____
Wisconsin	April 20, 2018, amended effective July 2, 2018, amended effective _____

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

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

1. A prohibition on the right of a franchisee to join an association of franchisees.

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

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

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

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa St.
P.O. Box 30212
Lansing, MI 48909
(517) 373-7117

TROPICAL SMOOTHIE CAFÉ, LLC

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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT J.

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

To simplify the language in this Disclosure Document, "**Tropical Smoothie Café**" or "**we**" or "**us**" or "**our**" means Tropical Smoothie Café, LLC, the franchisor. "**You**" or "**your**" means the person who is awarded the franchise rights. If you are a corporation, partnership, limited liability company or other legal entity, certain provisions of the Franchise Agreement and related agreements will apply to your shareholders, partners, members, and owners, as applicable. Those provisions will be noted where applicable.

The Franchisor

We are a Georgia limited liability company, organized on June 25, 2012. Our principal place of business is 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338, and our telephone number is (770) 821-1900. We do business under our corporate name and under the trade names TROPICAL SMOOTHIE® and TROPICAL SMOOTHIE CAFÉ®. If we have agents in your state for service of process, they are disclosed in Exhibit "A" to this disclosure document. We have offered Tropical Smoothie Café® franchises since September 4, 2012. We have never offered franchises in any other line of business. We do not engage in any business other than the offer and sale of Tropical Smoothie Café® franchises.

We are a direct, wholly-owned subsidiary of Tropical Smoothie Café Holdings, LLC ("Holdings"), a Delaware limited liability company, formed on September 18, 2018. Holdings shares our principal business address. The ownership of Holdings, the majority of which is held by various private equity funds managed by BIP Capital, LLC, is the same as that of Tropical Smoothie Café prior to September 2018. BIP Capital, LLC is an Atlanta, Georgia-based investment firm whose principal business address is 3575 Piedmont Road, Building 15, Suite 730, Atlanta, Georgia 30309. The creation of Holdings did not result in a transfer of any Tropical Smoothie Café franchise agreements, trademarks or other intellectual property related to the operation of the Tropical Smoothie Café stores or system. We remain the franchisor of the Tropical Smoothie Café system and provide all required support and services to Tropical Smoothie Café franchisees under their franchise agreements.

On August 16, 2012, we acquired substantially all of the assets, and all of the franchise and related agreements, from our affiliate and predecessor, Tropical Smoothie Franchise Development Corporation ("**TSFDC**") in exchange for issuing membership interests in us to it, and other consideration. TSFDC is a Florida corporation incorporated on July 2, 1997. Its principal place of business is 267 John Knox Road, Suite 116, Tallahassee, Florida 32303. TSFDC offered Tropical Smoothie Café® franchises from 1997 through August 15, 2012, when it had 310 franchises in operation and 30 sold and under development. TSFDC never offered franchises in any other line of business and did not engage in any business other than the offer and sale of Tropical Smoothie Café® franchises. TSFDC remains our affiliate because it is also one of our members, although it no longer will offer Tropical Smoothie Café® franchises for sale.

Through common ownership, our affiliate is Tin Drum Asiacafé, LLC, a Georgia limited liability company, with its principal place of business at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338 ("**Tin Drum**"). Tin Drum operates and franchises restaurants featuring fast-casual, Pan-Asian cuisine. It has offered franchises since April 1, 2011, and has sold 3 franchises from December 26, 2016 through December 31, 2017. It does not offer products or services to our franchisees.

We are also affiliated, through common ownership, with BIP Franchise Finance, LLC ("**BIP Franchise Finance**"). BIP Franchise Finance is a Delaware limited liability company with its principal place of business at 3575 Piedmont Road, Building 15, Suite 730, Atlanta, Georgia 30305. BIP Franchise Finance provides financing to Tropical Smoothie Café® franchisees that meet its qualifications. You are

not required to obtain financing from BIP Franchise Finance. BIP Franchise Finance does not operate any Tropical Smoothie Café® franchises or engage in any other business activities.

10 Point Capital LLC ("**10 Point Capital**") is an investment firm, formed in Delaware on April 4, 2018, with its principal place of business at 3575 Piedmont Road NE, Building 15, Suite 730, Atlanta, Georgia 30305. Neither we nor BIP are affiliated with 10 Point Capital; however, as set forth in Item 2, certain members of our board of directors and executive team currently hold positions with 10 Point Capital. These individuals may spend a portion of their time consulting or otherwise working for 10 Point Capital. 10 Point Capital currently owns a minority interest in the Phenix Hair Salon franchise system. 10 Point Capital may in the future invest in additional companies that act as franchisees (including our franchisees) or in companies (including us) that offer franchises. In the event 10 Point Capital invests in other companies offering franchises other than us, we do not expect that you would have dealings with these other franchisors, as they would operate separate systems.

Except as described above, we have no affiliates that offer franchises in any line of business or provide products or services to Tropical Smoothie Café® franchisees.

The Franchise

We grant Tropical Smoothie Café® franchises to qualified candidates for the right to develop and operate a Tropical Smoothie Café® store (each a "**Tropical Smoothie Café® Store**" or a "**Store**"), which is a customer-driven business that sells a variety of premium quality proprietary real fruit and other smoothies, specialty sandwiches, gourmet wraps, salads, soups and coffee drinks. We refer to this business as the "**Franchised Business**" in this disclosure document. You must sign our standard Franchise Agreement (the "**Franchise Agreement**") in the form attached as Exhibit "B" to this disclosure document. The Franchise Agreement grants you the right to develop and operate a single Tropical Smoothie Café® Store at an approved location.

The Franchised Business will operate under the trade names and service marks TROPICAL SMOOTHIE® and TROPICAL SMOOTHIE CAFÉ®, and will use other trade names, service marks, trademarks, logos, emblems and indicia of origin that we designate for use by Tropical Smoothie Café® businesses (the "**Marks**"). We use and license others to use the Marks and our proprietary operating system, which includes trade secret recipes (the "**System**"), developed for the operation of a Franchised Business.

Area Developers

We also grant area representative rights to individuals called "**Area Developers**" by a separate disclosure document. An Area Developer acts as our sales representative within a defined geographic area to solicit prospective single-unit and multi-unit franchisees and to provide support before, during and after a franchisee begins operations. An Area Developer identifies and qualifies potential franchisees. The Franchise Agreement is signed by the franchisee and us after we have approved the franchisee and timely provided the Franchise Disclosure Document. We have offered area representative rights since August 16, 2012, and TSFDC did so from 1997 until August 15, 2012. (See Exhibit "C" for information regarding our Area Developers and the Illinois Addendum in Exhibit "J.") We no longer offer new Area Developer territories.

The Tropical Smoothie Café® Business

A Tropical Smoothie Café® is a better-for-you, fast casual restaurant business offering freshly prepared food and smoothies served in a fun, friendly environment. We offer breakfast, lunch and dinner.

Tropical Smoothie Café® is a destination for flavor. Our customers enjoy great tasting, toasted wraps, sandwiches and flatbreads, and gourmet salads. Our products are made with quality meats and cheese, and bold, flavorful sauces. Our hand-crafted smoothies are made with select fruit and vegetables to deliver that fresh, better-for-you experience our consumers seek.

The Tropical Smoothie Café® mission is to inspire a healthier lifestyle by serving amazing food and smoothies with a bit of tropical fun. The values on which we operate our business are: solid relationships, creative spirit, live better, and play to win.

Each Tropical Smoothie Café® focuses on generating sales inside and outside of the Café's four walls. We offer many local store marketing programs designed to build solid relationships in our communities and drive sales and traffic. Our catering program delivers the "tropical experience" direct to the consumer, whether they are at work or at home. Consumers can enjoy our wrap and sandwich trays, salads, box lunches, and smoothies at any time of the day.

Tropical Smoothie Café® has supplemental programs to introduce our brand to new consumers through our fundraising program, which allows us to give back to our local communities. Organizations can eat well, make some friends, and enjoy giving during our fundraisers. They bring their friends and family in to enjoy an evening of fun and food at their local Tropical Smoothie Café® and earn a percentage of the event's sales.

Our primary customers are consumers seeking better-for-you offerings in every age group, both female and male. Our products inspire a healthier lifestyle.

We support our franchise community with innovative leadership and tools focusing on sales building and profitability through our proprietary systems.

If you enter into a Franchise Agreement with us, you will operate your Tropical Smoothie Café® according to the System, including our methods, standards and specifications. Your Tropical Smoothie Café® must offer all of the products and services we specify. The Franchised Business will occupy approximately 1,300 to 2,000 square feet and will seat approximately 10 to 40 customers. We have developed a design package and have mandatory interior décor specifications for Tropical Smoothie Café Stores. These specifications are brand specific and are designed to ensure uniformity in the presentation of the Tropical Smoothie Café® System to customers.

The Market and Competition

The smoothie business and the restaurant business are both highly developed and competitive. You will have to compete with other businesses offering smoothie beverages, as well as juice bars, and national and local restaurants that offer smoothie beverages as additional menu items, and businesses offering sandwiches, wraps, salads, soups and coffee drinks as menu items. Many of our competitors are well-established national, regional or local chains which may have substantial financial, marketing, or other resources. Other competitors include health food and general nutrition businesses. You may also encounter competition from other Tropical Smoothie Café® Stores operated by us or other franchisees.

We believe that strong brand recognition, attractive price-value relationship, and the quality of our products and our service enable us to differentiate ourselves from our competitors.

Regulations Specific to the Industry

You should consider that certain aspects of the restaurant business are heavily regulated by federal, state and local laws, rules and ordinances. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and various state and local health departments administer and enforce laws and regulations that govern food preparation and service, and sanitary conditions. State and local agencies inspect restaurants for compliance with these requirements. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. Some states have also adopted or are considering proposals to regulate indoor air quality.

You will also have to comply with laws and regulations of the U.S. Food and Drug Administration and Federal Trade Commission that relate to the presentation of nutritional information. Some states and local governments may require you to comply with laws relating to the labeling that is included on your menus, menu boards, and related materials. Some state and local authorities have also adopted, or are considering adopting, laws or regulations that would affect the content or make-up of food served in restaurants, such as the level of transfat contained in a food item.

Since you must accept credit cards as a method of payment at your Tropical Smoothie Café® Store, you must also comply with payment card industry ("**PCI**") compliance standards to protect personal information and ensure security when customer transactions are processed using a credit card. PCI compliance standards apply to all organizations that store, process, or transmit cardholder data, and cover technical and operational payment system components involving cardholder data.

You must also comply with laws and regulations that apply to businesses generally (such as workers' compensation, Occupational Safety and Health Act (OSHA), and Americans with Disabilities Act (ADA) requirements and Patient Protection and Affordable Care Act).

There may be other laws applicable to your business. It is your responsibility to investigate any applicable laws as they relate to operating a Tropical Smoothie Café® franchise. You should consider these laws and regulations when evaluating your purchase of a franchise.

ITEM 2. BUSINESS EXPERIENCE

CHAIRMAN OF THE BOARD: H. Scott Pressly

Scott Pressly has been our Chairman since August 16, 2012. From November 2008 to the present, he has been a partner in BIP Opportunities Fund, LP, an Atlanta, Georgia-based investment firm. From July 2007 to the present, he has been managing partner of Van Ness Capital Advisors, a financial consulting firm, in Atlanta, Georgia. He has been a Board Member of Tin Drum since September 2012. He has also been a Managing Partner of 10 Point Capital, an Atlanta, Georgia-based investment firm since April 4, 2018.

CHIEF DEVELOPMENT OFFICER AND INTERIM CHIEF EXECUTIVE OFFICER: Charles L. Watson

Charles Watson has been our Interim Chief Executive Officer since June 19, 2018. He has been our Chief Development Officer since November 20, 2015 after having served from August 16, 2012 as our Vice President of Franchise Development. Prior to joining us, he was TSFDC's Vice President of Franchise

Development from January 2010. Charles Watson has also been Chief Development Officer for Tim Drum since November 20, 2015 after serving as its Vice President of Franchise Development from March 2015. He has also been an Operating Partner of 10 Point Capital, an Atlanta, Georgia-based investment firm since April 2018.

CHIEF FINANCIAL OFFICER: Paul F. Marsden

Paul Marsden has been our Chief Financial Officer since June 12, 2017. Prior to joining us, he was Chief Accounting Officer at Popeyes Louisiana Kitchen, Inc. f/k/a AFC Enterprises, Inc. located in Atlanta, Georgia from March 2015 to May 2017 and Vice President, Controller from January 2006 to February 2015.

CHIEF MARKETING OFFICER: Rob Collins

Rob Collins has been our Chief Marketing Officer since June 26, 2017. Prior to joining us, he was Chief Marketing Officer at Carmike Cinemas, Inc. located in Columbus, Georgia from December 2015 to December 2016. Prior to that he was Vice President, Brand Activation at Turner Broadcasting System, Inc. in Atlanta, Georgia from April 2011 to October 2014.

GENERAL COUNSEL: Peter H. Ward

Peter Ward has been our General Counsel since June 5, 2017. Prior to joining us, he was Deputy General Counsel and Chief Risk and Compliance Officer at Popeyes Louisiana Kitchen, Inc. f/k/a AFC Enterprises, Inc. located in Atlanta, Georgia from September 2005 to April 28, 2017.

CORPORATE COUNSEL: Karen J. Wickliffe

Karen Wickliffe has been our Corporate Counsel since September 2017. Prior to joining us, Karen reentered the corporate work force after raising her family, as a contractor in the Legal Department of Popeyes Louisiana Kitchen, Inc. from September 2016 to June 2017. Prior to that she was Corporate Counsel for AFC Enterprises, Inc. from 2001 to 2004 and a Litigation Associate with Paul Hastings, LLP from 1996 to 2001.

SENIOR VICE PRESIDENT OF SUPPLY CHAIN AND QUALITY ASSURANCE: Kristine N. Kingery

Kristine Kingery has been our Senior Vice President of Supply Chain and Quality Assurance since January 1, 2018. Prior to that she was our Vice President of Supply Chain from February 6, 2017. Prior to joining us, she was Director of Procurement at ARCOP, Inc., the supply chain cooperative for Arby's Restaurant Group located in Atlanta, Georgia from September 2010 to February 2017.

VICE PRESIDENT OF DEVELOPMENT STRATEGY: Cheryl A. Fletcher

Cheryl Fletcher has been our Vice President of Development Strategy since July 10, 2017. Prior to joining us, she was Vice President Development at Popeyes Louisiana Kitchen, Inc. located in Atlanta, Georgia from January 2016 to January 2017 and Vice President, Development Strategic Planning & Finance from September 2013 to January 2016. Prior to that she was Director, Development Strategic Planning & Finance for AFC Enterprises, Inc. in Atlanta, Georgia from February 2011 to September 2013.

VICE PRESIDENT TECHNOLOGY: Marina I. O'Rourke

Marina O'Rourke has been our Vice President of Technology since December 9, 2017. Prior to joining us, she was Senior Director of IT for ServiceMaster located in Memphis, Tennessee from November 2012 to December 2017.

VICE PRESIDENT FIELD MARKETING: Brett P. Campbell

Brett Campbell has been our Vice President of Field Marketing since November 1, 2017. Prior to joining us, he was Senior Director, Field Marketing for Papa John's International located in Louisville, Kentucky from June 2013 to October 2017. Prior to that he was a contractor as Head of Marketing for IceBox located in Atlanta, Georgia from September 2012 to May 2013.

VICE PRESIDENT MARKETING TECHNOLOGY: Brian Best

Brian Best has been our Vice President of Marketing Technology since April 9, 2018. Prior to joining us, he was Senior Director of Interactive Engagement, Loyalty and eCommerce for P.F. Chang's China Bistro in Scottsdale, Arizona from June 2016 to April 2018. From June 2014 to June 2016 he served as AVP, Digital Strategy and Marketing for Arizona State University. From September 2006 to April 2014 he was VP, E-Commerce for Boyd Gaming Corporation in Las Vegas, Nevada.

SENIOR DIRECTOR OF TRAINING AND OPERATIONS SUPPORT: Karen Grissom

Karen Grissom has been our Senior Director of Training since August 21, 2017. Prior to joining us, she was Vice President, Operations Support for Wingstop Restaurants located in Dallas, Texas from April 2015 to April 2017. Prior to that she was Director, Global Training at Popeyes Louisiana Kitchen, Inc. located in Atlanta, Georgia from July 2011 to April 2015.

SENIOR DIRECTOR OF FRANCHISE DEVELOPMENT: Jennifer A. Folger

Jennifer Folger has been our Senior Director of Franchise Development since November 30, 2015 after serving as our Director of Franchise Development from January 20, 2015. Jennifer has also been the Senior Director of Development for Tin Drum since November 20, 2015. Prior to joining us, she was Director of Franchise Development at McAlister's Deli in Alpharetta, Georgia from August 2013 to January 2015. From August 2005 until August 2013, she was Marketing Manager, Franchise Development for Arby's Restaurant Group in Atlanta, Georgia.

DIRECTOR OF FRANCHISE DEVELOPMENT: Philip G. Watson

Philip Watson has been our Director of Franchise Development since August 16, 2012. Prior to joining us, he was TSFDC's Director of Franchise Development since October 2011. From August 2009 until June 2011, he served in various restaurant management positions for the Cox Restaurant Group in Valdosta, Georgia.

MANAGER, FRANCHISE DEVELOPMENT: Austin G. Sills

Austin Sills has been our Manager of Franchise Development since January 1, 2018. Prior to that, he was our Design & Construction Specialist from February 2015 to December 2017. Prior to joining us, he was a Sous Chef at City Bagel Café located in Starkville, Mississippi from May 2012 to December 2014.

FRANCHISE DEVELOPMENT ASSOCIATE: Haley L. Crook

Haley Crook has been our Franchise Development Associate since August 1, 2017. Prior to joining us, she was a Sales Consultant at Bridal's by Lori in Atlanta, Georgia from September 2012 to July 31, 2017. Prior to that, she attended the Art Institute in Atlanta, Georgia from July 2012 until December 2015.

DIRECTOR OF HUMAN RESOURCES: Loretta A. Sexton

Loretta has been our Director of Human Resources since October 2016. Prior to joining us, she was a Recruiting Manager for CraftWorks Restaurants & Breweries located in Broomfield, Colorado from June 2012 until September 2016. From January 2005 until June 2012, she was a Recruiting Manager with Ted's Montana Grill located in Atlanta, Georgia.

DIRECTOR OF DESIGN & CONSTRUCTION: Ronald T. Plauche, Jr.

Tom Plauche has been our and Tin Drum's Director of Design & Construction since March 11, 2015. Prior to joining us, he was Project Manager for Candito Construction in Cartersville, Georgia from November 2013 to March 2015. From September 2009 until present, he is the owner of Farmers Market Baskets in Kennesaw, Georgia.

REGIONAL DIRECTOR OF AREA DEVELOPERS: Robert Fischer

Robert Fischer has been our Regional Director of Area Developers since November 27, 2017, prior to that he was one of our Regional Directors of Franchise Operations from August 16, 2012 to November 27, 2017. In this capacity, he consults with both our area developers and our franchisees. Prior to joining us, he was one of TSFDC's Regional Directors of Franchise Operations since November 2009.

SENIOR DIRECTOR OF REAL ESTATE: Christopher Leavitt

Christopher Leavitt has been our Senior Director of Real Estate since December 18, 2017. Prior to joining us, he was Sr. Manager of Development with Dunkin' Brands, Inc. located in Canton, Massachusetts from March 2014 to December 2017. Prior to that he was Director of Development with FASTSIGNS Internationals, Inc. located in Carrollton, Texas from August 2011 to February 2014.

SENIOR FRANCHISE REAL ESTATE MANAGER: Kristen Klein

Kristen has been our Senior Real Estate Manager since January 4, 2018. Prior to that she was our Real Estate Manager from May 2015 to January 2018. Prior to joining us, she was a Real Estate Broker with Kelly & Visconsi Associates in Cleveland, Ohio from February 2013 until May 2015.

FRANCHISE REAL ESTATE MANAGER: Kyley M. Yanker

Kyley has been our Franchise Real Estate Manager since October 2016. Prior to joining us, she was Real Estate Manager for Tim Hortons located in St. Louis, Missouri from October 2015 until October 2016. Prior to that, , she was an Area Real Estate Manager for McDonald's located in St. Louis, Missouri. From August 2013 until August 2014 she was an Associate with Cushman & Wakefield located in St. Louis, Missouri. From January 2012 until August 2013 she was an Assistant Real Estate Manager with CBRE located in St. Louis, Missouri.

FRANCHISE REAL ESTATE MANAGER: Melissa A. Tinsley

Melissa A. Tinsley has been our Franchise Real Estate Manager since May 8, 2017. Prior to joining us, she was Senior Real Estate Manager at LeDuff America, Inc. in Dallas, Texas from March 2013 to May 2017. Prior to that, from May 2007 to March 2013, she was Development Coordinator for Tuesday Mornings, Inc. in Dallas, Texas.

FRANCHISE REAL ESTATE MANAGER: Don T. Tomberlin

Don Tomberlin has been our Franchise Real Estate Manager since October 2, 2017. Prior to joining us, he was Area Real Estate Manager at McDonald's USA, LLC located in Atlanta, Georgia from April 2015 to February 2017. Prior to that he was a Developer at Tomberlin Realty Services, LLC located in Atlanta, Georgia from January 1995 to March 2015.

DIRECTOR OF FRANCHISE ADMINISTRATION: Dana L. Lodridge

Dana Lodridge has been our Director of Franchise Administration since November 8, 2013. Prior to that, she was our Sr. Manager of Franchise Administration since September 10, 2012.

DIRECTOR: Eric Jenrich

Eric Jenrich has been one of our Directors since August 16, 2012. Prior to joining us, he was, and continues to be, TSFDC's Chief Executive Officer and one of its Directors since its inception on July 2, 1997 in Destin, Florida. In January 2011, he was named President of TSFDC. He had also been TSFDC's President from its inception through August 19, 2008. Mr. Jenrich has also been Chief Executive Officer and a Director of 2 of TSFDC's now dormant subsidiaries, Café Management, Inc. and Tropical Smoothie Café, LLC in Destin, Florida, for more than the past 5 years; both previously owned and operated Tropical Smoothie Café® restaurants. Eric Jenrich is an owner and CEO of Island Wing Franchise Company LLC in Destin, Florida since November 2011.

DIRECTOR: David W. Walker

David Walker has been one of our Directors since August 16, 2012. Prior to joining us, he was, and continues to be, TSFDC's Executive Vice President and one of its Directors since its inception on July 2, 1997 in Destin, Florida. He is the owner and President of Sizzle Adventures, LLC, a Smashburger Franchisee, and Vibe Adventures, LLC, a Which Wich Franchisee, both based in Tallahassee, Florida from June 2014 until the present.

DIRECTOR: Thomas Wells IV

Tom Wells has been one of our Directors since December 2014. From January 2013 to the present, he has been Vice President at BIP Capital, an Atlanta, Georgia-based investment firm. From December 2014 to the present, he has served as a Board Member for us and Tin Drum in Atlanta, Georgia. From June 2012 to August 2012, he was a Summer Associate for New Capital Partners in Birmingham, Alabama. From July 2008 to May 2011, he was Senior Associate with Century Park Capital Partners in Los Angeles, California. He has also been a Managing Partner of 10 Point Capital, an Atlanta, Georgia-based investment firm since April 2018.

ITEM 3. LITIGATION

The following matters relate to our predecessor and affiliate, TSFDC.

Prior Actions:

In the Matter of Tropical Smoothie Franchise Development Corporation, Administrative Proceeding Before the Securities Commissioner of Maryland, Case No. 2008-0329. As a result of an investigation into the franchise related activities of Tropical Smoothie Franchise Development Corporation ("**TSFDC**"), the Maryland Securities Commissioner ("**Commissioner**") concluded that grounds existed to allege that TSFDC violated the registration and disclosure provisions of the Maryland Franchise Law and a previous agreement with the Commissioner, in relation to the offer and sale of Tropical Smoothie unit and area franchises. In responding to inquiries from the Maryland Securities Division, TSFDC disclosed that it sold an area franchise to a Maryland resident, during the time it was not registered to offer and sell area franchises in Maryland. In addition, TSFDC failed to include required disclosure regarding litigation in its Uniform Franchise Offering Circular that it provided to prospective unit franchises and to the area franchisee with the offer to rescind the area franchise pursuant to the previous agreement with the Commissioner. This failure to disclose violated the Maryland Franchise Law and the terms of a previous agreement with the Commissioner. On September 23, 2008, the Commissioner and TSFDC agreed to enter into a consent order whereby TSFDC, without admitting or denying any violations of the law, agreed to: immediately and permanently cease from the offer and sale of unit and area franchises in violation of the Maryland Franchise Law; complete its pending renewal applications to register its unit and area franchise offerings in Maryland; implement new compliance procedures; engage a franchise law compliance program to monitor its sales activities in Maryland and to Maryland residents for a period of two years; and, offer rescission to the unit and area franchisees who were sold franchises in Maryland in violation of the Maryland Franchise Law. Four franchisees holding two franchise agreements opted to rescind.

In the Matter of Tropical Smoothie Franchise Development Corporation, Administrative Proceeding Before the Securities Commissioner of Maryland, Case No. 2008-0329. In 2010, the Maryland Securities Division initiated a second investigation into the franchise related activities of Tropical Smoothie Franchise Development Corporation ("**TSFDC**") following its review of the compliance Monitor's 2010 Report that was prepared in connection with the requirements of the September 23, 2008 Consent Order disclosed above. Based upon its investigation, the Maryland Securities Commissioner ("**Commissioner**") concluded that grounds existed to allege that TSFDC violated the registration and disclosure provisions of the Maryland Franchise Law, the 2008 Consent Order, and an Agreement with the Commissioner, in relation to a 2009 offer and sale of a Tropical Smoothie franchise in Maryland. The Monitor's 2010 Report disclosed that TSFDC sold a franchise in Maryland without providing the franchisee with the required Maryland Addendum. The Monitor also noted that TSFDC provided the Maryland franchisee with advertising in the form of a business plan template and break even analysis that had not been filed with the Division, as required. In responding to inquiries from the Maryland Securities Division in connection with TSFDC's amendment application of its franchise registration, TSFDC acknowledged that it failed to comply with the Commissioner's requirement to defer the collection of all initial fees received from the franchisee to whom it sold the franchise. On March 10, 2011, the Commissioner and TSFDC agreed to enter into a consent order whereby TSFDC, without admitting or denying any violations of the law, agreed to: immediately and permanently cease from the offer and sale of franchises in violation of the Maryland Franchise Law; diligently pursue the completion of its pending application to amend the franchise offering in Maryland; implement new compliance procedures; pay the Office of the Attorney General a civil monetary penalty of $10,000 and, offer rescission to the franchisee who was sold a franchise in Maryland in violation of the Maryland Franchise Law.

Pacheco v. Tropical Smoothie Franchise Development Corporation, Case No. 10-33167-18), (Circuit Court of the 17th Judicial Circuit, Broward County, Fla., filed July 27, 2010). Plaintiff, Victor Pacheco, was formerly the area developer for the Counties of Bronx, New York, Queens and Richmond territory in the State of New York. On June 26, 2007, TSFDC terminated Pacheco's area sales development agreement based on his (a) failure to conduct himself in a manner consistent with TSFDC's missions, principles and values; and (b) engaging in behavior that presented a health or safety hazard to customers, employees or the general public. Over 3 years later, Pacheco sued TSFDC alleging breach of contract and breach of the implied covenant of good faith and fair dealing arising out of the wrongful termination of the area sales development agreement with TSFDC. Pacheco claims that TSFDC did not have sufficient grounds to terminate the contract and that TSFDC's decision to do so violated the implied covenant of good faith and fair dealing. He seeks an unspecified amount of compensatory damages, lost profits and attorneys' fees. TSFDC denies the claims and has moved to stay the lawsuit pending arbitration in compliance with the contract. TSFDC's motion to compel arbitration and stay the lawsuit was granted by Order dated February 8, 2011. A demand for arbitration in this matter alleging essentially the same facts and claims was filed against TSFDC on June 15, 2012. While denying any liability, to avoid further defense costs, we settled the claim on September 27, 2012 by agreeing to pay Pacheco $75,000 in exchange for his release of all claims and dismissal of the arbitration with prejudice.

Michael J. Hunter, Suzanne J. Hunter and Frederick & Friends, Atlanta, LLC v. Tropical Smoothie Franchise Development Corporation, Tropical Smoothie Café, LLC, Tropical Smoothie, Inc., Eric Jenrich and James Valentino (Case No. 2008CA3779), filed in the Circuit Court of the 2nd Judicial Circuit Court, Leon County, Florida. This lawsuit was filed on November 18, 2008, and amended in April 2010, alleging breach of contract, breach of the implied covenant of good faith and fair dealing, fraud, promissory estoppel, conversion and unjust enrichment and constructive trust. The lawsuit resulted from action TSFDC took in January 2008 to terminate the area development agreement with the Plaintiff, Fredrick & Friends, Atlanta, LLC, the area developer for the Atlanta, Georgia territory (the "**LLC**"). The LLC had assumed the area sales development agreement, dated July 9, 2004 (the "**ASDA**") in September 2007 from Robert Frederick, the original signatory of the ASDA ("**Frederick**"). Frederick owned 50% of the LLC and the individual Plaintiffs, Michael Hunter and Suzanne Hunter (the "**Hunters**"), owned the other 50%. In December 2007, the Hunters had entered into an agreement to purchase Frederick's 50% interest in the LLC and TSFDC's consent to that transfer was requested. TSFDC informed Frederick that its consent to the proposed transfer was conditioned on Frederick maintaining one of TSFDC's franchised stores in the Atlanta market that Frederick owned personally (the "**Frederick Café**"), and that if he closed the Frederick Café TSFDC would not consent to the transfer and, in addition, TSFDC would exercise its right, pursuant to the ASDA, to terminate the ASDA. When Frederick closed the Frederick Café in early January 2008, TSFDC terminated the ASDA. The Hunters claim TSFDC breached its agreement to approve their purchase of Frederick's interest in the LLC and that TSFDC fraudulently induced them to enter into the purchase agreement with Frederick. They sought an unspecified amount of compensatory damages, recovery of their investment and unspecified amounts that would have been due them if they acquired the ASDA, prejudgment interest, and any other relief allowed by the court. TSFDC denies all of Plaintiffs' claims and denies that it made any fraudulent statements or misrepresentations of any kind, whether in violation of a statute or common law. TSFDC counterclaimed against the Plaintiffs' for Plaintiffs' actions which resulted in a diminution in the value of the Atlanta, Georgia market for TSFDC's business, and for libel. After a summary judgment hearing on January 19, 2015, the court granted partial summary judgment as follows: (i) Eric Jenrich and Jim Valentino were granted summary judgment on all claims against them; (ii) TSFDC was granted summary judgment on all claims against TSFDC by Suzanne Hunter; (iii) TSFDC was granted summary judgment on all claims against TSFDC by Michael Hunter, except for fraud in the inducement; (iv) Hunter was granted summary judgment on TSFDC's claim for libel; and (v) TSFDC was granted summary judgment on the Plaintiffs' claim against TSFDC for conversion. While denying any liability, to avoid further defense costs, TSFDC (as the only remaining defendant following the summary

judgment hearing), settled the remaining claims on April 7, 2015 by agreeing to pay Michael Hunter $347,500 in exchange for the Plaintiffs' release of all claims and dismissal of the lawsuit with prejudice.

JSG Management Co. v. Tropical Smoothie Café, LLC, (Case No. 01-16-0001-4215), American Arbitration Association in Atlanta, Georgia, filed April 18, 2016. JSG Management Co. ("JSG") is a former single-unit franchisee. JSG closed its café prior to the end of its term without prior authorization from Tropical Smoothie Cafe, and Tropical Smoothie Cafe subsequently terminated JSG's franchise agreement. JSG's arbitration demand alleged that Tropical Smoothie Cafe breached the franchise agreement by modifying the operations manual to institute a 2009 breakfast initiative, and that Tropical Smoothie made fraudulent financial performance misrepresentations to induce JSG to further invest into its business. Tropical Smoothie asserted that it did not breach JSG's franchise agreement because the agreement gave Tropical Smoothie Café authority to modify the operations manual and system in its sole discretion. Tropical Smoothie also denied that any fraudulent misrepresentations were made to JSG to induce further investment or otherwise. Tropical Smoothie Café asserted a counterclaim for breach of contract based on JSG's unauthorized early closure of its café and JSG's breach of its post-termination obligations under the franchise agreement. The parties agreed to settle the matter for payment of $62,500 by Tropical Smoothie Café and no admission of liability on the part of Tropical Smoothie Café.

Pending Actions:

1. Foodborne Illness Actions:

Raptis v. Tropical Smoothie Café, LLC, and Sangat Corporation, filed on September 9, 2016, in the Circuit Court of Loudoun County, Virginia, Case No. CL00103805-00; Key et. al. v. Tropical Smoothie Café, LLC et. al, filed on September 12, 2016, in the Circuit Court of Fairfax County, Virginia, Case No. CL2016-12819; Eubank v. Tropical Smoothie Café, LLC et. al., filed October 20, 2016, in the Circuit Court of Fairfax County, Virginia, Case No. CL2016-14563; Webster v. Tropical Smoothie Café, LLC et. al., filed October 20, 2016, in the Circuit Court of Fairfax County, Virginia, Case No. CL2016-14564; Beuchert et. al. v. Tropical Smoothie Café, LLC et. al., filed on November 18, 2016, in the City of Richmond Circuit Court, Virginia, Case No. CL2016-5194; Thompson v. Tropical Smoothie Café, LLC et. al., filed on February 17, 2017, in the Prince William County Circuit Court, Virginia, Case No. CL2017-1418; Brooks v. Tropical Smoothie Café, LLC et. al., filed March 9, 2017, in the Prince William County Court, Virginia, Case No. CL17001973-00; Onstad v. Tropical Smoothie Café, LLC, et al., filed July 7, 2017, in the Circuit Court of Fairfax County, Case No. 2017-09444; Rogers v. Tropical Smoothie Café, LLC, et al., filed July 7, 2017, in the Circuit Court of Fairfax County, Case No. 2017-09445. The forgoing lawsuits were brought by consumers in the Virginia and surround market alleging that they had been diagnosed with or exposed to hepatitis A from strawberries used in smoothies. The lawsuits include claims for breach of warranty, breach of implied warranty, negligence, negligence per se, gross negligence, fraudulent concealment and violation of Section 59.1 200(A)(5)(6) of the Virginia Consumer Protection Act. The plaintiffs seek compensatory damages (for personal injuries and prophylactic treatments), treble damages, punitive damages and attorneys' fees. All of the plaintiffs seek damages ranging from $100,000 to $1.5 million, with the exception of the plaintiffs in *Beuchert* who demand $3.5 million for each plaintiff, and plaintiff *Onstad* who seeks an undisclosed amount. Tropical Smoothie Café denies liability in these lawsuits and has filed (or, in some cases, will file) third-parties claims against Patagonia Foods, LLC, VLM Foods, Inc., VLM Foods USA, Inc. and the International Company for Agricultural Production & Processing. Tropical Smoothie Café contends any liability imposed against it should be assumed by one or more of the third-party defendants. Pursuant to the order of the Virginia Supreme Court, the cases were consolidated on July 17, 2017 for the coordination of pre-trial proceedings in the Circuit Court of Fairfax County, captioned In Re: Tropical Smoothie Café Litigation Multiple Claimant Act, Case No. CL2017-6065. It is expected that the Fairfax County Circuit

Court will issue a scheduling order for the pretrial proceedings in the Fall of 2017. Discovery in these cases has not yet commenced. Additional similar lawsuits may be filed in the future.

2. Other Actions:

Sentinel Insurance Company, LTD, v. Tropical Smoothie Café, LLC and TSC-GA, LLC v. McGriff, Seibels & Williams of Georgia, Inc., United States District Court for the Northern District of Georgia, 1:16-cv-04162-ODE, filed November 7, 2016. Sentinel Insurance Company ("Sentinel") brought this lawsuit seeking to recoupment of legal fees and rescission of its $4 million general liability insurance policy after Tropical Smoothie Café tendered personal injury claims to Sentinel for defense and indemnification. The personal injury claims tendered to Sentinel related to the 2016 hepatitis A outbreak in the Virginia area. Sentinel claims that Tropical Smoothie Café's insurance application, which the Tropical Smoothie Café's insurance broker prepared and submitted electronically, contained misrepresentations insofar as Sentinel understood Tropical Smoothie Café to be a franchisee, and not a franchisor. On February 24, 2017, Tropical Smoothie Café filed its Answer and Defenses, denying Sentinel's allegations. On March 10, 2017, Tropical Smoothie Café filed a Third Party Complaint against its insurance broker McGriff, Seibels & Williams of Georgia, Inc. ("McGriff") claiming that in the event Sentinel succeeds in its claims for rescission and/or recoupment, McGriff is liable to Tropical Smoothie Café for indemnity, negligence, breach of fiduciary duty, breach of contract, contribution, and attorneys' fees. Discovery as not yet commenced. On November 13, 2017, Tropical Smoothie Café, LLC and Sentinel filed a joint motion to dismiss all claims in this lawsuit without prejudice. The court has not yet ruled on this motion.

Other than these actions, no litigation is required to be disclosed in this Item. See Exhibit "C" for any required disclosure relating to Area Developers.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item. See Exhibit "C" for any required disclosure relating to Area Developers.

ITEM 5. INITIAL FEES

Initial Franchise Fee

The initial franchise fee for a single Franchised Business is $30,000, payable in full upon execution of the Franchise Agreement. If we approve, and you commit to open more than one Store within a defined development schedule (generally 2 per year), then we will reduce the initial franchise fees for the second and additional Stores to $20,000 each. The initial franchise fee for the second and each subsequent Store to be developed will be due at the time you sign the Franchise Agreements.

From time to time, we may discount or reduce the initial franchise fees for certain prospects due to special circumstances (e.g., re-opening a closed Store, a franchisee with multiple units who does not need initial training or support, etc.). During 2017, the initial franchise fees paid to us ranged from $1.00 to $25,000. In all cases, the initial franchise fee is deemed fully earned by us upon receipt and is non-refundable. We use the initial franchise fee to provide training and other services to our franchisees.

We are a member of the International Franchise Association (**"IFA"**) and participate in the IFA's VetFran program, which provides financial incentives to qualified veterans to help them acquire franchised businesses. In support of this program, we currently reduce the initial franchise fee for qualified veterans, to $15,000 for the first and each subsequent Franchised Business developed.

Grand Opening Contribution

If you have not previously developed and opened a Tropical Smoothie Café® Store then, unless otherwise required by applicable state law, you will pay to us an amount to be used to pay for your "**Grand Opening Marketing Program**" in accordance with the Grand Opening Marketing Budget and Plan you and we develop (the "**Grand Opening Contribution**"). The Grand Opening Contribution will require you to spend at least $7,500 and will be payable upon execution of the Franchise Agreement. If, for any reason, applicable state law does not permit us to collect the Grand Opening Contribution prior to opening your Store, then you must pay our approved vendors and service providers for their products and services furnished in accordance with the Grand Opening Marketing Program at the times when due based on invoices presented to you.

Except as described above, we charge the initial franchise fee uniformly to all franchisees. All of the foregoing fees and payments are fully earned by us on receipt and are non-refundable.

Incentive Referral Program

From time to time, we and our Area Developers may utilize incentive referral programs for our existing franchisees and their employees, as well as our vendors, to refer franchise prospects to us. Under these programs, we may pay cash compensation or provide other benefits and inducements for the referral of qualified franchise prospects. In many cases, the compensation or benefit will not be paid unless the franchise prospect enters into a franchise agreement with us. These referral programs may be altered, modified, suspended or terminated at any time. This referral program is available in all states, with the exception of the State of Washington.

ITEM 6. OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee	6% of Gross Sales[2]	Payable on Wednesday of each week for the prior week's Gross Sales[2]	You must pay the Royalty Fee by electronic funds transfer. (Franchise Agreement, Section 4.B.)
National Marketing Fee	3% of Gross Sales[2	Payable on Wednesday of each week for the prior week's Gross Sales	We may use these funds to create marketing, advertising and promotional materials for your use, or we may use these funds for marketing, advertising and public relations programs and materials on a system-wide basis. You must pay the National Marketing Fee by electronic funds transfer. (Franchise Agreement, Section 4.D.)
Local Advertising Cooperative Contribution	2% of Gross Sales[2]	Payable on Wednesday of each week for the prior week's Gross Sales	We (or our designee) administer these funds in accordance with the direction of the cooperative members. You must pay the Local Advertising Cooperative Contribution by electronic funds transfer. (Franchise Agreement, Section 4.E.)

Type of Fee (1)	Amount	Due Date	Remarks
MIS Fee(3)	Currently $50 per month per Store	Payable the 3rd week of each month	You must pay us the amount we designate for the use of our mandated management information system (currently Micros/Oracle), which includes auto-polling services of the POS System that you review via the Internet. We deduct this fee from your account by electronic funds transfer. (Franchise Agreement, Section 4.C.)
Online Ordering(3)	Currently, $44 per month and a $105 per quarter Micros Licensing Fee per each Store location	Payable the 3rd week of each month	You must participate in the online ordering services. For the mandated online ordering services, you pay us for installation based on our prepayment to the vendor (currently Micros); then we pay the online ordering vendor (currently Mobo Systems, Inc. d/b/a OLO) the monthly fee on your behalf and invoice you. If your Store's franchise agreement is transferred within the duration of your contract with the online ordering vendor, a $50 per café transfer fee will ensue and will be paid by the transferee. Sales tax is also charged to you in certain states. Currently, we withdraw these fees out of your Local Advertising Cooperative Contribution Account.
Managed Firewall Fee	Currently $89-$109 per month per Store	Payable the 3rd week of each month	You must pay us the amount we designate for the use of our mandated Managed System, currently administered by Netsurion and Trustwave. We deduct the Managed Firewall Fee from your account by electronic funds transfer. (Franchise Agreement, Section 4.C.)
Interest Charge on Late Payments	The lower of (i) 18% per annum, or (ii) the highest rate permitted by applicable state law	On demand	Only required if payment is late. (Franchise Agreement, Section 4.G.)
Late Fee	$25 per week (or portion thereof)	On demand	Only required if any payment is late. (Franchise Agreement, Section 4.G.)
Non-Compliance Fee	Up to $500 each time you default and for each week (or portion thereof) that the default continues.	As stated in our notice	Only required, at our option, if we reasonably believe you have committed an event of default under the Franchise Agreement. (Franchise Agreement, Section 4.H)
Reimbursement	Our out-of-pocket expenses	Within 15 days of request	Only required if we pay (or have become obligated to pay) monies that you owed to a third party or that you were obligated to pay a third party as part of our system. (Franchise Agreement, Section 4.I.)

Type of Fee[1]	Amount	Due Date	Remarks
Audit Fee	Cost of audit plus interest on late payment	Immediately upon determination by audit	Payable only if (i) we, or a third party selected by us, conduct an audit of your business because you failed to submit required reports or were otherwise not in compliance with our system, or (ii) we find, based on an audit, that you have understated amounts owed to us by 2% or more. (Franchise Agreement, Section 10.H.)
Transfer Fee	5% of the total sales price or $10,000, whichever is greater; or, $2,500 upon transfer of minority interest	Before transferring	Payable when more than a 49% interest in the Franchised Business is transferred to anyone including an unrelated 3rd party. The Transfer Fee is $2,500 if you transfer an interest of 49% or less to someone other than a direct family member or the guarantor of your obligations. (Franchise Agreement, Section 13.B.)
Management Fee	10% of Gross Sales for the period in which we operate the Franchised Business	As agreed	Pursuant to the terms of the Franchise Agreement, payable during the period that our appointed manager manages the Franchised Business to avoid interruption of business operations, at our option, in the event that (i) you or your majority owner dies or becomes disabled, (ii) we elect to purchase the business assets upon expiration or termination of the Franchise Agreement, or (iii) you operate the Franchised Business in a manner that presents a danger to the health or safety of any person. Our management of the Franchised Business will not exceed 90 days without your consent. We will account to you for all income of the Franchised Business during the period in which our manager manages the business. (Franchise Agreement, Section 13.G.)
Default Cure	Our costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.	On demand	Payable if you breach or default under any provision of the Franchise Agreement, and we take action to cure the default on your behalf. (Franchise Agreement, Section 14.E.)
Supplier Approval	Reasonable costs and expenses of inspection and testing estimated to range from $500 to $2,000	As invoiced	We may require you to pay us for our reasonable costs and expenses if we evaluate a proposed product, service or supplier at your request. (Franchise Agreement, Section 6.L.)

Type of Fee[1]	Amount	Due Date	Remarks
Customer Satisfaction	Reimbursement of our costs and expenses	As invoiced	You must participate in any customer satisfaction and/or franchise compliance programs (e.g., guest surveys, mystery shoppers, etc.) that we designate. We may require you to reimburse us for the cost of such programs or to pay the vendors directly. You must also reimburse us if you fail to respond to and resolve any customer complaints or negative feedback, and we choose to do so on your behalf. (Franchise Agreement, Sections 6.S and 6.T.)
Indemnification	Will vary under circumstances	On demand	You must indemnify us when certain of your actions result in loss or damages to us. (Franchise Agreement, Section 17)
Liquidated Damages	Amount equal to the average Royalty Fees for the last 12 months (or shorter period, if Franchised Business has been in operation less than 12 months), multiplied by the lesser of: (i)18 or (ii) the number of months remaining in the term.	On demand	We may require you to pay us this amount in the event you terminate the Franchise Agreement without cause or we terminate the Franchise Agreement for cause (Franchise Agreement, Section 15.D.). If applicable law does not permit us to collect liquidated damages, we will be entitled to collect actual damages.
Costs and Attorneys' Fees	Will vary under circumstances	On demand	The prevailing party in any legal proceeding is entitled to reimbursement of its costs and expenses, including reasonable accounting and attorneys' fees. (Franchise Agreement, Section 18.L.)
Business Interruption/Loss of Revenue Insurance Proceeds	Will vary under circumstances	On demand	You must pay us 5% of the insurance proceeds of any business interruption or loss of revenue insurance proceeds that you received in the case of fire or other event that results in damage or destruction of the Franchised Business. If you do not repair or rebuild the Franchised Business in a prompt and timely manner, your Franchise Agreement will automatically terminate. (Franchised Agreement, Section 12.H)
Relocation of Franchised Business	Will vary under circumstances	On demand	You must reimburse us for the out-of-pocket expenses we incur in helping you relocate.
Training	Will vary under circumstances	As incurred	See Item 11 of this disclosure document
Remodel Marketing Expense	$3,750	As incurred	We may require you to spend $3,750 on marketing for any Remodel. (Franchise Agreement, Section 6.J.)

Type of Fee (1)	Amount	Due Date	Remarks
P&L/Financial Data Software Subscription	$40.00 start-up fee (currently paid by us); $12.95 monthly subscription (paid by us until December 31, 2018; paid by you beginning January 1, 2019)	On demand	You must use a web-/cloud-based subscription software, to capture and benchmark profit and loss and related financial data, and report such information to us. Currently, Qvinci is the only approved provider of this software. At this time, the fees associated with use of this software include a start-up fee of $40.00 and a monthly subscription fee of $12.95. Currently, we pay both the initial start-up fee and monthly subscription fee on behalf of our franchisees. However, beginning on January 1, 2019, you will be required to pay the monthly subscription fee to us via electronic funds transfer. To the extent the monthly subscription fee increases, you will be required to pay such increased fee. We reserve the right to pass the initial start-up fee and/or any increases thereto on to franchisees. We reserve the right to change our approved software provider, our requirements relative to the use of this software, and/or the submission of financial data, including profit and loss statements. (Franchise Agreement Section 4.C)
Tax Reimbursement	Will vary under circumstances	On demand	You must reimburse us any amounts a taxing authority imposes on us, any "franchise" tax or other tax that is based on your gross sales, gross revenues, business activities or operation of your Franchised Business. (Franchise Agreement, Section 6.K.)
Third Party Inspection Fees	Will vary under circumstances	On demand	If you have failed to meet our standards after 2 inspections, and we choose to conduct a third inspection by us or a third party, then you must reimburse us for our out-of-pocket expenses, including service fees, travel and living expenses. (Franchise Agreement, Section 6.N)
Level Up	$175 one time set up fee; $50 scanner purchase; $75 per month	On demand for setup and scanner; monthly on invoice	You must pay a one-time set up fee and purchase a scanner for use of the Tropical Rewards Application known as Level Up. The set-up fee, scanner and monthly fee are paid either to us or directly to LevelUp as we determine. Currently, these fees are reimbursable through submission of your paid receipts to your Local Advertising Cooperative Contribution Account.
POS License Fee(3)	$1,000 to $3,000 per year	Annually	You must purchase and maintain a license for your POS System. The annual cost of this license depends on the specific POS configuration in your Store. Previously, franchisees paid this fee directly to the licensor. Currently, we pay this fee on behalf of franchisees and then collect it from them via electronic funds transfer. (Franchise Agreement Section 4.C)

NOTES:

(1) All fees and expenses described in this Item 6 are non-refundable. Except as otherwise indicated in the chart above, we impose all of the fees and expenses listed, and they are payable to us. We may require you to pay any or all periodic or recurring fees to us by electronic funds transfer. We require you to sign the Pre-Authorized Bank Form attached as Exhibit "D" to this disclosure document. We may implement a master cyber insurance policy covering the Tropical Smoothie Café brand that will provide one aggregate policy limit to all franchisees for both first and third party claims. We reserve the right to require all franchisees to pay to us their proportionate share of coverage under this master policy.

(2) "**Gross Sales**" means all revenue related to the sale of Products and performance of services in at the Franchised Business, whether for cash or credit, and regardless of collection in the case of credit, and income of every kind or nature related to the Franchised Business including without limitation, insurance proceeds and condemnation awards for loss of sales, profits or business; and further including without limitation amounts from gift cards, delivery, catering and off-site consumption. Gross Sales does not include (i) bona fide refunds to customers, (ii) revenues from sales taxes or other add-on taxes collected from customers by you and actually transmitted to the appropriate taxing authority, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of gift cards or similar products (but the redemption of any such card or product will be included in Gross Sales). You may not deduct payment provider fees, e.g., bank or credit card company fees and gift card vendor fees) from your Gross Sales calculation.

(3) You may not charge surcharges for any fees associated with customers paying by credit card, or any other form of payment. Such surcharges would include, but not limited to, credit card processing fees.

We may evaluate alternative POS and back office systems in the future, and we reserve the right to designate different POS and back office providers and require the use of different POS and back office systems, including systems that are subscription-based and/or may require you to purchase new, additional and different hardware, software and peripheral devices. The specific requirements of such systems, including the cost and fees associated with such systems and required infrastructure and devices may be different than those disclosed above.

We pay the MIS Fee to our MIS provider (currently Micros/Oracle) on behalf of our franchisees and then collect a $50 fee from our franchisees via electronic funds transfer. The amount that we pay to our MIS provider may be slightly more or less than the amount we collect from each Store. Any surplus MIS Fees paid by our franchisees are deposited into the NMF Account (as defined in Item 11 below) and used for the benefit of our franchisees and their national marketing efforts.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of payment	When Due	To Whom Payment is to Be Made
INITIAL FRANCHISE FEE (1)	$15,000-$30,000	Lump sum	When the Franchise Agreement is signed	Us
ARCHITECT (2)	$2,500 to $9,700	As arranged	Before opening	Designated Licensed Architect

Type of Expenditure	Amount	Method of payment	When Due	To Whom Payment is to Be Made
STORE FIXTURES, FURNITURE ANDEQUIPMENT (including point of sale/cash register system) (3)	$83,000 to $131,668	Lump sum	As arranged	Designated Equipment Vendor
LEASEHOLD IMPROVEMENTS (4)	$93,000 to $250,000	Lump sum	Before opening	Designated Licensed Contractor or Designated Source
SIGNAGE	$4,300 to $19,995	Lump sum	Before opening	Suppliers
UNIFORMS	$480 to $2,000	Lump sum	Before opening	Suppliers
INITIAL INVENTORY	$4,500 to $14,091	Lump sum	Before opening	Suppliers
INITIAL TRAINING EXPENSES (5)	$500 to $15,000	Lump sum	As incurred	Your Employees, Suppliers of Transportation, Food, Lodging
INSURANCE DEPOSITS (6)	$650 to $5,080	As arranged	As incurred	Insurance Companies
INITIAL DEPOSITS)	$1,500 to $13,004	As arranged	As incurred	Landlord & Utility Providers
LICENSES, BONDING & PERMITS (7)	$665 to $15,047	As incurred	Before opening	Government Agencies
LEGAL/ACCOUNTING	$500 to $6,250	As arranged	As incurred	Attorney Accountant
GRAND OPENING CONTRIBUTION (8)	$7,500	Lump Sum	When the Franchise Agreement is signed	Us
ADDITIONAL FUNDS (WORKING CAPITAL) (3 to 6 months) (9)	$8,000 to $50,000	As needed	As needed	Third parties
TOTAL (10)	**$222,095 to $569,335**			

NOTES:

1. Franchisees wishing to open more than one Franchised Business must sign a Franchise Agreement and pay an initial franchise fee for each additional location. The initial franchise fee for the second and each subsequent Franchised Business is $20,000.

2. You will be provided a set of plans for recommended construction in conformity with mandatory design specifications. You may be required by local codes and regulations to retain a licensed architect or equivalent professional to review or certify the plans and/or to oversee construction. The lower ranges assume that the site was formerly used as a restaurant so that the plans can utilize existing plumbing, electrical, etc.

3. Fixtures, furniture, equipment and technology needed to operate the Franchised Business includes (without limitation) tables and chairs, wall cabinets, merchandise display units, millwork, shelving, sinks, microwave, worktables, ovens, steamers, smallwares, ice machine, blenders, refrigerators, mixing bar, ice wells, freezers, menu boards, artwork, point of sale/cash register system and software. You must purchase the equipment, furnishings and other items from these designated suppliers before your Franchised Business opens. The cost of these items, purchased new, ranges from $83,000 to $131,668, depending on type and quantity of equipment as well as freight and storage costs. The types of costs are uniform among franchisees, but may vary depending on factors like the size and layout of the Franchised Business and whether new or used fixtures and equipment are utilized. For instance, in certain areas of the country, to the extent available and subject to our approval, we may allow you to purchase pre-owned equipment that meets our specifications and standards, and thus, reduce the cost of these items. Also, as stated in note 4, landlord improvement incentives are sometimes available for fixtures and equipment. Likewise, for sites recovered from closed restaurants, leftover fixtures and equipment held by the landlord that meets our specifications and standards can be utilized. This may include kitchen equipment, seating, bathroom fixtures, air conditioning and other items. Payment is due upon receipt of invoice and is nonrefundable. You will pay the approved supplier of the operations management platform a one time setup fee of $199 excluding the fee for hardware (Ipad(s), mounting bracket, etc.) and an ongoing monthly fee of $50 per month. You will pay the approved supplier of the mandated mobile application, the "Tropical Rewards Application," a one time setup fee of $175 and an ongoing monthly fee of $75.00 and variable interchange fee at a minimum of 4.5 cents per transaction and a minimum of 2-2.32% variable percentage dependent on varying volume of transactions.

4. These amounts are our best estimate of finish-out costs only. Labor and material costs may vary significantly in accordance with local variations in wage rates, labor efficiency, union restrictions and availability, and price of materials. Finish-out costs are based on leasing unfinished space that consists of walls, plumbing, concrete slab, lighting, HVAC, and electricity. We are unable to calculate the exact real estate investment required of each franchisee for a Franchised Business due to the many factors which influence the total project costs, such as location, amount of space leased (1,300 to 2,000 sq. ft.), amount of remodeling needed and so forth. In addition, you may be able to negotiate certain incentives from your landlord in the form of tenant improvement dollars and initial free rent, which, if available, will reduce the effective cost of your build-out. The lower range of the estimates anticipates that landlord improvement incentives will be available to construct much of the improvements. The amount of landlord incentives can vary widely depending on many factors including, without limitation: financial capacity of the landlord; competitive retail leasing locations; market conditions for rental rates; occupancy of the site and status of other leases and others. The use of landlord improvement money may also result in higher rent or occupancy costs. Also, some sites may have shells left vacant from prior tenants so that it costs less to convert the Stores to conform to our specifications. This includes the possibility that existing walls, plumbing, concrete slab, lighting, HVAC and electricity can be utilized. The availability of such sites may be limited or absent in your market. There is no assurance that you will be able to find sites that have these options available to you. The amount does not reflect an investment in real estate, since it is assumed that you will lease your premises. The expenditures described above assume that your Franchised Business does not include a drive-thru option for customers. If your Franchised Business includes a drive-thru, the additional expense (including the cost of leasehold improvements, store fixtures and equipment, and other costs) would be approximately $30,000 to $40,000.

5. You are responsible for all transportation, meal and other expenses associated with the initial training program for you and/or your managers, designees and employees. The cost will depend on the distance you must travel and the type of accommodations you choose.

6. This amount may vary depending upon how many Tropical Smoothie Café® Stores you develop and operate. See Item 8 for a description of the current insurance requirements for a Tropical Smoothie Café® Store.

7. This may include building inspection fees, occupational license fees, food service licenses, and the like, and will vary from one jurisdiction to the other.

8. If you have not previously developed and opened a Tropical Smoothie Café® Store, you must conduct a Grand Opening Marketing Program for your Franchised Business in accordance with our Manuals, utilizing the tools, timing, technologies, services and products we authorize and direct. You and we will develop the budget and plan following the Grand Opening process described in the Manuals. You must spend at least $7,500 (not counting cost of food and smoothies), on a Grand Opening Marketing Program for the Franchised Business during the Grand Opening time period beginning approximately 60 days before opening the Franchised Business through 30-60 days afterwards. You will pay to us the Grand Opening Contribution and we will administer payments to service providers and other vendors out of such funds. If, for any reason, we are unable to collect the Grand Opening Contribution from you when you sign your franchise agreement, then you must pay to the service providers and vendors as and when we direct in accordance with the Grand Opening Marketing Budget and Plan. If you have previously developed and opened a Tropical Smoothie Café® Store, you must spend a minimum of $2,500 (exclusive of the cost of food and smoothies) to conduct a Grand Opening Marketing Program for your Franchised Business during the Grand Opening time period beginning approximately 60 days before opening the Franchised Business through 30-60 days afterwards. We will not collect this amount and you will be obligated to pay vendors and service providers directly.

9. This estimates your start-up expenses. The estimate is intended to cover items such as possible initial operating losses, additional insurance, rent and security deposits, miscellaneous additional pre-opening costs, payroll, utilities, additional legal and accounting fees, and payments to any governmental agency that are necessary to open the Franchised Business. In addition, you should be prepared to have cash available to pay your personal living expenses during the first 3 to 6 months of operation. This is only an estimate however, and the necessary amount of working capital will vary considerably with each franchisee. We cannot guarantee that this amount is sufficient. You may require additional working capital over and above this estimated amount if your sales are low or if your fixed costs are high.

10. Your initial investment will vary depending upon the method and amount of financing that you use. The initial franchise fee, equipment, and other items are shown in full, although they may be financed or leased through third parties, and except where the low ranges are based in part on either landlord incentives, conversions of prior tenant's locations, and used fixtures and equipment. We have relied on historical experience provided by our franchisees and data from our predecessor, TSFDC, to compile these estimates. The total actual cost to construct and operate each Tropical Smoothie Café® Store has varied from the estimates shown above, and no particular outlet has experienced the high or low estimate for every category. The amounts shown are estimates only and may vary for many reasons, including, without limitation, your management skill and experience, your business acumen, local economic conditions, and sales reached during the initial operating period. **Estimated initial investment costs may be substantially higher in certain states and locations, including New York, California, Nevada and Hawaii**. You should review these figures carefully with a business advisor before making any decision to purchase the Franchised Business.

Our affiliate, BIP Franchise Finance, provides financing of the initial investment to franchise owners that meet its qualifications. See Item 10 for a description of the amount it will finance, the required down payment, the annual interest rate, rate factors, estimated loan repayments, and additional information about the financing terms.

The amounts described above are not refundable unless otherwise stated.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to maintain the reputation, goodwill, high standards, quality and uniformity of the System, the Franchise Agreement restricts the sources of products and services you utilize in establishing and operating your Franchised Business. We have the right to require some items to be purchased only from us or our affiliates. Some items can only be purchased from suppliers we have designated or approved, and others only in accordance with our standards and specifications. The source for virtually all of your purchases is restricted in some way. The following table summarizes the approximate percentages of your purchase of goods and services through sourcing restrictions, based on the nature of the restriction:

Required Purchases From Us or Our Affiliates	Required Purchases from Approved Suppliers	Required Purchases In Accordance with Our Specifications and Standards
Establishment - 0%	Establishment - 40%	Establishment 50%
Operation - 0%	Operation - 90%	Operation - 5%

Purchases from Us

You may be required to purchase certain products, equipment or services directly from us or our affiliates. Currently, we do not require you to purchase any items from us or our affiliates. During 2017, we did not derive any revenue from direct sales of equipment, products or services to franchisees. We and our affiliates reserve the right to become an Approved Supplier, or the only Approved Supplier, for any goods or services in the future

There are no required suppliers in which any of our officers own an interest. Although our affiliate BIP Franchise Finance is partially indirectly owned by 2 of our directors and officers, you are not required to use the financing programs it offers.

Purchases from Approved Suppliers

To maintain the superior quality of the goods and services sold by Tropical Smoothie Café® Stores and the reputation of the Tropical Smoothie Café® franchise System, you must purchase or lease fixtures, equipment and supplies, furnishings, products and services, and related items from suppliers that we designate or approve.

We may change approved suppliers periodically upon written notice to you. We will identify all designated and approved suppliers in our Manuals or other written or electronic communications. We do not make any express or implied warranties for any products or goods that we recommend for your use.

Purchases According to Standards and Specifications

In order to maintain the uniformly high standards and reputation of the System, you are required to purchase or lease certain items in accordance with the specifications and guidelines issued by us. This requirement applies to design and build-out standards, computerized point-of-sale and cash register system, signage, menu boards, uniforms, beverage and food products, branded paper goods, and supplies to be used in developing and operating the Franchised Business (some of which must be purchased from approved suppliers). Specifications may include minimum standards for quality, quantity, delivery, performance, design, appearance, durability, style, warranties, price range, and other related restrictions. We consider

these specifications to be of critical importance to the success of the System. (All of these specifications and guidelines are more fully described in our Manuals).

Site Selection – The location for your Franchised Business must satisfy our site selection criteria, which we may modify. Before you acquire the premises for the Franchised Business, you must submit to us all information that we request. We will have 30 days after we receive the information from you to determine whether the proposed site meets our site selection criteria. We will not unreasonably withhold our acceptance, but no site will be deemed to conform to our criteria unless we have expressly indicated that in writing. If you have not heard from us within such 30 day period, the proposed site is deemed rejected. We have the right to ensure that the proposed lease or sublease for the premises satisfied the leasing standards we prescribe before you sign it. We may require you and your landlord to sign our standard Addendum to Lease Agreement/Conditional Assignment of Lease.

Construction and Opening – You are responsible for developing the Franchised Business in compliance with our standards and specifications. We will furnish you with mandatory and suggested specifications and layouts for a Tropical Smoothie Café® Store, including requirements for dimensions, design, color scheme, image, interior layout, décor, fixtures, equipment, signs and furnishings. Our specifications and layouts are not intended to contain, address or comply with the requirements of any federal, state or local law, code or regulation, including those concerning the Americans with Disabilities Act or similar rules governing public accommodations for persons with disabilities. You are obligated, at your expense, to have a licensed architect prepare all required construction plans and specifications to suit the shape and dimensions of the accepted site and to ensure that the plans and specifications comply with applicable ordinances, building codes, permit requirements, lease requirements and restrictions, and the mandatory specifications and layout provided by us. You must use one of our approved architects or obtain our prior written approval of your licensed architect. You must use one of our approved licensed general contractors to oversee the construction of the Franchised Business. You must use an approved licensed general contractor or obtain our prior written approval of your licensed general contractor. Design quality is important to us, and we have the right to review and accept all plans and specifications and to confirm that construction is completed in conformance with our architectural and design standards and specifications for a Tropical Smoothie Café® Store. Our review is not designed to assess potential for success or compliance with federal, state or local laws or regulations and is limited to assessing compliance with our standards and specifications for a Tropical Smoothie Café® Store. If we so request, you must provide a schedule setting forth in detail the anticipated dates on which you will: (i) deliver the final construction plans for the Franchised Business; (ii) receive all necessary building permits; and (iii) complete construction (we may inspect construction of the Franchised Business at all reasonable times). You must complete construction and begin operations of the Franchised Business within 12 months of the date that you sign the Franchise Agreement. You may not open the Franchised Business to the public until you have received our approval.

Computer Hardware and Software – You are required to purchase the computer system, including among other things, the point-of-sale system, cash register(s), hardware, software and peripheral devices described in Item 11 of this disclosure document.

Advertising and Promotional Materials – All of your advertising and promotions must conform to our standards and requirements. We must approve all advertising and promotional materials before you use them. You must submit to us electronic proofs of any and all promotional and marketing materials at least 15 days prior to production/use to the extent such materials have not been prepared by us or previously approved by us during the 12-month period preceding the date of proposed use. We will make reasonable efforts to approve or disapprove proofs within 10 days after we receive them. If you have not heard from us within such 10 day period, the proposed materials are deemed not approved. You must not use the advertising or marketing materials until we have approved them, and must promptly discontinue using any advertising or promotional materials if we notify you to do so.

Insurance – Before beginning any operations under the Franchise Agreement, you must obtain and maintain in full force and effect at all times during the term of the Franchise Agreement, at your own expense, insurance coverage that we require periodically. We may regulate the types, amounts, terms and conditions of insurance coverage required for your Franchised Business, and standards for underwriters of policies providing required insurance coverage, including (a) our protection and rights under these policies as an additional insured; (b) required or permissible insurance contract provisions; (c) assignment of policy rights to us; (d) periodic verification of insurance coverage that must be furnished to us; (e) our right to obtain insurance coverage at your expense if you fail to obtain required coverage; and (f) similar matters relating to insured and uninsured claims.

All policies must be written by an insurance company rated "A" or better by A.M. Best Company, and that is otherwise satisfactory to us. You must be named as the insured on all policies. You are currently required to purchase and maintain throughout the term of the Franchise Agreement:

1. Comprehensive general liability insurance, including contractual liability, broad form property damage, personal injury, advertising injury, product liability, employee liability, employee benefits liability, completed operations and independent contractors coverage, legal liability coverage with a minimum of $500,000 in coverage, and fire damage coverage in the amount of $1,000,000 per occurrence, with $2,000,000 aggregate coverage (or such higher amount as required by the lease for the premises);

2. An "umbrella" policy providing excess coverage with limits not less than the following amounts, depending upon the number of Tropical Smoothie Café® Stores that you (or your affiliate) develop and operate;

Number of Cafes	**Minimum Coverage**
1-3	$1,000,000
4-6	$3,000,000
7-9	$5,000,000
10-15	$7,000,000
More than 15	$10,000,000

3. Automobile liability coverage, including coverage of owned, non-owned and hired vehicles, with coverage in amounts not less than $1,000,000 combined single limit and additional liability coverage as needed for delivery services;

4. Worker's compensation and employer's liability insurance in the minimum amount of $500,000 or a higher limit as required by applicable law, as well as such other insurance as may be required by applicable law; and

5. "All risks" or "special form" coverage for the full replacement of the Franchised Business premises and all personal property and equipment on Site or used in the Franchised Business.

In addition to these coverages, you may want to consult with an insurance professional or business advisor about other types of insurance for your franchised business, including but not limited to, business interruption insurance, employment practices liability insurance, data privacy/cyber liability insurance and food contamination insurance.

The cost of the required coverages will vary depending on the insurance carrier's charges, terms of payments, and your history. All insurance policies, except for workers' compensation and employment liability insurance policies, must name us, our affiliates, and your Area Developer (if any) as an additional insured party. In addition, you and your insurance company must waive all rights of subrogation against our affiliates and us under your general liability, automobile liability and liability umbrella policies. At least 15 days prior to the opening of the Franchised Business and at least 30 days in advance of each policy renewal date, you must submit to us certificates evidencing the existence and continuation of proper coverage. Such certificates of insurance must include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days prior written notice to us. In addition, if requested by us, you will deliver to us a copy of any insurance policy or policies that we require. We do not derive revenue as a result of your purchase of insurance.

In connection with any construction, leasehold improvements, renovation, refurbishment or remodeling of the premises of the Franchised Business, your licensed general contractor must maintain comprehensive general liability insurance (with comprehensive automobile liability coverage for both owned and non-owned vehicles, builder's risk, product liability and independent contractors coverage) in at least the amount of $1,000,000, with us named as an additional insured, as well as worker's compensation and employer's liability insurance as required by state law.

Supplier Approval Procedure

If you propose to purchase or lease any services or products not previously approved by us in writing (for services and products that require supplier approval), you must first notify us. We may require (among other things) submission of sufficient information, specifications and/or samples for us to determine whether the product or service complies with our standards and specifications, or whether the supplier meets our approved supplier criteria. We generally apply the following criteria (among others) in considering whether the supplier will be designated as an approved supplier:

1. Ability to produce the products, services, supplies, or equipment and meet our standards and specifications for quality and uniformity;

2. Production and delivery capabilities and ability to meet supply commitments;

3. Integrity of ownership (to assure that its association with us would not be inconsistent with our image or damage our goodwill); and

4. Financial stability.

You are responsible for all reasonable expenses incurred by us in connection with evaluating the product, service or supplier. Although we are not required to approve or disapprove supplier requests within any particular time period, we generally respond within 30 days after we receive your written request. You must not use suppliers unless and until we approve them. Suppliers must maintain our standards in accordance with written specifications and any modifications. Failure to correct a deviation from the System's specifications will result in the termination of status as an approved supplier, and you must promptly discontinue using any suppliers whose approved status is terminated.

Purchasing Arrangements

We may (but are under no responsibility to) negotiate with suppliers and manufacturers to receive discounts or rebates on certain items you must purchase. For the fiscal year ended December 31, 2017, we received rebates of $5,074,000 in connection with purchases by franchisees of certain items from approved or designated suppliers, including without limitation, potato chips, chicken, frozen fruit, tortillas, yogurt and Sysco purchases. This amounted to approximately 12.7% of our total revenues of $40,017,000. We used some of these rebates for the benefit of our franchisees (although we are under no obligation to do so), including (but not limited to) annual convention costs, road shows, marketing promotional materials, and a portion of administrative salaries for those individuals responsible for distribution and production that benefit the entire System. Our rebate programs vary depending on the supplier and the nature of the product or service and are based on either a percentage of sales or a fixed amount or range per specified unit or quantity of product (i.e., per case or per pound).

The price(s) of any or all of the items you must purchase from suppliers and other third parties may increase. Costs of goods may vary from month to month, depending on factors such as the volume of purchases, usage, vendor minimums, inventory turns, ingredients costs, market demand, market supply, freight and other similar factors. Cost of goods will vary by geographic area due to freight charges incurred as a result of stocking of products in multiple distribution centers. Freight costs for franchisees entering new markets may be higher than those franchisees incur in other markets, and you should adjust your cost projections accordingly. We reserve the right to sell some products associated with the Tropical Smoothie Café brand to different retail outlets, including among others, grocery stores or warehouse retailers. We and our affiliates reserve the right to become an Approved Supplier, or the only Approved Supplier, for any goods or services at some point in the future.

We may negotiate agreements with suppliers that include marketing funds that are pooled and directed to local or national advertising funds. These agreements allow the supplier to consistently achieve market wide promotional goals when advertising their products with Tropical Smoothie Café.

We pay the MIS Fee to our MIS provider (currently Micros/Oracle) on behalf of our franchisees and then collect a $50 fee from our franchisees via electronic funds transfer. The amount that we pay to our MIS provider may be slightly more or less than the amount we collect from each Store. Any surplus MIS Fees paid by our franchisees are deposited into the National Marketing Fund and used for the benefit of our franchisees and their national marketing efforts.

Miscellaneous

There currently are no purchasing or distribution cooperatives. Although we are not required to do so, we currently negotiate purchase arrangements with suppliers (including price terms) for most of the products and services you will purchase for use in operating the Franchised Business. In doing so, we seek to promote the overall interests of the Tropical Smoothie Café® franchise system and company-owned operations. We do not provide material benefits to you (for example, renewal or granting additional franchises) for purchasing particular products or services or using a particular supplier, although franchisees may have their franchise agreements terminated or not renewed if they use unapproved suppliers.

Except as described above, neither we nor our affiliates currently derive revenue or other material consideration as a result of your required purchases or leases.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Sections 5.A., 5.B. and 5.C	Items 7, 8 and 11
b. Pre-opening purchases/leases	Sections 5.C., 5.D., 5.H., 6.A., 6.L., 6.Q. and 8.A.	Items 5, 7, 8 and 11
c. Site development	Sections 5.D. and 5.H.	Items 5, 7, 8 and 11
d. Initial and ongoing training	Sections 5.G., 5.I., 6.E., 6.F.	Item 11
e. Opening	Sections 5.F. and 5.I.	Item 11
f. Fees	Sections 4, 6.J, 6.K., 6.N., 10.H., 11.C., 13.B., 13.G., 14. E., 15.D., 17, and 18.	Items 5 and 6
g. Compliance with standards and policies/operating manuals	Sections 5, 6, 8, and 10	Item 11
h. Trademarks & proprietary information	Sections 7 and 9	Items 13 and 14
i. Restrictions on Products and Services Offered	Section 6	Items 8 and 16
j. Warranty and customer service requirements	Sections 6.S. and 6.T.	Item 6
k. Territorial development and sales quota	Not applicable	Not applicable
l. Ongoing product/service purchases	Section 6	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 6.A., 6.H., 6.J., and 13.B.	Item 11
n. Insurance	Section 12	Items 7 and 8
o. Advertising	Section 11	Items 6, 8 and 11
p. Indemnification	Section 17	Item 6
q. Owners participation/management/staffing	Sections 6.A. and 6.C.	Items 11 and 15
r. Records and reports	Section 10	Item 17
s. Inspections and audits	Sections 6.N. and 10.H.	Items 6 and 11
t. Transfer	Section 13	Items 6 and 17
u. Renewal	Section 2.B.	Items 6 and 17
v. Post-termination obligations	Sections 15 and 16.B.	Item 17
w. Non-competition covenants	Section 16	Item 17
x. Dispute resolution	Section 18	Item 17
y. Owner's Guaranty	Section 5.B; Exhibit "I" to this disclosure document	Item 15

ITEM 10. FINANCING

Except as set forth below, neither we nor any of our agents or affiliates offers direct or indirect financing to you, or guarantees any note, lease or obligation. Our affiliate, BIP Franchise Finance, provides financing to franchise owners that meet its qualifications. You are not required to obtain financing from BIP Franchise Finance. The following summarizes the financing terms (see Exhibit "N" for Financing Documents):

SUMMARY OF FINANCING OFFERED

Term/Condition	Description	Agreement and Section
Lender	BIP Franchise Finance	Loan Agreement and Security Agreement
Item Financed	Development of a Tropical Smoothie Café, including franchise fees, leasehold improvements; equipment, fixtures, and signage; inventory and supplies; development soft costs (see Note 1)	Loan Agreement, § 1(f)
Source of Financing	Our affiliate – BIP Franchise Finance, LLC	
Down Payment	20%	Loan Agreement, § 1(f)
Amount Financed	Up to 80% of total project cost (see Note 1)	Loan Agreement, § 1(a)
Term	5 years (60 monthly payments) (see Notes 2 and 6)	Loan Agreement, § 1(a)
Interest Rate	Currently, 9.75% per annum (see Note 3)	Loan Agreement, § 1(d)
Monthly Payment	Will depend on principal amount of loan (see Note 4)	Loan Agreement, § 1(c)
Prepayment Penalty	None	Loan Agreement, § 2
Security Required	Lien on all assets of the Franchised Business (see Note 5)	Loan Agreement, § 1(f) Security Agreement § 2(a)
	Personal guaranty by your owners (see Notes 6 and 7)	Loan Agreement, § 1(e) Guaranty Agreement
Your Liability Upon Default	Accelerated obligation to pay entire amount of loan	Loan Agreement, § 7
	Interest rate increases 2% (subject to state law)	Loan Agreement, § 1(d)
	Collection costs, including attorneys' fees	Loan Agreement, §§ 7, 8 Security Agreement, §§ 10, 13
	Loss of franchise and termination of Franchise Agreement, with all liabilities resulting under the Franchise Agreement	Franchise Agreement, § 14(a)
	BIP Franchise Finance or its designee may take possession of your business assets and take over operation of your Franchised Business (see Note 8)	Loan Agreement, § 7 Security Agreement, § 23(e)
	Each of your owners is equally liable as a guarantor	Guaranty Agreement
Governing Law	Georgia law applies (see Note 9)	Loan Agreement, § 8(g) Security Agreement, § 26 Guaranty Agreement, § 12
Jurisdiction	Fulton County, Georgia (see Note 10)	Loan Agreement, § 8(g) Security Agreement, § 26 Guaranty Agreement, § 13

NOTES:

1. You will typically receive your loan in three separate disbursements. The first disbursement is made on the day you close the loan. The final disbursement is made no later than 180 days later.

2. Monthly payments of principal plus interest are due and payable beginning on the first day of the second calendar month following the month during which the Store opens for business and continuing on the first day of each month thereafter. However, you must also make monthly payments of interest on the first day of each calendar month from the date of the initial disbursement (on the closing date of the loan) until the first payment of principal plus interest is due after you begin operations of the Store. (Loan Agreement, § 1(c))

3. As of the date of this disclosure document, BIP Franchise Finance offers loans at an annual interest rate of 9.75% (computed on the basis of the actual number of days elapsed in a year consisting of 360 days). In its discretion, BIP Franchise Finance may offer a higher or lower interest rate, except that the rate of interest will not exceed the maximum rate allowed under applicable state law.

4. In addition to your obligation to repay the principal and interest on the loan, you will also pay a loan origination fee equal to 1.5% of the principal amount of the loan. The loan origination fee may be paid by you when incurred, or you may have it deducted from the loan proceeds disbursed to you on the closing date of your loan. You must also pay BIP Franchise Finance all of its transaction related expenses, including legal fees, evaluation costs, and due diligence costs. (Loan Agreement, § 1(g))

5. At the option of the lender, you must also obtain and deliver executed deposit account control agreements from all financial institutions in which you maintain deposit accounts as additional security for the loan. (Loan Agreement, § 1(e)) Until the loan has been paid in full, you must deliver financial statements to the lender, maintain minimum amounts and types of insurance, and comply with certain other covenants, as described in the Loan Agreement. (Loan Agreement, § 4)

6. Upon the death or permanent disability of any guarantor, the lender may, at its option, accelerate the amount due under the loan documents. (Loan Agreement, § 4(g))

7. We guaranty your debt to BIP Franchise Finance. If you are in an Area Developer territory, the Area Developer will also be required to guaranty your debt to BIP Franchise Finance. In that case, our guaranty will be a "last loss" guaranty, which may not be called by the lender until all other remedies have been exhausted.

8. Upon an event of default, the lender will consult with us and with your Area Developer, if applicable, to determine what actions are necessary or appropriate to maintain and continue the operation of your Franchised Business. We or your Area Developer, if applicable, may take over the operation of the Store during any period that you are in default under the loan documents or your Franchise Agreement. (Loan Agreement, § 7; Addendum to Lease Agreement/Conditional Assignment of Lease, § 3) If an event of default has occurred under the loan documents or you are not in material compliance with all Franchise Agreements, then you may not: (a) make any cash distributions to your owners or (b) develop any additional Tropical Smoothie Café® franchises. (Loan Agreement, §§ 5(f)-(g))

9. The loan documents require you (and any guarantor) to waive certain defenses and legal rights. You waive demand for payment, presentment, protest and notice of dishonor, notice of protest, and notice of default, except as otherwise specified in the Loan Agreement, and all suretyship defenses. (Loan Agreement, §8(d)) Each guarantor waives diligence, presentment, demand of payment, filing of claims

with a court in the event of receivership or bankruptcy of the franchisee, and protest or notice of the obligations and all demands whatsoever. Each guarantor also waives the right to participate in any security or collateral given by the franchisee to the lender until the lender has been paid all amounts owed. (Guaranty Agreement, §§ 3-4) If the lender exercises any rights to the collateral, you waive all damages occasioned by the lender or its designee taking possession of the collateral, all rights of redemption, appraisement, valuation, stay, extension or moratorium to prevent or delay the lender's enforcement of the Security Agreement or the sale of the collateral, and all other requirements as to the time, place and terms of such sale. (Security Agreement, § 16)

10. You waive right to a trial by jury, to the extent such rights can be waived under applicable state law. (Loan Agreement, § 8(f); Security Agreement, § 29)

BIP Franchise Finance may sell, assign or discount the financing to an affiliate. If it does so, you will lose all of your defenses against BIP Franchise Finance as a result of the sale or assignment. However, BIP Franchise Finance will not assign the financing before the final disbursement has been made to you under the loan. BIP Franchise Finance will continue to serve as the agent for the loan.

We do not receive any payments from BIP Franchise Finance or any other person, for any placement of financing.

We participate in the IFA's VetFran program, which provides financial incentives to qualified veterans to help them acquire franchised businesses.

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

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

Pre-Opening Obligations: Before you open your Franchised Business:

1. If the location for your Franchised Business has not been approved at the time you sign the Franchise Agreement, we will designate a geographic area ("**Designated Area**") within which the Franchised Business is to be located. The Designated Area for your Franchised Business will be inserted into the Franchise Agreement before you sign the Franchise Agreement. The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. (Section 5.A. of the Franchise Agreement)

2. We will provide to you our criteria for Tropical Smoothie Café® locations. We will review and advise you regarding potential locations that you submit to us. (Section 3.A.1. of the Franchise Agreement) Generally, we do not own the premises and do not lease it to you.

3. We will review, accept or reject your site for the Franchised Business in the Designated Area. (Section 5.A. of the Franchise Agreement) We will use reasonable efforts to accept or reject a site that you propose within 30 days after we receive from you a complete site report and any other materials that we may require for assessing potential. If you have not heard from us within such 30 day period, the proposed site is deemed rejected. The factors that will affect our acceptance include demographic characteristics of the proposed site, traffic patterns, parking, the predominant character of the neighborhood, competition from other businesses providing similar services within the area, the proximity to other businesses (including other Tropical Smoothie Café® Stores), the nature of other businesses in

proximity to the proposed site, and other commercial characteristics (including the purchase price or rental obligations and other lease terms for the proposed site) and the size of the premises, appearance and other physical characteristics of the premises, financing, building permits, zoning, local ordinances, and anticipated timetable for the installation of equipment, furniture and signs. You must acquire your site (by purchase, lease, or sublease) within 6 months of the date of your Franchise Agreement. You must open your Franchised Business within one year of the date of your Franchise Agreement. If you fail to do so, we may terminate the Franchise Agreement. (Sections 5.A., 5.C. and 5.D. of the Franchise Agreement)

If you commit to develop more than one Tropical Smoothie Café® Store under a Multi-Unit Development Addendum in the form attached as Exhibit B-1 to this disclosure document, the site acquisition, opening deadlines and cumulative number in operation are as follows:

Number of Cafes	Site Acquisition Deadline	Opening Deadline	Cumulative Open and Operating
1 & 2	6 months from Effective Date	1st anniversary of the Effective Date	2
3 & 4	18 months from Effective Date	2nd anniversary of the Effective Date	4
5 & 6	30 months from Effective Date	3rd anniversary of the Effective Date	6
7 & 8	42 months from Effective Date	4th anniversary of the Effective Date	8
9 & 10	54 months from Effective Date	5th anniversary of the Effective Date	10

4. We will review and accept or reject the lease for your site. (Section 5.B. of the Franchise Agreement)

   You must obtain our acceptance of the lease or sublease (or any modification or amendment) for the location before you sign it, or any renewal of it. We may condition our acceptance of the lease (or sublease) on the execution by you, the landlord and us of the Addendum to Lease Agreement/Conditional Assignment of Lease (a copy of which is attached as Exhibit "F" to this disclosure document).

5. We will provide to you our mandatory and suggested specifications and layouts for a Tropical Smoothie Café®, including requirements for dimensions, design, color scheme, image, interior layout, décor, furnishings, equipment, signs, fixtures, opening inventory, and supplies. (Section 3.A.2. of the Franchise Agreement)

   You are solely responsible for developing and constructing the Site for your Franchised Business, for all expenses associated with it, for conforming the premises to local ordinances and building codes and obtaining any required permits, and for compliance with the requirements of any applicable federal, state or local laws. You must use a licensed architect approved by us to prepare the plans and specifications for your Franchised Business. You must use a licensed general contractor approved by us to oversee construction of the Franchised Business.

6. We will provide, or grant access to, our lists of approved suppliers. (Section 3.A.3. of the Franchise Agreement).

7. Upon your request, we will review and advise you regarding your pre-opening business plan. (Section 3.A.4. of the Franchise Agreement).

8. If the Franchise Agreement relates to your first Tropical Smoothie Café® Store, we will provide our initial training program, which is described below. (Section 3.A.5. of the Franchise Agreement). Training for additional cafés may vary based on the needs of the franchisee.

9. We will have a representative support your business opening with at least 5 days on-site opening assistance (but if you already have 2 or more Tropical Smoothie Cafés® in operation, we are not obligated to provide onsite opening assistance). (Section 3.A.6. of the Franchise Agreement).

10. We will loan you (or provide you electronic access to) a copy of our operating manuals (the "**Manuals**"), which will include specifications for equipment, supplies, inventory, management, and operation. The Manuals are confidential and remain our property. (Section 3.A.7. of the Franchise Agreement). The Manuals may be provided in several volumes or parts. We may provide you with any portion or all of the Manuals, as well as other instructional materials, through electronic media, including the Internet. A copy of the Table of Contents of our Manuals is attached as Exhibit "G" to this disclosure document.

Continuing Obligations: During the operation of the Franchised Business:

1. We will provide such general advisory assistance and field support deemed by us to be appropriate in the ongoing operation, advertising and promotion of the Franchised Business. (Section 3.B.1. of the Franchise Agreement)

2. We may provide you with specific individual or group advice, consultation and assistance rendered by personal visit or telephone through newsletters, bulletins, or other communication (delivered in hard copy or digitally); such advice, consultation and assistance will be available from time to time, as we deem appropriate. (Section 3.B.1. of the Franchise Agreement)

3. We will provide recommended prices for certain products offered by franchisees of the System, and may specify required prices for certain products at certain times. (Section 3.B.2. of the Franchise Agreement)

4. We will provide you with our recommended procedures and tools for administration, bookkeeping, accounting (including accounting software), and inventory control. We may make any such procedures required (and not merely recommended) as part of the System. (Section 3.B.3. of the Franchise Agreement)

5. We will provide updates, revisions and amendments to our Manuals to adapt the System to changing conditions, competitive circumstances, business strategies, business practices, technological innovations and other changes as we deem appropriate. (Section 3.B.4. of the Franchise Agreement).

6. On a periodic basis, we (or our third party designee) will conduct (as we deem advisable) quality control reviews of the Franchised Business. (Section 3.B.5. of the Franchise Agreement).

7. We will manage the NMF Account and oversee advertising, promotion and marketing programs. (Section 3.B.6. of the Franchise Agreement)

8. We will maintain the website for Tropical Smoothie Café®, which will include your location and telephone number. (Section 3.B.7. of the Franchise Agreement)

9. We will provide, or grant access to, our lists of approved suppliers, as changed from time to time. (Section 3.B.8. of the Franchise Agreement)

We may delegate certain of our duties and responsibilities to an Area Developer (see Item 2 and Exhibit "C" of this disclosure document for Area Developers in your State). Although we may voluntarily provide additional services, no additional duties may be implied because we provide those additional services (if any). We have no implied duties or other duties not expressly stated in the Franchise Agreement.

Advertising and Promotion

Approval of Advertising. All promotional and marketing materials that you propose to use must conform to our standards and requirements as specified in our Manuals. You must provide us with all proofs of promotional and marketing materials in whatever form you desire to use for our approval at least 15 days before your proposed use of the materials. We will notify you of our approval or disapproval of the materials within 10 days of receiving them. If you do not receive our written approval within this time period, we will be deemed to have disapproved the materials. You cannot use any advertising or promotional plans or materials that we have not approved. (Section 11.A. of the Franchise Agreement.)

Grand Opening Advertising. In you have not previously developed and opened a Tropical Smoothie Café® Store, you must conduct a Grand Opening Marketing Program in accordance with our Manuals, utilizing the tools, timing, technologies, services and products we authorize and direct. You and we will develop the budget and plan following the Grand Opening process described in the Manuals. You must spend at least $7,500 (not counting cost of food and smoothies), on a Grand Opening Marketing Program for the Franchised Business during the Grand Opening time period beginning approximately 60 days before opening the Franchised Business through 30-60 days afterwards. The Grand Opening Marketing Program will use the marketing, advertising and public relations programs, media and materials we have developed or approved, and is separate from your other marketing and advertising requirements. To the extent we do not manage the budget and expenditures for the Grand Opening Marketing Budget and Plan, you must submit expenditure reports to us to confirm your compliance with this requirement.

You will pay to us the Grand Opening Contribution when you sign your Franchise Agreement. If you determine to spend more than the minimum amounts, as demonstrated in the Grand Opening Budget and Plan that you develop with us, then you will pay the additional amounts to the appropriate vendors as and when invoiced. We will administer payments to service providers and other vendors out of the funds that you have paid us for the Grand Opening Contribution. We will provide you an accounting of the expenditures during the Grand Opening period based on the methods, procedures and reports we develop from time-to-time. We are only obligated to administer the Grand Opening Marketing Budget and Plan if you have paid to us the Grand Opening Contribution amounts you have agreed upon in the budget and plan.

If, for any reason, we are unable to collect the Grand Opening Contribution from you on the Effective Date, then you must pay to the service providers and vendors as and when we direct in accordance

with the Grand Opening Marketing Budget and Plan. Therefore, instead of us paying those suppliers from the Grand Opening Contribution, you will be obligated to pay them directly as and when the amounts are due. To facilitate this, within 10 days of our development of the Grand Opening Marketing Budget and Plan, you must deposit in a dedicated bank account the amount of the Grand Opening Contribution and such supplementary amount as required by the Grand Opening Marketing Budget and Plan that you develop. You will use the funds to pay the service providers and vendors in connection with the Grand Opening Marketing Program. We will not be obligated to pay them and it will be your responsibility to do so on a timely basis. If you fail to pay them on a timely basis, both we and the service providers and vendors may suspend services to you, and you will be in material breach of your franchise agreement.

If you have previously developed and opened a Tropical Smoothie Café® Store, then you must spend a minimum of $2,500 (exclusive of the cost of food and smoothies) (the "**Reduced Grand Opening Contribution**") to conduct a Grand Opening Marketing Program for your Franchised Business beginning approximately 60 days before opening the Franchised Business through 30-60 days afterwards. You will be responsible for creating the Grand Opening Marketing Budget and Plan using marketing, advertising and public relations programs, media and materials we have approved. To this end, you must submit your Grand Opening Marketing Budget and Plan to us or review and approval no later than 60-days prior to opening of the Franchised Business. Your Grand Opening Marketing Program is separate from your other marketing and advertising requirements. We will not collect the $2,500 and you will be obligated to pay all service providers and vendors for the Grand Opening Marketing Program directly as and when the amounts are due. To facilitate this, within 10 days of our approval of your Grand Opening Marketing Budget and Plan, you must deposit in a dedicated bank account the amount of the Reduced Grand Opening Contribution and such supplementary amount as required by the Grand Opening Marketing Budget and Plan you develop. You will use the funds to pay the service providers and vendors in connection with your Grand Opening Marketing Program. If you fail to pay them on a timely basis, both we and the service providers and vendors may suspend services to you, and you will be in material breach of your franchise agreement.

Remodeling Advertising. If you remodel your Franchised Business as part of a system-wide remodel program, we may require you to spend $3,750 on marketing to promote the Franchised Business in connection with the remodel.

National Advertising Program. You will be charged a non-refundable national marketing and advertising fee ("**National Marketing Fee**") in the amount of 3% of Gross Sales. The National Marketing Fee is placed in an account ("**NMF Account**") and we use it in part to cover the costs incurred by us and/or our affiliates in designing and creating promotional, marketing and advertising resources, including, but not limited to, in-store point of purchase materials, flyers, radio and television commercials and other materials that we, in our sole discretion, deem appropriate. The NMF Account may be used by us to duplicate or distribute these materials; otherwise it is your cost to do so. We may also use funds in the NMF Account for media placement. However, you are responsible for some of these costs if you elect to use the materials created in your own market and the NMF Account does not do so. We may elect in the future to use the NMF Account in connection with advertising with different media outlets, including print, radio, television and/or online on a national and/or regional level. We (or our designee) administer and maintain the NMF Account in the following manner:

1. We (or our designee) oversee all advertising, promotion and marketing programs, with sole discretion over the creative concepts, materials and media used in the programs, and the geographic, market and media placement and allocation thereof. We do not warrant that any particular franchisee will benefit directly or pro rata from expenditures of the NMF Account. The NMF Account may be used to satisfy all costs of maintaining, administering, directing, preparing and producing marketing, promotion and advertising resources, including, but not limited to, the cost of preparing and producing television, radio, magazine and newspaper advertising campaigns;

the cost of direct mail and outdoor billboard advertising; the cost of marketing and promotion activities, including advertising and marketing agencies; the cost of public relations activities, including advertising and public relations agencies; the cost of developing and maintaining an Internet website; the cost of providing promotional and/or other marketing materials to franchisees; and personnel and other departmental costs for advertising, promotion and marketing that we internally administer or prepare.

2. The NMF Account is accounted for separately from our other funds and is not used to defray any of our general operating expenses, except for the reasonable salaries, administrative costs and overhead that we may incur in activities reasonably related to the administration or direction of our marketing programs.

3. It is anticipated that NMF Account contributions will be expended for programs during the fiscal year in which the contributions to it are made. If excess amounts remain at the end of the fiscal year, all expenditures in the following fiscal year(s) will be made first out of the excess amounts, including any interest or other earnings on the NMF Account, and next out of current contributions. We may, in our sole discretion, spend in any fiscal year an amount greater or less than NMF Account contributions in that year, and we may lend money to cover any deficits.

4. Each company-owned Tropical Smoothie Café® Store will contribute to the NMF Account at the same rate as franchised locations.

5. An accounting of the NMF Account will be prepared annually and will be made available to you upon request. We retain the right to have the collections and expenditures of the NMF Account audited, at the expense of the NMF Account, by an independent certified public accountant we select.

We assume no fiduciary duty in administering the NMF Account. We are under no obligation to ensure that expenditures of the NMF Account are or will be proportionate or equivalent to contributions of National Marketing Fees by Tropical Smoothie Café® Stores operating in any geographic area or that any Tropical Smoothie Café® Store will benefit directly or in proportion to the amount of National Marketing Fees it has paid. (Section 11.B. of the Franchise Agreement)

The National Marketing Fees are deposited in our operating account, but are accounted for separately in our financial statements. During our fiscal year ended December 31, 2017, we used all of the National Marketing Fees as follows: 31% for production; 30% for media placement; 31% for administrative expenses; and 8% for other expenses.

We do not currently have a franchisee advertising council.

We may require you to honor rebates, give-aways, discounts, incentives and promotions in accordance with marketing programs, loyalty programs or customer survey/research programs that we establish from time to time. You must honor rebates, give-aways, discounts, incentives and promotions that are issued by other franchisees.

Local Advertising Cooperative. You will be required to participate in a local advertising cooperative with other franchisees in your area and to pay 2% of Gross Sales each week into a fund to be used by the cooperative in accordance with mandatory administrative oversight by us in our sole discretion. If there are no other franchisees in your designated market area, then you will be the sole member of the advertising cooperative until additional franchises are established in your designated market area. Currently, we have contracted with an outside independent accounting firm to administer the funds in

accordance with the direction and at the expense of the cooperatives; however, we reserve the right to perform this function and to collect a fee therefore. Cooperatives will usually be based on Nielsen Designated Marketing Areas ("**DMA**"), practical geographic divisions like cities, counties and states, and we reserve the right to designate the geographic area for establishing each cooperative. Each cooperative will allow franchisee members to coordinate advertising and marketing efforts and programs, and to maximize the efficient use of local advertising media. No money may be spent, nor will any promotional or advertising plans or materials be used by a cooperative or its members without our prior written approval. (Section 11.D. of the Franchise Agreement).

We reserve the right to require cooperative members to adhere to governing documents that we develop. You may also be required to submit monthly financial statements for the cooperative. We will have the power to require a cooperative to be changed, dissolved or merged. Activities of the cooperative will generally be determined by its members, except that we reserve the right to exercise sole decision-making power over the cooperative funds if we determine, in our sole discretion, that the cooperative is not functioning properly either due to a lack of participation or an impasse among the members. Company-owned locations may participate in the cooperatives and, if they do so, they will be subject to the same fees and voting powers as franchisee members. (Section 11.D. of the Franchise Agreement).

Internet Advertising. Unless otherwise approved by us in writing, you may not establish nor permit any other party to establish an Online Site relating in any manner to your Franchised Business, the System, or referring to the Marks. The term "Online Site" means certain domain names, hypertext markup language ("html"), uniform resource locator ("url") addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines and other social networking media, business networking media, and marketing media sites, applications, and platforms, all as modified and expanded from time to time as technology progresses and otherwise related to the Franchised Business or the Marks. Any Online Site relating in any manner whatsoever to your Franchised Business, the System or referring to the Marks will be deemed "advertising" under the Franchise Agreement, and will be subject to (among other things) our approval. (Section 8.E. of the Franchise Agreement). In connection with any Online Site, you agree to the following:

1. We (directly or through a designee) will have the right, but not the obligation, to establish one or more Online Sites for the Tropical Smoothie Café® brand.

2. Unless we approve you to do so in writing, you may not establish any Online Site other than to the extent that we provide you with one or more webpages on the Tropical Smoothie Café® brand Online Site.

3. If we permit you, in writing, to have an independent Online Site, then each of the following requirements will apply to your Online Site:

   (a) Before establishing any Online Site, you must submit to us for our written approval, a proof of the proposed Online Site, including the domain name, format, visible content (including, without limitation, proposed screen shots), and non-visible content (including meta tag), and any other information that we request, in the form that we require.

   (b) You must establish hyperlinks to any Online Site that we may establish or request.

   (c) In addition to any other applicable requirements, you must comply with our standards and specifications for any Online Site (which we may issue periodically in the Manuals or otherwise in writing).

(d) We may in writing revoke our approval at any time and require you to discontinue use of your independent Online Site (Section 8.E of the Franchise Agreement).

Training Program

TRAINING

Franchisee Orientation– Approximately 5-6 Months Before Opening			
One Week of Classroom Training			
Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Welcome to Tropical Smoothie Cafe	2	–	Support Center/Atlanta, GA
Design & Construction Process	2	–	Supper Center/Atlanta, GA
Marketing	4	–	Support Center/Atlanta, GA
Supply Chain	2		Support Center/Atlanta, GA
Trademarks, Insurance and Lease Submission	1	–	Support Center/Atlanta, GA
Operations Tools	5	–	Support Center/Atlanta, GA
Talent and People Development	4	–	Support Center/Atlanta, GA
Technology and Finance Requirements	2	–	Support Center/Atlanta, GA
Managing Your POS	3	–	Support Center/Atlanta, GA
Operations Audit	–	4	Corporate Cafe/Atlanta, GA
Café Overview	–	1	Corporate Cafe Atlanta, GA
Prepping Fruit	–	1	Corporate Cafe /Atlanta, GA
One Perfect Smoothie	–	3	Corporate Cafe /Atlanta, GA
Food Line Introduction	–	3	Corporate Cafe /Atlanta, GA
Phase 2 In Café Training – Three Weeks in Café or 4-Weeks in Café Training for Cafes with a Drive-Thru			
Week One: 5 Days			
Overview: Meet the Team, Cafe Tour, Food Safety, Safety. **Smoothies:** QF Thawing Procedures, Fruit Prep, Supplements, Cold Holding, Smoothie Line Schematic, Blenders (cleaning, blades, programming, troubleshooting), Ice Machine (daily and weekly cleaning), Preparing Smoothies. **Management Tasks:** Inventory (L), Scheduling (L), Ordering (L), Jolt (L) Receiving/ Storing (L), (L) Learn, (P) Practice.	–	40	Existing Tropical Smoothie Café® restaurant as selected by your Area Developer ("AD") or Regional Director ("RD") and, or Franchise Business Leader ("FBL").

Week Two: 5 Days			
Taking Orders: POS, Hospitality, Suggestive Selling, SMG**Food:** Thawing Procedures, Food Ingredient Prep, Food Line Schematic, Oven, Steamer, Preparing Food. **Management Tasks:** Inventory (P), Scheduling (P), Ordering (P), Jolt (P), Receiving/Storing (P), Management POS Tasks (L), Cash Management (L), SMG (L).	–	40	Existing Tropical Smoothie Café® restaurant as selected by your AD or RD and, or FBL.
Week Three (Drive Thru Only): 5-Days			
Drive Thru: Taking orders, Speed of Service, Hospitality, Equipment, Practice, practice, practice **Management Tasks:** Practice all management tasks	–	40	Existing Tropical Smoothie Café® restaurant as selected by your AD or RD and, or FBL.
Week Three (Non Drive Thru) or Week Four (Drive Thru): Either 5 Days			
Smoothies: Practice, Train others **Food:** Practice, Train others **Taking Orders:** Practice, Train others **Management Tasks:** Leading shifts (complete all management tasks), Train crew members, Local Store Marketing, Catering	–	40	Existing Tropical Smoothie Café® restaurant as selected by your AD or RD and, or FBL.
NEW STORE OPENING			
When the Store is ready to open, your Regional Director, Franchise Business Leader or Area Developer will assist with opening the Store.	–	50	Your Franchised Business
TOTALS	**25**	**182-222**	

The time periods allocated to the subjects listed above are approximations, and the time actually spent by you and your personnel may vary based on the experience and performance of those persons being trained. The instructional materials used in the initial training program will consist primarily of our Manuals, marketing and promotional materials, videos and other handouts. Our training is conducted by the following employees. Their experience relating to the subjects taught and our operations are as follows:

Karen Grissom has been our Senior Director of Training since August 2017. Prior to joining us, she was the Vice President of Operations Support for Wingstop Restaurants, Inc. since April 2015. She was the Director of Global Training for Popeyes Louisiana Kitchen prior to joining Wingstop.

Dawn Marie Kier has been a Human Resource Consultant that has worked with us, including facilitating training sessions for us, since August 2012, and prior to that was Director of Human Resources with HoneyBaked Ham Company. Dawn is the founder and President of New Dawn Consulting, an Atlanta, Georgia-based consulting company providing consulting services in the

areas of human resources, leadership development and training. She has 16 years of experience in this field.

Quintonio Highsmith has been our Café Food Excellence Manager since December 18, 2017. Prior to joining us, Quintonio was the Global Food Safety and Quality Training Manager for Campbell Soup Company located in Camden, New Jersey. Prior to that, he was Country Food Safety and Quality Manager for IKEA Food, North America.

For your first Tropical Smoothie Café® Store, the initial training is mandatory for you (or, if you are entity, one owner designated as your "**Operating Principal**") and your approved manager, and must be successfully completed within 15 days before opening the Franchised Business. Initial training consists of approximately one week of classroom training, followed by three to four weeks of in-café training (3 weeks for cafés without a drive-thru and 4 weeks for cafes with a drive-thru). We reserve the right to add an additional two weeks of training as a requirement. In-café training is conducted by our Area Developer (if any) or Franchise Business Leader who is responsible for the area where your Franchised Business is located or by an existing franchisee, at an existing Store. There is no fee for initial training for you (or your Operating Principal) and your approved manager. Additional persons may attend initial training, with our consent. In all cases, you are responsible for the travel and living expenses of any persons who attend initial or other training.

We will (in our sole discretion) make available other ongoing continuing education and training programs, meetings or seminars (on an optional or mandatory basis), that we deem advisable. We may also host one or more conventions per calendar year, as well as conference telephone calls, which may include education and training. You and your designated managers must attend and successfully complete all ongoing continuing education and training programs, and must attend all meetings, seminars, conventions and conference telephone calls, as we may require. We may charge a reasonable fee for instruction and training materials; you are responsible for all other expenses, including travel, lodging and meals, incurred by you and your managers. (Sections 6.E. and 6.F. of the Franchise Agreement).

Computer System and Point-of-Sale System

You must, at your sole cost and expense, purchase, use, maintain and update a computer system, which shall consist of, among other things, a point-of-sale system including cash register(s) ("POS System"), software, hardware and peripheral devices that we specify for use in the operation of the Franchised Business ("Computer System"). You must follow all policies and procedures applicable to the Computer System as specified by us in the Manuals or otherwise in writing. (Section 8.A. of the Franchise Agreement). In general, the Computer System must meet our requirements as they relate to (a) management information systems; (b) point-of-sale systems; and (c) physical, electronic, and other security systems, including a managed firewall (which requirements are discussed in greater detail below). In addition, the Computer System must meet any and all other requirements, including those relating to printers and other peripheral devices; back-of-house computer, archival back-up systems and battery back-up systems; as well as the speed and mode/type of Internet access. We have the right to develop or have developed for us, or to designate computer software programs and accounting system software that you must use in connection with the Computer System and/or POS System (the "Required Software").

You must enter into contracts for the maintenance, support, upgrades and updates to the Computer System, the POS System and the Required Software with approved suppliers described in the Manuals. (Section 8.A. of the Franchise Agreement). You must maintain the Computer System and POS System in good working order at all times, and upgrade or update the computer hardware and software during the term of the Franchise Agreement, as we may require.

MIS: The Computer System must be capable of connecting with our computer systems. To this end, you must maintain a high-speed Internet connection (including e-mail capabilities) and participate in our mandated management information system (the "MIS System"), which allows us to communicate with you, and poll and review the results of your Franchised Business' operations, including (without limitation) sales data, consumer trends, food and labor costs, and other financial and marketing information. We may distribute this data to our network of franchisees. (Section 8.B and 8.C of the Franchise Agreement).

POS: Micros is our current designated POS provider. We estimate that the cost of your POS System will be approximately $9,000 to $21,000 depending on the size of your Tropical Smoothie Café® Store and the number of terminals that you require. Micros provides one year of hardware and software licensing with the purchase of the POS System. Micros licensing must be purchased in either 1-, 2- or 3-year terms and ranges from $1,000 to $3,000 per year depending on the system configuration. Ongoing hardware maintenance support contracts can be purchased from Micros for an annual cost that ranges from approximately $600 to $3,000, depending on the system configuration. In addition, there are: (a) a $50 per month fee the use of our mandated management information system (currently Micros/Oracle), which includes auto-polling services of the POS System that you review via the Internet; (b) a $75 per month fee for the mobile application and payment program; (c) a $44 per month charge and a $105 per quarter Micros charge for online ordering, and (d) a $50 per month fee for operations management platform. During the term of the Franchise Agreement, we (or our designee) will provide you with limited programming support, including menu updates and promotions. We may evaluate alternative POS and back office systems in the future, and we reserve the right to designate different POS and back office providers and require the use of different POS and back office systems, including systems that are subscription-based and/or may require you to purchase new, additional and different hardware, software and peripheral devices. The specific requirements of such systems, including the cost and fees associated with such systems and required infrastructure and devices may be different than those disclosed above. You must use a web-/cloud-based subscription software, to capture and benchmark profit and loss and related financial data, and report such information to us. Currently, Qvinci is the only approved provider of this software. See Item 6 for additional information regarding Qvinci.

Managed Firewall: You are required to comply with Payment Card Industry Data Security Standards ("PCIDSS"). As part of your compliance, you must install and use a managed firewall between the Internet Service Provider (ISP) equipment and the Computer System in the café (including POS System, back office computer, camera equipment, etc.). Netsurion and Trustwave are our current designated managed firewall providers. The monthly fees for their services range from $89 per month per Store to $109 per month per Store.

Except as described above (a) neither we, our affiliates, nor any third parties are required to provide ongoing maintenance, repairs, upgrades, or updates to the Computer System or POS System; and (b) there are no optional or required maintenance/upgrade contracts for the Computer System and POS System.

You must install any other hardware or software for the operation of the Franchised Business that we may require in the future, including any enhancements, additions, substitutions, modifications, and upgrades. Specifically, we may require that you install and maintain systems that permit us to access and retrieve electronically any information stored in your computer systems, including information regarding your Franchised Business' Gross Sales and profit and loss data, at the times and in the manner we specify. There is no contractual limitation on the frequency or cost of these obligations. We may also require you to license from us, or others we designate, any computer software we develop or acquire for use by Tropical Smoothie Café® Stores.

You must participate in the Tropical Smoothie intranet system. You must participate in the Tropical Rewards Application. We also reserve the right in the future to require you to install and/or utilize, at your sole cost, a learning management system meeting our standards.

We are currently in the process of rolling out to our franchise system a new application for use in reporting, monitoring and ensuring the resolution of supplier quality assurance issues. You are required to use this application or such other application as we may require in our sole discretion. At this time, we pay the cost associated with this application; however, we reserve the right to pass this cost on to our franchisees. We also reserve the right to require our franchisees to use this application to track inventory, and for such other purposes as we may require in our sole discretion. In addition, we reserve the right to discontinue the use of this application or to require the use of a new or different application for the same or similar purpose.

You may not install any hardware or software that is not approved by us. You may not conduct business over the internet or create your own website with which to conduct business without our express written consent.

At the earlier of expiration or termination of your Franchise Agreement, or voluntary or involuntary permanent closure of your Franchised Business, you are required to delete from the Computer System and POS System any proprietary information, including but not limited to menus, recipes, inventory and pricing. In the event that you fail to comply with this obligation, we have the right to perform such obligations on your behalf, including by contacting the vendor that services the Computer System and POS System to disable your access and/or by physically seizing control and possession of the Computer System or POS System to perform such obligations on your behalf. You may not obtain administrative super-user rights to the POS System.

Typical Length of Time Before You Open Your Franchised Business

The typical length of time between the signing of the Franchise Agreement and the opening of the Franchised Business is 6 to 12 months. Factors affecting this range include site acquisition, lease negotiation and construction timetable. You are responsible and the Franchised Business must be open for business within 12 months from the date of execution of the Franchise Agreement. If you sign a Multi-Unit Development Addendum, then the initial 2 Franchised Businesses must open for business within 12 months from the Effective Date of the Franchise Agreement and every subsequent 2 Franchised Businesses must open on the respective anniversary of the Effective Date of the Franchise Agreement. For example, the third and fourth Tropical Smoothie Cafés® must be open for business no later than the second anniversary of the Effective Date, the fifth and sixth Tropical Smoothie Cafés® must be open for business no later than the third anniversary of the Effective Date, and so on for each 2 additional Tropical Smoothie Cafés® that you commit to develop.

ITEM 12. TERRITORY

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.

You will operate the Franchised Business at a specific location that we approve. You may operate the Franchised Business only at the approved premises and may not relocate without our prior approval.

We will grant you a protected area consisting of a geographical area within a one-half mile radius around the site of your TROPICAL SMOOTHIE CAFÉ® Store (the "**Protected Area**"). As long as you

are in substantial compliance with the Franchise Agreement, we will not operate or grant to others the right to operate a TROPICAL SMOOTHIE CAFÉ Store from a location within your Protected Area.

The territorial rights granted to you are not dependent on your achievement of a certain sales volume, market penetration, or other contingency. You may face competition from other franchisees outside your Protected Area, and from Tropical Smoothie Cafés® that we operate outside your Protected Area. If we or our affiliates have competitive brands, you may face competition from these other brands inside or outside your Protected Area. We reserve the right to own and operate, and license others to own and operate, Tropical Smoothie Cafés® at Reserved Facilities within your Protected Area. The term "Reserved Facilities refers to enclosed shopping centers, universities, captive audience facilities (such as parks charging admission, stadiums, and amusement parks), special purpose facilities (such as airports, transportation centers, and hospitals), and limited access facilities (such as military complexes, buyer's club businesses, educational facilities, and business/industrial complexes). We have the right to own and operate, or license others to own and operate, a business that does not operate under the Tropical Smoothie Café brand name inside or outside your Protected Area. We have the right to sell and distribute, or license others to sell or distribute, products, whether or not bearing the Marks, from any location to any business or customer, including through grocery stores, retail stores, the Internet, and other channels of distribution, inside or outside your Protected Area. You will not receive payment of any compensation from any of this competition.

We may establish policies regarding your off-site marketing and promotion, and off-premises sales, including catering, delivery and third party delivery, which will be set forth in the Manuals or otherwise in writing. The policies we establish may require you to utilize third party delivery services and you may be required to incur costs associated with these services. Currently, we recommend, but do not require, that you offer catering. You cannot offer delivery service without our prior approval. Currently, you may solicit customers and advertise your Franchised Business anywhere you choose. There are no restrictions on you, any of our other franchisees, any of our affiliates, or us to prevent any soliciting or advertising in another person's Protected Area. No party is obligated to pay compensation to any other party for soliciting customers from the other party's Protected Area.

The location of your Franchised Business may be changed only with our prior written consent and upon the following conditions: (a) you are in good standing under your Franchise Agreement and current in your financial obligations to us and our affiliates; (b) you are good standing under the lease for the current location; (c) you provide us with a financial statement covering the previous 12 months; (d) you provide us with a copy of the proposed lease for the new location; (e) you comply with required site selection and construction procedures; (f) the new location is constructed, furnished and equipped in accordance with our then-current design specifications and standards; (g) you give us 90 days' written notice of the proposed relocation; (h) the new location is within a 10-mile radius of the prior location, and (i) at our option, you enter into our then-current form of franchise agreement, including our then-current royalty rate, except that the term of the new franchise agreement will expire on the date of the prior franchise agreement and no new initial franchise fee will be required. The Franchised Business must be open at the new location within one year of the c losing of the prior location, unless we consent to an extension. We reserve the right to change these conditions and/or impose additional conditions as we deem appropriate in our sole discretion.

If, through no fault of your own, you lose possession of the premises due to an event of force majeure, we will allow you to relocate the Franchised Business to another location, which we must approve within 60 days of the event of force majeure. You must reopen for business at the new location within 5 months after we approve the location, and we may charge you an agreed minimum royalty fee during the period in which the Franchised Business in not in operation.

We reserve the right to establish company-owned or franchisee-operated businesses that sell similar products and/or services under different trade names or trademarks other than the Marks. We may also sell products or services under the Marks, or any other marks, through any other retail outlets, and we may establish other channels of distribution (including the Internet) providing the same or similar products and services under the same or a different trade name or trademark.

Our affiliate, Tin Drum, franchises a full-service restaurant concept specializing in fast-casual, Pan-Asian cuisine (see Item 1). Tin Drum restaurants will not feature smoothies and so are not "competitive restaurants." Tin Drum restaurants may be located within, and solicit and accept orders from, the same market area as Tropical Smoothie Café® Stores. However, we do not believe these restaurants offer goods and services substantially similar to those offered by Tropical Smoothie Café® Stores, since each restaurant concept has its own unique menu and business format, and because only Tropical Smoothie Café® Stores feature smoothies. Therefore, we do not expect any conflicts to arise regarding territories or customers.

You have no right of first refusal or similar rights to acquire additional franchises or establish additional Tropical Smoothie Café® Stores. If we grant you an additional franchise, you must enter into a separate Franchise Agreement with us.

You may use the Internet to advertise only in compliance with the Franchise Agreement.

We do not generally grant options, rights of first refusal or similar rights to acquire additional franchises, as each franchise is awarded on a franchise-by-franchise basis. Accordingly, you may only acquire additional franchised Tropical Smoothie Café® Stores from us if you meet our qualifications at the time you apply. And we may limit the number of Tropical Smoothie Café® Stores owned by any franchise owner or its affiliates. You may only relocate your Tropical Smoothie Café® Stores with our approval, both for the relocation and for the new site. We apply the same considerations for evaluating relocation of a Tropical Smoothie Café® Stores and the leasing of the additional site as we do for Tropical Smoothie Café® Stores and sites generally.

ITEM 13. TRADEMARKS

Pursuant to the terms of the Franchise Agreement, we grant you the right and license to operate a Franchised Business pursuant to the System and using the Marks and related names and marks that may be developed in the future and used as part of the System. TSI assigned to TSFDC the trade name and trademark/service mark TROPICAL SMOOTHIE® on March 3, 2000, and in turn, TSFDC assigned all of its trademarks to us on August 16, 2012. The following are our principal marks, which are registered on the Principal Register of the United States Patent and Trademark Office ("**USPTO**"):

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE
TROPICAL SMOOTHIE CAFÉ	2,103,370	October 7, 1997 (renewed October 23, 2007)
TROPICAL SMOOTHIE CAFÉ AND DESIGN	2,763,722	September 16, 2003 (renewed February 27, 2013)
TROPICAL SMOOTHIE CAFÉ	2,892,598	October 12, 2004 (renewed October 24, 2014)
TROPICAL SMOOTHIE CAFÉ AND COLOR DESIGN	2,918,995	January 18, 2005 (renewed January 30, 2015)

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE
TROPICAL SMOOTHIE CAFÉ AND COLOR DESIGN	4,756,680	June 16, 2015
TROPICAL SMOOTHIE CAFÉ (Curved stylized)	4,253,918	December 4, 2012
EAT BETTER. FEEL BETTER	3,287,599	September 4, 2007
EAT BETTER. FEEL BETTER (and Design)	3,517,255	October 14, 2008
ISLAND GREEN	4,804,094	September 1, 2015
NATIONAL FLIP FLOP DAY	3,613,114	April 28, 2009
TROPICAL SMOOTHIE CAFÉ (New Logo Color)	4,999,430	July 12, 2016

All required affidavits have been filed for the registered trademarks. We intend to renew the registrations and file all appropriate affidavits for the marks at the times required by law.

You must use all names and marks in full compliance with provisions of the Franchise Agreement and in accordance with the rules we periodically prescribe. You may not use any name or mark as a part of any corporate name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed by us to you). In addition, you may not use any name or mark for the sale of any unauthorized product or services, or in any other manner not explicitly authorized in writing by us.

There is no currently effective material determination of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition or cancellation proceeding or any pending material litigation involving the principal trademarks.

There are no agreements currently in effect which significantly limit our rights to use or license the use of the trademarks, service marks, trade names, logotypes or other commercial symbols in any manner material to the Franchised Business.

If there is any infringement of, or challenge to, your use of any name, mark or symbol, you must immediately notify us, and we will have the sole discretion to take any action as we deem appropriate, in order to fulfill our obligation to preserve and protect the ownership, identity and validity of the Marks. We are not obligated to protect your rights in the Marks, nor are we obligated to indemnify you for losses associated with any infringement of, or challenge to, our rights in the Marks. If it becomes advisable at any time, in our sole discretion, to modify or discontinue the use of any name or mark and/or use one or more additional or substitute names or marks, you must pay for the tangible costs (such as replacing signs and materials) associated with a change.

We are not obligated to participate in your defense and/or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the Marks if the proceeding is resolved unfavorable to you.

You may not contest, directly or indirectly, our ownership, title, right or interest in any of our names or marks, trade secrets, methods, procedures, and advertising techniques which are part of the System, or contest our sole right to register, use or license others to use such names, marks, trade secrets, methods, procedures, or techniques.

We do not actually know of either superior or infringing uses that could materially affect your use of such trademarks, service marks, trade names, logotypes or other commercial symbols in this state or any state in which a Franchised Business is to be located.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents that are material to the franchise. We do claim copyright protection and proprietary rights to the confidential information contained in our Manuals. The Manuals are described in Item 11. We claim common law copyrights on our operational materials and on other proprietary materials specifically created by us in connection with the System, including the proprietary advertisements, all of our materials presented to your prospective customers, printed materials, and forms used in connection with the operation of a Franchised Business. The Manuals and other proprietary materials have not been registered with any copyright office, but we reserve the right to register these copyrights in the future.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. Nor are there any agreements currently in effect that significantly limit our right to use or authorize franchisees to use the copyrighted materials. Furthermore, there are no infringing uses actually known to us that could materially affect a franchisee's use of the copyrighted materials in any state.

We have proprietary rights to the contents of the Manuals and to all other materials and information we create or use in the development and operation of the System. These items include, but are not limited to, our training materials, marketing programs, site selection criteria, plans and specifications for Tropical Smoothie Cafés®, standards, methods, procedures, newsletters, policies, strategies, expansion plans, supplier lists, supplier price lists, buying strategies, advertising strategies, and all other materials, goods and information we create or use and designate as confidential. They also include items one would deem reasonably confidential, even if we do not expressly designate them as confidential. We refer to this material as "Confidential Information." We claim trade secret protection in the recipes that are a part of the System.

You must not, during the term of the Franchise Agreement and after the term ends, communicate, divulge, or use for the benefit of any other party any confidential information, knowledge, know-how, or techniques concerning our secret recipes or methods of operation of the Franchised Business that you learned while you were our franchisee. You may divulge Confidential Information only to your employees who need the information to operate your Franchised Business. All information, knowledge, know-how and techniques that we designate confidential will be deemed confidential, except information that you can demonstrate come to your attention before we disclosed it to you, or which after we disclosed it to you became a part of the public domain through publication or communication by others. You must not at any time, without our prior written consent, make available in any way any of these materials or information to any unauthorized person.

You must also promptly tell us when you learn about unauthorized use of this proprietary information. We are not obligated to take any action but will respond to this information as we deem appropriate. We will not indemnify you for losses brought by a third party concerning your use of this information. If you develop any new concept, process or improvement in the operation or promotion of your Franchised Business, you must promptly notify us and give us all necessary information about the new process or improvement, without compensation. You agree that any of these concepts, processes or improvements will become our property, and we may use or disclose them to other franchisees, as we deem appropriate.

You must conduct your business in accordance with the Manuals. We will loan you a copy of the Manuals for the term of the Franchise Agreement. You must at all times treat the Manuals, and other manual, videotape, and other materials created for or approved for use in the operation of your Franchised Business, and all information in them, as confidential, and must use all reasonable efforts to maintain the information as secret and confidential. The Manuals will at all times remain our sole property. You must keep your copy of the Manuals current and up-to-date.

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

You are not required to participate personally in the direct operation of your business. However, we recommend that you participate.

If you are an entity, you must designate one of your owners as your "Operating Principal" under your Franchise Agreement. Your Operating Principal is the executive primarily responsible for the Franchised Business. Your Operating Principal must have and maintain at least 5% ownership of the Franchised Business and have decision-making authority about the Franchised Business. We must approve your Operating Principal, and you must designate a qualified replacement from among your owners if your Operating Principal can no longer fulfill its responsibilities under the Franchise Agreement.

The Franchised Business must be under the direct, on-site supervision of you (or your Operating Principal) or a manager who has been selected by you and approved by us. You (or your Operating Principal) and your approved manager must successfully complete our initial training program.

You must obtain covenants against the use and disclosure of any confidential information and covenants not to compete from your owners, managers and any other employees or agents who have received or will have access to our training or Confidential Information. All of the required covenants must be in substantially the form of Nondisclosure and Noncompetition Agreement attached as Exhibit "H" to this disclosure document.

Each owner of the Franchised Business must guaranty your obligations under the Franchise Agreement and be personally bound by each term of the Franchise Agreement. Our current form of Owners' Guaranty is attached as Exhibit "I" to this disclosure document.

Unless your spouse is an owner of the Franchised Business or an owner of the Business Entity that owns the Franchised Business, he or she will not be required to sign the Franchise Agreement or a personal guaranty.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale all menu items, products, foods, beverages, goods and services that we require, in compliance with our standards and specifications. These are described in our Manuals and other writings, as they may be updated periodically. You must display all product and items for sale on your menu in accordance with menu labeling requirements and federal, state and local laws. You must use any off-site distribution methods we require, and you are not permitted to use other off-site distribution methods without our prior approval. The policies we establish may require you to utilize third party delivery services and you may be required to incur costs associated with these services. We recommend that you offer catering, but we do not require it. You may offer delivery service only with our prior approval.

Unless you obtain our prior written approval, you are prohibited from (a) offering or selling products or services not authorized by us; (b) using the premises of the Franchised Business for any purpose

not related to the Franchised Business; and (c) soliciting other franchisees either directly or indirectly for any other business or investment activity. You must prepare all menu items using the procedures for preparation contained in our Manuals or other written instructions, and the smoothies, specialty sandwiches, and gourmet wraps must be sold immediately after their preparation. We have the right to add or delete items, products, merchandise or services and you must do the same on notice from us. There are no limits in our right to do so.

There are no limitations imposed by us on the persons to whom you may provide products and services.

ITEM 17. RENEWAL, TERMINATION, TRANSFER & DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section In Franchise Agreement	Summary
a. Length of the franchise term	Section 2.A.	15 years.
b. Renewal or extension of the term	Section 2.B.	If you are in good standing and satisfy certain conditions, you may renew for one additional 10 year term.
c. Requirements for franchisee to renew or extend	Section 2.B.	Your renewal right permits you to remain as a franchisee after the initial term of your Franchise Agreement expires. However, to remain a franchisee, you must meet all required conditions to renewal, including signing our then-current form of Franchise Agreement, which may be materially different than the form attached to this disclosure document. Other conditions are: Give us advance written notice; if required by us, remodel the business to our then-current brand image for new Tropical Smoothie Café® Stores; not be in default; be in compliance with all system requirements; satisfy all monetary obligations to us and suppliers; sign general release. There are no renewal fees.
d. Termination by franchisee	None	Not Applicable
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by franchisor with cause	Sections 14.A., 14.B., 14.C., and 14.D.	We can terminate only if you default.
g. "**Cause**" defined – curable defaults	Sections 14.A. and 14.B.	You have 10 days to cure the following: failure to pay amounts owed to us or our affiliate when due; non-compliance with our product specifications or quality control standards; use of unapproved supplier, real estate broker, architect or

Provision	Section In Franchise Agreement	Summary
		general contractor; failure to offer required menu item or offer unapproved menu item; failure to maintain or observe health and sanitation procedures; non-compliance with standards and specifications in Manuals; failure to pay any vendors or suppliers, or your landlord; default by you (or your affiliate or owners) under any agreement with us (or our affiliate); refusal to permit inspection or audit of the Franchise Business; failure to complete training; or failure to provide certificates of insurance. You have 30 days to cure any other breach of the Franchise Agreement, except for non-curable defaults.
h. "**Cause**" defined – non-curable defaults	Section 14.C. and 14.D.	Non-curable defaults include: material misrepresentation or omission; by entering this Franchise Agreement you violated any non-competition agreement by which you are bound; failure to acquire your Site or open the Franchised Business for business by the specified deadlines; of the Franchised Business ceases operation for 3 consecutive days without our prior approval; loss of the right to possession of the Site; unauthorized relocation of the Franchised Business; engaging in any violent or threatening act towards an employee, customer or any other person; any threat, danger or injury to health or safety of any person results from any act or failure to act by you (or any of your owners), or from the construction, maintenance or operation of the Franchised Business; conviction by a trial court of, or plead no contest or guilty to, a crime or offense that is likely to have an adverse effect on the System or the Marks, or a felony; a material violation of the franchise agreement, which by its nature cannot be cured; knowingly maintain false books or records, or knowingly submit any false statements or information to us, or underreport Gross Sales by more than 5% for any week; if you or your Operating Principal loses the right to reside in the United States; failure to make payment when due on any loan to (or secured by) the Franchised Business, and do not cure such non-payment within any applicable grace period; if a judgment is issued against you from any court that is not satisfied or properly appealed so that it is stayed from execution within 30 days of issuance; repeated violations of the franchise agreement; or misuse or

Provision	Section In Franchise Agreement	Summary
		unauthorized use of the Marks or otherwise materially impair the goodwill associated with the Marks or our right's in or to any aspect of the System; insolvency, any general assignment for the benefit of creditors; bankruptcy; appointment of a receiver of or other custodian of your business or assets, or if a final judgment remains unsatisfied or of record for 30 days or longer (unless supersedeas bond is filed), or if execution is levied against the Franchised Business, or suit to foreclose any lien or mortgage against the Franchised Business is instituted against you and not dismissed within 30 days, or if any substantial real or personal property of the Franchised Business has been sold after levy is placed on it.
i. Franchisee's obligations on termination/ non-renewal	Section 15	Obligations include, among others: You must cease operating the Franchised Business and cease using the Marks; completely de-identify the business; pay all amounts due to us or our affiliates and suppliers; return all Manuals and other proprietary materials; close vendor accounts; promptly cancel all assumed name or equivalent registrations relating to your use of the Marks; assign telephone numbers, domain names and listings to us or our designee; delete from the Computer System and POS System all proprietary information, including but not limited to menus, recipes, inventory and pricing; and comply with confidentiality requirements and post-term restrictive covenants. If we terminate the Franchise Agreement for cause prior to expiration, you must pay us liquidated damages to compensate us for your failure to continue operating the business for the remainder of the term.
j. Assignment of contract by franchisor	Section 13.A.	No restriction on our right to assign as long as the transferee or assignee assumes our obligations under the Franchise Agreement.
k. "**Transfer**" by franchisee – defined	Section 13.B.3.	Includes transfer of an interest in the assets of the Business Entity that owns the Franchised Business, the Franchised Businesses or the Franchise Agreement.
l. Franchisor approval of transfer by franchisee	Sections 13.B. and 13.C.	We have the right to approve all transfers (except that you may transfer the Franchised Business to an entity you own and control), we may withhold our consent if we desire.
m. Conditions for franchisor approval of transfer	Section 13.B.	We may impose conditions on our consent, including, that you (a) pay the transfer fee;

Provision	Section In Franchise Agreement	Summary
		(b) pay all amounts due us or our affiliates; (c) not otherwise be in default; (d) pay all suppliers and vendors; (e) sign all required documents including a then-current form of the franchise agreement and a transfer agreement containing a general release; and (f) ensure the Franchised Business complies with all of our requirements. If required by us you, you or the transferee must remodel the Franchised Business to our then-current image for new Tropical Smoothie Cafés®. The proposed transferee must meet our criteria, assume all of your obligations, and attend training.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 13.D.	We can match any offer for sale of your business or any ownership interest in you.
o. Franchisor's option to purchase franchisee's business	Section 15.H.	We have the right to purchase any or all of the tangible assets of the Franchised Business at your cost or fair market value, whichever is less, by written notice to you within 30 days after termination or expiration of the Franchise Agreement.
p. Death or disability of franchisee	Section 13.E.	The interest must be assigned to an approved transferee within nine months. The transfer is subject to our approval. If the transfer is to a family member of yours, then (i) we will approve the transfer so long as the family member meets our standards for new franchisees and completes our training, and (ii) the transfer will not be subject to our right of first refusal.
q. Non-competition covenants during the term of the franchise	Section 16.A.	You and your owners may not: (a) divert any business or customer to a competitor, or do or perform any act injurious or prejudicial to the goodwill of the Marks and System; (b) unless prohibited under applicable law, recruit or hire any person employed by us or our franchisees or area developers; (c) solicit other franchisees or area developers, nor use available lists of franchisees or area developers, for any commercial purpose unrelated to the operation of the Franchised Business; (d) have any involvement or interest in a competitive business; or (e) authorize, assist or induce another to develop, open or operate a competitive business.
r. Non-competition covenants after the franchise is terminated or expires	Section 16.B.	You and your owners may not, for 2 years after expiration, termination, or transfer of the Franchise Agreement: (a) divert any business or customer to a competitor; (b) unless prohibited under applicable law, recruit or hire any person employed by us or our franchisees or area developers; (c)

Provision	Section In Franchise Agreement	Summary
		solicit other franchisees or area developers, nor use available lists of franchisees or area developers, for any commercial purpose; (d) have any involvement or interest in a competitive business located within a 5-mile radius of the premises of the Franchised Business or the location of any Tropical Smoothie Café®; or (e) authorize, assist or induce another to have any involvement or interest in a competitive business located within a 5-mile radius of the premises of the Franchised Business or the location of any Tropical Smoothie Café®.
s. Modification of the Agreement	Sections 3.A.7. and 22.K.	You must comply with the Manuals as amended. Franchise Agreement may not be modified unless mutually agreed to in writing.
t. Integration/merger clause	Section 22.K	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). No other representations or promises will be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Sections 18.A. and 18.B.	Except for certain claims, all disputes must be mediated at our headquarters. Before you take any legal or other action against us, whether for damages, injunctive, equitable or other relief (including rescission), upon any alleged act or omission of ours, you must first give us 90 days prior written notice and an opportunity to cure such alleged act or omission or otherwise resolve such matter.
v. Choice of forum	Section 18.D.	Litigation in the state and federal courts with jurisdiction over the City of Atlanta, Georgia (subject to applicable state law).
w. Choice of law	Section 18.C.	Georgia law applies (subject to applicable state law).

Please refer to the disclosure addenda and contractual amendments appended to this disclosure document for additional terms that may be required under applicable state law. These additional disclosures, if any, appear in an addendum or rider in Exhibit "J." Please note, though, that if you would not otherwise be covered under those state laws by their own terms, then you will not be covered merely because we have given you an addendum that describes the provisions of those state laws.

ITEM 18. PUBLIC FIGURES

We currently do not use any public figures to promote our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and 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.

FINANCIAL PERFORMANCE REPRESENTATIONS: INDIVIDUAL UNIT TROPICAL SMOOTHIE CAFÉ FRANCHISES

The following tables provide historical sales information for Tropical Smoothie Café® franchised stores ("**Stores**") that were open at least one full year as of: (a) the calendar year 2017 for 494 Stores; (b) the calendar year 2016 for 412 Stores; and (c) the calendar year 2015 for 358 Stores. The tables do not include any financial performance information for any other types of franchises, such as non-traditional locations (i.e. college campus or other captive locations) or seasonal locations, and do not include any franchises of any type that had not been open for at least one year on December 31, 2017, December 25, 2016, and December 27, 2015, respectively. The information presented is not a forecast of future potential performance. For the purposes of the tables below, Net Revenue means all revenue related to the sale of products and performance of services in at the Store, whether for cash or credit, and regardless of collection in the case of credit, and income of every kind or nature related to the Store, less any discounts. Net Revenue does not include (i) bona fide refunds to customers, (ii) revenues from sales taxes or other add-on taxes collected from customers by you and actually transmitted to the appropriate taxing authority, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of gift cards or similar products (but the redemption of any such card or product will be included in Net Revenue).

The tables provide the average and median net revenues for the following categories of Stores in 2017, 2016 and 2015 on a category and cumulative basis: (a) our top 10% revenue producing Stores (meaning the average net revenue for the number of Stores that were in the top 10% of net revenues for that year); (b) our top 25% revenue producing Stores (which includes the Stores that are in the top 10%); (c) our top 50% revenue producing Stores (which includes the Stores that are in the top 10% and the top 25%); (d) our top 75% revenue producing Stores (which includes the Stores that are in the top 10%, the top 25% and the top 50%) . (e) our bottom 10% revenue producing Stores (meaning the average net revenue for the number of Stores that were in the bottom 10% of the net revenue for that year); (f) our bottom 25% revenue producing Stores (which includes the Stores that are in the bottom 10%); (g) our bottom 50% revenue producing Stores (which includes the Stores that are in the bottom 10% and the bottom 25%); and (h) our bottom 75% revenue producing Stores (which includes the Stores that are in the bottom 10%, the bottom 25% and the bottom 50%) .We present the average net revenue for the year in that category as well as the number and percentage achieving or surpassing the average net revenue in that category alone and cumulative for all Stores. For example, 48 of the 121 Stores in the top 25% for 2017 (or 40%), and 35 of the 103 Stores in the top 25% for 2016 (or 34%) achieved or surpassed that average.

Average Net Revenues in 2017**

	Top 10%	Top 25%	Top 50%	Top 75%	Total
No. of Stores	49	121	243	364	485
Avg. Net Revenues	$1,192,802	$1,018,851	$873,254	$774,018	$681,291
Median Net Revenues	$1,136,898	$974,175	$826,813	$721,806	$650,888
No. that Attained or Surpassed Stated Result in Category (Cumulative)	17	48	93	147	217
Percent that Attained or Surpassed Stated Result in Category (Cumulative)	35%	40%	38%	40%	45%

	Bottom 10%	Bottom 25%	Bottom 50%	Bottom 75%	Total
No. of Store	49	121	243	364	485
Avg. Net Revenues	$331,850	$402,347	$489,204	$569,081	$681,291
Median Net Revenues	$339,349	$425,463	$495,147	$586,157	$650,888
No. that Attained or Fell Below Stated Result in Category (Cumulative)	24	51	119	171	268
Percent that Attained or Fell Below Stated Result in Category (Cumulative)	49%	42%	49%	47%	55%

As of December 31, 2017, there were 627 franchised Stores and 1 company-owned Store. Of the 627 franchised Stores, 522were franchised Stores that had been open for at least 12 months as of December 31, 2017. Of the 522 Stores, 37 Stores were excluded since they were non-traditional locations. Of the 485 Stores referenced in the above table, all reported sufficient financial performance information to be included in this financial performance representation.

**Due to our fiscal calendar in 2017 having 53 weeks, the 2017 AUV numbers were calculated as a weekly average across the 53 weeks and multiplied by 52 weeks to effectively normalize the data.

Average Net Revenues in 2016

	Top 10%	Top 25%	Top 50%	Top 75%	Total
No. of Stores	41	103	206	309	412
Avg. Net Revenues	$1,120,294	$977,387	$846,431	$752,486	$662,545
Median Net Revenues	$1,092,688	$933,109	$811,813	$713,229	$631,039
No. that Attained or Surpassed Stated Result in Category (Cumulative)	18	35	88	133	184
Percent that Attained or Surpassed Stated Result in Category (Cumulative)	44%	34%	43%	43%	45%

	Bottom 10%	Bottom 25%	Bottom 50%	Bottom 75%	Total
No. of Store	41	103	206	309	412
Avg. Net Revenues	$318, 810	$392,721	$478,659	$558, 126	$662,545
Median Net Revenues	$330,633	$408,179	$490,099	$561,078	$631,039
No. that Attained or Fell Below Stated Result in Category (Cumulative)	17	40	94	150	228
Percent that Attained or Fell Below Stated Result in Category (Cumulative)	41%	39%	46%	49%	55%

As of December 25, 2016, there were 539 franchised Stores. Of the 539 franchised Stores, 451 were franchised Stores that had been open for at least 12 months as of December 25, 2016. Of the 451 franchised Stores, 39 Stores were excluded since they were non-traditional locations. Of the 412 Stores referenced in the above table, all reported sufficient financial performance information to be included in this financial performance representation. Additionally, 12 franchised Stores were excluded since they closed during 2016. Of these closures, none of the 12 Stores closed during their first twelve months of operation.

Average Net Revenues in 2015

	Top 10%	Top 25%	Top 50%	Top 75%	Total
No. of Stores	36	90	179	269	358
Avg. Net Revenues	$1,062,898	$928,429	$806,920	$720,743	$633,339
Median Net Revenues	$1,033,247	$895,942	$761,873	$687,508	$612,624
No. that Attained or Surpassed Stated Result in Category (Cumulative)	14	35	76	107	167
Percent that Attained or Surpassed Stated Result in Category (Cumulative)	39%	39%	42%	40%	47%

	Bottom 10%	Bottom 25%	Bottom 50%	Bottom 75%	Total
No. of Store	36	90	179	269	358
Avg. Net Revenues	$297,149	$373,067	$460,128	$535,501	$633,339
Median Net Revenues	$303,433	$381,797	$479,886	$549,546	$612,624
No. that Attained or Fell Below Stated Result in Category (Cumulative)	15	40	79	127	191
Percent that Attained or Fell Below Stated Result in Category (Cumulative)	42%	44%	44%	47%	53%

As of December 27, 2015, there were 464 franchised Stores. Of the 464 franchised Stores, 399 were franchised Stores that had been open for at least 12 months as of December 27, 2015. Of the 399 Stores, 41 Stores were excluded since they were non-traditional locations. Of the 358 Stores referenced in the above table, all reported sufficient financial performance information to be included in this financial performance representation. Additionally, 13 franchised Stores were excluded since they closed during 2015. Of these closures, none of the 13 Stores closed during their first twelve months of operation.

As stated, the sales for each of the Stores presented are limited to the sales results for Stores that had been open for a full 12 months of operations as of December 31, 2017, December 25, 2016, and December 27, 2015, respectively. Sales during the first year of operations are likely to be significantly less than for those that have been open for a year or more.

All Tropical Smoothie Café® Stores offer substantially the same products and services to the public. None of the franchised Tropical Smoothie Café® Stores received any services not generally available to other franchisees and substantially the same services will be offered to new franchisees.

We obtained these historical financial results from the information submitted by our franchisees. Neither we nor an independent certified public accountant has independently audited or verified the information.

Some Stores have sold the amounts shown in the tables. Your individual results may differ. There is no assurance you will sell as much.

The foregoing data relates to revenues only; we are not presenting any information on the costs and expenses of operating a Store. Operating a Store incurs a wide variety of expenses that will reduce the Store's income from the revenue levels shown. Examples of the types of these expenses include, without limitation, rent and occupancy expenses; food and beverage product and supply costs; salaries, wages and other personnel-related expenses; federal, state and local taxes and fees; utilities; financing costs (including on loans and leases); royalties and other amounts due us.

Characteristics of the included franchised Stores may differ substantially from your Store depending on your previous business and management experience, competition in your area, length of time that the included Stores have operated compared to your Store, and the services or goods sold at your Store compared to the included Stores. The sales, profits and earnings of an individual franchisee may vary greatly depending on these and a wide variety of other factors, including the location of the store, population and demographics in your market area, economic and market conditions, labor and product costs, etc.

We have written substantiation in our possession to support the information appearing in this financial performance representation. Written substantiation will be made available to you on reasonable request.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors prior to executing the franchise agreement.

Other than the preceding financial performance representation, we do not make any financial performance representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Pete Ward, our General Counsel at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338 and 770-821-1900, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years Ending December 27, 2015, December 25, 2016 and December 31, 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	412	464	+52
	2016	464	539	+75
	2017	539	627	+88
Company-Owned	2015	1	1	0
	2016	1	1	0
	2017	1	1	0
Total Outlets	**2015**	**413**	**465**	**+52**
	2016	**465**	**540**	**+75**
	2017	**540**	**628**	**+88**

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years Ending December 27, 2015, December 25, 2016 and December 31, 2017

State	Year	Number of Transfers
Alabama	2015	1
	2016	3
	2017	0
Alaska	2015	0
	2016	0
	2017	0
Arizona	2015	1
	2016	0
	2017	1
Arkansas	2015	0

State	Year	Number of Transfers
	2016	5
	2017	2
California	2015	0
	2016	0
	2017	0
Colorado	2015	0
	2016	3
	2017	0
Connecticut	2015	0
	2016	0
	2017	0
Delaware	2015	0
	2016	0
	2017	0
District of Columbia	2015	0
	2016	0
	2017	0
Florida	2015	4
	2016	20
	2017	6
Georgia	2015	0
	2016	2
	2017	0
Hawaii	2015	0
	2016	0
	2017	0
Idaho	2015	0
	2016	0
	2017	0
Illinois	2015	2
	2016	0
	2017	0
Indiana	2015	0
	2016	0
	2017	0
Iowa	2015	0
	2016	0
	2017	0
Kansas	2015	0
	2016	0
	2017	0
Kentucky	2015	0
	2016	0
	2017	0
Louisiana	2015	0
	2016	0
	2017	0
Maine	2015	0
	2016	0
	2017	0
Maryland	2015	0
	2016	0

State	Year	Number of Transfers
	2017	1
Massachusetts	2015	0
	2016	0
	2017	0
Michigan	2015	0
	2016	3
	2017	1
Minnesota	2015	1
	2016	0
	2017	0
Mississippi	2015	0
	2016	0
	2017	0
Missouri	2015	0
	2016	1
	2017	0
Montana	2015	0
	2016	0
	2017	0
Nebraska	2015	0
	2016	0
	2017	0
Nevada	2015	2
	2016	3
	2017	0
New Hampshire	2015	0
	2016	0
	2017	0
New Jersey	2015	0
	2016	0
	2017	0
New Mexico	2015	0
	2016	0
	2017	0
New York	2015	0
	2016	4
	2017	0
North Carolina	2015	1
	2016	0
	2017	0
North Dakota	2015	0
	2016	0
	2017	0
Ohio	2015	0
	2016	0
	2017	0
Oklahoma	2015	0
	2016	0
	2017	0
Oregon	2015	0
	2016	0
	2017	0

State	Year	Number of Transfers
Pennsylvania	2015	1
	2016	0
	2017	0
Rhode Island	2015	0
	2016	0
	2017	0
South Carolina	2015	0
	2016	0
	2017	0
South Dakota	2015	0
	2016	0
	2017	0
Tennessee	2015	0
	2016	0
	2017	0
Texas	2015	0
	2016	0
	2017	3
Utah	2015	0
	2016	0
	2017	0
Vermont	2015	0
	2016	0
	2017	0
Virginia	2015	4
	2016	4
	2017	6
Washington	2015	1
	2016	0
	2017	0
West Virginia	2015	0
	2016	0
	2017	0
Wisconsin	2015	0
	2016	0
	2017	1
Wyoming	2015	0
	2016	0
	2017	0
Total	**2015**	**18**
	2016	**48**
	2017	**21**

Table No. 3
Status of Franchised Outlets
For Years Ending, December 27, 2015, December 25, 2016 and December 31, 2017

State	Year	Outlets at the Start of Year	Outlets Opened	Termi-nations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	2015	12	0	0	0	0	0	12
	2016	12	3	0	0	0	0	15
	2017	15	1	0	0	0	1	15
Alaska	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Arizona	2015	9	1	0	0	0	1	9
	2016	9	1	0	0	0	1	9
	2017	9	0	0	0	0	0	9
Arkansas	2015	19	3	0	0	0	0	22
	2016	22	4	0	0	0	0	26
	2017	26	2	0	0	0	1	27
California	2015	0	0	0	0	0	0	0
	2016	0	7	0	0	0	0	7
	2017	7	3	0	0	0	0	10
Colorado	2015	3	1	0	0	0	1	3
	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
Connecticut	2015	2	1	0	0	0	1	2
	2016	2	0	0	0	0	1	1
	2017	1	0	0	0	0	0	1
Delaware	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
District of Columbia	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Florida	2015	118	10	1	0	0	1	126
	2016	126	12	2	0	0	3	133
	2017	133	15	1	0	0	3	144
Georgia	2015	5	0	0	0	0	0	5
	2016	5	6	0	0	0	0	11
	2017	11	7	1	0	0	0	17
Hawaii	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Idaho	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Illinois	2015	6	0	0	0	0	0	6
	2016	6	1	1	0	0	0	6
	2017	6	0	1	0	0	0	5
Indiana	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2

State	Year	Outlets at the Start of Year	Outlets Opened	Termi-nations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Iowa	2015	3	1	0	1	0	0	3
	2016	3	0	0	0		0	3
	2017	3	0	0	0	0	0	3
Kansas	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Kentucky	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	1	0	0	0	0	3
Louisiana	2015	4	0	1	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	0	1	0	0	0	2
Maine	2015	2	0	0	0	0	0	2
	2016	2	1	0	0	0	0	3
	2017	3	0	0	0	0	1	2
Maryland	2015	2	3	0	0	0	0	5
	2016	5	3	0	0	0	0	8
	2017	8	1	0	0	0	0	9
Massachusetts	2015	2	2	0	0	0	0	4
	2016	4	0	0	0	0	0	4
	2017	4	0	0	0	0	0	4
Michigan	2015	24	9	0	0	0	0	33
	2016	33	12	0	0	0	0	45
	2017	45	19	0	0	0	0	64
Minnesota	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Mississippi	2015	2	1	0	0	0	1	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Missouri	2015	1	1	0	0	0	0	2
	2016	2	2	0	0	0	0	4
	2017	4	2	0	0	0	0	6
Montana	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Nebraska	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Nevada	2015	26	3	0	0	0	2	27
	2016	27	1	0	0	0	0	28
	2017	28	1	1	0	0	0	28
New Hampshire	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
New Jersey	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
New Mexico	2015	0	0	0	0	0	0	0

State	Year	Outlets at the Start of Year	Outlets Opened	Termi-nations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
New York	2015	15	2	1	0	0	0	16
	2016	16	3	0	0	0	0	19
	2017	19	0	0	0	0	0	19
North Carolina	2015	17	4	0	0	0	0	21
	2016	21	1	0	0	0	0	22
	2017	22	12	0	0	0	0	34
North Dakota	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Ohio	2015	12	1	0	0	0	0	13
	2016	13	0	0	0	0	0	13
	2017	13	3	1	0	0	0	15
Oklahoma	2015	5	5	0	0	0	0	10
	2016	10	4	0	0	0	0	14
	2017	14	4	0	0	0	0	18
Oregon	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Pennsylvania	2015	8	2	0	0	0	0	10
	2016	10	4	0	0	0	0	14
	2017	14	4	1	0	0	0	17
Rhode Island	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
South Carolina	2015	4	3	0	0	0	0	7
	2016	7	3	0	0	0	0	10
	2017	10	5	0	0	0	0	15
South Dakota	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Tennessee	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	4	1	0	0	0	6
Texas	2015	8	5	0	0	0	1	12
	2016	12	4	0	0	0	1	15
	2017	15	10	0	0	0	0	25
Utah	2015	3	1	0	0	0	0	4
	2016	4	1	0	0	0	0	5
	2017	5	1	0	0	0	0	6
Vermont	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Virginia	2015	84	3	1	0	0	0	86
	2016	86	7	0	0	0	1	92
	2017	92	4	1	0	0	1	94
Washington	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2

State	Year	Outlets at the Start of Year	Outlets Opened	Termi-nations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2017	2	1	0	0	0	0	3
West Virginia	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Wisconsin	2015	3	0	0	0	0	0	3
	2016	3	0	1	0	0	0	2
	2017	2	0	0	0	0	0	2
Wyoming	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Total	**2015**	**412**	**65**	**4**	**1**	**0**	**8**	**464**
	2016	**464**	**86**	**4**	**0**	**0**	**7**	**539**
	2017	**539**	**104**	**9**	**0**	**0**	**7**	**627**

Table No. 4
Status of Company-Owned Outlets
For Years Ending December 27, 2015, December 25, 2016 and December 31, 2017

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Georgia	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Totals	**2015**	**1**	**0**	**0**	**0**	**0**	**1**
	2016	**1**	**0**	**0**	**0**	**0**	**1**
	2017	**1**	**0**	**0**	**0**	**0**	**1**

Table No. 5
Projected Openings as of December 31, 2017

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In the Next Fiscal Year (2018)	Projected New Company-Owned Outlet In the Next Fiscal Year (2018)
Alabama	6	2	0
Alaska	0	0	0
Arizona	2	1	0
Arkansas	7	1	0
California	16	0	0
Colorado	1	1	0
Connecticut	0	0	0
Delaware	2	0	0
District of Columbia	0	0	0
Florida	44	15	0
Georgia	40	15	0
Hawaii	0	0	0
Idaho	3	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In the Next Fiscal Year (2018)	Projected New Company-Owned Outlet In the Next Fiscal Year (2018)
Illinois	2	2	0
Indiana	2	0	0
Iowa	1	0	0
Kansas	12	6	0
Kentucky	1	0	0
Louisiana	8	3	0
Maine	0	0	0
Maryland	18	11	0
Massachusetts	0	0	0
Michigan	47	18	0
Minnesota	0	0	0
Mississippi	1	0	0
Missouri	4	3	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	0	0
New Hampshire	0	0	0
New Jersey	2	2	0
New Mexico	5	1	0
New York	6	2	0
North Carolina	25	5	0
North Dakota	1	0	0
Ohio	7	0	0
Oklahoma	5	3	0
Oregon	0	0	0
Pennsylvania	6	1	0
Rhode Island	2	2	0
South Carolina	18	5	0
South Dakota	1	1	0
Tennessee	6	2	0
Texas	62	20	0
Utah	4	1	0
Vermont	0	0	0
Virginia	11	5	0
Washington	0	0	0
West Virginia	1	0	0
Wisconsin	1	1	0
Wyoming	0	0	0
Totals	**380**	**130**	**0**

Exhibit "K" attached to this disclosure document lists the names of all current franchisees with their business address and business telephone number as of December 31, 2017.

The name, city, state, and current business telephone number (or, if unknown, the last known home telephone number) of **37** franchisees who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or has not communicated with us within 10 weeks of the issuance date of this disclosure document, are listed on Exhibit "K."

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

As of the date of this disclosure document, we are not offering any existing franchised outlets to prospective franchisees, including those that either have been reacquired by us or are still being operated by current franchisees pending a transfer. If we begin to offer any such outlet, specific information about the outlet will be provided to you in a separate supplement to this disclosure document.

We have no current or former franchisees who have signed provisions during the last 3 fiscal years restricting their ability to speak openly to you about their experience with the Tropical Smoothie Café® franchise system.

As of the date of this disclosure document, there are no franchisee organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Our audited financial statements for the years ended December 31, 2017, December 25, 2016, and December 27, 2015 are attached as Exhibit "L" to this disclosure document. In addition, our unaudited financial statements as of September 30, 2018 are also attached as Exhibit "L".

ITEM 22. CONTRACTS

Copies of the following forms, contracts and/or agreements are attached as exhibits to this disclosure document:

Exhibit B	Franchise Agreement (with attachments)
Exhibit B-1	Multi-Unit Development Addendum to Franchise Agreement
Exhibit D	Pre-Authorized Bank Form
Exhibit E	OLO Online Ordering Services Agreement
Exhibit F	Addendum to Lease Agreement/Conditional Assignment of Lease
Exhibit H	Nondisclosure and Noncompetition Agreement
Exhibit I	Owners' Guaranty
Exhibit M	Netsurion Agreement
Exhibit N	Form of Financing Program Documents
	N-1 - Loan Agreement
	N-2 - Security Agreement
	N-3 - Personal Guaranty
Exhibit O	Franchisee Disclosure Questionnaire
Exhibit P	Receipts

ITEM 23. RECEIPTS

You will find 2 copies of a detachable Receipt in Exhibit "P" at the end of the disclosure document. One Receipt must be signed, dated and delivered to us. The other Receipt should be retained for your records.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

STATE AGENCIES AND ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed below.

Our registered agent in the State of Georgia is:

Corporate Creations
2985 Gordy Parkway,
1st Floor
Marietta, Georgia 30066

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
California	Department of Business Oversight *Los Angeles* 320 West 4th Street Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 *Sacramento* 1515 K Street Suite 200 Sacramento, CA 95814-4052 (916) 445-7205 *San Diego* 1350 Front Street, Room 2034 San Diego, CA 92101-3697 (619) 525-4233 *San Francisco* One Sansome Street, Suite 600 San Francisco, CA 94104-4428 (415) 972-8565	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, Hawaii 96810 (808) 586-2744	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, Indiana 46204 (317) 232-6681	

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-7042	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Market Assurance Division 85 7th Place East, Suite 500 St. Paul, Minnesota 55101-2198 (651) 296-6328	
North Dakota	Office of Securities Commissioner Fifth Floor 600 East Boulevard Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex–69-1 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Department of Financial Institutions 150 Israel Road SW Tumwater, WA 98501
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, Wisconsin 53701 (608) 266-2801	

For service of process in non-registration states.

ALABAMA Corporate Creations Network Inc. 6 Office Park Circle #100 Mountain Brook, AL 35223	**COLORADO** Corporate Creations Network Inc. 3773 Cherry Creek North Drive #575 Denver, CO 80209
FLORIDA Corporate Creations Network Inc. 11380 Prosperity Farms Road #221E Palm Beach Gardens, FL 33410	**GEORGIA** Corporate Creations Network, Inc. 2985 Gordy Parkway, 1st Floor Marietta, GA 30066
MISSOURI Corporate Creations Network Inc. 12747 Olive Boulevard #300 St. Louis, MO 63141	**NORTH CAROLINA** Corporate Creations Network Inc. 15720 Brixham Hill Avenue #300 Charlotte, NC 28277
NEW JERSEY Corporate Creations Network Inc. 811 Church Road #105 Cherry Hill, NJ 08002	**OHIO** Corporate Creations Network Inc. 119 E. Court Street Cincinnati, OH 45202
SOUTH CAROLINA Corporate Creations Network Inc. 6650 Rivers Avenue North Charleston, SC 29406	**TENNESSEE** Corporate Creations Network Inc. 205 Powell Place Brentwood, TN 37027
TEXAS Corporate Creations Network Inc. 4265 San Felipe #1100 Houston, TX 77027	

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FORM OF FRANCHISE AGREEMENT

TROPICAL SMOOTHIE CAFÉ, LLC

FRANCHISE AGREEMENT

Franchisee: _____

Café Number: _____

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EXHIBIT B – STATEMENT OF OWNERSHIP INTERESTS

FRANCHISE AGREEMENT

This Franchise Agreement (the "Franchise Agreement") is made as of _____, 20___ (the "Effective Date") between Tropical Smoothie Café, LLC, a Georgia limited liability company, with its principal business address at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338 ("we" or "us" or "our") and _____, a _____ ("you" or "your").

Background Statement

A. We have developed a unique and distinctive system (the "System") for the establishment and operation of Tropical Smoothie Café® stores (each store operating under the System is referred to herein as a "Tropical Smoothie Café® Store") that offer premium quality smoothies made fresh in the store using proprietary recipes, specialty sandwiches, gourmet wraps, salads, soups, and other menu items and food and beverage products and services we specify from time to time (the "Products"). The System includes our distinctive trade dress, décor, and color scheme; distinctive standards, specifications, and procedures for quality control; training and ongoing operational assistance; and advertising and promotional programs; all of which we may add to, delete from, or modify, from time to time.

B. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin owned by us, including TROPICAL SMOOTHIE® and TROPICAL SMOOTHIE CAFÉ® (collectively, the "Marks"). We may add to, delete from, or modify the Marks from time to time.

C. You desire for us to grant you a franchise to operate a Tropical Smoothie Café® Store, using the Marks, under the System, and for us to provide you with certain training and other assistance in connection with such franchise, all as set forth in and subject to this Franchise Agreement.

D. You understand and acknowledge the importance of our high standards of quality, appearance, and service, and the necessity of operating your "Franchised Business" (as defined in Section 1.A below) in compliance with our standards and specifications.

In consideration of the foregoing and the mutual promises and commitments set forth in this Franchise Agreement, the parties agree as follows:

1. GRANT OF FRANCHISE

A. Grant. We grant to you the right to develop and operate one Tropical Smoothie Café® Store (the "Franchised Business"), on the terms and conditions set forth in this Franchise Agreement, using the Marks and System (collectively, the "Franchise"), solely at the site specified on Exhibit A (or, if no site is specified on Exhibit A on the Effective Date, then the site shall be determined in accordance with Section 5.A) (the "Site"). You shall develop, open, and operate the Franchised Business at the Site for the entire term of this Franchise Agreement.

B. Protected Area. During the "Initial Term" (as defined in Section 2.A below), as long as you are in compliance with this Franchise Agreement, we will not operate, nor license another franchisee the right to operate, a Tropical Smoothie Café® Store located within ½ mile (as measured by us) from the front door of the Site (the "Protected Area").

C. Reservations of Rights. Notwithstanding Section 1.B, we retain all other rights, and may, among other things, on any terms and conditions we deem advisable, and without granting you any rights therein:

1. Own, acquire, establish and/or operate and license others to own, acquire, establish and/or operate Tropical Smoothie Café® Stores outside the Protected Area notwithstanding their proximity to the Protected Area or the Site or their actual or threatened impact on sales at the Franchised Business;

2. Own, acquire, establish and/or operate and license others to establish and operate businesses, within or outside the Protected Area, that do not operate under the TROPICAL SMOOTHIE CAFÉ® brand name;

3. Sell and distribute, directly or indirectly, or license others to sell or distribute, directly or indirectly, any products and services (including without limitation the Products), whether or not bearing the Marks, from any location to any business or customer, including, without limitation through retail kiosks, grocery and convenience stores or other retail outlets, and any other distribution channels (including without limitation, through retail, wholesale, mail order, toll free numbers, or the Internet), provided that this clause shall not allow us to operate or license others to operate a Tropical Smoothie Café® Store inside the Protected Area under (i) the System; and (ii) the Marks unless permitted under Section 1.C.4, below; and

4. Own and operate, and license others to own and operate, Tropical Smoothie Cafés® at Reserved Facilities within your Protected Area. The term "Reserved Facilities" refers to enclosed shopping centers, universities, captive audience facilities (such as parks charging admission, stadiums, and amusement parks), special purpose facilities (such as airports, transportation centers, and hospitals), and limited access facilities (such as military complexes, buyer's club businesses, educational facilities, and business/industrial complexes).

D. No Subfranchising. You shall have no right to grant subfranchises to others. You shall not, and shall not attempt to, grant subfranchises to others.

2. TERM AND SUCCESSOR TERM

A. Initial Term. The term of this Franchise Agreement will be for 15 years commencing on the Effective Date (the "Initial Term").

B. Successor Term. You may renew the Franchise Agreement for the Franchised Business for one additional 10-year term (such additional term being referred to as the "Successor Term" and the Initial Term, together with the Successor Term, being referred to collectively in this Franchise Agreement as the "Term"), but only if you meet the following conditions:

1. You give us notice of your election to renew the Franchise Agreement for the Successor Term between 6 and 12 months before the end of the Initial Term;

2. You have secured the right to continue operating at the Site for the Successor Term, and provided us a copy of the related leasehold documents.

3. If required by us, you Remodel the Franchised Business to our then-current brand image for Tropical Smoothie Café® Stores. "Remodel" means to refurbish and remodel the Franchised Business, at your expense, to conform to the then-current Tropical Smoothie Café® Store design and decor, fixtures, furnishings, equipment, trade dress, color scheme and presentation of Marks consistent with the design concepts then in effect for a new Tropical Smoothie Café® Store, including, without limitation, such structural changes, remodeling, redecoration and other modifications to existing improvements as we reasonably deem necessary. Maintenance and repair is not, on its own, a Remodel, nor is your acquisition of new or additional equipment or signage due to new or improved specifications we may issue from time to time.

4. At the time you give notice of your election to renew and on the last day of the Initial Term, you (and your affiliates) are not in default of this Franchise Agreement or any other agreement with us (or our affiliates); the Franchised Business is in compliance with the System; and you are current with all suppliers.

5. You sign our then-current form of Franchise Agreement (the "Successor Franchise Agreement"), which may be materially different than this form (including, without limitation, higher and/or different fees), except that: (i) you will not pay another initial franchise fee, receive another renewal or successor term, nor be required to complete initial training; and (ii) we will not have any pre-opening obligations as described in Section 3.A.

6. You and each owner of your Franchised Business executes and delivers a general release, the form of which shall be prescribed by us (the "Release").

C. Non-Renewal. If you do not deliver to us all items required for renewal, including the executed Successor Franchise Agreement and the executed Release, within 10 days after we deliver the Successor Franchise Agreement and Release to you for execution, then you will be deemed to have declined to renew the Franchise Agreement as to the Franchised Business, and your right to renew the Franchise Agreement as set forth in Section 2.B of this Franchise Agreement will expire automatically at the end of the Initial Term.

D. Effect of Non-Renewal or Expiration. Non-renewal or expiration of this Franchise Agreement will end the Franchise Agreement and your right to operate the Franchised Business. Upon non-renewal or expiration of this Franchise Agreement, you must meet all obligations applicable upon termination or expiration, as set forth in Section 15, below.

3. OUR DUTIES

A. Pre-Opening Obligations.

1. Site Criteria and Review. We will provide you with guidance relating to the opening of your Franchised Business, including without limitation providing acceptable site criteria. Our acceptance of a site and any assistance we provide in selecting a site does not constitute a representation or promise by us that the Franchised Business will be profitable or otherwise successful.

2. Development Plans and Specifications. We will provide our mandatory and suggested specifications and layouts for a Tropical Smoothie Café® Store, including requirements for dimensions, design, color scheme, image, interior layout, décor, furnishings, equipment, signs, fixtures, opening inventory, and supplies.

3. Suppliers Lists. We will provide, or grant you access to, our lists of Approved Suppliers.

4. Business Plan Review. Upon your request, we will review and advise you regarding your pre-opening business plan.

5. Pre-Opening Training. We will provide an initial training program which you must complete (the "Initial Training Program"). As of the Effective Date, the Initial Training Program consists of our "Franchise Basics Program" (approximately two weeks), "Franchise Leadership Program" (approximately one week) and "New Store Opening" (approximately one week). You must complete the Franchise Basics Program and Franchise Leadership Program at least 15 days before the opening of the Franchised Business. You must complete the New Store Opening Program in the week of the opening of the Franchised Business. We may change the Initial Training Program from time to time. We will provide this training through a combination of classroom and on-the-job training at our franchise support center and/or an existing Tropical Smoothie Café® Store. Up to three people may attend the Initial Training Program at no charge before you open the Franchised Business. Additional persons may attend the Initial Training Program, but you may be required to pay for those additional persons to attend. You will be responsible for all meals, lodging and other travel expenses incurred in attending the Initial Training Program.

6. Opening Assistance. We will have a representative support your Franchised Business opening with at least five days of onsite opening assistance (except that if you already have two or more franchised Tropical Smoothie Café® Stores in operation, then we are not obligated to provide onsite opening assistance).

7. Manuals. We will loan you (or provide you electronic access to) a single set of our Manuals.

(i) "Manuals" means our confidential Operating Manual(s), including any supplements, additions, or revisions from time to time,

containing our specifications for certain mandatory aspects of the System (such as equipment, supplies, inventory, management and operation of the Tropical Smoothie Café® Store). The term "Manuals" includes any written statement from us setting forth a mandatory aspect of the System with which you must comply, regardless of whether such statement is expressly incorporated into the Manuals. The Manuals may consist of one or more separate manuals and other materials as designated by us and may be any form or media.

(ii) To the extent any of the System standards, or other resources in the Manuals, address personnel or employment matters, those are not mandatory but are merely recommendations, suggestions or guidelines. System standards do not include any mandatory requirements on your employees' wages, working conditions, hours, staffing levels, shift timing or other terms of employment, but may specify uniforms and appearance to meet brand standards.

(iii) You agree that the Manuals are proprietary and owned solely by us. You agree that the Manuals and their contents are confidential information that belong to us under Section 9.

(iv) We may revise or change the Manuals at any time in our discretion and you expressly agree that such revisions or changes shall be effective upon your receipt or at such other time as we may specify. You shall ensure that your set of the Manuals are kept current and up-to-date. In the event of any dispute as to the contents of the Manuals, the terms contained in the master set of the Manuals we maintain shall control.

(v) We reserve the right to provide the Manuals in hard copy, electronic or such other form as we may select, including through an intranet portal. You shall, at your expense, ensure that you have the necessary equipment to retrieve and use the Manuals in its various forms.

B. Post-Opening Obligations.

1. Generally. We will provide such continuing advisory assistance to you in the operation, advertising and promotion of your Franchised Business as we deem appropriate. We may provide you with such periodic individual or group advice, consultation, and assistance, rendered by personal visit or telephone, through newsletters, bulletins or other communication (delivered in hard copy or electronically); such advice, consultation and assistance will be made available from time to time to all our franchisees, as we deem appropriate.

2. Pricing. We will provide recommended prices for certain Products offered

by Tropical Smoothie Café® Stores and franchisees of the System, and may specify required prices for certain Products at certain times.

3. Procedures and Tools. We will provide you with our recommended procedures and tools for administration, bookkeeping, accounting (including, without limitation, accounting and other software), and inventory control. We may make any such procedures and tools required (and not merely recommended) as part of the System.

4. Updates to Manuals. We will provide (or make available to you electronically) periodic updates, revisions and amendments to our Manuals as we deem appropriate;

5. Quality Control Reviews. We (or our third-party designee) will, on a periodic basis as we deem advisable, conduct quality control reviews of the Franchised Business.

6. Marketing. We will manage the NMF Account (as defined in Section 11.B) and oversee advertising, promotion and marketing programs.

7. Internet. We will maintain the website for Tropical Smoothie Café®, which will include your location and telephone number.

8. Suppliers Lists. We will provide, or grant access to, our lists of Approved Suppliers, which we may revise from time to time as we deem appropriate.

C. Delegation. We may delegate performance of any of our obligations under this Franchise Agreement to third parties, including our Area Developers. "Area Developer" means a person or entity that has executed an Area Developer Agreement (or Area Sales Representative Agreement) with us, and who solicits and screens prospective franchisees for, and assists us in providing certain services to, Tropical Smoothie Café® franchisees within a defined geographic area.

D. Changes By Us. We have the right, in our sole discretion, to change or modify the System from time to time, including, without limitation, the adoption and use of new or modified Marks or copyrighted materials, and new or additional menu items, recipes, computer hardware, software, equipment, inventory, supplies, procedures, techniques, standards, and specifications. You will comply with any such changes or modifications to the System at your expense. We may communicate such changes or modifications by incorporating them into the Manuals, or by other method as we reasonably deem appropriate (which need not qualify as "notice" under Section 19).

4. FEES

A. Initial Franchise Fee. You will pay us an initial franchise fee of $30,000. The initial franchise fee is non-refundable and fully earned upon receipt by us.

B. Royalty Fee. You will pay to us a continuing, nonrefundable, weekly royalty fee

(the "Royalty Fee") of 6% of Gross Sales. "Gross Sales" means all revenue related to the sale of Products and performance of services in, at, above, through or from the Franchised Business, whether for cash or credit, and regardless of collection in the case of credit, and income of every kind or nature related to the Franchised Business including, without limitation, insurance proceeds and condemnation awards for loss of sales, profits or business; and further including without limitation amounts from gift cards, delivery, catering and other off-site consumption. Gross Sales does not include: (i) bona fide refunds to customers; (ii) revenues from sales taxes or other add-on taxes collected from customers by you and actually transmitted to the appropriate taxing authority; (iii) sales of used equipment not in the ordinary course of business; or (iv) sales of gift cards or similar products (but the redemption of any such card or product will be included in Gross Sales). You may not deduct payment provider fees (e.g., bank or credit card company fees and gift card vendor fees) from your Gross Sales calculation. You may not charge surcharges for any fees associated with customers paying by credit card, or any other form of payment. Such surcharges would include, but not limited to, credit card processing fees.

C. Technology-Related Fees. You will pay to us monthly fees for the use of mandated management information systems, including without limitation, online ordering systems and managed firewall systems (collectively, the "Technology-Related Fees"). We may raise these Technology-Related Fees in an amount reasonably commensurate with our internal and out-of-pocket costs.

D. National Marketing and Advertising Fees. You will pay to us a continuing nonrefundable weekly national marketing and advertising fee (the "National Marketing Fee") of 3% of Gross Sales.

E. Local Advertising Cooperative Contribution. You will pay to us a continuing nonrefundable weekly local advertising cooperative contribution (the "Local Advertising Cooperative Contribution") of 2% of Gross Sales.

F. Grand Opening Contribution. If you have not previously developed and opened a Tropical Smoothie Café Store® then, unless otherwise required by applicable state law, you will pay to us an amount to be used to pay for your Grand Opening marketing program in accordance with the Grand Opening marketing budget and plan you and we develop (the "Grand Opening Contribution"). The Grand Opening Contribution initially will be $7,500 due and payable in full on the Effective Date. If, for any reason, applicable state law does not permit us to collect the Grand Opening Contribution in full on the Effective Date, then you will pay our approved vendors and service providers for their products and services furnished in accordance with the Grand Opening marketing program when due based on invoices presented to you in accordance with Section 5.H of this Franchise Agreement. Failure to pay such invoices when due will be a material breach of this Franchise Agreement. At our option, we may pay vendors and service providers on your behalf, and if we do so, you must pay us the amounts we have advanced when the initial franchise fee is due. If you have previously developed and opened a Tropical Smoothie Café® Store, then you must only spend a minimum of $2,500 (exclusive of the cost of food and smoothies) (the "Reduced Grand Opening Contribution") to conduct a Grand Opening marketing program for your Franchised Business in accordance with Section 5.H of this Franchise Agreement. We will not collect the Reduced Grand Opening Contribution.

G. Non-Compliance Fee. If we reasonably believe that you have committed an event of default under this Franchise Agreement (including any failure to comply with any requirement set forth in the Manuals), we may assess you a fee up to $500 (the "Non-Compliance Fee") per week or portion thereof. We may assess a Non-Compliance Fee regardless of whether we send you a notice to cure or termination notice, so long as we notify you in writing of our decision to charge you a Non-Compliance Fee, the amount of the Non-Compliance Fee, and the reason we believe you have committed a default. Assessment and/or payment of a Non-Compliance Fee does not constitute a waiver of any other rights or remedies we may have in connection with the event of default or otherwise under this Franchise Agreement.

H. Payments By Us On Your Behalf. You shall pay to us, within 15 days after any written request by us which is accompanied by reasonable documentation, any monies which we have paid (or have become obligated to pay) that you owed to a third party or that you were obligated to pay a third party as part of the System.

I. Payment Procedures. All weekly payments and any late fees and interest charges required by this Franchise Agreement shall be paid through our direct debit program each Wednesday, or such other payment schedule and method as prescribed by us, following the preceding week for which the applicable fee is being paid (on Gross Sales made during the preceding week which is defined as beginning on Monday and ending on Sunday). All other payments that you owe to us shall be paid by direct debit when due. At our request, you will execute our standard form of pre-authorized bank form and all other documents necessary to permit us to withdraw funds from your designated bank account by electronic funds transfer ("EFT") for payment of all amounts you owe to us or our affiliates. Should any EFT not be honored by your bank for any reason, you will be responsible for that payment and any service charge. Upon written notice to you, we may designate another method of payment, and you must furnish us and your bank with all authorizations necessary to make payment by the methods we specify.

J. Late Fees. If we debit your account for payment of any amount you owe us, and there are not sufficient funds in your account to pay such amount, or your bank refuses to clear the withdrawal in our favor, the unpaid amount will be considered late. We may assess a late fee of $25 for each week (or portion thereof) that any payment is delinquent. In addition, all overdue amounts will bear interest, until paid, at a rate equal to the lower of (i) 18% per annum; or (ii) the highest rate permitted by applicable state law, whichever is less. Interest shall be calculated on a daily basis.

K. Application of Payment. Notwithstanding any designation you might make, we have sole discretion to apply any of your payments to any of your past due indebtedness to us.

L. Obligations Independent; No Set-Off. Your obligations to pay us any fees or amounts described in this Franchise Agreement are not dependent on our performance and are independent covenants by you. You must make all such payments without offset or deduction for any amounts that are owed to you.

5. DEVELOPMENT AND OPENING

A. Site Acceptance. If Exhibit A does not specify your Site on the Effective Date, then you must lease or purchase a location for your Franchised Business within the designated area described on Exhibit A (the "Designated Area"). You have no exclusive rights to the Designated Area. Your Site is subject to our acceptance and you must not move or relocate the Franchised Business without our prior acceptance. You acknowledge that our acceptance of the proposed Site as being suitable for a Franchised Business is not to be deemed to be a representation or warranty that the Franchised Business at the Site will be profitable or otherwise successful. You must engage a commercial real estate broker to help you select and acquire a Site. Before you engage any real estate broker to assist you, you must obtain written acceptance of that broker from us. We will provide, or grant you access to, our list of approved real estate brokers. You are responsible for any commissions due to the real estate broker and not otherwise paid by the landlord or seller. Upon our request, you must submit to us, in the form we specify, Site information which may include a copy of the Site plan, business plan, demographic statistics and information regarding surrounding businesses, an option contract, letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the Site for the Franchised Business and such other materials as we may reasonably require. We shall have 30 days after receipt of such information and materials to accept or decline, in our sole discretion, the proposed Site as the location for the Franchised Business. If we do not accept a proposed Site within 30 days, such Site will be deemed declined by us.

B. Lease Acceptance. You must obtain our acceptance of the lease or sublease (or any modification or amendment) for the Site before you sign it. Our review and acceptance of the lease or sublease is solely to ensure that the lease or sublease contains terms that meet our Site criteria; it is not a substitute for careful review by you and your advisors. Our approval of the lease or sublease does not constitute a warranty or assurance that the lease or sublease contains terms and conditions for your benefit, but only that it meets our requirements. At our request, you must obtain the landlord's signature to our standard Addendum to Lease Agreement/Conditional Assignment of Lease. You must provide us with a copy of the signed lease or sublease within 10 days after it is signed by both you and the landlord. You also must provide us with copies of any and all lease amendments, renewals or extensions.

C. Site Acquisition. You must acquire your Site (by purchasing, leasing or subleasing the Site) within 6 months after the Effective Date (the "Site Acquisition Deadline").

D. Construction and Finish Out. You are solely responsible for developing and constructing the Site for your Franchised Business, at your expense, and in compliance with all applicable laws and regulations and our specifications. You must have a licensed architect prepare all required construction plans and specifications to suit the shape and dimensions of the Site and to ensure that such plans and specifications comply with applicable laws and regulations, lease requirements, and the mandatory specifications and layout provided by us. You must use an approved architect or obtain our prior written approval of your licensed architect before you engage such architect to assist you. We have the right to review and accept all plans and specifications and to confirm that construction is completed in conformance with our architectural and design standards and specifications for a Tropical Smoothie Café® Store. You must also

retain a licensed and approved general contractor to oversee the construction of the Franchised Business, or obtain our prior written approval of your licensed general contractor before you engage such general contractor to assist you. If we so request, you must provide a schedule setting forth in detail the anticipated dates on which you will: (i) deliver the final construction plans for the Franchised Business; (ii) receive all necessary building permits; and (iii) complete construction on the Franchised Business. We may inspect construction of the Franchised Business at all reasonable times. You will use in the development and operation of your Franchised Business only those (and each of those) brands, types and/or models of equipment, furniture, fixtures and signs specified by us and only suppliers designated or approved by us, which may include and/or be limited to us and/or our affiliates. You will cause all construction to be performed only in accordance with the plans and specifications approved by us. No changes to the plans and specifications for construction, or to any of the materials used in the Franchised Business, or to the interior or exterior colors, may be made without our prior written consent. You must complete construction and begin operations of the Franchised Business within 12 months of the Effective Date. You may not open the Franchised Business to the public until you have received our approval.

E. Business Plan. If required by us, you shall submit to us for our review an initial business plan for the Franchised Business prior to commencing operations.

F. Opening Date. You must open the Franchised Business on or before the first anniversary of the Effective Date.

G. Initial Training. You (or your Operating Principal, as defined herein) and your general manager must attend and complete to our reasonable satisfaction our Initial Training Program prior to the opening of the Franchised Business. Otherwise, attendance by any of your other employees is optional.

H. "Grand Opening" Marketing Program. Due to the critical importance of a successful Grand Opening you agree as follows:

1. You will conduct a "Grand Opening" marketing program in accordance with our Manuals, utilizing the tools, timing, technologies, services and products we authorize and direct. If you have not previously developed and opened a Tropical Smoothie Café® Store, you and we will develop the budget and plan following the Grand Opening process described in the Manuals. You must spend at least $7,500 (not including cost of food and smoothies), on a Grand Opening marketing program for the Franchised Business during the Grand Opening time period beginning approximately 60 days before opening the Franchised Business until 30-60 days afterwards. If you have previously developed and opened a Tropical Smoothie Café® Store, then you must spend a minimum of $2,500 (exclusive of the cost of food and smoothies) to conduct a Grand Opening Marketing Program for your Franchised Business beginning approximately 60 days before opening the Franchised Business until 30-60 days afterwards. If you are eligible to spend the Reduced Grand Opening Contribution then you will be responsible for creating the Grand Opening Marketing plan using marketing, advertising and public relations programs, media and materials we have approved. To this end, you must submit your Grand Opening marketing plan to us for review and approval no later than 60 days prior to opening of the

Franchised Business. For both those spending the Grand Opening Contribution and those spending the Reduced Grand Opening Contribution, the Grand Opening program will use the marketing, advertising and public relations programs, media and materials we have developed or approved, and is separate from your other marketing and advertising requirements. To the extent we do not manage the budget and expenditures for the Grand Opening marketing program, we may require you to submit expenditure report(s) to us to confirm your compliance with this Section.

2. If you have not previously developed and opened a Tropical Smoothie Café® Store then, unless initial payments to us are deferred under applicable state law, you will pay to us the Grand Opening Contribution in accordance with Section 4.F above. If you decide to spend more than the $7,500 minimum amount, then you will pay the additional amounts based on the Grand Opening budget and plan that you develop with us to the vendor as and when invoiced. We will administer payments to service providers and other vendors out of the funds that you have paid us for the Grand Opening Contribution. We will provide you an accounting of the expenditures during the Grand Opening period based on the methods, procedures and reports we develop from time-to-time. We are only obligated to administer the Grand Opening marketing plan and budget if you have paid to us the Grand Opening Contribution.

3. If you have not previously developed and opened a Tropical Smoothie Café® Store and, for any reason, we are unable to collect the Grand Opening Contribution from you on the Effective Date, then you must pay the service providers and vendors as and when we direct in accordance with the Grand Opening marketing plan and budget. Therefore, instead of us paying those suppliers from the Grand Opening Contribution, you will be obligated to pay them directly as and when the amounts are due. To facilitate this, within 10 days of our development of the Grand Opening marketing plan and budget, you must deposit in a dedicated bank account the amount of the Grand Opening Contribution and such supplementary amount as required by the Grand Opening marketing plan and budget you develop. You will use the funds to pay the service providers and vendors in connection with the Grand Opening marketing program. We will not be obligated to pay them, and it will be your responsibility to do so on a timely basis. If you fail to pay them on a timely basis, both we and the service providers and vendors may suspend services to you, and you will be in material breach of this Franchise Agreement.

3. If you have previously developed and opened a Tropical Smoothie Café® Store, then we will not collect the Reduced Grand Opening Contribution and you will be obligated to pay all service providers and vendors for the Grand Opening Marketing Program directly as and when the amounts are due. To facilitate this, within 10 days of our approval of your Grand Opening marketing plan, you must deposit in a dedicated bank account the amount of the Reduced Grand Opening Contribution and such supplementary amount as required by the Grand Opening marketing plan you develop. You will use the funds to pay the service providers and vendors in connection with your Grand Opening Marketing Program. If you fail to pay them on a timely basis, both we and the service providers and vendors may suspend services to you, and you will be in material breach of this Franchise Agreement.

I. Conditions To Opening. You must notify us at least 30 days before you intend to open the Franchised Business to the public. Before opening, you must satisfy all of the following conditions: (i) you must be in compliance with this Franchise Agreement; (ii) you must have all applicable governmental permits and authorizations; (iii) the Franchised Business must conform to all applicable System specifications; (iv) we must have inspected and approved the Franchised Business; (v) you must have sufficient employees; (vi) you must have completed our required Initial Training Program; (vii) you must have submitted insurance certificates, a copy of your executed lease, your EFT, and all other documents and information required by this Franchise Agreement or by us; (viii) you must have begun to implement the Grand Opening marketing program required under Section 5.H and paid all amounts due us and our approved suppliers and vendors and have maintained a balance, subject to our verification, of the amounts necessary to complete the plan in accordance with the budget; and (ix) you must have our written approval to open (which will not be unreasonably withheld or delayed).

J. Destruction of Franchised Business. If the Franchised Business is damaged or destroyed by fire or other casualty, or is required by any governmental authority to be repaired or reconstructed, you shall commence repair or reconstruction of the Franchised Business within 90 days after the date of such casualty or notice of governmental requirement (or such lesser period as may be required by the applicable authority) and shall complete all required repair and reconstruction as soon as possible thereafter, but in no event later than 180 days after the date of such casualty or governmental requirement or such lesser period required by law. In the case of reconstruction due to casualty, the minimum acceptable appearance for the restored building will be that which existed immediately prior to the casualty; provided, however, you will use your best efforts to have the reconstructed Franchised Business include the then-current image, design, and specifications of a Tropical Smoothie Café® Store.

6. YOUR DUTIES

A. Compliance with System. You acknowledge and agree that every detail of the Franchised Business, including without limitation the uniformity of appearance, service, products and advertising of the Franchised Business is important to you, us, the System and our other franchisees, in order to maintain the System's high and uniform operating standards, to increase demand for the products and services, and to protect our reputation and goodwill. You must operate the Franchised Business in conformity with our System (as set forth in the Manuals or otherwise), including such methods, standards and specifications as we may from time to time prescribe for Tropical Smoothie Café® Stores. Pursuant to this ongoing responsibility, you agree:

1. To sell all menu items, products and services required by us, utilizing the method and manner that we prescribe; to offer for sale only such menu items, products and services which have been expressly approved for sale in writing by us; to refrain from any deviation from our standards and specifications for preparing, serving or selling such menu items, products or services; and to discontinue selling any such menu items, products or services as we may disapprove in writing at any time;

2. To display and make available to customers all nutritional information regarding menu items, products and services as we may require, from time to time, and in the

manner, that we specify and consistent with federal, state and local laws.

3. With respect to any off-site distribution methods such as catering and delivery: (i) to use the off-site distribution methods which we require; (ii) to not use an off-site distribution method which we do not require unless we expressly authorize you to do so; and (iii) to comply with our specifications for any such distribution program method;

4. To maintain in sufficient supply as we may prescribe in the Manuals or otherwise in writing and use at all times only such products and supplies as conform to our standards and specifications in the Manuals;

5. To use at all times only such methods of preparation, methods of service, and like methods as we may require, including without limitation our standards for preparation and presentation of Products; and to refrain from deviating therefrom by using nonconforming methods without our prior written consent;

6. To obtain such products, equipment, services, and supplies as we may require, for the appropriate handling, preparation, presentation, selling and service of any Products;

7. To lease or purchase and install at your expense all fixtures, furnishings, décor, signs and equipment we may reasonably specify from time to time in the Manuals or otherwise in writing, and to refrain from installing or permitting to be installed on or about the Franchised Business without our prior written consent any fixtures, furnishings, signs, décor, equipment or other items not specifically approved as meeting our standards and conforming to our specifications;

8. To employ sufficient staff to operate the Franchised Business at all times and maintain the dress and appearance of employees (all other matters pertaining to employment are suggestions or recommendations only);

9. To cause all personnel to render competent and conscientious service to guests. You are solely responsible for training all of your employees and ensuring they are fully trained to perform their duties. We may, although we are under no obligation to so, develop and require the use of a learning management system, at sole cost to you, for use in training your employees;

10. To comply with such maximum or minimum pricing requirements that we may determine, and to offer menu items at specific prices we determine if we are promoting such items on a national or regional basis, for the duration of the promotion (but only to the extent permitted by applicable law);

11. To keep the Franchised Business open and in normal operation for such minimum, maximum, and/or specific hours and days as we may from time to time prescribe;

12. To keep the Franchised Business at all times under the direct, on-premises

supervision of you (or your Operating Principal, as defined herein), or the supervision of a manager approved by us who has attended and successfully completed our training program;

13. Not to install or permit to be installed on or about the Franchised Business, without our prior consent, any furnishings, fixtures, equipment, décor, signage, or other improvements not previously approved as meeting our standards and specifications; and

14. To honor all credit, charge, courtesy or cash cards or other credit devices required or approved by us. You must obtain our written approval prior to honoring any previously unapproved credit, charge, courtesy or cash cards or other credit devices. You shall ensure that the Franchised Business adheres to the standards applicable to electronic payments including Payment Card Industry Standards or any equivalent thereof. You shall immediately (in any event within 24 hours) notify us if you suspect or have been notified by any third party of a possible security breach related to the electronic payment system used in the Franchised Business.

B. Your Organization. If you are or become a corporation, limited liability company, or other entity, you shall comply with Section 13 of this Franchise Agreement and the following requirements:

1. If we request, you will provide to us complete, correct and up-to-date copies of your articles of incorporation and bylaws or, as applicable, your articles of organization and limited liability company agreement, other governing documents and agreements among owners, any amendments to them, resolutions authorizing your entry into and performance of this Franchise Agreement, and any documents restricting the sale or transfer of your stock or other ownership interests.

2. You represent that Exhibit B completely and accurately (i) identifies each of your Owners, officers and directors; and (ii) describes the nature and extent of each Owner's interest. If any information on Exhibit B changes (regardless of whether such change is a Transfer (as such term is defined herein) requiring our approval), you will provide an updated Exhibit B to us within 10 days of such change.

3. You shall have each of your current and future owners sign our standard form of Owners' Guaranty, agreeing to be bound, jointly and severally, by all provisions of this Franchise Agreement. We may amend or modify the form of such guaranty from time to time as to owners signing the guaranty after the Effective Date.

C. Operating Principal. You agree that the person designated as the "Operating Principal" on Exhibit B is the executive primarily responsible for the operation of the Franchised Business and has decision-making authority on your behalf. If you are an Individual, then you must act as the Operating Principal. If you are a corporation, limited liability company or other entity, then the Operating Principal must have at least 5% ownership interest in the Franchised Business. The Operating Principal does not have to serve as a day-to-day general manager of the Franchised Business. If the Operating Principal dies, becomes incapacitated, transfers his/her interest in the Franchised Business, or otherwise ceases to be the executive primarily responsible for the Franchised Business, you must promptly designate a new Operating Principal, subject to

our reasonable approval.

D. Compliance With Laws. You and the Franchised Business shall comply with all applicable laws, ordinances, rules, regulations, court orders, and decisional authority of all federal, state and local governmental authorities having jurisdiction over the Franchised Business (collectively, the "Laws"). You and the Franchised Business shall obtain and maintain in full force and effect all governmental permits and licenses necessary for the Franchised Business.

E. Ongoing Training. You, your Operating Principal and your managers must attend and complete, to our reasonable satisfaction, such additional training programs as we may require from time to time. We may charge a reasonable fee for such programs in an amount reasonably commensurate with our internal and out-of-pocket costs. You will be responsible for any and all other expenses incurred in attending training, including, without limitation, the costs of meals, lodging, and travel.

F. Meetings and Conferences. You, your Operating Principal and your managers (if required by us) must attend all in-person meetings and remote meetings (such as telephone conference calls) that we require. We may require you to attend one or more regional or national conventions or conferences per calendar year, and we may charge a reasonable fee to fund such conventions or conferences, regardless of your attendance, in an amount reasonably commensurate with our internal and out-of-pocket costs. You will be responsible for all travel and other expenses of attending any meeting, convention or conference.

G. Use of Site. You must use the Site solely for the operation of the Franchised Business, and not use or permit the Site to be used for any other purpose or activity without our prior written consent.

H. Maintenance. You must continuously maintain the Franchised Business in the highest degree of sanitation, repair and condition as we reasonably require. In connection with such maintenance, you shall make such alterations, additions, and repairs to the Site, and such replacement of items in and about the Franchised Business, as we may require, which additions, alterations, and repairs may include, without limitation, periodic repainting, refinishing, and repairing of the interior and exterior and replacing obsolete and worn signs, furnishing, fixtures and equipment.

I. Health and Safety Standards. You must meet and maintain the highest standards of cleanliness, health and sanitation applicable to the Franchised Business, as we may reasonably require.

J. Remodel. You acknowledge and agree that it is in your best interest, and in the best interests of the System, that your Franchised Business be clean, up-to-date, well-maintained and well-appointed. Therefore, you acknowledge and agree that you will, at our request, remodel the Franchised Business periodically. The parties acknowledge that nothing in this Section 6.J will affect your obligation to maintain the Site and Franchised Business in compliance with the other provisions of this Franchise Agreement and the Manuals. Notwithstanding anything set forth in this Section 6.J to the contrary, we will not require you to remodel the Franchised

Business more than once every five years. By way of example, we could require you to remodel the Franchised Business in the second year of the Initial Term and, in such case, we could not require you to remodel the Franchised Business again until the seventh year of the Initial Term. Prior to commencing any remodel, you must submit to us a complete set of plans and specifications for the proposed remodel. We will review the proposed remodel plans promptly, and will approve or provide comments regarding such proposed remodel plans. You shall not commence a remodel unless and until we approve in writing the proposed remodel plans. In connection with a remodel, we may require you to spend $3,750 on marketing to promote the Franchised Business, in addition to your National Marketing Fee and Local Advertising Cooperative Contribution. For any remodel, you must use a licensed and approved architect and a general contractor.

K. Taxes and Indebtedness. You shall timely pay when due all taxes levied or assessed, including without limitation unemployment and sales taxes, and all accounts payable and other indebtedness of every kind you incur, in the operation of the Franchised Business, including payments to all vendors, Approved Suppliers and your landlord. Should any taxing authority impose on us any "franchise" or other tax that is based on the gross sales, gross revenues, business activities, or operation of the Franchised Business, except for federal and state income taxes, you will reimburse us an amount equal to the amount of such taxes and related costs and expenses imposed on or paid by us, unless the tax is credited against income tax otherwise payable by us. In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with the procedures of the taxing authority or law; however, in no event shall you permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, without limitation foreclosure, eviction, or repossession, to occur against the premises of the Franchised Business, or any improvements of such premises, or any furniture, fixtures, equipment or other assets of the Franchised Business.

L. Designated and Approved Products and Suppliers.

1. You shall offer for sale at the Franchised Business, and you shall use in your Franchised Business, only those menu items, ingredients, vitamin and nutritional supplements, food, beverages, packaging, supplies, signs, equipment, service providers, distributors, and other items and services that we from time to time approve (and which are not thereafter disapproved) and that comply with our specifications and quality standards. If required by us, any such items or services shall be purchased only from "Approved Suppliers" that we designate or approve (which might include and/or be limited to us and/or our affiliates). You recognize that we shall have the right to appoint only one manufacturer, distributor and/or another vendor as the Approved Supplier for any particular item. You shall not offer for sale, sell or provide through the Franchised Business or from the Site, any products or services that we have not approved.

2. We will provide you, in the Manuals or other written or electronic form, with a list of specifications and, if applicable, a list of Approved Suppliers for some or all of these items, and may from time to time issue revisions thereto. If you desire to utilize any services or products that we have not approved (for services and products that require supplier approval),

you must first send us sufficient information, specifications and/or samples for us to determine whether the product or service complies with our standards and specifications, or whether the supplier meets our Approved Supplier criteria.

3. You will bear all reasonable expenses incurred by us in connection with determining whether we will approve an item, service or supplier. We will decide within a reasonable time (usually 30 days) after receiving the required information whether you may purchase or lease such items or services from such supplier. Approval of a supplier may be conditioned on requirements related to the frequency of delivery, standards of service, consistency, reliability and general reputation. Nothing in this Section will be construed to require us to approve any particular item, service or supplier, or to require us to make available to prospective suppliers, standards and specifications that we, in our discretion, deem confidential.

4. Notwithstanding anything to the contrary in this Franchise Agreement, we have the right to review from time to time our approval of any items, services or suppliers. We may revoke our approval of any item, service or supplier at any time, in our sole discretion, by notifying you and/or the supplier. You shall, at your own expense, promptly cease using, selling or providing any items or services disapproved by us and shall promptly cease purchasing from suppliers disapproved by us.

5. We have the right to retain volume rebates, markups and other benefits from suppliers or distributors, or in connection with purchases by you. You will have no entitlement to or interest in such benefits, unless otherwise agreed to by us in writing.

6. You must pay all amounts owed to Approved Suppliers when due.

M. Market Research. We may conduct market research and testing to determine consumer trends and the salability of new menu items, food and beverage products and services. You agree to participate in such market research programs as may be conducted by us, in our sole discretion, by test marketing new menu items and food and beverage products and services in the Franchised Business. You agree to provide us with timely reports and other relevant information regarding market research. You agree to purchase a reasonable quantity of the tested new menu items, food and beverage products or services and effectively promote and make a reasonable effort to sell the new menu items, products and/or services.

N. Inspection of Premises. You must permit us, our employees, agents and representatives, including, but not limited to, your Area Developer (if any) and the Area Developer's employee(s) and any third parties we designate, to enter the Franchised Business and/or to examine any motor vehicle used in connection with the Franchised Business, at our discretion, at any time with or without prior notice to you, for purposes of conducting inspections, taking photographs and audio/video recordings, interviewing employees and customers, and/or evaluating any aspect of the Franchised Business. You will cooperate fully in such inspections by rendering such assistance as reasonably may be requested. Upon notice from us or any of the above-referenced individuals, and without limiting our other rights under this Franchise Agreement, you shall immediately correct any deficiencies detected during such inspections, including, without limitation, immediately ceasing and preventing the further use of any products,

equipment, inventory, advertising materials, supplies, vehicles, or other items that do not conform to our then-current specifications, standards or requirements. In the event you fail or refuse to correct such deficiencies, we shall have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such corrections as may be required, at your sole expense which you agree to pay upon demand. We may from time to time develop and implement policies relating to inspection of Tropical Smoothie Café® Stores that may vary from, or be more lenient than, the foregoing requirements. You agree to follow them. If you fail to meet our standards at your Franchised Business after 2 inspections, then we may direct a third party we choose to conduct a third inspection and report. If we do so, you must reimburse on demand the amount of our expenses for such third-party service (including service fees, travel and living expenses).

O. Lease. You must comply with your lease or sublease for the Site. You must submit to us any renewals, amendments, default notices, or other material documents related to your lease within 10 days of your receipt or issuance thereof.

P. Display of Marks. You must display our Marks at the Franchised Business, on uniforms and otherwise in the manner prescribed by us. The color, design and location of said displays shall be specified by us and may be changed from time to time in our sole discretion.

Q. Vehicles. Any vehicle used by you in connection with the operation of the Franchised Business must meet our image and other standards and otherwise comply with any and all applicable laws, regulations and rules. You must place such signs and décor items on the vehicle as we require and shall at all times keep the vehicle clean and in good working order. You must replace the vehicle with a more updated model as and when we specify. You shall not permit anyone younger than the age of 18 years or who does not possess a valid driver's license to operate a vehicle used in connection with the Franchised Business. You shall require each person who operates a vehicle used in connection with Franchised Business operations to comply with all applicable Laws, regulations and rules of the road and to use due care and caution in the operation and maintenance of the vehicles.

R. Supplemental Marketing Programs. We may establish supplemental marketing programs (such as limited time offers, gift cards, gift certificates, coupons, loyalty programs, reward programs, customer relationship management and mobile applications) from time to time as part of the System, and you must participate in (and comply with) such supplemental marketing programs at your expense. You must utilize the service providers we designate for these programs, utilize the specified equipment and software and pay the associated fees on a timely basis.

S. Customer Satisfaction and Franchise Compliance Programs. You must participate, at your own expense, in programs we may require from time to time regarding customer satisfaction and/or your compliance with the System, which may include (but are not limited to) a guest feedback system, guest survey programs, and mystery shopping. We may require you to reimburse us for the cost of such programs. We will share the results of these programs with you, as they pertain to your Franchised Business. You must meet or exceed any minimum score requirements set by us from time to time for such programs.

T. Customer Complaints. You must promptly respond to, and reasonably attempt to resolve, any complaints or negative feedback received by us or you from any of your customers. If you fail to respond to and resolve any customer complaint or negative feedback, we may do so on your behalf, and you will reimburse us upon request for any costs or expenses we incur.

U. Identification of Independent Ownership. You shall hold yourself out to the public as an independent contractor operating the Franchised Business pursuant to a license from us and as an authorized user of the System and the Marks which are owned by us. You agree to take such action as we reasonably request to do so, including, without limitation, exhibiting to customers and others such notices of independent ownership as we may require from time to time, in a conspicuous place on the premises of the Franchised Business and on such forms, business cards, stationery and advertising and other materials as we may specify.

V. Conduct. You must conduct your business at all times in a manner that reflects favorably on the System and the Marks. You shall at no time engage in deceptive, misleading or unethical practices, or conduct any other act (or failure to act) which has a material negative impact on the reputation and goodwill of the System, the Marks, us or that of any other franchisee operating under the System.

W. Donations. Without our prior written approval, the Franchised Business shall not (i) donate money, products, or services to any charitable, political, religious, or other organization or cause; or (ii) act in support of any such organization.

X. Personnel. You are solely responsible for hiring, training and supervising Franchised Business personnel and must hire sufficient personnel to fully staff the Franchised Business to operate in accordance with System standards. You are responsible for ensuring that all such personnel meet every requirement imposed by applicable federal, state and local law.

Y. No Lien on Agreement. You shall not grant a security interest in this Franchise Agreement (including any collateral assignment of this Franchise Agreement) to any person or entity. If you grant an "all assets" security interest to any lender or other secured party, you shall cause the secured party to expressly exempt this Franchise Agreement from the security interest.

7. MARKS

A. Grant of License. We grant you a non-exclusive license to use the Marks solely in connection with the operation of your Franchised Business.

B. Conditions for Use. With respect to your use of the Marks pursuant to the license granted under this Franchise Agreement, you agree that:

1. You must use only the Marks designated by us and shall use them only in the manner required or authorized and permitted by us. You acknowledge that any unauthorized use of the Marks will constitute infringement of our rights.

2. You must use the Marks only in connection with the operation of the Franchised Business, and only at the Franchised Business or in advertising for the Franchised Business.

3. You must identify yourself as the owner of the Franchised Business and a licensee of the Marks on all invoices, order forms, receipts, business stationery and contracts, as well as at the Franchised Business on a sign that is conspicuously displayed to customers, in each case using such language as we may prescribe.

4. You must comply with our instructions in filing and maintaining the requisite trade name or fictitious name registrations, and must execute any documents our counsel or we deem necessary to obtain protection for the Marks or to maintain their continued validity and enforceability.

5. If you become aware of any infringement of the Marks or if your use of the Marks is challenged by a third party, then you must immediately notify us, and we will have sole discretion to take such action as we deem appropriate. You will cooperate and assist as required by us in any enforcement activities or litigation as we deem necessary to fully protect all our interests in the Marks, including any state and federal trademark and service mark registrations for the Marks, or to protect the System. If we determine that no action to protect the Marks is necessary, then in consultation with us, you may take any action you deem necessary to protect your own interest, at your own expense.

6. If we modify or discontinue the use of any Mark and/or require the use of one or more additional or substitute names or marks, you will modify or discontinue the use of any such name or mark, within a reasonable time after receiving notice, and use such additional or substitute name or mark, at your expense.

C. Acknowledgements. You acknowledge and agree that:

1. As between us and you, we (or our affiliates) own all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them;

2. The Marks are valid, distinctive and serve to identify us as the source of the goods and services offered pursuant to those Marks and by those who are authorized to operate under the System;

3. You will not directly or indirectly contest the validity, distinctiveness, or ownership of the Marks, or our right to license the Marks, either during the Term or thereafter;

4. Your use of the Marks pursuant to this Franchise Agreement does not give you any ownership interest or other interest in or to the Marks, except the nonexclusive license granted in this Franchise Agreement;

5. In the event, we substitute different Marks for the Marks you are currently

using, you will promptly affect such substitute Marks at your sole cost and expense;

6. Any and all goodwill arising from your use of the Marks and/or the System shall inure solely and exclusively to our benefit, and upon expiration or termination of this Franchise Agreement no monetary amount shall be assigned as attributable to any goodwill associated with your use of the System or the Marks;

7. You shall not register or attempt to register the Marks in your name or that of any other person or entity; and

8. The license of the Marks granted to you under this Franchise Agreement is non-exclusive and we thus have retained the rights, among others:

(i) To use the Marks themselves in connection with selling products and services;

(ii) To grant other licenses for the Mark, in addition to those licenses already granted to existing franchisees and otherwise; and

(iii) To develop and establish other systems using marks the same or similar to the Marks, or any other marks, and to grant licenses or franchises thereto at any location whatsoever, without providing any rights or compensation to you.

D. Franchisee-Developed Concepts. You agree to disclose to us all ideas, concepts, methods, techniques and products conceived or developed by you or your managers during the Term relating to the development and/or operation of the Franchised Business. Any such idea, concept, method, technique or product is automatically owned by us. If the foregoing provision is invalid or otherwise unenforceable, you will grant to us an irrevocable, world-wide, exclusive, royalty-free license, with the right to sublicense such ideas, concepts, methods, techniques and products. We shall have no obligation to make any payment to you with respect to any such idea, concept, method, technique or products. You agree that you will not allow any other person or entity to use any such idea, concept, method, technique or product without obtaining our prior written approval.

8. TECHNOLOGY

A. Computer System.

1. We shall have the right to specify or require certain brands, types, makes and/or models of communication, computer systems, and hardware to be used by, between, or among Tropical Smoothie Café® Stores, including without limitation: (a) point of sale systems (the "POS System"), data, audio, video, and voice storage, retrieval, and transmission systems for use at Tropical Smoothie Café® Stores, between or among Tropical Smoothie Café® Stores, and between and among the Franchised Business and us, our designee and/or you; (b) cash register systems; (c) physical, electronic, and other security systems; (d) printers and other

peripheral devices; (e) back of house computer, archival back-up systems; and (f) internet access mode (e.g., form of telecommunication connection) and speed (collectively, the "Computer System"). You may be required to obtain some of these components and services directly from us, our affiliates or designated or approved suppliers. You may incur monthly fees for ISP, ASP, data polling services and the like;

2. We shall have the right, but not the obligation, to implement or develop (or have developed for us, or our designee): (a) computer software programs and accounting system software that you must use in connection with the Computer System, which you shall install (the "Required Software"); (b) updates, supplements, modifications, or enhancements to the Required Software, which you shall install; (c) the tangible media upon which you shall record or receive data; and (d) the database file structure of your Computer System.

3. You must, at your sole cost, purchase, use, maintain and update the Computer System and follow the procedures related thereto that we specify in the Manuals or otherwise in writing. You must maintain the Computer System in good working order at all times and upgrade, update or otherwise change the Computer System and Required Software during the Term of this Franchise Agreement, as we require. Our modifications and specifications for components of the Computer System and Required Software may require you to incur costs to purchase, lease or license new or modified computer hardware and software or to obtain service and support for the Computer System or Required Software during the Term of this Franchise Agreement. You agree to comply with modifications to the Computer System and Required Software within 30 days after you receive notice of such modifications. You may not obtain administrative super-user rights to the POS System.

4. We may require you to participate in a mandated management information system, which includes certain Internet and/or intranet networks that are capable of connecting with our computer systems (collectively, the "MIS System"). The MIS System may allow us to review the results of your Franchised Business operations, provide you information, and otherwise facilitate communications among us and our Area Developers and franchisees. You must pay our then-current fees to participate in the MIS System, at the times and in the manner, we designate in the Manuals or otherwise in writing. We reserve the right to poll (via modem or otherwise) your POS System in order to compile sales data, consumer trends, food and labor costs, and other such financial and marketing information as we deem appropriate, and you acknowledge that we may distribute this data on a confidential basis to our network of franchisees.

5. We may require you to participate, at your expense, in mandated data security programs, including programs for compliance with Payment Card Industry Data Security Standards, as such standards may change from time to time. You must abide by all Laws pertaining to the privacy of consumers and transactional information.

6. Your Computer System must be capable of connecting with our computer systems, performing the functions we designate for the Franchised Business, permitting us to review the results of your Franchised Business' operations, and engaging in any e-commerce activities that we designate. In addition to any access we may have to your Computer System

through the MIS System, you must: (a) supply us with any and all codes, passwords and information necessary to have access to your Computer System, and not change them without first notifying us; and (b) not load or utilize any software on the Computer System that we have not specified or approved for use. You will continuously comply with each of our then-current terms of use and privacy policies (and all other requirements) regarding the Computer System, including (but not limited to) Internet use;

7. Like any System standards, we may periodically change, modify, upgrade, delete, enhance and/or alter any aspects or parts of the Computer System, Required Software, POS System and/or MIS System. You must adopt and implement them as and when we specify at your expense.

8. You must utilize our designated online ordering service for all orders accessed via the internet or other digital medium and pay the designated service charges on a timely basis. You must utilize all specified equipment and software and acquire them at your expense from our approved, designated vendor. To facilitate service, pricing and payments, we may require that you pay these fees to us and then we will pay the vendor.

B. Data. All data provided by you, uploaded to our system from your Computer System, and/or downloaded from your Computer System to our system is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. In addition, all other data created or collected by you in connection with the Computer System, or in connection with your operation of the Franchised Business (including but not limited to consumer and transaction data), is and will be owned exclusively by us during the term of, and following termination or expiration of, this Franchise Agreement. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you, at no additional cost, solely for the term of this Franchise Agreement and solely for your use in connection with the Franchised Business.

C. Data Requirements and Usage. We may, from time-to-time, specify in the Manuals or otherwise in writing the information that you shall collect and maintain certain data on the Computer System installed at the Franchised Business, and you shall provide to us such reports as we may reasonably request from the data so collected and maintained. During and subsequent to the Term of this Franchise Agreement, we shall have the right to use all data pertaining to, derived from, or displayed at the Franchised Business (including, without limitation, data pertaining to or otherwise related to customers).

1. You shall abide by all Laws pertaining to the privacy of consumers, employees and transactional information ("Privacy Laws");

2. You shall comply with our standards and policies pertaining to Privacy Laws. If there is a conflict between our standards and policies pertaining to Privacy Laws and actual applicable Laws, you shall (a) comply with the requirements of the applicable Laws; (b) immediately give us written notice of said conflict; (c) promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to Privacy Laws within the bounds of the applicable Law;

3. You shall not publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent to such policy.

D. Electronic Identifiers; Email. You shall not use the Marks or any other abbreviation or name associated with us or the System as a part of any email address, domain name, or as part of your corporate or other legal name. You agree not to transmit or cause any third party to transmit advertisements or solicitations by email or other electronic media without first obtaining our written consent as to: (i) the content of such advertisement or solicitation, and (ii) your plan for transmitting such advertisements. In addition to any other obligations set forth in this Franchise Agreement, you shall be solely responsible for compliance with any Laws pertaining to sending advertisements or solicitations via email or any other electronic media, including but not limited to the "CAN-SPAM Act of 2003" and the "Telephone Consumer Protection Act of1991."

E. Online Sites. Unless we have otherwise approved in writing, you shall not establish, use, maintain, sponsor or permit any other party to establish and Online Site (as defined below) that relates in any manner whatsoever to the Franchised Business, or that in any way refers to the Marks, us, and/or the System. You specifically acknowledge and agree that Online Sites shall be deemed "advertising" under this Franchise Agreement and will be subject to (among other things) our approval under Section 11.A of this Franchise Agreement. As used in this Franchise Agreement, "Online Site" means certain domain names, hypertext markup language ("html"), uniform resource locator ("url") addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines and other social networking media, business networking media, and marketing media sites, applications, and platforms, all as modified and expanded from time to time as technology progresses and otherwise related to the Franchised Business or the Marks.

1. We have the right, but not the obligation, to establish and maintain one or more Online Sites, which may, without limitation, promote the Marks, any or all of the Products, Tropical Smoothie Café Stores, the franchising of Tropical Smoothie Café Stores, and/or the System. We shall have the sole right to control all aspects of any Online Sites, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage. We also shall also have the sole right to discontinue operation of the Online Sites.

2. Unless approved in writing by us, you may not establish or use a separate Online Site. we shall have the right, but not the obligation, to designate one or more webpage(s) to describe you and your Franchised Business, with such webpages to be located within our Online Site.

3. If we permit you, in writing, to have a separate Online Site, then each of the following provisions shall apply:

(i) before establishing any Online Site, you must submit to us for our written approval, a sample of the proposed Online Site, including the domain name, format, visible content (including, without

limitation, proposed screen shots), and non-visible content (including meta tags), or such other information about the proposed Online Site in the form and manner we may require; and you shall not use or modify such Online Site without our prior written approval as to such proposed use or modification;

(ii) in addition to any other applicable requirements, you shall comply with our standards and specifications for Online Sites as prescribed by us from time to time in the Manuals or otherwise in writing;

(iii) if required by us, you must establish hyperlinks to our Online Site or others that we may request in writing;

(iv) we may revoke our approval at any time, in writing, and require you to discontinue use of any separate Online Site; and

4. Transfer. Upon termination or expiration of this Franchise Agreement:

(i) You shall immediately, and without request, provide us with a full and complete written list and description of any and all Online Sites; and

(ii) If we direct you to do so, you shall immediately direct all Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the "Internet Companies") with which you have Online Sites: (a) to transfer all your interest in such Online Sites to us; and (b) to execute such documents and take such action as may be necessary to effectuate such transfer. In the event, we do not desire to accept any or all of such Online Sites, you shall immediately direct the Internet Companies to terminate the Online Sites or shall take such other action with respect to the Online Sites as we may direct.

5. Appointment of Power of Attorney. You hereby constitute and appoint us and any of our officers or agents, for our benefit under this Franchise Agreement or otherwise, with full power of substitution, as your true and lawful attorney-in-fact with full power and authority in your place and stead, and in your name or the name of any affiliated person or affiliated company, on termination of this Franchise Agreement, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Franchise Agreement with respect to any Online Sites. You further agree that this appointment constitutes a power coupled with an interest and is irrevocable. Without limiting the generality of the foregoing, you hereby grant to us the power and right to do the following:

(i) Direct the Internet Companies to transfer all or any part of your interest in and to your Online Sites to us or any third party we designate;

(ii) Direct the Internet Companies to terminate all or any part of your Online Sites; and

(iii) Execute the Internet Companies' standard assignment forms or other documents in order to affect such transfer or termination of your interest in the Online Sites.

6. Certification of Termination. You hereby direct the Internet Companies that they shall accept, as conclusive proof of termination of this Franchise Agreement, our written statement, signed by our officers or agents, that this Franchise Agreement has terminated.

7. Cessation of Obligations. After the Internet Companies have duly transferred all your interest in such Online Sites to us, or after the Internet Companies have duly terminated your interest in such Online Sites, as between you and us, you will have no further interest in, or obligations under, such Online Sites. Notwithstanding the foregoing, you shall remain liable to each and all of the Internet Companies for the sums you are obligated to pay such Internet Companies for obligations you incurred before the date we duly accepted the transfer of such interest in the Online Sites, or for any other obligations not subject to the Franchise Agreement.

F. Changes to Technology. The parties acknowledge that changes to technology are dynamic and not predictable within the Term. In order to provide for the inevitable but unpredictable changes to technological needs and opportunities, you agree that we shall have the right to establish, in writing, reasonable new standards for implementation of technology (including all aspects of the Computer System, POS System and MIS System) in the System and you agree that you shall abide by those standards we establish as and when we require.

9. CONFIDENTIAL INFORMATION

"Confidential Information" means all non-public information of or about the System, us, and our affiliates, and any Tropical Smoothie Café® Store, including all non-public methods for developing and operating Tropical Smoothie Café® Stores, and all non-public plans, data, financial information, training programs, Manuals, processes, vendor pricing, supply systems, specifications, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data and market data, e-commerce data, information, trade secrets and know-how concerning the operation of Tropical Smoothie Café® Stores which may be communicated to you or of which you may be apprised by virtue of your operation of the Franchised Business under the terms of this Franchise Agreement. With respect to all Confidential Information, (i) you shall treat and maintain the Confidential Information as confidential both during the Term of this Franchise Agreement and thereafter; (ii) you shall use the Confidential Information only for your operation of the Franchised Business under this Franchise Agreement, and not in any other business or capacity; (iii) you shall not make unauthorized copies of any portion of the Confidential Information (whether disclosed via electronic medium or in written or other intangible form), including, for example, the Manuals; (iv) you shall disclose the Confidential Information only as necessary to your employees or agents who have a demonstrable and valid

need-to-know the Confidential Information, and not to anyone else; (v) you shall advise your employees or agents of the confidential nature of such information and the requirements of nondisclosure thereof; (vi) you shall promptly inform us of any unauthorized disclosure or use of Confidential Information; and (vii) you shall implement all reasonable procedures that we prescribe from time to time to prevent the unauthorized use or disclosure of the Confidential Information, including, without limitation, restrictions on disclosure of Confidential Information to your employees and the use of nondisclosure and noncompetition agreements we may prescribe for employees or managers who have access to the Confidential Information. We shall be designated a third-party beneficiary of such nondisclosure and noncompetition agreements, with the independent right to enforce such agreements.

10. RECORDS AND REPORTS

A. Maintenance of Books and Records. You shall maintain complete books, records and accounts for at least seven years from the date of preparation, in accordance with the System and in the form and manner prescribed by us.

B. Weekly Reports. You shall submit to us at your expense, at the same time that Royalty Fees are payable, a weekly statement (in a form prescribed by us) of Gross Sales during the preceding week, together with such other data or information as we may require.

C. Financial Statements. You shall submit to us at your expense, on such forms and in such format, that we prescribe:

1. within 10 days of the end of each month, a profit and loss statement for the Franchised Business for the immediately preceding month; and

2. within 90 days of the completion of your fiscal year, an annual financial statement for the Franchised Business, which shall include an income statement and balance sheet prepared in accordance with generally accepted accounting principles.

We may require the financial statements to be prepared on a consolidated basis for each Franchised Business that you and your affiliates own. We may require that annual financial statements be compiled by an independent certified public accounting firm. We also reserve the right to require you to submit to us financial statements for any period or periods of any fiscal year. We also reserve the right to require that you submit your financial statements electronically, including through an intranet portal, web- and/or cloud-based subscription software or such other means as we reasonably may require in our sole discretion. You shall comply with the accounting and reporting procedures that we prescribe, as modified from time to time, and shall purchase and use all accounting and reporting software and equipment that we require, including without limitation point of sale equipment and software.

D. Annual Business Plan. If required by us, you shall submit an annual business plan and forecast by such date as we prescribe.

E. Other Submissions. You shall also submit to us such other forms, reports, and data, records, contracts, tax returns, governmental permits and other documents and information related to you or the Franchised Business as we may reasonably require, in the form and at the times and places reasonably required by us.

F. Legal Actions and Investigations. You shall notify us in writing within three days of any legal action (including any lawsuit or governmental investigation) or threatened legal action by any customer or other third party against you or the Franchised Business, or otherwise involving you or the Franchised Business. You shall provide to us such documents and information related to any such action as we may request.

G. Government Inspections. You shall give us copies of all inspection reports, warnings, certificates and ratings, issued by any governmental entity with respect to the Franchised Business within three days of your receipt thereof.

H. Audit. We or our designated agents shall have the right at all reasonable times to examine and copy, at our expense, your books, records, receipts and tax returns. If an audit reveals that any payments to us have been understated in any report to us, then you shall immediately pay to us, upon demand, the amount understated plus interest. You shall also reimburse us for all costs and expenses of the audit if (i) we conducted the audit because you failed to submit required reports or were otherwise not in compliance with the System; or (ii) if the understatement exceeded 2% or more of Gross Sales for the audited period.

I. Requests for Information. You hereby irrevocably grant us permission to: (a) release to your landlord, lender(s), or prospective landlord(s) and lender(s) any financial or operational information relating to the Franchised Business; however, we are under no obligation to do so; and (b) request information from your landlord(s) and lender(s). You also irrevocably authorize such landlord(s) and lender(s) to respond to any and all questions from us and provide us with all information we request regarding you.

11. ADVERTISING

A. Approval of Marketing Materials. You must conduct all advertising, promotion and marketing in a dignified and honest manner, and in accordance with the marketing policies which we prescribe from time to time. You must submit to us proofs of all such materials at least 15 days before their intended use if such materials have not been prepared by us or previously approved by us during the 12-month period preceding the date of proposed use. If you do not receive our written approval within 10 days, we will be deemed to have disapproved the materials. You shall not use any advertising, marketing or promotional plans or materials, which have not been approved in writing by us, and you shall cease to use any plans or materials promptly upon notice by us.

B. National Marketing and Advertising Program. We will deposit your National Marketing Fee in an account (the "NMF Account"). We will use the NMF Account in part to design and create promotional, marketing and advertising resources, including, but not limited to, in-store point of purchase materials, flyers, radio and television commercials and other materials for your use, as we deem appropriate in our sole discretion. All costs associated with your

duplication or distribution of these materials, or with media placement, must be borne by you. We will use the NMF Account in connection with advertising with different media outlets, including print, radio, television and/or online on a national and/or regional level for such advertising, marketing and public relations programs and materials as we deem necessary or appropriate, in our sole discretion. We (or our designee) will maintain and administer the NMF Account in the following manner:

1. We (or our designee) will oversee all advertising, promotion and marketing programs, with sole discretion over the creative concepts, materials and media used in such programs, and the geographic, market and media placement and allocation thereof. The NMF Account may be used to satisfy any and all costs of maintaining, administering, directing, preparing and producing promotional, marketing and advertising resources, including, but not limited to, the cost of preparing and producing television, radio, magazine and newspaper advertising campaigns; the cost of direct mail and outdoor billboard advertising; the cost of marketing and promotion activities, including advertising and marketing agencies; the cost of public relations activities, including advertising and public relations agencies; the cost of developing and maintaining an Internet website; the cost of providing advertising, promotional and/or other marketing materials to franchisees; and personnel and other departmental costs for advertising, promotion and marketing that we internally administer or prepare.

2. The NMF Account will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs and overhead that we may incur in activities reasonably related to the administration or direction of the NMF Account and its marketing programs.

3. It is anticipated that the NMF Account contributions will be expended for programs during the fiscal year in which such contributions to it are made. If excess amounts remain at the end of such fiscal year, all expenditures in the following fiscal year(s) will be made first out of such excess amounts, including any interest or other earnings on the NMF Account, and next out of current contributions. We may, in our sole discretion, spend in any fiscal year an amount greater or less than the amount in the NMF Account in that year, and we may lend money to cover any deficits.

4. Each Tropical Smoothie Café® Store operated by us or our affiliates will contribute National Marketing Fees at the same rate as Tropical Smoothie Café® Stores operated by franchisees.

5. An accounting of the NMF Account will be prepared annually and will be made available to you upon request. We retain the right to have the collections and expenditures of amounts in the NMF Account audited, at the expense of the NMF Account, by an independent certified public accountant we select.

6. We assume no fiduciary duty in administering the NMF Account.

7. We have no obligation to ensure that expenditures from the NMF Account are or will be proportionate or equivalent to contributions of National Marketing Fees by Tropical

Smoothie Café® Stores operating in any geographic area or that any Tropical Smoothie Café® Store will benefit directly or in proportion to the amount of National Marketing Fees it has paid.

C. Local Advertising Cooperative Contribution. You must participate with other franchisees in your designated market area (as determined by us) in an advertising cooperative. If there are no other franchisees in your designated market area, then you will be the sole member of the advertising cooperative until such time as other franchises have been established in the designated market area. You shall comply with the policies and procedures established by the advertising cooperative and must contribute 2% of Gross Sales each week to the advertising cooperative. We (or our designee) will administer these funds in accordance with the direction of the cooperative members, provided that our prior written approval must be obtained for all expenditures of the cooperative and before the use of any advertising and promotional materials developed by the cooperative. We may contract with an independent accounting firm to administer such funds. We may require cooperative members to adhere to governing documents that we develop. We may require you to submit monthly financial statements for the cooperative. We may require a cooperative to be changed, dissolved or merged. Activities of the cooperative will generally be determined by its members, except that we reserve the right to exercise sole decision-making power over the cooperative funds if we determine, in our sole discretion, that the cooperative is not functioning properly either due to a lack of participation or an impasse among the members. Company-owned locations may participate in the cooperatives and, if they do so, they will be subject to the same fees and voting powers as franchisee members.

D. Promotional Programs. You acknowledge that periodic rebates, give-aways and other promotions and programs are an integral part of the System. Accordingly, you, at your sole cost and expense, from time to time shall issue and offer such rebates, give-aways, discounts, incentives and promotions in accordance with any reasonable marketing programs, loyalty programs or customer survey/research programs established by us, and further shall honor rebates, give-aways and other promotions issued by other franchisees as long as all of the above do not contravene the laws of appropriate governmental authorities.

12. INSURANCE

A. Procurement. You shall procure, prior to the commencement of any operations under this Franchise Agreement, and thereafter maintain in full force and effect at all times, at your sole expense: (i) an insurance policy or policies insuring you, together with your Area Developer (if any), us, and our affiliates against any loss, liability, personal injury, death, property damage or expense whatsoever from fire, lightning, theft, vandalism, malicious mischief and the perils included in the extended coverage endorsement, arising out of or occurring upon or in connection with the Franchised Business or the construction of or leasehold improvements made to the Franchised Business, or by reason of the operation or occupancy of the Franchised Business; and (ii) such other insurance (naming you as the insured) applicable to such other special risks, if any, as we may reasonably require for our own and your protection.

B. Minimum Coverage. Such policy or policies shall be written by an insurance company rated "A" or better by A.M. Best Company, and that is otherwise satisfactory to us, and shall name you as the insured and shall include, at a minimum (except as additional coverage and

higher policy limits may reasonably be specified from time to time by us in the Manuals or otherwise in writing) the following:

1. Comprehensive general liability insurance, including contractual liability, broad form property damage, personal injury, advertising injury, product liability, employee liability, completed operations and independent contractors coverage, legal liability coverage with a minimum of $500,000 in coverage, and fire damage coverage in the amount of $1,000,000 per occurrence, with $2,000,000 aggregate coverage, or such higher amount as required by the lease for the Site;

2. An "umbrella" policy providing excess coverage with limits not less than the following amounts, depending on the number of Tropical Smoothie Café Stores that you (or your affiliate) develop and operate:

Number of Tropical Smoothie Café Stores	Minimum Coverage
1-3	$1,000,000
4-6	$3,000,000
7-9	$5,000,000
10-15	$7,000,000
More than 15	$10,000,000

3. Automobile liability coverage, including coverage of owned, non-owned and hired vehicles, with coverage in amounts not less than $1,000,000 combined single limit;

4. Worker's compensation and employer's liability insurance in the minimum amount of $500,000 or such other higher limit as may be required by law, as well as such other insurance as may be required by statute or rule of the state in which the Franchised Business is located and operated; and

5. "All risks" or "special form" coverage for the full replacement of the Franchised Business premises and all personal property and equipment on Site or used in the Franchised Business.

C. Additional Insured. You shall have us, our affiliates, and your Area Developer (if any), named as an additional insured under each policy, except for policies required by statute in your jurisdiction, including, but not limited to workers' compensation and employment practices liability insurance policies. We may require additional types of coverage or increase the required minimum amount of coverage upon reasonable notice. Such policies shall also include a waiver of subrogation in favor of us.

D. Construction Coverage. In connection with any construction, leasehold improvements, renovation, refurbishment or remodeling of the premises of the Franchised Business, you shall cause the licensed general contractor to maintain with a reputable insurer comprehensive general liability insurance (with comprehensive automobile liability coverage for

both owned and non-owned vehicles, builder's risk, product liability and independent contractors coverage) in at least the amount of $1,000,000 with us, our affiliates, and your Area Developer (if any), named as an additional insured, and worker's compensation and employer's liability insurance as required by state law.

E. Certificates. At least 15 days prior to the opening of the Franchised Business, at least 30 days in advance of each policy renewal date thereafter, and ad otherwise reasonably requested by us, you shall submit to us certificates evidencing the existence and continuation of proper coverage with limits not less than those required hereunder. Such insurance certificates shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to us. In addition, if requested by us, you will deliver to us a copy of any policy required hereunder.

F. Independence of Coverage Requirements. Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by us, and your performance of that obligation shall not relieve you of liability under the indemnity provision set forth in Section 17 of this Franchise Agreement. Any and all policies must provide that your failure to comply with the Franchise Agreement or any other act or omission by you will not void or otherwise affect the protection afforded to us.

G. Third Parties. You shall ensure that all third parties with which you conduct business, are properly insured.

H. Business Interruption/Loss of Revenue Insurance Proceeds. In the case of a fire or other event that results in the damage or destruction of the Franchised Business, you shall pay to us, from any insurance proceeds received by you for business interruption or loss of revenue, an amount equal to 5% percent of such insurance proceeds. This amount shall be paid to us within 10 days after receipt. At the same time, you shall notify us in writing as to whether you will repair or rebuild, as applicable, the Franchised Business in a prompt and timely manner. In the event, you notify us that you will not do so, this Franchise Agreement will automatically terminate and you must then immediately comply with all of the obligations set forth in Section 15 of this Franchise Agreement that we may reasonably require under the circumstances.

13. TRANSFERS; OPERATION BY US

A. By Us. We may transfer or assign this Franchise Agreement, or any of our rights or obligations under this Franchise Agreement, to any person or entity, and we may undergo a change in ownership and/or control, without your consent. After such transfer or assignment, you shall look solely to the transferee or assignee, and not to us, for the satisfaction of any obligation transferred or assigned. We may also, without your consent, transfer, assign or otherwise alter any or all of the ownership interest in us.

B. By You.

1. If you are an entity, "Owner" means a natural person or business entity which "owns" equity in you, where such ownership is direct, indirect or beneficial.

2. You acknowledge that the rights and duties set forth in this Franchise Agreement are personal to you (and to your Owners, if applicable) and that we entered into this Franchise Agreement in reliance on your business skill, financial capacity, personal character, experience, and business ability. Accordingly, you (and your Owners, if applicable) shall not conduct or undergo a Transfer (as defined herein) without providing us at least 60 days' prior notice of the proposed Transfer, and without obtaining our prior written consent.

3. "Transfer" means for you or any Owner to voluntarily or involuntarily transfer, sell, assign, delegate, convey, gift, pledge, mortgage, encumber or dispose of, in any single or series of transactions, any direct, indirect, or beneficial interest in: (i) you; (ii) the Franchised Business (or all or substantially all of its assets), (iii) this Franchise Agreement, or any interest or right granted under this Franchise Agreement.

4. Except as specifically provided in this Franchise Agreement, we have the absolute and unfettered right to withhold our consent to a Transfer. In the event of a Transfer, we may impose the following conditions precedent in our soledискretion:

(i) in the event the Transfer, in a single or series of transactions (whether by reorganization, merger, equity interest purchase or exchange or others), would reduce your equity interest in the Franchise Agreement and/or Franchised Business or, if you are an entity, the voting or equity interest held by your Owners in you to no less than 51% ("Minority Ownership Transfer") then on or before such Minority Ownership Transfer, we receive a transfer fee from you equal to $2,500. Such fee will be waived in the event such Minority Ownership Transfer was to your direct family member or to the guarantor of your obligations under this Franchise Agreement;

(ii) in the event the Transfer, in a single or series of transactions (whether by reorganization, merger, equity interest purchase or exchange or others), would reduce your equity interest in the Franchise Agreement and/or Franchised Business or, if you are an entity, the voting or equity interest held by your Owners in you to less than 51% ("Majority Ownership Transfer") then on or before such Majority Ownership Transfer, we receive a transfer fee from you equal to the greater of (A) $10,000 or (B) 5% of the sale price paid to you by the transferee. If there is no sales price paid in connection with the Majority Ownership Transfer, then the transfer fee shall be $10,000. Such fee will be waived in the event such Majority Ownership Transfer was to your direct family member or to the guarantor of your obligations under this Franchise Agreement;

(iii) the proposed transferee and its owners have completed our

franchise application processes and meet our then-applicable standards and requirements for a new franchisee;

(iv) the proposed transferee is not, or does not own or operate, a Competitor. "Competitor" means a business which sells smoothies and includes but is not limited to (i) Smoothie King; (ii) Robeks; (iii) Planet Smoothie; (iv) Jamba Juice; and (v) Freshii;

(v) you have paid all monetary obligations to us in full, and you are not otherwise in default or breach of this Franchise Agreement;

(vi) you have paid all suppliers and vendors in full;

(vii) the transferee and its owners and managers undergo such training as we may require;

(viii) you, your Owners, and the transferee and its owners execute our then-current form of the transfer or assumption agreement, which such agreement will (i) contain a general release in favor of us, our affiliates, and our respective past, present and future owners, officers, directors, managers, agents and employees, as well as any and all additional instruments that we reasonably request to evidence the Transfer;

(ix) you and your Owners must agree to remain liable for all of the obligations to us in connection with the Franchised Business arising before the effective date of the Transfer, and execute any and all instruments that we reasonably request to evidence such liability;

(x) the Franchised Business fully complies with all of our then-current System requirements;

(xi) the transferee executes our then-current form of the franchise agreement, which may contain materially different provisions than this Franchise Agreement, and which will have a new term;

(xii) the transferee must agree to a sublease, or to a transfer and assumption, of the lease of the Site from you, and must obtain the landlord's approval prior to any transfer or sublease, if applicable;

(xiii) you Remodel the Franchised Business (or we may require the transferee to do so within a time period we specify).

5. Any purported Transfer that does not comply with this Section 13.B shall be voidable by us, and shall be a default of this Franchise Agreement that shall permit us to terminate the Franchise Agreement pursuant to Section 14.C.

6. The Franchised Business shall not be eligible to request our consent for a Transfer if the Franchised Business has not opened for business, unless you are requesting a Transfer for Convenience of Ownership.

C. Transfer for Convenience of Ownership. You may Transfer this Franchise Agreement to a corporation or limited liability company formed solely for the convenience of ownership, so long as: (i) you own and control 100% of the ownership interests of the corporation or limited liability company; (ii) you notify us at least 30 days prior to the Transfer; and (iii) you comply with Section 6.B and Section 6.C. You agree to remain personally liable under this Franchise Agreement as if the transfer to the corporation or limited liability company did not occur.

D. Our Right of First Refusal. If any party who holds an interest in you or in the Franchised Business and desires to accept any bona fide offer from a third party for a Transfer then you must notify us in writing of each offer and provide us with copies of all relevant documentation related to such offer. Except as otherwise provided in this Franchise Agreement, we shall have the right and option, exercisable within 30 days after receipt of such written documentation and information, to acquire the Franchised Business or purchase the seller's interest in you (collectively, the "Interest") on the same terms and conditions offered by the third party by sending written notice to the seller that we intend to do so. If the consideration, terms and/or conditions offered by a third party are such that we cannot reasonably furnish the same consideration, terms and/or conditions, then we may purchase the Interest for the reasonable equivalent in cash. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer. If we elect to purchase the Interest, closing on such purchase must occur by the later of: (a) the closing date specified in the third-party offer; or (b) within 30 days from the date of notice to the seller of our election to purchase. Our right to exercise the option afforded by this Section 13.D shall not constitute a waiver of any other provision of this Franchise Agreement, including all of the requirements of this Section 13 with respect to a proposed Transfer.

E. Transfer Upon Death or Incapacity. If you (or, if the Franchised Business is owned by an entity, any person with a 10% or greater equity interest in the entity) die or become incapacitated, your executor, administrator, or personal representative of that person must Transfer the Franchised Business to a third party approved by us within nine months. If the transferee is a family member of yours, then (i) the Transfer will be approved by us so long as the transferee meets the conditions contained in Section 13.B (other than the payment of the transfer fee); and (ii) the Transfer will not be subject to our right of first refusal in Section 13.D.

F. Franchisee's Financing or Securities Documents. You (and your affiliates) shall not represent in any proposed financing arrangement to any proposed lender or participant in a private or public investment offering that we or any of our affiliates is, or shall be in any way responsible for your (or your affiliate's) obligations or financial projections, if any, set forth in such financing arrangement or investment offering or that we or any of our affiliates is or shall be participating in any private or public investment offering. We assume no responsibility, liability,

or obligation whatsoever to review or comment on any offering circular, prospectus, financing documents of you or your affiliates. We shall be entitled to indemnification pursuant to Section 17 regardless of whether we made any review or comment with respect to any offering circular, prospectus, or financing document of you or your affiliates.

G. Operation of the Franchised Business by Us. If (i) you (or, if you are an entity, the person with a majority interest in you) dies or becomes incapacitated; (ii) this Franchise Agreement is terminated or expires and we elect to purchase assets of the Franchised Business as provided in Section 15.H; or (iii) you operate the Franchised Business in a manner which, in our reasonable opinion, constitutes a danger to the health or safety of any person, then we (or our designee, including an Area Developer) may (but are not obligated to) enter your Site and operate and manage the Franchised Business for your account until this Franchise Agreement is terminated, the Franchised Business is transferred, the Franchised Business is purchased by us, or we return the Franchised Business to you. Our operation and management will not continue for more than 90 days without your consent. We will account to you for all net income from the Franchised Business during the period in which we operate the Franchised Business. We may collect a temporary management fee equal to 10% of Gross Sales for the period in which we operate the Franchised Business.

H. Non-Waiver of Claims. Neither our consent to any proposed Transfer nor our election not to exercise our option to purchase any Interest shall be deemed to constitute a waiver of any claims we may have against the transferor, nor shall it be deemed a waiver of our right to demand exact compliance with this Franchise Agreement or our future rights or options.

14. DEFAULT AND TERMINATION

A. Termination After 30-Day Cure Period. Except as otherwise provided in Section 14.B, Section 14.C and Section 14.D, below, if you violate this Franchise Agreement or otherwise fail to perform any of your obligations hereunder (a "default"), we may terminate this Franchise Agreement by notifying you in writing stating the nature of the default at least 30 days before the effective date of termination. You may avoid termination only by immediately initiating a remedy to cure such default and curing it to our satisfaction prior to the termination date we specify (which may not exceed 30 days from our notice). If any such default is not cured within the specified period, or such longer period as required by law, then this Franchise Agreement shall terminate without further notice to you, effective immediately.

B. Termination With Notice And A 10-Day Cure Period. Upon the occurrence of any of the events of default set forth in this subsection, we may, at our option, terminate this Franchise Agreement by notifying you in writing stating the nature of the default at least 10 days before the effective date of termination. You may avoid termination only by immediately initiating a remedy to cure such default and curing it to our satisfaction within the 10-day cure period. If any such default is not cured within the specified period, or such longer period as required by law, this Franchise Agreement shall terminate without further notice to you, effective immediately.

1. If you fail to make a payment when due (or if you do not have sufficient funds in your account when we attempt an electronic funds withdrawal) to us (or our affiliate)

under this Franchise Agreement or any other agreement between you (or your affiliate) and us (or our affiliate), and you fail to cure such non-payment;

2. If you fail to comply with our product and quality control standards and specifications or any other System standard;

3. If you fail to have any real estate brokers, architects, general contractors or suppliers approved by us as required by this Franchise Agreement;

4. If you fail to offer all Products as required by us, or if you offer any unapproved Products;

5. If you fail to maintain or observe the health and sanitation procedures prescribed by us or by the Laws;

6. If you fail to operate the Franchised Business in compliance with the standards and specifications set forth in the Manuals;

7. If you fail to make payment when due to any vendors or suppliers providing products or services to the Franchised Business;

8. If you (or any of your affiliates or Owners) default under any other agreement with us (or our affiliate);

9. If you refuse to permit us to inspect the Franchised Business, or your books or accounts upon demand;

10. If you are unable or unwilling to complete training as required under this Franchise Agreement;

11. If you fail, refuse or neglect to promptly submit certificates of insurance to us as required under this Franchise Agreement; or

12. You, or your affiliates, fail to make payment when due to any landlord of the Franchised Business.

C. Termination With Notice and No Opportunity To Cure. You will be in default of this Franchise Agreement and we may, at our option, terminate this Franchise Agreement and all your rights hereunder, without allowing or permitting you the opportunity to cure the default, effective immediately upon delivery of written notice to you, upon the occurrence of any of the following events:

1. If you (or any of your Owners) made any material misrepresentation or omission when applying to a be franchisee, or if by entering this Franchise Agreement you violated any non-competition agreement by which you are bound;

2. If you fail to acquire your Site or open the Franchised Business for business by the deadlines specified in Section 5.C and Section 5.F, respectively;

3. If the Franchised Business ceases operation for three consecutive days without our prior approval;

4. If your landlord notifies you that the landlord is re-taking possession of the Site, if an eviction proceeding is filed against you, or if you otherwise lose your right to possession of the Site;

5. If you relocate the Franchised Business without our prior written consent;

6. If you (or any of your Owners) engage in any violent or threatening act towards an employee, customer or any other person;

7. If a threat, danger or injury to health or safety of any person results from any act or failure to act by you (or any of your owners), or from the construction, maintenance or operation of the Franchised Business;

8. If you (or any of your Owners) are or have been convicted by a trial court of, or plead no contest or guilty to, a crime or offense that we reasonably believe is likely to have an adverse effect on the System or the Marks, or a felony;

9. If you (or any of your Owners) commits a material violation of Section6.D (Compliance With Laws) or Section 9 (Confidentiality Information), violates Section 13 (Transfers) or Section 16 (Covenants), or violates any other provision of this Franchise Agreement which by its nature cannot be cured;

10. If you knowingly maintain false books or records, or knowingly submit any false statements or information to us, or underreport Gross Sales by more than 5% for any week;

11. If you or your Operating Principal loses the right to reside in the United States;

12. If you fail to make payment when due on any loan to (or secured by) the Franchised Business, and do not cure such non-payment within any applicable grace period;

13. If a judgment is issued against you from any court that is not satisfied or properly appealed so that it is stayed from execution within 30 days of issuance;

14. If we terminate any other agreement between you (or your affiliate) and us (or our affiliate) for your default thereunder;

15. If you violate this Franchise Agreement after you have received two or more notices of default under this Franchise Agreement (whether or not such defaults are cured after notice), all in the same 24-month period; or

16. If you misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated with the Marks or our right's in or to any aspect of the System.

D. Automatic Termination. You shall be deemed to be in default under this Franchise Agreement, and all rights granted herein shall automatically terminate without notice to you, if you become insolvent or make a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed by you if such petition is filed against and consented to by you or not dismissed within 30 days, or if you are adjudicated as bankrupt, or if a court appoints a receiver of or other custodian of your business or assets, or if a final judgment remains unsatisfied or of record for 30 days or longer (unless supersedeas bond is filed), or if execution is levied against the Franchised Business, or suit to foreclose any lien or mortgage against the Franchised Business is instituted against you and not dismissed within 30 days, or if any substantial real or personal property of the Franchised Business shall be sold after levy thereon.

E. Our Right to Cure. If you breach or default under any provision of this Franchise Agreement, we may (but have no obligation to) take any action to cure the default on your behalf, without any liability to you. You shall reimburse us for our costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

F. Temporary Public Safety Closure. If we discover or become aware of any aspect of the Franchised Business which, in our opinion, constitutes an imminent danger to the health or safety of any person, then upon our verbal or written instruction, you must immediately suspend operations of the Franchised Business and remedy the dangerous condition. We shall have no liability to you or any other person for our action or failure to act with respect to a dangerous condition. Our right to require an immediate suspension of operations is in addition to all other rights and remedies we have.

15. OBLIGATIONS UPON TERMINATION

Upon termination or expiration of this Franchise Agreement, all rights granted to you under this Franchise Agreement shall immediately terminate including the Franchise and your right to operate the Franchised Business, and:

A. Cease Operating. You shall immediately cease operating the Franchised Business and cease using any of the Marks and Confidential Information; provided however, that this Section 15.A shall not apply to the operation by you of any other franchised Tropical Smoothie Café® Store under the System that we may separately and independently have granted you and that we have not terminated.

B. Modify The Premises. If we do not exercise our option to acquire your lease or sublease pursuant to Section 15.H, you shall make such modifications to the premises of the Franchised Business immediately upon termination or expiration of this Franchise Agreement as may be necessary to distinguish the appearance of the premises from that of other Tropical Smoothie Café® Stores, and you shall make such specific additional modifications as we may reasonably request for that purpose. If you fail or refuse to comply with the requirements of this

Section 15, we shall have the right to enter upon the premises of the Franchised Business without being guilty of trespass or any other tort to make such modifications, at your expense, which you shall pay upon demand.

C. Immediate Payment. You shall immediately pay all sums owing to us and our affiliates and suppliers, through the effective date of termination or expiration.

D. Liquidated Damages. If we terminate this Franchise Agreement under Section 14 or if you terminate this Franchise Agreement without the contractual right to do so, we shall be entitled, as liquidated damages and not as a penalty and solely to compensate us for damages due to your failure to continue operating the Franchised Business for the remainder of the term of this Franchise Agreement, to a sum equal to the average Royalty Fees owed by you (even if not paid) per month over the 12-month period preceding the date of termination (or, if the Franchised Business was not open throughout such 12-month period, then the average Royalty Fees earned per month for the period in which the Franchised Business was open), multiplied by the lesser of: (i) 18; or (ii) the number of months remaining in the term of this Franchise Agreement. This liquidated damages provision will not limit our rights to injunctive relief relating to any violations of this Franchise Agreement, nor limit any damages available to us arising out of such violations. You acknowledge and agree that the amount of liquidated damages determined in accordance with the preceding formula reasonably represents our monetary losses of Royalty Fees resulting from the termination of this Franchise Agreement.

E. Return of Materials. You shall promptly return to us all copies of the Manuals, Confidential Information and any and all other materials provided by us to you or created by a third party for you relating to the operation of the Franchised Business, and all items containing any Marks; provided however, that you may retain your copy of this Franchise Agreement, and correspondence between you and us, and any other document which you need for compliance with any applicable laws. You shall delete from the Computer System and POS System any proprietary information, including but not limited to menus, recipes, inventory and pricing. In the event that you fail to comply with this obligation, we have the right to perform such obligations on your behalf, including by contacting the vendor that services the Computer System and POS System to disable your access and/or by physically seizing control and possession of the Computer System or POS System to perform such obligations on your behalf.

F. Close Vendor Accounts. You must close all of your accounts with suppliers which were opened in connection with the Franchised Business. We have the right to notify your Supplier that this Franchise Agreement has expired or been terminated and to require them to close your accounts, if you fail to do so.

G. Cease Identification with Us. You shall promptly cancel all assumed name or equivalent registrations relating to your use of the Marks and notify any applicable telephone, Internet, email, electronic network, directory, and listing entities of the termination or expiration of your right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks; provided however, that this Section 15.G shall not apply to the operation by you of any other Tropical Smoothie Café® Store under the System that we may separately and independently have granted you and that we have not terminated. You will

authorize the transfer of the foregoing to us or any new franchisee as may be directed by us. You hereby irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing.

H. Option to Purchase. Upon expiration or termination of this Franchise Agreement, we shall have the right (but not the obligation) to purchase any or all of the furnishings, equipment, signs, fixtures, supplies, materials and other assets related to the operation of the Franchised Business, at your cost or fair market value, whichever is less, and/or to require you to assign your lease or sublease to us. If the parties cannot agree on fair market value of the assets within ten (10) days of the expiration or termination of this Franchise Agreement, the fair market value will be determined as follows: We will provide you a list of three appraisers selected by us. Within five (5) business days of the date you receive our list, you will have the right to select one of the three appraisers selected by us. The appraiser you select from our list will appraise the furnishings, equipment, signs, fixtures, supplies, materials and other assets. You and we will share the cost of the appraiser equally. The appraiser will be obligated to complete the appraisal within 30 days after being retained. Within thirty (30) days of our receipt of the appraisal, we will determine whether we will exercise our option to purchase any or all of the appraised assets. In the event we elect to purchase any of the assets, we shall purchase assets only and shall assume no liabilities. If we elect to exercise any such option, we shall have the right to set off from the purchase price: (a) all amounts due from you to us or any of our affiliates; (b) your portion of the cost of any appraisal conducted hereunder; (c) any sums necessary to acquire clear title to the lease or sublease. We may assign this option to any other party, without your consent.

16. COVENANTS

A. In-Term Restrictive Covenants. You and your Owners specifically acknowledge that you and they will receive access to valuable specialized training and Confidential Information, and that such specialized training and Confidential Information provide a competitive advantage to the System. During the term of this Franchise Agreement, neither you nor any of your Owners shall, directly or indirectly, for yourself or themselves or through, on behalf of, or in conjunction with, any other person or entity:

1. Divert or attempt to divert any customer of Tropical Smoothie Café® Stores (including the Franchised Business) to any other business or to perform any other act injurious or prejudicial to the goodwill associated with the Marks or the System;

2. Unless this subsection is found to be unenforceable under applicable law, employ or seek to employ any person who is at that time employed by us or by any other franchisee or Area Developer of ours, or otherwise directly or indirectly induce such person to leave the employ of said party;

3. Solicit other franchisees or Area Developers, or use available lists of franchisees or Area Developers, for any commercial purpose other than purposes directly related to the operation of the Franchised Business;

4. Have any ownership interest in, or be engaged or employed by, any Competitor;

5. Authorize, assist, or induce another to develop, open or operate a Competitor.

B. Post-Term Restrictive Covenants. You and your Owners covenant that, with respect to you, for a continuous uninterrupted period commencing upon the expiration, termination, or Transfer of this Franchise Agreement for any reason or, with respect to each of the owners, commencing on the earlier of: (i) the expiration or termination of this Franchise Agreement for any reason; or (ii) the time such person ceases to be an owner of the Franchised Business, and continuing for two years thereafter, except as otherwise approved in writing by us, neither you nor any of your Owners shall, directly or indirectly, for themselves or through, on behalf of or in conjunction with any other person or entity:

1. Divert or attempt to divert any customer of Tropical Smoothie Café® Stores to any other business or to perform any other act injurious or prejudicial to the goodwill associated with the Marks or the System;

2. Unless this subsection is found to be unenforceable under applicable law, employ or seek to employ any person who is at that time employed by us or by any other franchisee or Area Developer of ours, or otherwise directly or indirectly induce such person to leave his or her employment;

3. Solicit other franchisees or Area Developers, or use available lists of franchisees or Area Developers, for any commercial purpose;

4. Have any ownership interest in, or be engaged, employed by or involved in, either directly or indirectly, any Competitor which is located within a 5-mile radius of the Site or the location of any Tropical Smoothie Café® Store.

5. Authorize, assist, or induce another to develop, open or operate a Competitor which is located within a 5-mile radius of the Site or the location of any Tropical Smoothie Café® Store.

C. Directives. In the event of any dispute related to this Section 16 you and your Owners direct any third party construing this Section, including without limitation any court, mediator, master, or other party acting as trier or fact or law:

1. To conclusively presume that the restrictions set forth in this Section 16 are reasonable and necessary in order to protect (i) our legitimate business interests, including without limitation the interests of our other franchisees; (ii) the confidentiality of our Confidential Information; (iii) the integrity of the System; (iv) our investment in the System; (v) the investment of our other franchisees in their Tropical Smoothie Café® Stores; and (vi) the goodwill associated with the System;

2. To conclusively presume that the restrictions set forth in this Section 16 will not unduly burden you or your Owners' ability to earn a livelihood;

3. To construe this Section under the laws governing distribution contracts between commercial entities in an arms-length transaction, and not under laws governing employment contracts; and

4. To conclusively presume that any violation of the terms of this Section 16 (i) was accompanied by the misappropriation and inevitable disclosure of Confidential Information; and (ii) constitutes a deceptive and unfair trade practice and unfair competition.

D. Interpretation. You and your Owners agree that each of the foregoing covenants is independent of any other covenant or provision of this Franchise Agreement. If all or any portion of the covenants in this Section 16 are held to be unenforceable or unreasonable by any court, then the parties intend that the court modify such restriction to extent reasonably necessary to protect our legitimate business interests. You and your Owners agree that the existence of any claim you or they may have against us will not constitute a defense to the enforcement of the covenants of this Section. You agree to pay all damages, costs, and expenses (including reasonable attorney's fees) we may incur in enforcement of this Section. If a person fails to comply with the covenants in this Section, then the restrictive period will be extended for each day of noncompliance. We have the right to reduce the scope of any restrictive covenant set forth in this Section at any time, by giving notice to you.

E. Publicly Held Corporations. Section 16.A and Section 16.B of this Franchise Agreement shall not apply to the ownership by you or your Owners of less than a 5% interest in the outstanding equity securities of any publicly-held corporation.

F. Execution of Covenants by Management. If we request, you will obtain the execution of covenants similar to those set forth in Section 9 (regarding confidentiality) and Section 16 (regarding non-competition and non-solicitation), including covenants applicable upon the termination of a person's relationship with you, from your officers, directors, managers, and other personnel we specify.

G. Covenant as to Anti-Terrorism Laws. You and your Owners agree to comply with, and/or to assist us to the fullest extent possible in our efforts to comply with the USA Patriot Act and USA Freedom Act, and all other present and future U.S. federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts or acts of war.

17. INDEMNITY

A. We shall in no event assume liability for or be deemed liable under this Franchise Agreement as a result of any action or omission by you in your conduct of the Franchised Business or any claim or judgment arising therefrom against us. You shall defend at your own cost, and indemnify to the fullest extent permitted by law, us and our affiliates, and our respective past, present and future owners, officers, directors, managers, agents, employees and the predecessors, successors, heirs and assigns of any and all of the foregoing (collectively, "Indemnitees") from all

losses and expenses (including, but not limited to, reasonable attorneys' fees, costs of investigation, settlement costs, and interest) incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether the same is reduced to judgment) or any settlement thereof arising directly or indirectly from, as a result of, or in connection with (i) your activities under this Franchise Agreement, (ii) your default of any covenant, warranty, representations, agreement, or obligation set forth in this Franchise Agreement, (iii) your default or alleged default of any other agreement, (iv) your violation or alleged violation of any Laws, standard or directive, or any industry standard, including without limitation, violations resulting from your use of the System, (v) libel, slander, or any other form of defamation by you, (vi) acts, errors, omissions by you or any of your directors, officers, shareholders, partners, members, employees, agents and attorneys, (vii) your activities relating to the operation of the Franchised Business, including but not limited to your preparation and/or sale of Products, (viii) your failure to comply with the laws and regulations of the U.S. Food and Drug Administration, Federal Trade Commission, State and local government agencies that relate to the presentation of nutritional information, including but not limited to menu labeling requirements, food sourcing and food preparation that does not conform to disclosed calories on menu boards, or (ix) your failure to maintain all required and recommended insurance policies and coverage amounts during the Term as set forth by us in this Franchise Agreement, the Manuals or otherwise in writing.

B. This indemnification shall include all losses alleging the negligence of Indemnitees, including without limitation negligence in supervisions and inspection of the Franchised Business, the System standards, but excluding any case which Indemnitee is determined by a court of competent jurisdiction to have engaged in grossly negligence or willful misconduct. This Section 17 shall survive termination or expiration of this Franchise Agreement.

C. You shall promptly notify us of any action, suit, proceeding, claim, demand, inquiry, investigation or default described in this Section 17. With respect to any threatened or actual litigation, proceeding, or dispute that could directly or indirectly affect us or any of the other Indemnitees under this Section 17, we will have the right, but not the obligation, to: (i) choose counsel; (ii) direct and control the handling of the matter; and (iii) settle any claim against the Indemnitees, at your cost and expense. No such undertaking by us will, in any manner or form, diminish your obligation to indemnify us and to hold us harmless.

D. Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or to otherwise mitigate their losses in order to maintain a claim against you. You agree that the failure to pursue recovery or to mitigate loss shall in no way reduce the amounts the Indemnitees may recover from you.

18. DISPUTE RESOLUTION

A. Mediation. If a dispute arises out of or relates to this Franchise Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation with Miles Mediation and Arbitration Services, LLC or another mutually agreeable mediator at or near our headquarters, before resorting to litigation, or some other dispute resolution procedure. The foregoing shall not apply to (i) any

controversy or claim relating to ownership or use of our Marks or Confidential Information; (ii) any claim for an injunction or other equitable relief; and (iii) any claim by us for unpaid Royalty Fees or other unpaid amounts owed to us.

B. Notice and Opportunity to Cure. As a mandatory condition precedent prior to your taking any legal or other action against us, whether for damages, injunctive, equitable or other relief (including, but not limited to, rescission), you shall first give us 90 days' prior written notice and opportunity to cure any alleged act or omission, or to resolve any dispute.

C. Governing Law. This Franchise Agreement is governed by and construed in accordance with the laws of the State of Georgia (without regard to its choice-of-law rules).

D. Jurisdiction and Venue. You and we each consent and irrevocably submit to the exclusive jurisdiction and venue of the state or superior court in Fulton County, Georgia and federal courts of competent jurisdiction in the Northern District of Georgia (Atlanta Division), and waive any objection to the jurisdiction and venue of such courts. This exclusive choice of jurisdiction and venue provision does not restrict the ability of the parties to confirm or enforce judgments or awards in any appropriate jurisdiction. **YOU AGREE THAT THIS SECTION18.D APPLIES TO ALL AGREEMENTS BETWEEN YOU (OR YOUR AFFILIATES) AND US ENTERED INTO PRIOR TO THE EFFECTIVE DATE, AND SUPERSEDES ANY PROVISION REGARDING JURISDICTION AND VENUE IN ANY SUCH PRIOR AGREEMENT.**

E. Waiver of Jury Trial. You (and your Owners) and we hereby irrevocably waive any right to a jury trial in any action between you (or your Owners) and us or our affiliates.

F. Limitation of Damages. In any dispute arising out of or relating to this Franchise Agreement, you (and your Owners) and we waive any right to punitive or other damages not measured by the prevailing party's actual damages, except for damages expressly authorized by the statute or this Franchise Agreement.

G. Time Limit on Claim. Any legal action arising from or related to this Franchise Agreement must be instituted within two years from the date that the party seeking to bring the action discovers the conduct or event that forms the basis of the legal action. The foregoing time limit does not apply to (i) claims by one party related to non-payment under this Franchise Agreement by the other party; (ii) indemnity claims under Section 17; and (iii) claims related to unauthorized use of Confidential Information of the Marks. This Section does not limit our right to terminate this Franchise Agreement in any way.

H. Specific Performance/Injunctive Relief. Nothing in this Franchise Agreement shall bar our right to obtain specific performance of the provisions of this Franchise Agreement (specifically including the covenants in Section 16) and injunctive relief against threatened conduct that will cause us loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. You agree that we may apply for such injunctive relief, without bond in excess of $1,000 and without proving actual damages, but upon due notice, in addition to such further and other relief as may be available at equity or

law, and your sole remedy, in the event of the entry of such injunction, shall be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived).

I. **Cumulative Rights and Remedies.** No right or remedy conferred upon or reserved to us or you by this Franchise Agreement is intended to be, nor shall be deemed, to be exclusive of any other right or remedy provided or permitted in this Franchise Agreement, by law or at equity, but each right or remedy shall be cumulative of every other right or remedy.

J. **Private Disputes.** Any dispute and any litigation arising out of or related to this Franchise Agreement will be conducted and resolved on an individual basis only and not a class-wide, multiple plaintiff or similar basis. No litigation arising out of or relating to this Franchise Agreement or the System may be brought on behalf of any franchisee associations or groups, and you agree not to participate in any such litigation. Any such proceeding will not be consolidated with any other proceeding involving any other person, except for disputes involving affiliates of the parties to such litigation.

K. **Attorneys' Fees.** The party prevailing in any legal proceeding (including any legal proceeding by you or your Owners against any of our officers, directors, or direct or indirect owners), will be entitled to reimbursement of its costs and expenses, including reasonable accounting and attorneys' fees. "Prevailing party" means the party, if any, which substantially prevailed upon the central litigated issues. If O.C.G.A. 13-1-11 applies to any indebtedness owed by you to us, then the attorney fees will be deemed to be 15% of the principal and interest owed by you.

19. NOTICES

Any and all notices required or permitted under this Franchise Agreement shall be in writing and shall be (i) personally delivered; (ii) mailed by certified U.S. mail, return receipt requested; or (iii) dispatched by overnight delivery service, such as UPS, Federal Express or DHL, to the respective parties at the following address (for us) or at the address specified in Exhibit A (for you) unless and until a different address has been designated by written notice to the other party:

Notices to Us:

Tropical Smoothie Café, LLC
1117 Perimeter Center West, Suite W200
Atlanta, Georgia 30338
Attention: Charles Watson, Interim CEO

With a concurrent copy to:

Tropical Smoothie Café, LLC
1117 Perimeter Center West, Suite W200
Atlanta, Georgia 30338

Attention: General Counsel

Notices will be deemed received upon the earlier on (i) the date and time of receipt; (ii) five (5) business days after being mailed by U.S. certified mail, return receipt requested; (iii) the next business day after having been deposited with an overnight delivery service for next business day delivery; or (iv) intended recipient's failure or refusal to accept delivery. You agree that our revisions to the Manuals are not considered "notices" under this Franchise Agreement, and that we may issue such revisions by any manner we choose, including, without limitation, e-mail.

20. RELEASE OF PRIOR CLAIMS

By executing this Franchise Agreement, you, individually and on behalf of your heirs, legal representatives, successors and assigns, and each assignee of this Franchise Agreement by accepting assignment of the same, forever releases and discharges us and our affiliates, and our respective owners, directors, officers, employees, agents, and representatives, from any and all claims relating to or arising under any franchise agreement or any other agreement between the parties executed prior to the Effective Date including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities or antitrust laws of the United States or of any state or territory thereof.

21. FORCE MAJEURE

Except for (i) your covenants and obligations set forth in Sections 1 and 5 of this Franchise Agreement, (ii) the monetary obligations under this Franchise Agreement, and (iii) as otherwise specifically provided in this Franchise Agreement, if either party to this Franchise Agreement shall be delayed or hindered in or prevented from the performance of any act required under this Franchise Agreement by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, war, acts of terror, riots, insurrection, or other causes beyond the reasonable control of the party required to perform such work or act under the terms of this Franchise Agreement not the fault of such party (a "Force Majeure"), then performance of such act shall be excused during the period of such Force Majeure. The party whose performance is affected by a Force Majeure shall give prompt, written notice to the other party of such Force Majeure. If there shall be a Force Majeure that we deem economically harmful or otherwise detrimental to us or the System, then we shall be entitled to terminate this Franchise Agreement on 90 days' written notice to you; provided, however, that we may withdraw such notice if, within such 90-day period, we determine that the economically harmful or otherwise detrimental effects have ceased.

22. SEVERABILITY AND CONSTRUCTION

A. Relationship of the Parties. The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. You agree that (i) we are not your fiduciary, (ii) we have no liability for your obligations to any third party whatsoever, (iii) you have no authority to make any contract, agreement, warranty or representations on our behalf or to incur any debt or obligation in our name. We may engage in any activity that we are not expressly prohibited from taking under this Franchise Agreement.

B. Severability. Every part of this Franchise Agreement is severable. If for any reason any part of this Franchise Agreement is held to be invalid, that determination will not impair any other part, or the rest, of this Franchise Agreement; provided, however, that if we determine that such finding of invalidity or illegality adversely affects the basic consideration of this Franchise Agreement, we, at our option, may terminate this Franchise Agreement.

C. Captions. All captions in this Franchise Agreement are intended solely for the convenience of the parties, and shall not be given any legal effect.

D. Time is of the Essence. If you fail to satisfy a condition or comply with an obligation of this Franchise Agreement which has a specified time period, we are not required to give you any additional time past the expiration of the time period to satisfy such condition or comply with such obligation.

E. No Third Party Beneficiaries. Nothing in this Franchise Agreement is intended, nor shall be deemed, to confer any rights or remedies under or as a result of this Franchise Agreement upon any person or entity other than you, us, and our affiliates.

F. No Waiver. No failure by us to exercise any power reserved to us by this Franchise Agreement, or to insist upon strict compliance by you with any obligation or condition in this Franchise Agreement, and no custom or practice of the parties at variance with the terms of this Franchise Agreement, shall constitute a waiver of our right to demand exact compliance with any of the terms in this Franchise Agreement. Our waiver of any particular default by you shall not affect or impair our rights with respect to any subsequent default, nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of this Franchise Agreement affect or impair our right to exercise the same, nor shall such constitute a waiver by us of any right under this Franchise Agreement or the right to declare any subsequent breach or default and to terminate this Franchise Agreement prior to the expiration of its Term. Subsequent acceptance by us of any payments due to us under this Franchise Agreement shall not be deemed to be a waiver by us of any preceding breach by you of this Franchise Agreement.

G. No Implied Covenant. The parties have negotiated the terms of this Franchise Agreement and agree that neither party shall claim the existence of an implied covenant of good faith and fair dealing to contravene or limit any express written term or provision of this Franchise Agreement.

H. Written Consent. Whenever this Franchise Agreement requires our prior approval or consent, you shall make a timely written request to us and such approval or consent will not be effective unless made in writing.

I. Survival. Each provision of this Franchise Agreement that expressly or by implication is to be performed, in whole or in part, after the expiration, termination, or Transfer of this Franchise Agreement will survive such expiration, termination, or Transfer, including, but not limited to, Section 7 (regarding the Marks), Section 9 (regarding confidentiality), Section 10.A (regarding records and reports), Section 15 (regarding obligations upon termination), Section 16.B

(regarding non-competition), Section 17 (regarding indemnification) and Section 18 (regarding dispute resolution).

J. Joint Liability. If two or more persons are at any time the "Franchisee" under this Franchise Agreement, whether as partners or joint venturers, their obligations and liabilities to us shall be joint and several.

K. Entire Agreement; Modification. This Franchise Agreement and all ancillary agreements executed contemporaneously with this Franchise Agreement constitute the entire agreement between the parties concerning the subject matter of this Franchise Agreement and supersede any and all prior negotiations, understandings, representations and agreements. Notwithstanding the foregoing, nothing in this Franchise Agreement shall disclaim, or require you to waive reliance on, any representation that we made in the most recent Franchise Disclosure Document that we delivered to you. Except for those acts that this Franchise Agreement permits us to take unilaterally, no amendment, change or variance from this Franchise Agreement shall be binding on the parties unless mutually agreed to by both parties and executed by themselves or their authorized officers or agents in writing.

L. Counterparts. This Franchise Agreement may be executed in multiple counterparts, and each copy so executed shall be deemed an original. A signed copy of this Franchise Agreement delivered by facsimile, e-mail or other means of electronic execution and/or transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Franchise Agreement.

M. Agreement Effective Upon Execution by Franchisor. This Franchise Agreement will not become effective unless and until signed by one of our authorized representatives. We may withdraw this Franchise Agreement at any time before it is signed by one of our authorized representatives, in which event this Franchise Agreement shall be null and void.

23. ACKNOWLEDGEMENTS

A. Reasonable Business Judgment. We acknowledge and agree that we will, and you acknowledge and agree that we may, use Reasonable Business Judgment in the exercise of our rights, discharge of our obligations, and exercise of our discretion, and in all circumstances where we are required to give our consent, unless this Franchise Agreement expressly provides some other standard. "Reasonable Business Judgment" shall mean that our determinations or choices will prevail, even if other alternatives are also reasonable or arguably preferable, if we intend to benefit, or act in a way that could benefit, the System (by, for example, enhancing the value of the Marks, increasing franchisee or guest satisfaction, or increasing our financial strength). You agree to this concept of Reasonable Business Judgment in acknowledgment of the fact that we should have at least as much discretion in administering the System as a corporate board of directors has in directing a corporation and because the long-term interests of the System, all franchisees and owners of franchised businesses in the System, and we and our owners, taken together, require that we have the latitude to exercise Reasonable Business Judgment. We shall not be required to consider a franchisee's particular economic or other circumstances or to slight our own economic or other business interests when we exercise our Reasonable Business Judgment. You

acknowledge and agrees that: (i) we have a legitimate interest in seeking to maximize the return to our equity holders; and (ii) the fact that we or our affiliates benefit economically from an action will not be relevant to showing that we did not exercise Reasonable Business Judgment. Neither you nor any third party (including without limitation any third party acting as a trier of fact or law) shall substitute your, his, her, or its judgment for our Reasonable Business Judgment. In a given situation, you shall have the burden of establishing, by clear and convincing proof, that we failed to exercise Reasonable Business Judgment.

B. Nature of Obligations. You acknowledge and agree that: (i) all obligations we owe under this Franchise Agreement we owe to you alone; and (ii) no other person or entity, including without limitation your affiliates, and your and such affiliates' directors, officers, shareholders, partners, members, employees, and agents, and the predecessors, successors, heirs, and assigns of any of them, shall be entitled to rely on, enforce, or obtain relief for breach of, any of our obligations arising out of or related to this Franchise Agreement, whether directly, indirectly, by subrogation, as an intended third-party beneficiary, or otherwise. You acknowledge and agree that: (i) all obligations of us under this Franchise Agreement are owed by us alone; and (ii) no other person or entity, including without limitation our officers, members, employees, and agents, and our affiliates and their directors, officers, shareholders, partners, members, employees, and agents, and the predecessors, successors, heirs, and assigns of any of them, shall be subject to liability under this Franchise Agreement.

C. Variance. You agree that we have the right to, in our sole discretion and from time to time, approve exceptions or changes to the standards or specifications of the System for any franchisee (including, without limitation, the amount and payment terms of any fee) that we deem necessary or desirable based upon that particular franchisee's qualifications, the peculiarities of a particular site or circumstances, the demographics of the trade area, business potential, existing business practices, or any other condition which we deem to relevant to a particular Tropical Smoothie Café® Store or group of stores. We will not be required to disclose or grant to you the same or a similar variance. You further acknowledge that other franchisees, whether existing now or in the future, will operate under different forms of the franchise agreement.

D. Your Employees. Under no circumstances shall your managerial personnel or other employees be deemed our employees. You acknowledge that you are the sole employer of the employees of the Franchised Business and you are solely responsible for all labor relations and employment practices in the Franchised Business. You acknowledge that we do not dictate or control labor or employment matters for you and your employees. Any materials, guidance, and assistance that we may provide with respect to employment-related policies and procedures, whether in the Manuals or otherwise, are solely for your optional use. You will determine to what extent, if any, these materials, guidance or assistance should be applied to your employees. You agree to indemnify and hold us harmless from any and all liability, including costs, attorney's fees or other damages which result directly or indirectly from your employees and independent contractors.

E. Investigation of the Franchise. You acknowledge that you have conducted an independent investigation of the business contemplated by this Franchise Agreement and recognize that an investment in a Tropical Smoothie Café® Store involves business risks, that your success is largely dependent on your own abilities, efforts and active participation in the daily

affairs of the Franchised Business, and that the nature of operating a Tropical Smoothie Café® Store may change over time.

F. Review of Documents. You acknowledge and agree that (i) our review of any letter of intent, lease, loan agreement, purchase agreement, sale agreement, assignment, transfer agreement, site plan, or other agreement or document you propose to enter into or provide is solely to ensure that our interests are adequately protected; (ii) we are not undertaking any such review on your behalf or for your benefit; (iii) our review will not replace review by your accountant, attorney, architect, and other business and professional advisors; and (iv) we will have no responsibility or liability related to such review.

G. Ability to Enter into Agreement. You represent, on behalf of you and your Owners, that (i) your entering into this Franchise Agreement or operating the Franchised Business does not violate any confidentiality or non-competition agreement by which you or your Owners are bound; (ii) neither you nor any of your Owners are employed by or engaged by a Competitor, or are a direct or indirect owner of any Competitor; and (iii) neither you nor any of your Owners are listed or "blocked" in connection with, and are not in violation under, any anti- terrorism law, regulation, or executive order.

H. No Unauthorized Representations or Commitments. You acknowledge and agree that: (i) we do not permit any changes to, this Franchise Agreement, except by means of a written amendment signed by the parties to this Franchise Agreement; and (ii) if any representations. commitments, or promises to change this Franchise Agreement have been made to you, or are made in the future, that are not in a written amendment signed by our authorized officer and delivered to you, such representations, commitments, and promises will not be enforceable.

I. Receipt; No Contrary Representations; No Financial Performance Representations. You acknowledge that:

1. You received our Franchise Disclosure Document at least 14 days prior to the date on which you executed this Franchise Agreement or paid us any consideration related to the Franchised Business.

2. You received a copy of this complete Franchise Agreement, the attachments to this Franchise Agreement, and all agreements related to this Franchise Agreement, if any, complete and with all blanks filled in, at least 7 days prior to the date on which you executed this Franchise Agreement or paid us any consideration related to the Franchised Business.

3. Neither we, nor any person or entity acting on our behalf, has made any representation, commitment, claim, or statement to you that is different from, or that is contrary to, any of the representations, commitments, claims or statements contained in our Franchise Disclosure Document.

4. Neither we, nor any person or entity acting on our behalf, made any oral, written, visual or other representation, commitment, claim, or statement from which any level or

range of actual or potential sales, costs, income, expenses, profits, cash flow, or otherwise might be ascertained, related to a Tropical Smoothie Café® Store, that is different from or contrary to information contained in our Franchise Disclosure Document.

5. The acknowledgements and agreements set forth in this Section 23.I: (i) are intended to show that this Franchise Agreement supports disclosures set forth in our Franchise Disclosure Documents, and that this Franchise Agreement does not waive or contravene such disclosures; (ii) are not a waiver of your right to relief for violation of any laws governing the offer and sale of franchises, but rather are your acknowledgement and agreement that no such violations occurred; and (iii) are being relied upon by us to our detriment in connection with our decision to enter into this Franchise Agreement with you.

This Franchise Agreement is executed by:

FRANCHISOR:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____
Name: Charles Watson
Title: Interim CEO
Date: _____

FRANCHISEE:

[if an individual]

By: _____
Name: _____
Date: _____

[if an entity]

[ENTITY NAME]

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

EXHIBIT A

FRANCHISE INFORMATION

1. **Site (Section 1.A):** The Site of the Franchised Business is _____
_____.

2. **Designated Area (Section 5.A):** If the location of the Franchised Business is not known and accepted by us as of the Effective Date, you must locate the Franchised Business within the following Designated Area:_____
_____.

   ☐ Check if map is attached.

3. **Your Address (Section 19):** Your address for notices is:

   _____
   _____
   _____
   _____

   Facsimile: _____

EXHIBIT B

STATEMENT OF OWNERSHIP INTERESTS

Franchisee Name: _____

Date: _____

1. **Form of Ownership.** Check one:

   ☐ Corporation
   ☐ Limited Liability Company
   ☐ Partnership
   ☐ Sole Proprietorship

2. **Business Entity.**

   Name of Entity: _____
   Date of formation: _____
   State of formation: _____

3. **Control.** All people who have management rights and powers (e.g., officers, directors, managers, partners, etc.) and their positions:

Name	Position(s)

4. **Owners.** All people who have any direct or indirect ownership of the Franchised Business.

Name	Shares or Percentage of Ownership

5. **Operating Principal** (see Section 6.C): _____

FRANCHISEE:

By: _____
Name: _____
Date: _____

EXHIBIT B-1 TO THE DISCLOSURE DOCUMENT

FORM OF MULTI-UNIT DEVELOPMENT ADDENDUM
TO
FRANCHISE AGREEMENT

MULTI-UNIT DEVELOPMENT ADDENDUM TO FRANCHISE AGREEMENTS

THIS MULTI-UNIT DEVELOPMENT ADDENDUM TO FRANCHISE AGREEMENTS (the "**Addendum**") is made and entered into as of _____, 201_ (the "**Effective Date**") by and between Tropical Smoothie Café, LLC, a Georgia limited liability company ("**we**", "**us**" or "**our**") and _____ ("**you**" or "**your**").

RECITALS:

WHEREAS, contemporaneously herewith, the parties have entered into franchise agreements for the Cafés listed in Section 1 of this Addendum (each, a "**Franchise Agreement**", or collectively, the "**Franchise Agreements**"); and

WHEREAS, the parties desire to amend the terms of the Franchise Agreements as set forth in this Addendum;

NOW THEREFORE, in consideration of the foregoing and the mutual promises set forth in the Franchise Agreements and this Addendum, the receipt and sufficiency of which the parties acknowledge, the parties hereby agree as follows:

TERMS AND CONDITIONS:

1. **Multi-Unit Development.** Contemporaneously with the execution of this Addendum, the parties have executed Franchise Agreements for the following Cafés (each, a "**Café**", or collectively, "**Cafés**") to be developed, opened and operated within [INSERT GEOGRAPHIC AREA]:

Café No.	Café ID No.
1	
2	
3	
4	
5	
6	
7	
8	

9	
10	

2. **Relationship with Franchise Agreements and Defined Terms.** The parties acknowledge that this Addendum is an integral part of, and is incorporated into, each Franchise Agreement as the terms of this Addendum apply to the Café that is the subject of the particular Franchise Agreement. Nevertheless, this Addendum supersedes any inconsistent or conflicting provisions of any Franchise Agreement. Capitalized terms used but not defined in this Addendum have the meanings given in the Franchise Agreements.

3. **Initial Franchise Fee.** Section 4.A. of each Franchise Agreement is amended to provide that the initial franchise fee for the Café that is the subject of the particular Franchise Agreement is the amount set forth in Section 5 below. The total of the initial franchise fees for all Cafés listed in Section 5 below is due and payable in full on the Effective Date. You expressly acknowledge that all initial franchise fees paid by you to us are non-refundable and fully earned upon receipt by us.

4. **Site Acquisition and Opening Deadline.** Sections 5.C. and 5.F. of each Franchise Agreement are amended to include the Site Acquisition Deadline and Opening Deadline for the Café that is the subject of the particular Franchise Agreement as set forth in Section 5 below.

5. **Development Schedule.** The parties agree that the schedule for the development and opening of the Cafés, including the applicable Site Acquisition Deadlines and Opening Deadlines, is listed below. For each Café, you must acquire the Site and open the Café by the dates set forth below over a period of __ years beginning on the Effective Date (the "**Development Term**").

Café No.	Initial Franchise Fee	Site Acquisition Deadline	Opening Deadline	Cumulative No. of Cafés Open & Operating
1	$30,000	6 months from Effective Date	1st Anniversary of Effective Date	1
2	$20,000	6 months from Effective Date	1st Anniversary of Effective Date	2
3 & 4	$20,000	18 months from Effective Date	2nd Anniversary of Effective Date	4
5 & 6	$20,000	30 months from Effective Date	3rd Anniversary of Effective Date	6
7 & 8	$20,000	42 months from Effective Date	4th Anniversary of Effective Date	8

9 & 10	$20,000	54 months from Effective Date	5th Anniversary of Effective Date	10

6. **Initial Term.** Section 2.A. of each Franchise Agreement is hereby deleted and replaced with the following:

> A. **Initial Term.** The term of this Franchise Agreement will commence on the Effective Date and expire on the 15th anniversary of the Opening Deadline of the Café as specified in Multi-Unit Development Addendum to Franchise Agreements.

7. **Grand Opening Contribution.** For Café No. 1, the Grand Opening Contribution of $7,500 will be due and payable on the Effective Date. If, for any reason, applicable state law does not permit us to collect the Grand Opening Contribution in full on the Effective Date, then you will pay our approved vendors and service providers for their products and services furnished in accordance with the Grand Opening Marketing Program when due based on invoices presented to you in accordance with Sections 4.F and 5.H of the Franchise Agreement for Café No. 1. For Café No. 2 and any and all subsequent Cafés, the Reduced Grand Opening Contribution shall be due and payable as set forth in Sections 4.F and 5.H of the Franchise Agreements for those Cafés.

8. **Development Conditions.** In addition to the other terms and conditions set forth in the Franchise Agreements, your rights to develop and/or open Café No. 3 and any and all subsequent Cafés are subject to your meeting the following conditions to our satisfaction throughout the Development Term:

a. you possess sufficient financial and organizational capacity to develop, open, operate, and manage the additional Cafés, as determined by us in our reasonable judgment; and

b. you are in full compliance with all requirements at all of your Café(s), whether open or in development, and you are not in default under any of the Franchise Agreements or any other agreement between you (or your affiliate) and us (or our affiliate).

If you do not meet the applicable Site Acquisition Deadline or Opening Deadline for any Café(s) as set forth above, then you shall be in default of the Franchise Agreement(s) for any such Café(s), and, in addition to any and all other available remedies, we may, upon written notice to you, terminate the applicable Franchise Agreement(s) in accordance with Section 14 thereof as well as any Franchise Agreements for future Cafés to be developed hereunder. If we do so, you must comply with all post-termination obligations as set forth in Section 15 of the applicable Franchise Agreement(s).

9. **Training.** For Café No. 2 and all subsequent Cafés developed pursuant to the Franchise Agreements and this Addendum, the parties agree that you shall not be required to complete, and we will not be required to provide, the Initial Training Program as set forth in Section 3.A.5 of the Franchise Agreements. Notwithstanding the foregoing, we may still require

your general manager(s) to attend and complete the Initial Training Program.

10. **Transfers.** If we approve any Transfer by you or your owners (as described in Section 13.B. of the Franchise Agreements) related to a Café to which this Addendum applies, we may require, as a condition of our approval for such Transfer, that any rights granted to you under this Addendum be of no further force or effect, including any rights to develop, open and operate any other Cafés which have not yet opened for business. Any Café that has not yet opened for business shall not be eligible to request our consent for a Transfer, unless the request relates to a Transfer for Convenience of Ownership pursuant to Section 13.C. of the Franchise Agreement.

11. **Effect of Addendum.** Except as modified by this Addendum, the Franchise Agreements remain in full force and effect.

12. **Execution.** This Addendum may be executed electronically and in one or more counterparts, each of which shall constitute an original, and all of which constitute one and the same original instrument, and electronic signatures shall be as enforceable and valid as original signatures.

This Addendum is hereby executed by the parties as follows:

FRANCHISOR:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____
Charles Watson, Interim CEO

FRANCHISEE:

_____
[INSERT NAME]

OR

[INSERT ENTITY NAME, IF APPLICABLE]

By: _____
[INSERT NAME, TITLE]

[SIGNATURE PAGE TO MULTI-UNIT DEVELOPMENT ADDENDUM TO FRANCHISE AGREEMENTS]

EXHIBIT C TO THE DISCLOSURE DOCUMENT

INFORMATION ABOUT OUR AREA DEVELOPERS

EXHIBIT C

INFORMATION ABOUT OUR AREA DEVELOPERS

AREA DEVELOPER LIST

ARIZONA	
Eric Persson 10260 W. Charleston Blvd. Suite 103 Las Vegas, NV 89135 702-869-0603 AND Scott Palmateer 13355 S. 186th Avenue Goodyear, AZ 85338 623-302-0269	
COLORADO	
LaMieux Development Corporation 1028 N. Leroy Street Fenton, MI 48430 (810) 691-9625	
DISTRICT OF COLUMBIA	
Venture One, LLC 909 Enfield Chase Virginia Beach, VA 23452 (571) 991-0279	
FLORIDA	
Sam Osborne 1415 Timberlane Rd, Unit 323 Tallahassee, FL 32312 (850) 509-9238	Robert Quint & Christina M. Noordstar 735 Arlington Avenue Suite 211 St. Petersburg, FL 33701 (727) 458-1835
Jack Cleghorn 2115 S. Florida Avenue Lakeland, FL 33803 (863) 682-4170	Kimberly Rego 2336 S. East Ocean Blvd 384 Stuart, FL 34996 (580) 971-0787
Andrew & Terri Jessen 16269 Camden Lakes Circle Naples, FL 34110 (239) 877-1657	
ILLINOIS	
Phillip Knippen 7788 Marquette Drive South Tinley Park, IL 60477 (708) 945-7445	

MARYLAND	
Venture One, LLC (See District of Columbia)	
MASSACHUSETTS	
Gilbert & Ana DeSousa 85 A Faunce Corner Road Dartmouth MA 02747 (508) 858-5456	
MICHIGAN	
LeMieux Development Corporation 1028 N. Leroy Street Fenton, MI 48430 (810) 691-9623	Michigan Franchise Development Corporation 4100 Baldwin Road Holly, MI 48442 (810) 599-5016
NEW JERSEY	
Alfred LaValle and Timothy Fung 2222 Route 33 Hamilton, NJ 08690 (609) 981-7012	
NEW YORK	
Walter & Laura Jankowski 34 Railroad St. Bayport, NY 11705 (631) 807-1180 (631) 807-8358	
OHIO	
Dianne & Craig LeMieux (see Michigan)	
OKLAHOMA	
Oklahoma AD, LLC 301 Main Street, Suite 6 Little Rock, AR 72201 (501) 442-0089	
PENNSYLVANIA	
Matthew Shaffer 442 Danbury Drive Lititz, PA 17543 (717) 371-6731 AND Cody Shaffer 1961 Rachael Drive Lancaster, PA 17601 (717) 989-2508	

TEXAS	
West Texas AD, LLC 301 Main Street, Suite 6 Little Rock, AR 72201 (501) 442-0089	
UTAH	
Cody Sommer 14648 South 800 West Bluffdale, UT 84065 (702) 453-2225	
VIRGINIA	
Venture One, LLC (See District of Columbia)	Gemini Patel 12300 Keats Grove Place Glen Allen, VA 23059 (804) 527-2060 AND Urvashi Patel 12608 Inverness Place Chester, VA 23836 (804) 931-8722

AREA DEVELOPER INFORMATION

ITEM 2

BUSINESS EXPERIENCE

We have appointed Area Developers in certain geographic areas to refer prospective franchisees to us. We also delegate some of our duties and responsibilities to these Area Developers. The following is information about our Area Developers and certain of their personnel and management.

ARIZONA

Eric Persson and Scott Palmateer – State of Arizona

Eric Persson

Eric Persson has been an Area Developer for the State of Arizona since December 2012. From December 2008 to present, he also serves as Vice President of Slots at the Sands Casino in Las Vegas, Nevada.

Scott Palmateer

Scott Palmateer has been an Area Developer for the State of Arizona since December 2012. Prior to becoming an Area Developer, Mr. Palmateer was Regional Director of Operations-West for Tropical Smoothie Franchise Development Corporation from July 2007 to August 2013.

COLORADO

LeMieux Development Corporation – State of Colorado

LeMieux Development Corporation, a Michigan corporation, was formed on October 29, 2003, with its principal place of business at 1028 N. Leroy Street, Fenton, Michigan 48430, and has been our Area Developer for the State of Colorado since April, 2016. LeMieux Development Corporation is also our Area Developer for Genesee, Ingham and Oakland Counties, Michigan. See Michigan for additional information regarding this Area Developer.

Craig Lawrence LeMieux: Co-Owner

Mr. LeMieux has been a Co-Owner of LeMieux Development Corporation since it was formed. Since November 2005, he has been the President and Co-Owner of Michigan Franchise Development Corporation, our Area Developer for the State of Michigan excluding Genesee, Ingham and Oakland Counties. Mr. LeMieux has been our Area Developer for multiple counties in Ohio since June 2008. He also is a co-owner of eleven Tropical Smoothie Cafés in Michigan and Colorado. See Michigan and Ohio for additional information regarding LeMieux Development Corporation and Mr. LeMieux.

Dianne Helen LeMieux: Co-Owner

Ms. LeMieux has been a Co-Owner of LeMieux Development Corporation since it was formed. Ms. LeMieux has been our Area Developer for multiple counties in Ohio since June 2008. See Michigan and Ohio for additional information regarding LeMieux Development Corporation and Ms. LeMieux.

DISTRICT OF COLUMBIA

Venture One, LLC – District of Columbia

Venture One, LLC, a Virginia limited liability company, formed on July 9, 2002, with its principal place of business at 909 Enfield Chase, Virginia Beach, Virginia 23452, has been our Area Developer for the District of Columbia since August 15, 2002. Venture One, LLC is also our Area Developer for the State of Maryland and portions of the Commonwealth of Virginia. See Maryland and Virginia for additional information regarding this Area Developer.

Ronald T. Holt: Member

Mr. Holt has been a member of Venture One, LLC since 2002. Since September 1969, he has been the President and COO of Land'or International, Inc. in Glen Allen, Virginia.

James Patrick McKiernan: Development Operations Director

Mr. McKiernan has been employed by Venture One, LLC since 2003.

Kathleen Benzing: Development Sales Director

Ms. Benzing has been employed by Venture One, LLC since April 1, 2013. Since November 2011, she was Senior Manager Franchise Sales for Checkers Drive In Restaurants. From January 2011 to November 2011, she was Franchise Sales Manager for FastSigns International, Inc.

FLORIDA

Andrew and Terri Jessen – Lee, Collier, Charlotte, Manatee and Sarasota Counties, Florida

Andrew Jessen

Mr. Jessen has been our Area Developer for Lee and Collier Counties, Florida since August 4, 2007, and for Charlotte, Manatee and Sarasota Counties, Florida since August 21, 2009. Mr. Jessen has been a Tropical Smoothie Café franchisee in Naples, Florida since 2004.

Terri Jessen

Ms. Jessen has been our Area Developer for Lee and Collier Counties, Florida since August 4, 2007, and for Charlotte, Manatee and Sarasota Counties, Florida since August 21, 2009.

Robert Q. and Christina M. Noordstar – Hillsborough and Pinellas Counties, Florida

Robert Q. Noordstar

Mr. Noordstar has been our Area Developer for Hillsborough and Pinellas Counties, Florida since August 15, 2007. Mr. Noordstar has been the President of Tropical Communities in St. Petersburg, Florida since August 2007. From February 2004 to present, he has been the Vice President of Noordstar Enterprises I and Manager of a Tropical Smoothie Café in St. Petersburg, Florida.

Christina M. Noordstar

Ms. Noordstar has been our Area Developer for Hillsborough and Pinellas Counties, Florida since August 15, 2007. Ms. Noordstar has been the Vice President of Tropical Communities in St. Petersburg, Florida since August 2007. From February 2004 to present, she has been the President of Noordstar Enterprises I and the Manager of a Tropical Smoothie Café in St. Petersburg, Florida.

Kimberly Rachelle Rego – St Lucie and Indian River Counties, Florida

Ms. Rego has been our Area Developer for St Lucie and Indian River Counties, Florida since 2004. From January 2003 to February 2007, Ms. Rego was a franchisee and owner/operator of a Tropical Smoothie Café, doing business under the name Rego-Gonzalez, Inc. in Port St. Lucie, Florida. From October 1988 to present, she has been the Service Coordinator for the Little People's College in Bedford, Massachusetts.

Greg Watkins: Operations Director

Mr. Watkins has been Ms. Rego's Operations Director since January 2005.

Thomas (Jack) Cleghorn, Jr. – Polk County, Florida

Mr. Cleghorn has been our Area Developer for Polk County, Florida since June 28, 2004. From 1988 to present, he has been the President of Florida Pizza Management, Inc. in Lakeland, Florida. From June 2004 to present, he also has served as the Managing Member of Smoothie Girls, LLC in Lakeland, Florida.

Samuel L. Osborne – Alachua, Lake, Leon, Orange and Seminole Counties, Florida

Mr. Osborne has been one of our Florida Area Developers since 1998. He became our Area Developer for Orange and Seminole Counties on November 5, 1998; Lake and Alachua Counties on November 18, 2003; and Leon County on May 31, 2005. From 1998 to present, he has been the President of Tropical Smoothie Area Development Corporation in Tallahassee, Florida. From 1998 to present, he also has been the President of Tropical Smoothie Ventures, Inc. of Tallahassee, Florida.

David Miller: Director of Restaurant Operations

Mr. Miller has been Mr. Osborne's Director of Restaurant Operations since June 2011. From May 2007 to June 2011, he was the Manager for Tropical Smoothie Ventures, which owns and operates a Tropical Smoothie Café Store in Tallahassee, Florida.

ILLINOIS

Phil Knippen – Southeast Chicago, Illinois

Mr. Knippen has been our Area Developer for the Southeast Chicago, Illinois area since December 31, 2010. Since 1995, he also has been a multi-unit operator of Brown's Chicken franchises in the greater Chicago, Illinois metropolitan area.

MARYLAND

Venture One, LLC – State of Maryland

Venture One, LLC has been our Area Developer for the State of Maryland since August 15, 2002. Venture One, LLC is also our Area Developer for the District of Columbia and portions of the Commonwealth of Virginia. See District of Columbia and Virginia for additional information regarding this Area Developer.

MASSACHUSETTS

Gilbert and Ana DeSousa – Bristol County, Massachusetts

Gilbert DeSousa

Mr. DeSousa has been our Area Developer for Bristol County, Massachusetts since July 27, 2007. Mr. DeSousa has been an owner and President of DeSousa, Inc. d/b/a/ Tropical Smoothie Café and Tropical Smoothie of Bristol County since September 2009.

Ana DeSousa

Ms. DeSousa has been our Area Developer for Bristol County, Massachusetts since July 27, 2007. Ms. DeSousa has been an owner and Vice President of DeSousa, Inc. d/b/a/ Tropical Smoothie Café and Tropical Smoothie of Bristol County since September 2009. Ms. DeSousa was the Chief of Internal Operations for Little People's College in New Bedford, Massachusetts from August 1985 to March 2014.

MICHIGAN

LeMieux Development Corporation – Genesee, Ingham and Oakland Counties, Michigan

LeMieux Development Corporation has been our Area Developer for Genesee, Ingham and Oakland Counties, Michigan since January 12, 2004. LeMieux Development Corporation is also our Area Developer for the State of Colorado. See Colorado for additional information regarding LeMieux Development Corporation.

Michigan Franchise Development Corporation – State of Michigan, excluding Genesee, Ingham and Oakland Counties

Michigan Franchise Development Corporation, a Michigan corporation, was formed on November 10, 2005, with its principal place of business at 1028 N. Leroy Street, Fenton, Michigan 48430, and has

been our Area Developer for the State of Michigan, excluding Genesee, Ingham and Oakland Counties since it was formed.

Craig Lawrence LeMieux: President and Co-Owner

Since November 2005, Mr. LeMieux has been the President and Co-Owner of Michigan Franchise Development Corporation in Holly, Michigan. See Colorado and Ohio for additional information regarding Mr. LeMieux.

Deborah L. LeMieux-King: Vice President and Co-Owner

Since November 2005, Ms. LeMieux-King has been Vice President and Co-Owner of Michigan Franchise Development Corporation in Fenton, Michigan.

NEW JERSEY

Alfred LaValle and Timothy Fung - Monmouth, Mercer and Middlesex Counties, New Jersey

Alfred LaValle

Mr. LaValle has been our Area Developer for Monmouth, Mercer and Middlesex Counties, New Jersey since February 2012. From November 2001 to December 2011, Mr. LaValle owned and operated a franchise of The Goddard School for Early Childhood Development located in Cherry Hill, New Jersey.

Timothy Fung

Mr. Fung has been our Area Developer for Monmouth, Mercer and Middlesex Counties, New Jersey since February 2012.

NEW YORK

Walter and Laura Jankowski – Nassau and Suffolk Counties, New York

Walter Jankowski

Mr. Jankowski has been our Area Developer for Nassau and Suffolk Counties, New York since June 28, 2004. From June 2006 to present, Mr. Jankowski has been the owner/operator of a Tropical Smoothie Café doing business under the name W.L. Janko in Bayport, New York.

Laura Jankowski

Ms. Jankowski has been our Area Developer for the Nassau and Suffolk Counties, New York since June 28, 2004. Since 2003, she has been a School Social Worker for the Three Village Central School District in East Setauket, New York.

OHIO

Craig and Dianne LeMieux – Allen, Ashland, Ashtabula, Auglaize, Carroll, Columbiana, Coshocton, Crawford, Cuyahoga, Defiance, Erie, Fulton, Geauga, Hancock, Hardin, Harrison, Henry, Holmes, Huron, Jefferson, Know, Lake, Lorain, Lucas, Mahoning, Marion, Medina, Morrow, Ottawa, Paulding, Portage, Putnam, Richland, Sandusky, Seneca, Stark, Summit, Trumbill, Tuscarawas, Union, Wan Wert, Wayne, Williams, Wood, Wyandot Counties, Ohio

Craig Lawrence LeMieux

Mr. LeMieux has been our Area Developer for multiple counties in Ohio since July 2008. See Colorado and Michigan for additional information regarding Mr. LeMieux.

Dianne Helen LeMieux

Ms. LeMieux has been our Area Developer for multiple counties in Ohio since July 2008. See Colorado and Michigan for additional information regarding Ms. Lemieux.

OKLAHOMA

Oklahoma AD, LLC – State of Oklahoma

Oklahoma AD, LLC, an Arkansas limited liability company, formed December 10, 2013, with its principal place of business at 301 Main Street, Suite 6, Little Rock, AR 72201, has been our Area Developer for the State of Oklahoma since December 29, 2013. DYNE Hospitality Group, LLC is the sole member of Oklahoma AD, LLC.

Glen Johnson: Co-Owner and Co-Founder, DYNE Hospitality Group, LLC

Mr. Johnson is the Co-Owner and Co-Founder of DYNE Hospitality Group, LLC. From March 2011 to December 2017, Mr. Johnson was President of Tropical Tango, LLC, which owns a number of franchised Tropical Smoothie Cafés. Since January 2012, Mr. Johnson also has been President of Flame Minerals, LLC. Prior to that, he was Principal Broker for Crescent Commercial Searcy, Alabama, from November 2008 to June 2012.

Nick Crouch: Co-Owner and Co-Founder, DYNE Hospitality Group, LLC

Mr. Crouch is the Co-Owner and Co-Founder of DYNE Hospitality Group, LLC. Since March 2012, he also has been President and CEO of QSR Management Group, which owns a number of franchised Tropical Smoothie Cafés.

PENNSYLVANIA

Matthew Shaffer and Cody Shaffer - Lancaster, Dauphin and Chester Counties, Pennsylvania

Matthew Shaffer

Mr. Shaffer has been our Area Developer for Lancaster, Dauphin and Chester Counties, Pennsylvania since **April 2009**. In addition, he has been a Tropical Smoothie® franchisee since

July 2006. He operates a Tropical Smoothie store in **Lititz, Pennsylvania.** From January 2007 to present, he has been Vice President of Shaffer Tropics, Inc. in Lancaster, Pennsylvania.

Cody Shaffer

Mr. Shaffer is and has been an owner of Shaffer Area Development, LLC since December 2014. In addition, he has been the manager at the Tropical Smoothie Café in Lititz, Pennsylvania from January 2008 to present.

TEXAS

West Texas AD, LLC – State of Texas

West Texas AD, LLC, an Arkansas limited liability company, formed May 12, 2015, with its principal place of business at 301 Main Street, Suite 6, Little Rock, AR 72201, has been our Area Developer for the counties of Armstrong, Carson, Crosby, Ector, Floyd, Garza, Hale, Hockley, Howard, Jones, Lamb, Lubbock, Lynn, Martin, Midland, Mitchell, Nolan, Potter, Randal, Taylor and Terry in the state of Texas since July 15, 2015. DYNE Hospitality Group is the sole member of West Texas AD, LLC. See Oklahoma for additional information regarding DYNE Hospitality Group, LLC.

UTAH

Cody Sommer – State of Utah

Mr. Sommer has been our Area Developer for the state of Utah area since May 17, 2013. From 2002 to present, Mr. Sommer has been President of Syntech, Inc. in Henderson, Nevada.

VIRGINIA

Venture One, LLC – Portions of Virginia

Venture One, LLC has been our Area Developer for certain portions of Virginia since August 2002. Currently, Venture One, LLC is our Area Developer for the Commonwealth of Virginia excluding the Cities of Virginia Beach, Chesapeake, Portsmouth, Norfolk, Suffolk, Newport News, Poquoson, Hampton, Richmond, Ashland, Tappahannock, Petersburg, Hopewell and Colonial Heights, and further excluding the Counties of James City, York, Hanover, Henrico, Chesterfield, Goochland, Powahatan, Prince George, Charles City, New Kent, Essex, King, William, King and Queen. Venture One, LLC is also our Area Developer for the District of Columbia and the State of Maryland. See District of Columbia and Maryland for additional information regarding this Area Developer.

Gemini and Urvashi Patel – Richmond, Virginia

Gemini Patel

Ms. Patel has been our Area Developer for Richmond, Virginia since September 1, 2003.

Urvashi Patel

Ms. Patel has been our Area Developer for Richmond, Virginia since September 1, 2003.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item for these Area Developers.

ITEM 4
BANKRUPTCY

Ronald T. Holt is an officer, director, and shareholder of a corporation, Landor International Inc., which filed a petition in bankruptcy in the United States Bankruptcy Court for the Eastern District of Virginia, Case No. 14033104 on June 6, 2014. The case involved a dispute with a former shareholder of the corporation. The bankruptcy filing was dismissed on July 2, 2014 after a resolution among the parties. No debt was discharged and no reorganization plan was implemented. Mr. Holt is a principal of Venture One, LLC, which is our Area Developer for the District of Columbia, Maryland and portions of Virginia.

Other than this one matter, no bankruptcy is required to be disclosed in this Item.

EXHIBIT D TO THE DISCLOSURE DOCUMENT

PRE-AUTHORIZED BANK FORM

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tropical SMOOTHIE CAFE

ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION

Franchisee Information:

Franchisee Name | Store No.

Franchisee Mailing Address (street) | Franchisee Phone No.

Franchise Mailing Address (city, state, zip)

Contact Name, Address and Phone number (if different than above)

Franchisee Fax No. | Franchisee E-mail Address

Bank Account Information:

Bank Name | Bank Account No.

Bank Mailing Address (street) | Bank Routing No.
[: [:
(9 characters)

Bank Mailing Address (city, state, zip) | Bank Phone No.

Payee Information: Tropical Smoothie Café, LLC

Authorization: The Franchisee hereby authorizes the Bank to honor and charge the Bank Account for electronic funds transfers or drafts drawn on the Bank Account and payable to the Payees. The amount of such charge shall be set forth in a notice from the Payees presented to the Bank on Wednesday of each week. The Franchisee agrees to execute such additional documents as may be reasonably requested by the Payees or the Bank to evidence the interest of this EFT Authorization. This authority shall remain in full force and effect until the Payees have received written notification from the Franchisee in such time and manner as to afford the Payees and the Bank to act on such notice. The Franchisee understands that the termination of this authorization does not relieve the Franchisee of its obligations to make payments to the Payees.

Signature:_____ Date:_____
Federal Tax ID Number: _____

INDEMNIFICATION OF BANK

In consideration of the Bank's compliance with the foregoing request and authorization, the Payees agree with respect to any action by the Bank in compliance with the foregoing request and authorization to indemnify the Bank and hold the Bank harmless for, from and against any loss the Bank may suffer as a consequence of the Bank's actions from or in connection with the execution and issuance of any electronic fund transfer or draft, whether or not genuine, purporting to be executed by the Payees and received by the Bank in the regular course of business for the purpose of payment, except to the extent such loss caused by the negligence or willful misconduct of the Bank.

tropical SMOOTHIE CAFE

INITIAL FRANCHISE FEE AND GRAND OPENING MARKETING FEE
ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION

Franchisee Information:

Franchisee Name

Franchisee Mailing Address (street) Franchisee Phone No.

Franchise Mailing Address (city, state, zip)

Franchisee Fax No. Franchisee E-mail Address

(1 of 2) Initial Franchise Fee Withdrawal Bank Account Information:

Authorized Amount: $_____ Initial Here: _____

Bank Name Bank Account No.

Bank Mailing Address (street) Bank Routing No. [: [: (9 characters)

Bank Mailing Address (city, state, zip) Bank Phone No.

Authorized Amount: $_____

(2 of 2) Grand Opening Marketing Withdrawal Bank Account Information:

Authorized Amount: $7,500 Initial Here: _____

Bank Name Bank Account No.

Bank Mailing Address (street) Bank Routing No. [: [: (9 characters)

Bank Mailing Address (city, state, zip) Bank Phone No.

Payee Information: Tropical Smoothie Café, LLC

Authorization: The Franchisee hereby authorizes the Bank to honor and charge the Bank Account for electronic funds transfers or drafts drawn on the Bank Account for the Initial Franchise Fee and Grand Opening Marketing Fee payable to the Payees at the time the Franchise Agreement is executed. The amount(s) of such charges are set forth above and as forth in the Franchise Agreement signed contemporaneously with this EFT. The Franchisee agrees to execute such additional documents as may be reasonably requested by the Payees or the Bank to evidence the interest of this EFT Authorization. This authority shall remain in full force and effect until the Payees have received written notification from the Franchisee in such time and manner as to afford the Payees and the Bank to act on such notice. The Franchisee understands that the termination of this authorization does not relieve the Franchisee of its obligations to make payments to the Payees.

Signature:_____ Date:_____
Federal Tax ID Number: _____

INDEMNIFICATION OF BANK: In consideration of the Bank's compliance with the foregoing request and authorization, the Payees agree with respect to any action by the Bank in compliance with the foregoing request and authorization to indemnify the Bank and hold the Bank harmless for, from and against any loss the Bank may suffer as a consequence of the Bank's actions from or in connection with the execution and issuance of any electronic fund transfer or draft, whether or not genuine, purporting to be executed by the Payees and received by the Bank in the regular course of business for the purpose of payment, except to the extent such loss caused by the negligence or willful misconduct of the Bank.

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO EACH BANK ACCOUNT.

EXHIBIT E TO THE DISCLOSURE DOCUMENT

OLO ONLINE ORDERING SERVICES AGREEMENT

AUTHORIZED OPERATOR AGREEMENT (FORM)

This Authorized Operator Agreement (the "Agreement"), effective as of _____ (the "Effective Date"), is made by and between Mobo Systems, Inc., a Delaware corporation with a business address at 26 Broadway, 24th Floor, New York, New York 10004 ("Olo") and _____ a with a business address at _____("Operator").

RECITALS

WHEREAS, Operator is an authorized franchisee of Tropical Smoothie Café, LLC ("Customer");

WHEREAS, Customer has entered into an agreement ("Master Services Agreement") with Olo, whereby Olo shall exclusively provide white label (retailer-branded) digital ordering, payment and loyalty solutions to Customer and shall also provide white label (retailer-branded) digital ordering, payment and loyalty solutions to and its franchisees; and

WHEREAS, Operator desires to use the Licensed Applications made available to Customer pursuant to the Master Services Agreement, and Olo desires to make available such Licensed Applications for use by Operator, all pursuant to the terms and conditions of this Agreement. For purposes of this Agreement, the "Licensed Applications" means the specific web-based and mobile ordering products and services made available to Customer under the Master Services Agreement and correspondingly to Operator under this Agreement ("Licensed Applications").

NOW, THEREFORE, the parties agree as follows:

1. Fees and Expenses; Payment Obligations

Olo's fees for the use of the Licensed Applications are set forth below. Olo shall invoice the Operator for the fees payable under this Agreement once a month for the prior month. Olo will automatically withdraw funds from the Operator through an Electronic Funds Transfer (EFT) transaction from an account designated by Operator within the first five (5) business days of the month for the previous month's fees. Operator acknowledges that it shall be solely responsible to Olo for the fees specified herein, and that Customer shall
have no responsibility or obligation to Olo for such fees.

Monthly Program Fee	*Monthly recurring fee, per active location (includes Account*
	$44 per Store, per month.
Store Transfer Fee	*Applied when new Operator takes over store location.*
	$50 per location
Applicable Taxes	*All Olo fees are subject to applicable sales tax.*

2. License; Intellectual Property Rights a. License.

i Subject to the terms and conditions of the Agreement, Olo hereby grants to Operator, during the Term (as defined herein), a non-exclusive, non-sub licensable, non- transferable license to access and use for itself and its customers the Licensed Applications in the United States. Operator shall not (i) assign this Agreement to any third party (it being understood that any such assignment shall be void ab initio); and (ii) transfer or sell the Licensed Applications (it being understood that Operator may permit its customers to access the Licensed Applications solely for the expressed purpose of this Agreement). A breach of the obligations set forth in this Section 2 by Operator shall constitute a material breach of this Agreement by Operator. Updates to the Licensed Applications shall be made in the sole discretion of Customer, as negotiated with Olo.

ii. Olo hereby grants to Operator a limited, non-exclusive license to use Olo promotional materials and Olo trademarks and logos for the marketing and promotional purposes in connection with the Licensed Applications, including as directed by Customer. Operator shall not be permitted to alter or modify any Olo trademarks or logos. All other use of Olo trademarks and logos shall be subject to the prior approval of Olo. Operator shall not use any Olo promotional materials or Olo trademarks or logos in any way that suggests or implies that Olo endorses Operator's or Customer's products or services. All use of Olo trademarks and logos, and all goodwill derived from such use, shall inure to Olo.

iii. During the Term (as defined herein), the Licensed Applications will be operational and available to Operator and its customers in the manner contemplated by this Agreement.

b. Intellectual Property Rights.

i. As between Operator and Olo, Operator hereby acknowledges and agrees that Olo owns all right, title and interest, including all copyrights and other intellectual property and proprietary rights, in and to the Licensed Applications, all custom developed documents, designs, computer programs, computer systems, computer documentation and other work product authored or prepared by Olo upon the request of Customer pursuant to the Master Services Agreement.

ii. Nothing herein shall alter any agreement between Customer and Operator concerning the ownership or use of Customer intellectual property other than the Licensed Applications, including without limitation Customer trademarks or logos.

3. Confidential Information

The parties acknowledge and agree that in the course of fulfilling their obligations hereunder, each party may have access to information of material of the other party that is commercially valuable to both companies and not generally known in the industry (as further described below, "Confidential Information"). During and after the term of this Agreement, each party agrees not to: (a) disclose Confidential Information of the other party to any person other than its employees, agents or independent contractors who have a need to know the same in connection with performance of this Agreement, and who are under obligations of confidentiality substantially similar to this Section 5; or (b) use the Confidential Information of the other party for any purpose other than performing its obligations under this Agreement. Confidential Information includes, but is not limited to: (i) any and all versions of proprietary computer software and any documentation related thereto; (ii) technical information concerning products and services, including product data and specifications including, but not limited to, the integration specifications, know-how, formulae, diagrams, flow charts, drawings, hardware configuration information, source code, object code, test results, processes, inventions, research projects and product development; (iii) any and all version of any designs, patents, trademarks, or copyrightable works, discoveries, formulae, processes, manufacturing

techniques, trade secrets, inventions, improvements, ideas, business plans; (iv) information concerning each party's business plans or strategies, pricing or menu information, and markets and marketing methods; (v) information submitted by each party's customers, suppliers, employees, or business partners for study, evaluation or use; or (vi) any other information not generally known to the public or by actual or potential competitors of either party.

Each party agrees to treat the other party's Confidential Information in the same manner as it treats its own Confidential Information, to take reasonable security precautions to safeguards the other party's Confidential Information from theft or from access by unauthorized persons, to note use the other party's Confidential Information in any way detrimental to such party, and to not, directly or indirectly, disclose or divulge the other party's Confidential Information to any third party without the prior written consent of the other party.

The receiving party shall have no obligation with respect to Confidential Information of the other party that: (i) is or becomes publicly known through no wrongful act, fault or negligence of the receiving party; (ii) was disclosed to the receiving party by a third party who was free of obligations of confidentiality to the party providing the information; (iii) is approved for release by prior written authorization of the other party; or (iv) is publicly disclosed pursuant to a subpoena, court order, requirement or request of a governmental agency, or where such disclosure is required by operation of law.

In no event may this Agreement be reproduced or copies shown to any third parties without the prior written consent of the other party, except as may be necessary by reason of legal, accounting, tax or regulatory requirements, in which event Olo and Customer agree to exercise reasonable diligence in limiting such disclosure to the minimum necessary under the particular circumstances. The parties further agree that where this Agreement or their respective contents have to be disclosed to any regulatory or statutory body, then the parties shall use their commercially reasonable efforts to seek undertakings from such regulatory or statutory body to prevent the disclosure of this Agreement or their respective contents into the public domain.

In addition, each party shall give notice to the other party of any demands to disclose or provide Confidential Information received from any third party under lawful process prior to disclosing or furnishing Confidential Information, and shall cooperate in seeking reasonable protective arrangements requested by the other party. Either party may disclose or provide Confidential Information of the other party requested by a government agency having jurisdiction over the party; provided that the party uses its commercially reasonable efforts to obtain protective arrangements satisfactory to the party owning the Confidential Information. The party owning the Confidential Information may not unreasonably withhold approval of protective arrangements.

The receiving party shall notify the disclosing party immediately upon becoming aware of any actual or suspected breach of the security of disclosing party's Confidential Information. A breach of security refers to any known or suspected breach or default in the confidentiality, integrity, accuracy, security or privacy of disclosing party's Confidential Information.

If a party uses or discloses or attempts to use or disclose any of the Confidential Information in contravention of this Agreement, then in addition to other available remedies, the party who owns the Confidential Information shall have the right to injunctive relief enjoining any such use, disclosure or attempt to use or disclose, it being acknowledged that legal remedies are inadequate.

4. User Data

For purposes of this Agreement, "Application Data" means all data transmitted through, or collected by, the Licensed Applications, including, without limitation all personally identifiable information ("End User" data), and all data and information concerning End Users utilizing the Licensed

Applications. Operator acknowledges and agrees that all Application Data is confidential information and intellectual property of Customer, and Operator's access and use of Application Data is prohibited and/or restricted pursuant to agreements between Customer and Operator. Operator further acknowledges and agrees that Olo will not provide Application to Operator without the prior written consent of Customer.

5. Representations and Warranties

Each party represents and warrants that it has the legal power and authority to enter into this Agreement. Olo represents and warrants that it will provide the Licensed Applications in accordance with this Agreement and in a manner consistent with general industry standards reasonably applicable to the provision thereof.

OLO MAKES NO REPRESENTATION OR WARRANTY OTHER THAN THOSE SET FORTH IN THIS AGREEMENT. THE WARRANTIES STATED IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS EXPRESSED OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. Indemnification

a. By Olo. Olo shall indemnify, defend and hold Operator and its subsidiaries and affiliates, and each of their respective past or present officers, directors, agents, servants, employees, stockholders, predecessors, successors or assigns, and all persons acting by, through, and under, or in concert with them, harmless against all third party claims, actions, suits, proceedings, investigations, losses, damages, claims, liabilities, penalties, fines, costs and expenses (including, without limitation, court costs and reasonable attorneys' fees and expenses) arising or resulting from (i) Olo's breach of this Agreement, negligent acts or omissions, or willful misconduct in performing under this Agreement; (ii) claims that Olo intellectual property ("Olo IP"), including, without limitation, the Licensed Applications and use thereof as contemplated by this Agreement, infringe any patent, trademark, copyright, trade secret, mask work, or other proprietary right of a third party; and (ii) Olo violation of any federal or state law, rule or regulation in connection with the operation of or interaction with the Licensed Applications. Olo is responsible under this section for the actions of its employees, Operators, agents, subcontractors. Olo's obligations are subject to the following: (A) Operator shall notify Olo promptly in writing of the claim in question; provided, however, the failure to notify shall not eliminate Olo's obligations under this Section 5(c) unless such failure materially prejudices Olo; (B) Olo shall have sole control of the defense and all related settlement negotiations; provided that Olo promptly proceeds with such defense and maintains such defense with reasonable diligence; and (C) Operator provides Olo with all commercially reasonable assistance, information and authority to perform the above at Olo's expense. In the event that Operator's use of any of the Olo IP is enjoined by a court of competent authority, Olo shall, at its sole option and at its expense, either (I) procure for Operator the right to continue using of the Olo IP, or (II) modify the Olo IP to avoid infringement without material impairment of their functionality.

b. By Operator. Operator shall indemnify, defend and hold Olo and each of its subsidiaries and affiliates, and each of their respective past or present officers, directors, agents, servants, employees, stockholders, predecessors, successors or assigns, and all persons acting by, through, and under, or in concert with them, harmless against all third party claims, actions, suits, proceedings, investigations, losses, damages, claims, liabilities, penalties, fines costs and expenses (including, without limitation, court costs and unreasonable attorney's fees and expenses) arising or resulting from Operator's breach of this Agreement, negligent acts or omissions, or willful misconduct in performing under this Agreement. Operator is responsible under this section for the actions of its employees, customers, agents, and subcontractors. Operator's obligations are subject to the

following: (i) Olo shall notify Operator promptly in writing of the claim in question, provided, however, the failure to notify shall not eliminate Operator's obligations under this Section 6(b) unless such failure materially prejudices Operator; (b) Operator shall have sole control of the defense and all related settlement negotiations; provided that Operator promptly proceeds with such defense and maintains such defense with reasonable diligence; and (c) Olo provides Operator with all commercially reasonable assistance, information and authority to perform the above at Operator's expense.

7. Limitation of Liability

EXCEPT FOR IT'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 6 HEREIN, (A) IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOST PROFITS OR CONSEQUENTIAL, INDIRECT, PUNITIVE, EXEMPLARY, SPECIAL, OR INCIDENTAL DAMAGES ARISING FROM OR RELATING TO THIS AGREEMENT, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, EVEN IF ONE OR BOTH PARTIES KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES; AND (B) EACH PARTY'S TOTAL CUMULATIVE LIABILITY ARISING FROM OR RELATING TO THIS AGREEMENT WILL NOT EXCEED THE AMOUNT OF FEES PAID BY OPERATOR UNDER THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THE TERMS OF THIS SECTION 6 REFLECT THE ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT AND THAT THE PARTIES WOULD NOT HAVE ENTERED INTO THIS AGREEMENT WITHOUT THESE LIMITATIONS OF LIABILITY.

8. Term and Termination

a. Term – Generally. This Agreement shall remain in force for three (3) years from the Customer "go-live" date (when the Licensed Applications are live to end users (the "Initial Term")). At the end of the Initial Term, this Agreement may be renewed upon mutual agreement of the parties for periods to be agreed upon (each a "Renewal Term" and collectively with the Initial Term, the "Term"). This Agreement may terminate earlier as provided in this Section 7 or as the parties may otherwise agree in writing.

b. Termination of the Master Services Agreement. This Agreement shall automatically terminate if and when the Master Services Agreement is terminated between Olo and Customer.

c. Termination of Franchise Agreement/Elimination of Location. This Agreement shall automatically terminate as to a franchised location if and when (i) the franchise agreement between Customer and Operator is terminated, in which case this Agreement shall terminate as to all Customer franchised locations of Operator, or (ii) Operator no longer owns and operates the franchised location, in which case, this Agreement shall only terminate as to such franchised location.

d. Termination for Cause; Reasonable Opportunity to Cure Breach. If a party breaches any material provision of this Agreement, the non-breaching party may terminate this Agreement by giving 30 days' notice to the other party, except that such a termination shall not take effect if the breaching party cures the breach before the end of such 30-day period.

9. Miscellaneous

a. Notices. All notices and other communications sent under this Agreement will be in writing and (i) hand delivered; (ii) delivered by prepaid overnight courier; or (iii) transmitted via email. Communications will be sent to the persons at the addresses set forth on the signature page hereof or such other persons/addresses as the parties subsequently may specify in writing.

b. Governing Law. This Agreement will be governed by the laws of New York, without regard to conflict of laws principles.

c. Assignment. This Agreement will bind and inure to the benefit of the parties and their respective permitted successors and assigns. Except as specified herein, neither party may assign its rights or delegate its duties under this Agreement (whether directly or indirectly, by operation of law or otherwise) without the prior written consent of the other, which consent will not be unreasonably withheld or delayed. In the event of a merger, acquisition or sale of substantially all of the assets or business of Olo (or any substantially similar transaction), Olo will be entitled, without notice, to assign this agreement (including, without limitation all rights hereunder, including the rights to use the Licensed Applications) to a successor or otherwise in connection with such transaction, so long as the assignee accepts the obligations hereunder in writing. Any purported assignment of rights or obligations, except as expressly permitted herein, will be null and void.

d. Severability. The provisions of this Agreement are severable, and the unenforceability of any such provision of this Agreement will not affect the enforceability of the remainder of this Agreement. The parties acknowledge that it is their intention that if any provision of this Agreement is determined by a court to be unenforceable as drafted, that provision should be construed in a manner designed to effectuate the parties' purpose in agreeing to that provision to the greatest extent possible under applicable law.

e. Relationship of Parties. The parties acknowledge that Olo is an independent contractor of Operator, and Olo's employees are not employees of Operator. Nothing in this Agreement or any exhibit will be construed as creating a partnership, joint venture, agency or fiduciary relationship between the parties, or as authorizing either party to act as agent for the other or to enter into contracts on behalf of the other.

f. Amendment/Modification. This Agreement may be modified or amended only by a separate writing signed by Olo and Operator expressly so modifying or amending this Agreement.

g. Force Majeure. Neither party will be deemed to be in default of or to have breached any provision of this Agreement as a result of any delay, failure in performance or interruption of service, resulting directly or indirectly from acts of God, acts of civil or military authorities, civil disturbances, wars, strikes or other labor disputes, fires, transportation contingencies, interruptions in telecommunications or Internet services or network provider services, failure of equipment and/or software, other catastrophes, and other causes beyond its reasonable control.

h. Waiver. A waiver by either party of any term or condition of this Agreement in one or more instances will not constitute a permanent waiver of the term or condition or any other term or condition of this Agreement or a general waiver.

i. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any prior oral or written agreements between the parties concerning the subject matter hereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers.

MOBO SYSTEMS, INC.

By: _____

Name: Noah Glass

Title: Founder & CEO

Date: Jun 25, 2015

Mailing Address for Notices:
26 Broadway
24th Floor
New York, New York 10004

Email Address for Notices:
noah@olo.com

_____

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

Mailing Address for Notices:

Email Address for Notices

EXHIBIT F TO THE DISCLOSURE DOCUMENT

ADDENDUM TO LEASE AGREEMENT/ CONDITIONAL ASSIGNMENT OF LEASE

ADDENDUM TO LEASE AGREEMENT/ CONDITIONAL ASSIGNMENT OF LEASE

Landlord/Lessor:_____
Notice
Address:_____

_____

Tenant/Lessee:_____
Notice
Address:_____

_____

Franchisor: Tropical Smoothie Café, LLC

Notice Address: 1117 Perimeter Center West, Suite W200
Atlanta, Georgia 30338

Date: Effective as of the Date of the Lease Between Landlord and Tenant (the "**Lease**")

Leased Premises/Location of Leased Site: (Center Name/Address):

_____

_____

Landlord, Franchisor, and Tenant agree to this addendum ("**Addendum**") as follows:

1. Tenant is a TROPICAL SMOOTHIE CAFÉ® franchisee. The Leased Premises shall be used solely for the operation of a smoothie beverage/sandwiches/gourmet wraps/salads/soups/coffee drinks restaurant, offering for sale a wide range of smoothie drinks and other products, at retail, and related products or services approved by the Franchisor under the trade name **TROPICAL SMOOTHIE®, TROPICAL SMOOTHIE CAFÉ®,** or any name authorized by the Franchisor, pursuant to Tenant's franchise agreement (the "**Franchise Agreement**") with Franchisor. The Landlord acknowledges that such use shall not violate any existing exclusives granted to any other existing tenant of the Landlord.

2. Landlord shall provide to Franchisor, at Franchisor's then current Notice Address, copies of any written Notice of Default ("**Default**") given to Tenant under the Lease, concurrently with giving such notices to Tenant. Landlord grants to Franchisor, at Franchisor's option, the right (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within 15 days after the expiration of the period in which Tenant may cure the Default.

3. In the event of a Default of the Lease by Tenant, a default of the Franchise Agreement by Tenant, a default by Tenant under any loan agreement or any related loan documents with Franchisor or its affiliate, or expiration or termination of the Franchise Agreement, and upon written notice to Landlord by Franchisor to accept written assignment of the Lease to Franchisor as replacement tenant ("**Agreement Notice**"), Franchisor (or its designee acceptable to Landlord) shall become Tenant of the Leased Premises and shall become liable for all obligations under the Lease arising after the date of the Assignment Notice.

4. No amendment or variation of the terms of this Addendum shall be valid unless made in writing and signed by the parties.

5. All notices given pursuant to this Addendum must be sent by registered or certified mail, postage prepaid, to the party's address set forth above. Any party may change its address for receiving notices by giving the other parties written notice of the new address.

Landlord/Lessor	**Tenant/Lessee/Franchisee**
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

TROPICAL SMOOTHIE CAFÉ, LLC / FRANCHISOR

By: _____

Name: _____

Its: _____

EXHIBIT G TO THE DISCLOSURE DOCUMENT

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EXHIBIT H TO THE DISCLOSURE DOCUMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This **NONDISCLOSURE AND NONCOMPETITION AGREEMENT** (the "**Agreement**") is made and entered into this ____ day of _____, 20____, by and between _____, residing at _____, who presently is a manager or assistant manager of a Tropical Smoothie Café® restaurant, or a director, manager or officer of a Tropical Smoothie Café® franchisee (the "**Employee**") and _____, a _____, and its successors and assigns (the "**Employer**").

RECITALS:

A. Employer is a company engaged in the business of owning and operating a Tropical Smoothie Café® franchise under a license granted by Tropical Smoothie Café, LLC (the "**Franchisor**").

B. Employer is desirous of protecting its rights and interests in and to the Tropical Smoothie Café® franchise that Franchisor has granted to Employer, including operating systems, sales and marketing programs and ideas, and all information and documents relating thereto.

C. Employee is being retained by Employer to provide services as the _____ for Employer.

D. Employer will provide substantial opportunities to the Employee in the conduct of Employee's position including, but not limited to, present and future earnings, access to potential and existing customers and clients, and Employer's and Franchisor's confidential and proprietary information. Employee further acknowledges that Employer would not employ or continue to employ Employee without Employee's agreeing to be bound by the restrictions contained in this Agreement.

AGREEMENTS:

NOW, THEREFORE, in consideration of the premises, which Employee agrees is good and valuable consideration, the receipt of which hereby is acknowledged, Employee represents and warrants to Employer and covenants and agrees with Employer as follows:

1. Recitals. The statements made in the Recitals above are true and accurate and are incorporated herein.

2. Specialized Knowledge and Training. Employee acknowledges and agrees that:

(a) the knowledge and experience that Employee will acquire while associated with and/or employed by Employer is of a special, unique, and extraordinary character and that Employee's position with Employer places Employee in a position of a confidence and trust with the customers, clients, sales agents, contacts, account executives, investors, accounts, associates and employees of Employer and allow Employee access to Confidential Information (as that term

is defined in *Section* 6 below), which access Employee would not have but for Employee's relationship with Employer; and

(b) Employer will make substantial investments of time and capital in the development of Employee's goodwill, education and expertise, from which Employee will receive a substantial and direct economic benefit.

3. Operating System and Trademarks. Employee acknowledges and agrees that:

(a) Franchisor is the creator and owner of the trade secrets, products, concept, style, confidential information, format and operating system (collectively, the "**Operating System**") and the logotypes, service marks and trademarks now or hereafter involved in the operation of a Tropical Smoothie Café® Store using the style, trademark, service mark, and trade name TROPICAL SMOOTHIE CAFÉ® (collectively, the "**Trademarks**"), and the good will associated therewith, and has granted to Employer the right and license to operate a Tropical Smoothie Café® store using the Operating System and the Trademarks subject to the continuing control by Franchisor of the dissemination and use of the Operating System and the Trademarks;

(b) Employee has obtained or will obtain knowledge of the Operating System in connection with its association with or employment by either Franchisor and/or Employer, which knowledge obtained or to be obtained by Employee was unknown to it prior to said employment and/or the execution of this Agreement, and which knowledge is a prerequisite for Employee's employment; and

(c) Because the protection of the Operating System and the Trademarks is vital to the continued success of Franchisor and franchisees of Franchisor, Franchisor is unwilling to permit Employer to disclose to Employee the Operating System except upon the terms set forth in this Agreement, including the requirements of confidentiality, nondisclosure and noncompetition as set forth in this Agreement.

4. Ownership of Operating System and Trademarks. Employee acknowledges and agrees that Franchisor is the sole and exclusive owner of all right, title and interest in and to the Operating System and the Trademarks, and that the Operating System and the Trademarks shall be used by Employee only in accordance with the terms hereof. Employee shall acquire no right, title or interest in or to the Operating System and/or the Trademarks. Employee shall not, directly or indirectly, at any time during or after the term of Employee's employment by or association with Employer's Tropical Smoothie Café® Store, do or cause to be done any act or thing disputing, attacking, or in any way impairing or intending to impair Franchisor's right, title, or interest in or to the Operating System or the Trademarks. Employee shall immediately notify Employer of all infringements of the Operating System or the Trademarks by others that come to Employee's attention and of all challenges to or limitations on Franchisor's use of the Operating System or any of the Trademarks.

5. Nondisclosure of Confidential Information. The parties hereto acknowledge that during the period in which the Employee is employed by or associated with Employer (the

"**Employment Period**"), the Employee shall use, receive, conceive or develop Confidential Information (as that term is defined in *Section* 6 below). Employee covenants and agrees that during the Employment Period and at all times thereafter, Employee shall not, except with the prior written consent of Employer or Franchisor, which consent shall be granted or denied at the Employer's or Franchisor's sole and absolute discretion, or except if acting solely for the benefit of Employer in connection with Employer's business and in accordance with the Employer's business practices and policies, at any time disclose, divulge, report, transfer or use, for any purposes whatsoever, any of such Confidential Information which has been used, received, conceived or developed by Employee. Employee also recognizes that such Confidential Information represents a valuable asset of the Employer and Franchisor and is required to ensure the effective and successful conduct of their respective businesses.

6. Confidential Information. For purposes of this Agreement, the term "**Confidential Information**" shall mean all of the following materials and information that Employee uses, receives, conceives or develops or has used, received, conceived or developed, in whole or in part, in connection with Employee's employment by or association with Employer:

(a) The Operating System and Trademarks;

(b) The contents of any manuals or other written materials of Franchisor, Employer, or any of Franchisor's subsidiaries or affiliates;

(c) The names and information relating to customers and prospective customers of Employer, or other persons, firms, corporations or other entities with whom the Employee has contact with on behalf of Employer or to whom any other employee of Employer has provided goods or services at any time;

(d) The terms of various agreements between Employer and any third parties, including without limitation, the terms of customer agreements, vendor or supplier agreements, lease agreements, advertising agreements and the like;

(e) Any data or database, or other information compiled by Employer, including, but not limited to, customer lists, customer information, information concerning Employer, or any business in which Employer is engaged or contemplates becoming engaged, any company that Employer engages in business, any customer, prospective customer or other person, firm or corporation to whom or which Employer has provided goods or services or to whom or which any employee of Employer has provided goods or services on behalf of Employer, or any compilation, analysis, evaluation or report concerning or deriving from any data or database, or any other information;

(f) All policies, procedures, strategies and techniques regarding the services performed by Franchisor, training, marketing and sales of Franchisor, specifically including but not limited to the Operating System and Trademarks, either oral or written, and assorted lists containing information pertaining to customers and prospective customers; and

(g) Any other information, data, know-how or knowledge of a confidential or proprietary nature observed, used, received, conceived or developed by Employee in connection with Employee's employment by Employer.

7. Use and Return of Confidential Information.

(a) The Employee agrees that under no circumstance and at no time shall any of the Confidential Information be taken from Employer's premises and that under no circumstances and at no time shall any of the Confidential Information be duplicated, in whole or in part, without the express written permission of Employer, which permission may be granted or denied in its sole and absolute discretion.

(b) The Employee agrees that, upon termination of employment with Employer, Employee shall return to Employer all such Confidential Information, which is in Employee's possession regardless of the form in which any such materials are kept.

(c) The Employee covenants and agrees that all right, title and interest in any Confidential Information shall be and shall remain the exclusive property of Employer and/or Franchisor. Employee agrees to promptly disclose to Employer all Confidential Information developed in whole or in part by Employee within the scope of this Agreement and to assign to Employer and/or Franchisor any right, title or interest Employee may have in such Confidential Information. Employee agrees to turn over to the Employer all physical manifestations of the Confidential Information in Employee's possession or under Employee's control at the request of Employer.

8. In-Term Non-Solicitation and Non-Competition. In order to protect the goodwill of the Operating System and Trademarks, during the term of Employee's employment by or association with Employer, Employee shall not, directly or indirectly:

(a) Directly or indirectly divert, or attempt to divert, any business opportunity or customer of Employer, Franchisor or any Tropical Smoothie Café® Store to any competitor, or do or perform, directly or indirectly, any act injurious or prejudicial to the goodwill associated with the Operating System and the Trademarks;

(b) Unless prohibited under applicable law, employ or seek to employ any person who is at that time employed by Employer, Franchisor, or any Tropical Smoothie Café® franchisee or area developer, or otherwise directly or indirectly induce such person to leave the employ of said party;

(c) Develop, own, manage, operate, be employed by or have any interest in any business or facility (other than a licensed Tropical Smoothie Café® Store), which is the same as or substantially similar to a Tropical Smoothie Café® Store (including, without limitation, any restaurant or food service facility owning, operating or managing, or granting franchises or licenses to others to do so, any business that features smoothies as a primary menu item and/or where fifty

percent (50%) or more of the menu items consist of the same or similar items as those typically offered by a Tropical Smoothie Café® Store), wherever located.

9. Post-Term Non-Solicitation and Non-Competition. In order to protect the goodwill of the Operating System and Trademarks, for a period of two (2) years following the termination of Employer's employment by or association with Employer, for any reason, Employee shall not, directly or indirectly:

(a) Directly or indirectly divert, or attempt to divert, any business opportunity or customer of Employer, Franchisor or any Tropical Smoothie Café® Store to any competitor, or do or perform, directly or indirectly, any act injurious or prejudicial to the goodwill associated with the Operating System and the Trademarks;

(b) Unless prohibited under applicable law, employ or seek to employ any person who is at that time employed by Employer, Franchisor, or any Tropical Smoothie Café® franchisee or area developer, or otherwise directly or indirectly induce such person to leave the employ of said party;

(c) Develop, own, manage, operate, be employed by or have any interest in any business or facility (other than a licensed Tropical Smoothie Café® Store) which is the same as or substantially similar to a Tropical Smoothie Café® Store (including, without limitation, any restaurant or food service facility owning, operating or managing, or granting franchises or licenses to others to do so, any business that features smoothies as a primary menu item and/or where fifty percent (50%) or more of the menu items consist of the same or similar items as those typically offered by a Tropical Smoothie Café® Store), and which is located within a radius of five (5) miles of the Employer's Tropical Smoothie Café® Store or any other Tropical Smoothie Café® Store (whether company-owned or franchised).

At no time during or after the term of Employee's employment by or association with Employer shall Employee use or duplicate the Operating System or the Trademarks, except pursuant to a valid license from Franchisor. Employee expressly agrees that the restrictive covenants contained in *Sections* 8 and 9: (i) are reasonable as to time and geographical area; (ii) do not place an unreasonable burden on Employee; and (iii) are supported by adequate consideration to Employee.

10. At-Will Employment. The mere entering into this Agreement by Employee shall not operate so as to require Employer to continue to employ Employee, and Employee hereby represents and warrants to Employer that Employee has not received any promises or guarantees, implied or express, of such continued employment by or association with Employer. Employee agrees that this Agreement shall be applicable to Employee regardless of whether the termination of its employment by or association with Employer occurs at the instance of Employee or Employer and, if at the instance of Employer, regardless of whether the termination was for cause. Employee further agrees that Employee's breach of this Agreement shall be grounds for the termination of Employee's employment.

11. Enforcement and Remedies. Employee agrees that a breach or default of the terms of this Agreement will cause irreparable harm to Employer and/or Franchisor and, therefore, in the event of any such breach or default, Employer and/or Franchisor shall be entitled to injunctive relief, specific performance, or other equitable relief. Employer and/or Franchisor shall be entitled to a restraining order or injunction without bond and without specific proof of irreparable harm and without specific proof of an inadequate remedy at law. Any specific right or remedy set forth in this Agreement shall not be exclusive, but shall be cumulative to other remedies available to Employer and/or Franchisor under this Agreement or at law or in equity, including injunctive relief, specific performance and recovery of money damages. The failure of Employer and/or Franchisor to enforce any of the provisions of this Agreement shall not constitute a waiver thereof or otherwise operate to limit any of Employer's and/or Franchisor's rights hereunder. The existence of any claim, defense or cause of action that Employee may have against Employer and/or Franchisor, regardless of cause or origin, shall not constitute a defense against the enforcement of this Agreement by Employer and/or Franchisor against Employee.

12. Toll Period. In the event Employee shall violate any provision of this Agreement as to which there is a specific time period during which Employee is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then, such violation shall toll the running of such time period from the date of such violation until such violation shall cease.

13. Successors and Assigns. This Agreement shall be binding upon Employee and his or her heirs, personal representatives, successors and assigns, and shall inure to the benefit of Employer and Franchisor (Franchisor being an intended third-party beneficiary hereof, with independent rights to enforce this Agreement) and their respective heirs, personal representatives, successors and assigns. Employee expressly agrees that this Agreement shall be assignable by Employer to a successor to the business of Employer and Employee hereby expressly consents to such assignment. Franchisor's rights under this Agreement are fully assignable and transferable and shall inure to the benefit of Franchisor's affiliates, successors and assigns.

14. Miscellaneous:

(a) Time is of the essence of this Agreement and of every term, covenant and condition hereof.

(b) The headings in this Agreement are for convenience only and are not to be construed as a part of this Agreement or in any way defining, limiting or amplifying the provisions hereof.

(c) If Employer or Franchisor retains an attorney or institutes a suit against Employee in any way connected with this Agreement or its enforcement, or to utilize remedies for its breach, they (if prevailing) shall be entitled to recover from Employee reasonable attorneys' fees (not to exceed actual attorneys' fees incurred) and all costs in connection with said enforcement or suit, whether or not suit is filed or, if filed, is prosecuted to judgment.

(d) This Agreement shall be governed by, construed and enforced under the laws of the State of _____ whose courts shall have jurisdiction over any legal proceedings arising out of this Agreement, and _____ County, _____ shall be the place of venue for any such action or proceedings. [*Insert State and County where Employer's Franchised Business is located]*

(e) The invalidity or unenforceability of any covenant, term or condition of this Agreement, or any portion of any covenant, term or condition of this Agreement, shall not affect any other covenant, term or condition or portion thereof and this Agreement shall remain in effect as if such invalid or unenforceable covenant, term or condition (or portion thereof) were not contained herein; provided that the invalidity of any such provision does not materially and adversely affect the expected benefits accruing to any party hereunder.

(f) This Agreement contains the entire agreement between the parties and supersedes all prior and contemporaneous understandings, representations, warranties, and agreements. This Agreement shall not be amended or modified, except in writing signed by all parties hereto.

15. **WAIVER OF JURY TRIAL. EMPLOYEE HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES THE RIGHT EMPLOYEE MAY HAVE TO A TRIAL BY JURY OF, UNDER, OR IN CONNECTION WITH EMPLOYEE'S EMPLOYMENT WITH EMPLOYER, THIS AGREEMENT, OR ANY AGREEMENT OR DOCUMENT EXECUTED IN CONJUNCTION HEREWITH OR ANY COURSE OF CONDUCT, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY RELATING HERETO OR THERETO.**

16. Acknowledgment. Employee acknowledges that Employee understands the terms and conditions set forth in this Agreement and has had adequate time to consider whether to agree to them and to consult a lawyer, if Employee wished to do so.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

EMPLOYER:	**EMPLOYEE:**
_____	_____
By: _____	_____
	[Print Name]
_____	
[Print Name and Title]	

EXHIBIT I TO THE DISCLOSURE DOCUMENT

OWNERS' GUARANTY

OWNERS' GUARANTY

This Owners' Guaranty (the "**Guaranty**") is given this _____ day of 20__, by the undersigned in connection with the execution of the Franchise Agreement dated _____, 20__ (the "**Franchise Agreement**") between TROPICAL SMOOTHIE CAFE, LLC ("**Franchisor**") and _____ ("**Franchisee**").

In consideration of, and as an inducement to, Franchisor's execution of the Franchise Agreement, each of the undersigned and any other parties who sign counterparts of this Guaranty (individually, a "**Guarantor**" and collectively, the "**Guarantors**") hereby personally and unconditionally guarantee to Franchisor and its successors and assigns, that Franchisee will punctually perform all of its obligations and pay all amounts due under the Franchise Agreement (including, without limitation, amounts due for initial franchise fees, royalties, advertising fund contributions, and purchases of equipment, materials, and supplies) or otherwise owing by Franchisee to Franchisor or its affiliates.

Each Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty and the undertakings of Franchisee in the Franchise Agreement are in partial consideration for, and a condition to, Franchisor's willingness to enter into the Franchise Agreement, and that Franchisor would not have entered into the Franchise Agreement without the execution of this Guaranty and such undertakings by each Guarantor.

Each Guarantor waives:

(i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; and

(ii) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; and

(iii) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; and

(iv) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and

(v) all rights to payments and claims for reimbursement or subrogation which he or she may have against Franchisee arising as a result of his or her execution of and performance under this Guaranty (including by way of counterparts); and

(vi) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each Guarantor consents and agrees that:

(i) his or her direct and immediate liability under this Guaranty will be joint and several not only with Franchisee, but also among the Guarantors; and

(ii) he or she will render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so; and

(iii) such liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and

(iv) such liability will not be diminished, relieved or otherwise affected by any subsequent rider or amendment to the Franchise Agreement or by any extension of time, credit or other indulgence that Franchisor may from time to time grant to Franchisee or to any other person, including, without

limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable throughout the term of the Franchise Agreement and for so long thereafter as there are any monies or obligations owing by Franchisee to Franchisor or its affiliate under the terms of the Franchise Agreement; and

(v) Franchisee's written acknowledgment, accepted in writing by Franchisor, or the judgment of any court or arbitration panel of competent jurisdiction establishing the amount due from Franchisee will be conclusive and binding on the undersigned as Guarantors.

Each Guarantor individually, jointly and severally, also makes all of the covenants, representations, warranties and agreements Franchisee set forth in the Franchise Agreement and is obligated to perform thereunder, including, without limitation, under Sections 1, 9, 13, 15, 16, 17, 18 and 20 (which include, among other things, the MEDIATION OF DISPUTES and WAIVERS OF JURY TRIAL RIGHTS AND PUNITIVE DAMAGES).

If Franchisor is required to enforce this Guaranty in an administrative, judicial or arbitration proceeding, and prevails in such proceeding, Franchisor will be entitled to reimbursement of its costs and expenses, including, but not limited to, legal and accounting fees and costs, administrative, arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of an administrative, judicial or arbitration proceeding and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the Guarantors will reimburse Franchisor for any of the above-listed costs and expenses incurred by it.

IN WITNESS WHEREOF, each Guarantor now signs and delivers this Guaranty effective as of the date of the Franchise Agreement, regardless of the actual date of signature.

GUARANTORS

_____

Name: _____

_____

Name: _____

_____

Name: _____

_____

Name: _____

EXHIBIT J TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA AND RIDERS

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF CALIFORNIA

The following paragraphs are added to the disclosure document:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

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

Item 3 is amended by adding the following:

Neither the franchisor, any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

Item 5 is amended by adding the following:

The State of California has imposed a deferral condition on us; therefore, no fees are payable by you to us until all of our pre-opening obligations are completed and your business has opened.

Item 10 of the disclosure document is amended to read:

BIP Franchise Finance, LLC is not currently offering financing in California. It will comply with California law prior to offering any financing in California.

The following paragraphs are added at the end of Item 17 of the disclosure document pursuant to regulations promulgated under the California Franchise Investment Law:

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

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

Post-Termination Noncompetition **Covenants**. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the respective agreement. These provisions may not be enforceable under California law.

Applicable Law. The Franchise Agreement requires application of the laws of the State of Georgia with certain exceptions. These provisions may not be enforceable under California law.

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

Mediation. The franchise agreement requires mediation. The mediation will occur at or near our headquarters with the costs being borne by the prevailing party. 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 Procedures Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§310000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).
The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act.

CALIFORNIA RIDER TO THE
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20_____ (the "**Agreement**"), between __**TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee**. The payment of the initial franchise fee is deferred until all of our pre-opening obligations to you are completed and your business has opened.

3. **Effective Date**. This Rider is effective on the Agreement Date regardless of the actual date of signature.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below.

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF HAWAII

THIS ADDENDUM (the "**Addendum**") amends the Franchise Disclosure Document of **TROPICAL SMOOTHIE CAFÉ, LLC** for its **Tropical Smoothie Café®** Franchise.

The following is added to Items 5 and 21 of the Franchise Disclosure Document:

> The State of Hawaii has imposed a deferral condition on us; therefore, no fees are payable by you to us until all of our pre-opening obligations are completed and your business has opened.

HAWAII RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20_____ (the "**Agreement**"), between __**TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee**. The payment of the initial franchise fee is deferred until all of our pre-opening obligations to you are completed and your business has opened.

3. **Effective Date**. This Rider is effective on the Agreement Date regardless of the actual date of signature.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF ILLINOIS

The following is added to Item 5:

The payment to us of all initial fees is placed in escrow with U.S. Bank until we have provided all of our pre-opening obligations to you and your TROPICAL SMOOTHIE® Store is open for business. The initial franchise fee is made payable to U.S. Bank N.A. as escrowee. The escrow requirement has been imposed by the Illinois Attorney General's Office based on our financial condition. See a copy of the escrow agreement attached to this Addendum as Exhibit "A."

The following is added to Item 17:

The conditions under which you can be terminated and your rights on non-renewal may be affected by Illinois law, 815 ILCS 705/1-44.

The Illinois Franchise Disclosure Act will govern any franchise agreement if: (a) it applies to a franchise located in Illinois; or (b) a franchisee who resides in Illinois.

Any condition of the franchise agreement that designates litigation, jurisdiction or venue in a forum outside of Illinois is void as to any cause of action that otherwise is enforceable in Illinois provided the franchise agreement may provide for arbitration in a forum outside of Illinois.

Be advised that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void. No person may be prevented from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall arbitration of any claim pursuant to the provisions of Title 9 of the United States Code be prevented.

EXHIBIT A TO ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF ILLINOIS

ESCROW AGREEMENT
Appendix C-Illustration

Agreement, made this 14th day of February, 2013, by **TROPICAL SMOOTHIE CAFÉ, LLC**, a limited liability company, organized under the laws of the State of Georgia (hereinafter referred to as "**Franchisor**"), and **U.S. BANK NATIONAL ASSOCIATION** hereinafter referred to as "**BANK,**" as Escrowee for the franchisees of Franchisor;

WHEREAS, Franchisor is desirous of establishing franchises in the State of Illinois; and

WHEREAS, it is in the discretion of the Illinois Attorney General as Administrator of the Illinois Franchise Disclosure Act, to require an escrow of the franchise fees; and

WHEREAS, in order to conform to the procedures for arranging an escrow account, Franchisor desires to enter into an escrow agreement with BANK, pursuant to which initial franchise fees are to be held in escrow until Franchisor has met its initial obligations to its franchisees.

NOW THEREFORE, with the foregoing recitals hereinafter incorporated by reference and made a part hereof, it is agreed as follows:

1. Franchisor shall deposit with BANK initial franchise fees received from franchisees that are required to be escrowed under the order of the Administrator, but BANK shall not be responsible for insuring that any part or all moneys received by Franchisor from each or any one franchisee are deposited with BANK.

2. Franchisor will supply BANK with the name and address of each franchisee, together with the amount of the deposit which represents moneys paid by each franchisee and BANK will maintain records containing the same information.

3. All moneys received by BANK from Franchisor shall be held by BANK as escrowee for the exclusive purpose herein described and will be placed in a single segregated account designated substantially as follows: **U.S. BANK NATIONAL ASSOCIATION, AS ESCROWEE FOR FRANCHISES OF TROPICAL SMOOTHIE CAFÉ, LLC** (hereinafter referred to as "**Escrow Account.**")

4. BANK shall accept such funds as Franchisor shall deliver to BANK, as escrowee, and BANK shall acknowledge the receipt of funds from Franchisor; however, BANK shall not be responsible for the accuracy of the information provided to it by Franchisor.

5. Any funds deposited hereunder in the Escrow Account shall be invested and kept invested by BANK, at the option of the Franchisor, in instruments of its choosing, until they are to be disbursed as provided in paragraph 6 hereof. All interest received and any increment thereon shall be added to the funds so deposited in the Escrow Account and shall be distributed as provided in paragraph 6.

6. BANK shall pay out funds, plus interest, if any, from the Escrow Account upon the occurrence of one of the following conditions:

(a) Upon receipt of a letter from an officer of Franchisor directing BANK to pay out such funds to Franchisor, accompanied by a written notice from the Administrator stating that he takes no exception (hereinafter referred to as "**No Exception Notice**") to the release, BANK shall pay part or all of the moneys held in escrow for the benefit of a specified franchisee, plus interest, if any, to Franchisor.

(b) Upon written notice from the Administrator, BANK shall return part or all of the deposited franchise fee and other funds, plus interest, if any, to a specified franchisee.

(c) BANK shall pay funds into court or disburse or deliver them in accordance with any final order of any court of competent jurisdiction.

BANK shall not be personally liable for any act taken or omitted by it in good faith and in the exercise of its own best judgment. BANK shall also be fully protected in relying upon any written notice, demand, certificate or document which it in good faith believes to be genuine.

7. BANK is authorized, in its sole discretion, to disregard any and all notices or instructions given by any of the undersigned or by any other person, firm or corporation, except only such notices or instructions by the Administrator as are hereinafter provided for and orders of process of any court entered or issued with or without jurisdiction. If any property subject hereto is at any time attached, garnished, or levied upon under any court order or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case of any court order affecting such property or any part thereof, then and in any of such events BANK is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel of its own choosing is binding upon it; if it complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

8. Written consent of BANK to act in the capacity of escrowee shall be manifested upon the duly authorized execution of this Agreement. The Administrator may, at any time, inspect the records of BANK, insofar as they relate to this Escrow Agreement. At the Administrator's discretion, statements indicating status of the escrow shall be furnished by BANK to the Administrator. An executed duplicate original of this Agreement shall be filed with the Administrator at Illinois Attorney General, Franchise Division, 500 South Second Street, Springfield, Illinois 62706.

9. BANK shall be paid by Franchisor for any expenses incurred by it and reasonable compensation for its services hereunder. Funds held by BANK pursuant to this Agreement shall not be subject to any liens or charges by BANK.

10. If BANK believes it to be reasonably necessary to consult with counsel concerning any of its duties in connection with this Agreement, or in the event BANK retains

counsel upon becoming involved in litigation on account of any deposit or of this Agreement, Franchisor shall reimburse BANK for and indemnify and hold BANK harmless against any and all costs, attorney's fees, charges, disbursements and expenses in connection with such consultation or litigation.

11. Franchisor unconditionally guarantees that, in the event BANK misapplies, dissipates, converts or is otherwise responsible for a deficiency in the funds deposited in the Escrow Account through the exercise of less than a fiduciary standard of care, Franchisor shall reimburse each and every franchisee to the extent of such deficiency if such amounts deposited are required to be returned to such franchisee under paragraph 6(a) through (c) hereof.

12. Franchisor shall give each franchisee a copy of this Agreement prior to collecting any moneys from such franchisee.

13. BANK's duties as escrowee shall terminate upon final distribution of all moneys received under this Agreement.

14. The terms and conditions of that certain Master Escrow Agreement dated _____ _____, 2013, by and between US BANK NATIONAL ASSOCIATION, a national banking association, as Escrow Agent hereunder, are incorporated herein by reference. In the event of any conflict between the provisions of the said Master Escrow Agreement and of this Agreement, this Agreement shall prevail.

IN WITNESS WHEREOF, this Agreement has been duly executed, the parties intending to be legally bound hereby.

ATTEST

By: Connie Jaco
Name: CONNIE JACO
Its: AVP

"BANK"
US BANK NATIONAL ASSOCIATION

By: Wally Jones
Name: WALLY JONES
Its: VP

ATTEST

By: _____
Name: Charles Watson
Its: VP, Franchise Development

"FRANCHISOR"
TROPICAL SMOOTHIE CAFÉ, LLC

By: _____
Name: Mike Rotondo
Its: CEO

RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20____ (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee**. Payment of the Initial Franchise Fee is placed in escrow with U.S. Bank until we have provided you with all of our pre-opening obligations and your TROPICAL SMOOTHIE® Store is open for business. The escrow requirement has been imposed by the Illinois Attorney General's Office based on our financial condition.

3. **Termination**. The following is added to Section 14 of the Agreement:

   The conditions under which this franchise can be terminated and the parties' rights on termination may be affected by Illinois law, 815 ILCS 705/1-44.

4. **Release of Prior Claims**. Section 20 of the Agreement is deleted in its entirety.

5. **Entire Agreement**. Section 22.K. of the Agreement is amended by adding the following:

   Nothing contained in the Agreement waives any of the Franchisee's right to rely on the disclosure made by the Franchisor in its Franchise Disclosure Document or any corresponding rights the Franchisee has under the Illinois Act.

6. **Limitation of Claims**. The following is added to Section 18.F. of the Agreement:

   No action can be maintained to enforce any liability created by the Illinois Franchise Disclosure Law (the "**Illinois Act**") unless brought before the earlier of (i) the expiration of 3 years from the act or transaction constituting the violation upon which such action is based; (ii) the expiration of 1 year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Illinois Act; or (iii) 90 days after delivery to you of a written notice disclosing the violation.

7. **Governing Law and Jurisdiction**. Sections 18.C. and 18.D. of the Agreement are amended by adding the following:

All matters coming under the Illinois Act will be governed by the Illinois Act. The parties irrevocably submit to the jurisdiction and venue of the federal and state courts in Illinois for all matters coming under the Illinois Act.

8. **Waiver of Jury Trial**. Section 18.E. of the Agreement is deleted in its entirety.

9. **Enforcement**. Add Section L to Section 18 of the Agreement to read as follows:

Any condition, stipulation, or provision contained in the Agreement purporting to waive compliance with any provision of the Illinois Act or any other Illinois law is void.

10. Be advised that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void. No person may be prevented from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall arbitration of any claim pursuant to the provisions of Title 9 of the United States Code be prevented.

Intending to be bound, the parties sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF MARYLAND

THIS ADDENDUM (the "**Addendum**") amends the Franchise Disclosure Document of **TROPICAL SMOOTHIE CAFÉ, LLC** for its Tropical Smoothie Café® Franchise.

The following is added to Item 5 of the Franchise Disclosure Document:

> The State of Maryland requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with Eagle Bancorp, Inc. See a copy of the escrow agreement attached to this Addendum as Exhibit "A." The contact information for this Escrow Account is: Thomas D. Murphy, President, Retail Banking, Eagle Bancorp, Inc., 7815 Woodmont Avenue, Bethesda, Maryland 20814 and his telephone number is 240.497.2042.

Section 3 under "Pre-Opening Obligations" of Item 11 of the Franchise Disclosure Document is amended by adding the following language:

> If we do not accept any site proposed by you within six (6) months of the date of your Franchise Agreement, we may terminate the Franchise Agreement and not refund the initial franchise fee.

Sections (c) and (m) of Item 17 are amended by adding the following language:

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

Our Standard form of Release is attached to this Addendum as Exhibit "B."

Item 17 is amended by adding the following language after the table:

> You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under Federal Bankruptcy Law (11 U.S.C. Section 1010 et seq.)

EXHIBIT A TO
MARYLAND ADDENDUM
EAGLE BANCORP ESCROW AGREEMENT
WITH TROPICAL SMOOTHIE FRANCHISE CAFÉ, LLC

ESCROW AGREEMENT

This Escrow Agreement, made this 15th day of March, 2013. by Tropical Smoothie Café, LLC, a limited liability company organized under the laws of the State of Georgia, (hereinafter referred to as "Franchisor") and Eagle Bancorp, Inc., incorporated under the general corporation laws of the State of Maryland (hereinafter referred to as 'Bank").

WHEREAS, the Franchisor desires to offer and sell franchises in the State of Maryland, and

WHEREAS, it is the discretion of the Securities Commissioner of the State of Maryland as Administrator of the Maryland Franchise Registration and Disclosure Law, to require an escrow of franchise fees, and

WHEREAS, in order to conform to the procedures for arranging an escrow account, the Franchisor desires to enter into an Escrow Agreement with the Bank, pursuant to which franchise fees are to be held in escrow for the purpose of complying with the Maryland Franchise Registration and Disclosure Law.

NOW, THEREFORE, with the foregoing recitals hereinafter incorporated by reference and made a part hereof, it is agreed as follows:

1. The Franchisor shall, until release of escrowed funds as hereinafter provided, deposit with the Bank, all monies obtained from each franchisee who either is a resident of the State of Maryland or contracts to operate the franchised business within the State of Maryland.

2. All funds delivered by the Franchisor to the Bank will be placed in a separate account maintained by the Bank in the State of Maryland designated substantially as follows:

Bank:	EagleBank
Bank Routing No.	055003298
Account Name:	EagleBank as Escrow Agent for Tropical Smoothie Café, LLC MD
Account Number:	0200153633
Address of Branch of Bank Maintaining Account:	7815 Woodmont Avenue, Bethesda, MD 20814

3. The Bank shall pay out funds from the Escrow Account only upon the occurrence of one of the following conditions:

a. A letter from the President or Secretary of the Franchisor directing the Bank to pay out such funds to _____

accompanied with a written notice from the Securities Commissioner stating that he or she takes no exception to the release of such funds to _____.

b. Upon written notice from the Securities Commissioner, the Bank shall return the deposited franchise fee to a specific franchisee.

c. The Bank shall pay funds into court or disburse or deliver them in accordance with any order of any court of competent jurisdiction.

4. The Franchisor will supply the Bank with the name and address of each franchisee, together with the amount of the deposit that represents each franchisee*s franchise fee, and the Bank will retain records containing the same information.

5. Any funds deposited in the Escrow Account pursuant to this Escrow Agreement shall not be invested by the Bank, but shall remain in the Escrow Account without interest accruing until such funds are to be disbursed as provided in Paragraph 3 hereof.

6. The Securities Commissioner may inspect the records of the Bank, insofar as they relate to this Escrow Agreement, for the purpose of determining compliance with and conformance to the provisions of this Escrow Agreement. At the Securities Commissioner's discretion, statements indicating status of escrow shall be furnished by the Bank to the Securities Commissioner.

7. The Franchisor shall pay to the Bank reasonable compensation for expenses incurred and services rendered by the Bank under this Escrow Agreement.

8. The Bank shall have no duty to determine the propriety of any deposit or disbursement of funds. Additionally, the Bank shall have no duty to the Franchisor, the Securities Commissioner, any franchisee or any other party except as expressly stated in this Escrow Agreement. The Franchisor does hereby indemnify the Bank from any and all costs, claims and expenses, including attorneys' fees, which may be incurred by or which may accrue to the Bank relating to the opening or maintenance of any account established under this Escrow Agreement.

9. All proceeds deposited pursuant to this Escrow Agreement shall not be subject to any liens or charges by the Bank, or judgments or creditor's claims against the Franchisor.

10. The Franchisor shall give each franchisee a copy of this Escrow Agreement prior to collecting any funds from that franchisee.

11. The Bank's duties under this Escrow Agreement shall terminate upon final distribution of all monies deposited as provided hereunder.

12. This Escrow Agreement is governed by the Laws of the State of Maryland

IN WITNESS WHEREOF, each party has caused this Escrow Agreement to be signed and executed, and its corporate seal hereto affixed, in its name by its proper and fully authorized officer or officers on the day and year first above written.

TROPICAL SMOOOTHIE CAFÉ, LLC
[FRANCHISOR]

WITNESS:

By: _____
Mike Rotondo, Chief Executive Officer

1117 Perimeter Center West
Atlanta, GA 30338
1-770-821-1900 (Business Phone)

EAGLE BANCORP, INC., as Bank

ATTEST:

By:
Thomas D. Murphy
President, Retail Banking
7815 Woodmont Ave, Bethesda, MD 20814
240-497-2042

EXHIBIT B TO
MARYLAND ADDENDUM
FORM OF RELEASE

The following is our current general release form that we expect to include in a release that a franchisee, developer, and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release.

THIS RELEASE is given by _____ and their predecessors, agents, affiliates, legal representatives, agents, successors, assigns, heirs, beneficiaries, executors and administrators (collectively, the "**Franchisee**"), to **TROPICAL SMOOTHIE CAFÉ, LLC** and all of its predecessors, affiliates, owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (collectively, the "**Franchisor**").

Effective on the date of this Release, the Franchisee forever releases and discharges the Franchisor from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature or kind, in law or in equity, which the Franchisee now has or ever had against the Franchisor, including without limitation, anything arising out of that certain Franchise Agreement dated _____ (the "**Franchise Agreement**"), the franchise relationship between the Franchisee and the Franchisor, and any other relationships between the Franchisee and the Franchisor; except the Franchisor's obligations under the _____ Agreement dated effective _____. This Release is effective for: (a) any and all claims and obligations, including those of which the Franchisee is not now aware; and (b) all claims the Franchisee has from anything which has happened up to now.

The Franchisee is bound by this Release. The Franchisee freely and voluntarily gives this Release to the Franchisor for good and valuable consideration and the Franchisee acknowledges its receipt and sufficiency.

The Franchisee represents and warrants to the Franchisor that the Franchisee has not assigned or transferred to any other person any claim or right the Franchisee had or now has relating to or against the Franchisor.

In this Release, each pronoun includes the singular and plural as the context may require.

This Release is governed by Georgia law.

This Release is effective _____, notwithstanding the actual date of signatures.

IN WITNESS WHEREOF, the undersigned execute this Release:

_____

_____

Date:_____

MARYLAND

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____, 20___. , by_____, who is personally known to me or has produced _____ as identification.

_____
Signature of Notary
My Commission Expires: _____

MARYLAND RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20_____ (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee.** The State of Maryland requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with Eagle Bancorp, Inc. for this purpose.

3. **General Release.** Pursuant to COMAR 02.02.08.16L, the general release otherwise required by the Agreement as a condition of renewal, sale and/or assignment/transfer does not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. **Release of Prior Claims.** The following sentence is added at the end of Section 20:

   Provided, however, that nothing in this Section applies to any liability under the Maryland Franchise Registration and Disclosure Law.

5. **Limitation of Claims.** Any limitations of claims provisions will not act to reduce the 3 year statute of limitations afforded you for bringing a claim arising under Maryland Franchise Registration and Disclosure Law. All claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise to you.

6. **Jurisdiction and Venue.** You may bring a lawsuit against us in Maryland for any claims arising under the Maryland Franchise Registration and Disclosure Law.

7. **No Waiver.** Nothing in this Agreement is intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law, including, but not limited to, any acknowledgments or representations made by you which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law.

8. **Effective Date.** This Rider is effective on the Agreement Date regardless of the actual date of signature.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF MINNESOTA

Additional Disclosures:

1. MINNESOTA LAW PROVIDES YOU WITH CERTAIN TERMINATION AND NON-RENEWAL RIGHTS. MINN. STAT. §80C.14 SUBD. 3, 4 AND 5 REQUIRE, EXCEPT IN CERTAIN CASE, THAT YOU BE GIVEN 90 DAYS' NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS' NOTICE FOR NONRENEWAL OF THE FRANCHISE AGREEMENT.

2. MINN. STAT. §80C.21 AND MINN. RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

3. Item 13 is amended to state that we will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. Item 17 is amended by adding the following:

   You and your owners must execute general releases, in form and substance satisfactory to us, of any and all claims against us, and our affiliates, officers, directors, employees, agents, successors and assigns, except for matters coming under the Minnesota Franchise law.

5. Item 17, summary column for (f) is amended to add the following:

   With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement and that consent to transfer of the franchise will not be unreasonably withheld.

6. Item 17, summary column for (m) is amended to add the following:

   Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act.

7. Item 17, summary columns for (v) and (w) are amended to add the following:

   Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statues, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

MINNESOTA RIDER TO THE
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20_____ (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Background**. You and we are parties to that certain Franchise Agreement dated _____, 20___ (the "**Franchise Agreement**") that has been signed concurrently with the signature of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because the _____ Business to be operated by you pursuant to the Franchise Agreement will be located in the State of Minnesota and/or because you are a resident of the State of Minnesota.

2. **Renewal Term**. Paragraph 2.B.6. is amended to read as follows:

   You and each owner of your Franchised Business executes a general release (on our then-standard form) of any and all claims against us, our affiliates, and our respective owners, officers, directors, agents and employees, except for matters coming under the Minnesota Franchise law.

3. **Trademarks**. We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. **Default and Termination**. The following is added at the beginning of Section 14:

   Minnesota Law provides you with certain termination and non-renewal rights. Minn. Stat. §80C.14 Subd. 3, 4 and 5 require, except in certain case, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

5. **Governing Law**. The following sentence is added at the end of Section 18.C.

   MINN. STAT. §80C.21 AND MINN. RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

6. **Injunctive Relief**. Nothing in the Franchise Agreement is construed to mean that you are consenting to our obtaining injunctive relief. We may, however, seek injunctive relief. The court will determine if a bond is required.

7. **Limitation of Claims**. Section 18.F. is deleted in its entirety.

8. **Waiver of Jury Trial**. Section 18.E. is deleted in its entirety.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF NORTH DAKOTA

1. The following is added to Item 5 of the Franchise Disclosure Document:

The State of North Dakota requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with U.S. Bank, National Association. See a copy of the escrow agreement attached to this Addendum as Exhibit "A."

2. The Summary column of Item 17 paragraph (c) of this disclosure document is modified to read as follows:

"Give us at least 90 days notice of your intention to renew, sign our current form of Franchise Agreement and ancillary agreements, sign a release (except for matters coming under the North Dakota Franchise Investment Law (the "**ND Law**")."

3. The Summary column of Item 17 paragraph (r) of this disclosure document is modified by adding the following at the end of the sentence:

"Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota."

4. The Summary column of Item 17 paragraph (u) of this disclosure document is amended by adding the following at the end of the paragraph:

"except that matters coming under the ND Law will be submitted to arbitration to be held in a mutually agreeable location."

5. The Summary column of Item 17 paragraph (v) of this disclosure document is amended to read as follows:

Except for matters coming under the ND Law, litigation must be in Fulton County, Georgia.

6. The Summary column of Item 17 paragraph (w) of this disclosure document is amended to read as follows:

The law of North Dakota governs.

7. Section 51-19-09 of the North Dakota Franchise Investment Law provides that any requirement that you consent to liquidated damages is unfair, unjust and inequitable. Therefore, the Summary column of Item 17 paragraph (i) of this disclosure document is amended by deleting the last sentence of the paragraph which reads as follows:

If we terminate the Franchise Agreement for cause prior to expiration, you must pay us liquidated damages to compensate us for your failure to continue operating the business for the remainder of the term.

EXHIBIT A TO ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF NORTH DAKOTA

North Dakota

ESCROW AGREEMENT

Agreement, made this 14th day of February, 2013, by **TROPICAL SMOOTHIE CAFÉ, LLC,** a limited liability company organized under the laws of the State of Georgia, and **US BANK NATIONAL ASSOCIATION,** Fargo, North Dakota, hereinafter referred to as "**BANK**", a banking association organized under the laws of the State of North Dakota as Escrowee for the franchisees of **TROPICAL SMOOTHIE CAFÉ, LLC**.

WHEREAS, TROPICAL SMOOTHIE CAFÉ, LLC is desirous of establishing franchises in the State of North Dakota; and

WHEREAS, it is in the discretion of the Securities Commissioner, as administrator of the North Dakota Franchise Investment Law, to require an escrow of franchise fees; and

WHEREAS, in order to conform to the procedures for arranging an escrow account, **TROPICAL SMOOTHIE CAFÉ, LLC** desires to enter into an escrow agreement with BANK, pursuant to which franchise fees are to be held in escrow for the purpose of complying with the North Dakota Franchise Investment Law.

NOW, THEREFORE, with the foregoing recitals hereinafter incorporated by reference and made a part thereof, it is agreed as follows:

1. **TROPICAL SMOOTHIE CAFÉ, LLC** shall deposit with BANK payments received from franchisees that are required to be escrowed under the order to the Commissioner, but BANK shall not be responsible for insuring that all monies received from each or any one franchisee are deposited with BANK.

2. **TROPICAL SMOOTHIE CAFÉ, LLC** will supply BANK with the name and address of each franchisee, together with the amount of the deposit, which represents moneys paid by each franchisee, and BANK will maintain records containing the same information.

3. All monies received by BANK from **TROPICAL SMOOTHIE CAFÉ, LLC** shall be held by BANK as escrowee for the exclusive purpose herein described and will be placed in a single segregated account substantially as follows:

US BANK NATIONAL ASSOCIATION, AS ESCROWEE FOR FRANCHISEES OF TROPICAL SMOOTHIE CAFÉ, LLC (hereinafter referred to as "**Escrow Account**").

4. BANK shall accept such funds as **TROPICAL SMOOTHIE CAFÉ, LLC**: shall deliver to BANK, as escrowee, and BANK shall acknowledge the receipt of funds from **TROPICAL SMOOTHIE CAFÉ, LLC**; however BANK shall be responsible only for funds actually deposited with it and shall not be responsible for the accuracy of the information provided to it by **TROPICAL SMOOTHIE CAFÉ, LLC**

5. Any funds deposited hereunder in the Escrow Account shall be invested and kept invested by BANK, at the option of **TROPICAL SMOOTHIE CAFÉ, LLC.** in obligations of the United States, money market mutual funds with assets in excess of one billion dollars, or savings

accounts or certificates of deposits of BANK, until they are to be disbursed as provided in paragraph 6 hereof. All interested received and any increment thereon shall be added to the funds so deposited in the Escrow Account and shall be distributed as provided in paragraph 6.

6. BANK shall pay out funds, plus interest, if any, from the Escrow Account upon the occurrence of one of the following conditions:

(a) Upon receipt of a letter from an officer of **TROPICAL SMOOTHIE CAFÉ, LLC** directing BANK to pay out such funds to **TROPICAL SMOOTHIE CAFÉ, LLC**, accompanied by a written notice from the Commissioner stating that he takes no exception (hereinafter referred to as "No Exception Notice") to the release, BANK shall pay apart of all the moneys held in escrow for the benefit of a specified franchise, plus interest, if any, to **TROPICAL SMOOTHIE CAFÉ, LLC**

(b) Upon written notice from the Commissioner BANK shall return part of all of the deposited franchise fee and other funds, plus interest, if any, to a specified franchisee.

(c) BANK shall pay funds into court or disperse or deliver them in accordance with any final order of any court of competent jurisdiction.

BANK shall not be personally liable for any act taken or omitted hereunder if taken or omitted by it in good faith and in the exercise of its own best judgment. BANK shall also be fully protected in relying upon any written notice, demand, certificate or document, which it in good faith believes to be genuine.

7. BANK is authorized, in its sole discretion, to disregard any and all notices or instruction given by any of the undersigned or by any other person, firm or corporation, except only such notices or instructions by the Commissioner as are hereinafter provide or any orders or process of any court entered or issued with or without jurisdiction. If any property subject hereto is at any time attached, garnished, or levied upon under any court order or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case of any court order affecting such property or any part thereof, then and in any of such events BANK is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel of its own choosing is binding upon it; if it complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

8. Written consent of BANK to act in the capacity of escrowee shall be manifested upon the duly authorized execution of this Agreement The Commissioner may, at any time. inspect the records of BANK, insofar as they relate to this Escrow Agreement At the Commissioner's discretion, statements indicating status of escrow shall be furnished by BANK to the Commissioner. An executed duplicate original of the Agreement shall be filed with the Securities Commissioner, State Capitol 5th Floor, 600 East Boulevard Avenue, Bismarck, North Dakota, 58505.

9. BANK shall be paid by **TROPICAL SMOOTHIE CAFÉ, LLC** for any expenses incurred by it and reasonable compensation for its services hereunder. Funds held by BANK pursuant to this Agreement shall not be subject to liens or charges by BANK.

North Dakota

10. If BANK believes it to be reasonably necessary to consult with counsel concerning any of its duties in connection with this escrow, or in the event BANK retains counsel upon becoming involved in litigation on account of any deposit or of this Agreement, **TROPICAL SMOOTHIE CAFÉ, LLC** shall reimburse BANK for and indemnify and hold BANK harmless against any and all costs, attorneys' fees, charges, disbursements and expenses in connection with such consultation or litigation.

11. **TROPICAL SMOOTHIE CAFÉ, LLC** unconditionally guarantees that, in the event BANK misapplies, dissipates, converts or is otherwise responsible for a deficiency in the funds deposited in the Escrow Account, **TROPICAL SMOOTHIE CAFÉ, LLC** shall reimburse each and every franchisee to the extent of such deficiency if such amounts deposited are required to be returned to such franchisee under paragraph 6 hereof.

12. **TROPICAL SMOOTHIE CAFÉ, LLC** shall give each franchisee a copy of this agreement prior to collecting any monies from such franchisee.

13. BANK'S duties as escrowee shall terminate upon final distribution of all moneys received under this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed, the parties intending to be legally bound hereby.

ATTEST

By: Connie Jaco
Name: Connie Jaco
Its: AVP

"BANK"
US BANK NATIONAL ASSOCIATION

By: Wally Jones
Name: Wally Jones
Its: VP

ATTEST

By:
Name: Charles L. Watson
Its: VP, Franchise Development

"FRANCHISOR"
TROPICAL SMOOTHIE CAFÉ, LLC

By:
Name: Mike Rotondo
Its: CEO

NORTH DAKOTA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20_____ (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee**. Payment of the Initial Franchise Fee is placed in escrow with U.S. Bank until we have provided you with all of our pre-opening obligations and your TROPICAL SMOOTHIE® Store is open for business. The escrow requirement has been imposed by the North Dakota Securities Department based on our financial condition.

3. **Terms and Conditions for Successor Franchise**. You are not required to sign a general release as to any matters coming under the North Dakota Franchise Investment Law (the "**ND Law**").

4. **Competitive Restrictions**. Covenants not to compete, such as those mentioned in this section, are generally unenforceable in the State of North Dakota.

5. **Jurisdiction**. All matters coming under the ND Law may be brought in the courts of North Dakota.

6. **Waiver of Punitive Damages**. Section 18.F. of the Franchise Agreement is deleted in its entirety.

7. **Waiver of Jury Trial**. Section 18.E. of the Franchise Agreement is deleted in its entirety.

8. **Limitation of Claims**. The statute of limitations under ND Law applies to all matters coming under ND Law.

9. **Governing Law**. This Agreement will be governed by North Dakota law.

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF RHODE ISLAND

Item 17, summary columns for (v) and (w) are amended to add the following:

> Any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF SOUTH DAKOTA

1. The following is added to Item 5 of the Franchise Disclosure Document:

The State of South Dakota requires us to hold payment of the Initial Franchise Fee and other initial payments owed by you to us in escrow until we have completed our pre-opening obligations under the Franchise Agreement. We have established an Escrow Account with U.S. Bank, National Association. See a copy of the Escrow Agreement attached to this Addendum as Exhibit "A."

2. The summary statement of provision (q) of Item 17, is deleted in its entirety and the following substituted in its place:

The Franchise Agreement provides that you cannot compete anywhere for 2 years after termination or expiration. However, covenants not to compete upon termination or expiration of a Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.

3. Any provision that provides that the parties' waive their right to claim punitive, exemplary, incidental, indirect, special or consequential damages may not be enforceable under South Dakota Law. If any of the provisions in this disclosure document or the Franchise Agreement are inconsistent with this paragraph, the terms of this paragraph will prevail with regard to any franchise sold in South Dakota.

EXHIBIT A TO ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF SOUTH DAKOTA

South Dakota

ESCROW AGREEMENT

This Escrow Agreement (hereinafter referred to as the "Agreement") is made this 25th day of May, 2018, by **TROPICAL SMOOTHIE CAFÉ, LLC**, a limited liability company organized under the laws of the State of Georgia, and **US BANK NATIONAL ASSOCIATION,** Fargo, North Dakota, (hereinafter referred to as "BANK"), a banking association organized under the laws of the State of North Dakota, as escrowee for the franchisees of **TROPICAL SMOOTHIE CAFÉ, LLC**.

WHEREAS, TROPICAL SMOOTHIE CAFÉ, LLC is desirous of establishing franchises in the State of South Dakota; and

WHEREAS, it is in the discretion of the Department of Labor and Regulation, Division of Insurance, Securities Regulation (hereinafter referred to as the "Division"), as administrator of the South Dakota Franchise Investment Law, to require an escrow of franchise fees; and

WHEREAS, in order to conform to the procedures for arranging an escrow account, **TROPICAL SMOOTHIE CAFÉ, LLC** desires to enter into an escrow agreement with BANK, pursuant to which franchise fees are to be held in escrow for the purpose of complying with the South Dakota Franchise Investment Law.

NOW, THEREFORE, with the foregoing recitals hereinafter incorporated by reference and made a part thereof, it is agreed as follows:

1. **TROPICAL SMOOTHIE CAFÉ, LLC** shall deposit with BANK payments received from franchisees that are required to be escrowed by the Division, but BANK shall not be responsible for insuring that all monies received from each or any one franchisee are deposited with BANK.

2. **TROPICAL SMOOTHIE CAFÉ, LLC** will supply BANK with the name and address of each franchisee, together with the amount of the deposit, which represents moneys paid by each franchisee, and BANK will maintain records containing the same information.

3. All monies received by BANK from **TROPICAL SMOOTHIE CAFÉ, LLC** shall be held by BANK as escrowee for the exclusive purpose herein described and will be placed in a single segregated account substantially as follows:

> **US BANK NATIONAL ASSOCIATION, AS ESCROWEE FOR FRANCHISEES OF TROPICAL SMOOTHIE CAFÉ, LLC (hereinafter referred to as "Escrow Account").**

4. BANK shall accept such funds as **TROPICAL SMOOTHIE CAFÉ, LLC** shall deliver to BANK, as escrowee, and BANK shall acknowledge the receipt of funds from **TROPICAL SMOOTHIE CAFÉ, LLC**; however, BANK shall be responsible only for funds actually deposited with it and shall not be responsible for the accuracy of the information provided to it by **TROPICAL SMOOTHIE CAFÉ, LLC**.

South Dakota

5. Any funds deposited hereunder in the Escrow Account shall be invested and kept invested by BANK, at the option of **TROPICAL SMOOTHIE CAFÉ, LLC**. in obligations of the United States, money market mutual funds with assets in excess of one billion dollars, or savings accounts or certificates of deposits of BANK, until they are to be disbursed as provided in paragraph 6 hereof. All interest received and any increment thereon shall be added to the funds so deposited in the Escrow Account and shall be distributed as provided in paragraph 6.

6. BANK shall pay out funds, plus interest, if any, from the Escrow Account upon the occurrence of one of the following conditions:

(a) Upon receipt of a letter or other written document executed by both **TROPICAL SMOOTHIE CAFÉ, LLC** and a franchisee confirming that the franchisee is open for business, TROPICAL SMOOTHIE CAFÉ, LLC has satisfied its pre-opening obligations under its franchise agreement with that franchisee and directing BANK to pay out such funds to **TROPICAL SMOOTHIE CAFÉ, LLC**, , BANK shall pay part of all the moneys held in escrow for the benefit of a specified franchisee, plus interest, if any, to **TROPICAL SMOOTHIE CAFÉ, LLC.**

(b) BANK shall pay funds into court or disperse or deliver them in accordance with any final order of any court of competent jurisdiction.

BANK shall not be personally liable for any act taken or omitted hereunder if taken or omitted by it in good faith and in the exercise of its own best judgment. BANK shall also be fully protected in relying upon any written notice, demand, certificate or document, which it in good faith believes to be genuine.

7. BANK is authorized, in its sole discretion, to disregard any and all notices or instruction given by any of the undersigned or by any other person, firm or corporation, except only such notices or instructions as are hereinabove provided or any orders or process of any court entered or issued with or without jurisdiction. If any property subject hereto is at any time attached, garnished, or levied upon under any court order or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case of any court order affecting such property or any part thereof, then and in any of such events, BANK is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel of its own choosing is binding upon it; if it complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

8. Written consent of BANK to act in the capacity of escrowee shall be manifested upon the duly authorized execution of this Agreement. An executed duplicate original of this Agreement shall be filed with the Department of Labor and Regulation, Division of Insurance, Securities Regulation, 124 S. Euclid, Suite 104, Pierre, SD 57501.

9. BANK shall be paid by **TROPICAL SMOOTHIE CAFÉ, LLC** for any expenses

South Dakota

incurred by it and reasonable compensation for its services hereunder. Funds held by BANK pursuant to this Agreement shall not be subject to liens or charges by BANK.

10. If BANK believes it to be reasonably necessary to consult with counsel concerning any of its duties in connection with this escrow, or in the event BANK retains counsel upon becoming involved in litigation on account of any deposit or of this Agreement, **TROPICAL SMOOTHIE CAFÉ, LLC** shall reimburse BANK for and indemnify and hold BANK harmless against any and all costs, attorneys' fees, charges, disbursements and expenses in connection with such consultation or litigation.

11. **TROPICAL SMOOTHIE CAFÉ, LLC** unconditionally guarantees that, in the event BANK misapplies, dissipates, converts or is otherwise responsible for a deficiency in the funds deposited in the Escrow Account, **TROPICAL SMOOTHIE CAFÉ, LLC** shall reimburse each and every franchisee to the extent of such deficiency if such amounts deposited are required to be returned to such franchisee under paragraph 6 hereof.

12. **TROPICAL SMOOTHIE CAFÉ, LLC** shall give each franchisee a copy of this Agreement prior to collecting any monies from such franchisee.

13. The duties of BANK as escrowee shall terminate upon final distribution of all moneys received under this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed, the parties intending to be legally bound hereby.

ATTEST

By: Connie Jaco
Name: Connie Jaco
Its: Vice President

BANK:
US BANK NATIONAL ASSOCIATION

By: Wally Jones
Name: WALLY JONES
Its: VICE PRESIDENT

ATTEST

By: [illegible]
Name: Karen D. Wickliffe
Its: Corporate Counsel

FRANCHISOR:
TROPICAL SMOOTHIE CAFÉ, LLC

By: [illegible]
Name: Mike Rotondo
Its: CEO

SOUTH DAKOTA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20_____ (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence And Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee**. Payment of the Initial Franchise Fee is placed in escrow with U.S. Bank until we have provided you with all of our pre-opening obligations and your TROPICAL SMOOTHIE® Store is open for business.

3. **Termination**. The following is added to Section 14:

   You will have 30 days written notice with an opportunity to cure prior to termination for the following: breach of the Franchise Agreement, failure to meet performance and quality standards and failure to make royalty payments.

4. **Covenants Not to Complete**. Covenants not to compete on termination or expiration of a Franchise Agreement are generally unenforceable in the state of South Dakota, except in certain instances as provided by law. This statement is given for informational purposes only.

5. **Jurisdiction and Venue**. Any provision which designates jurisdiction or venue or requires you to agree to jurisdiction or venue in a forum outside South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act (the "**Act**"), the Franchise Disclosure Document for TROPICAL SMOOTHIE CAFÉ, LLC for use in the Commonwealth of Virginia is amended as follows:

> Pursuant to Section 13.1-564 of the Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Act or the Laws of Virginia, that provision may not be enforceable.

The following is added to Item 5 of the FDD:

> The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with U.S. Bank National Association for this purpose. See a copy of the escrow agreement attached to this Addendum as Exhibit "A."

EXHIBIT A TO ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF VIRGINIA

EXHIBIT 1

State of Virginia Escrow Agreement

ESCROW AGREEMENT

This Escrow Agreement, made this 11th day of February, 2013, by **TROPICAL SMOOTHIE CAFÉ, LLC**, a limited liability company organized under the laws of the State of Georgia (hereinafter referred to as "**Franchisor**") and **US BANK NATIONAL ASSOCIATION**, a national banking association (hereinafter referred to as "**Bank**").

WHEREAS, the Franchisor desires to offer and sell franchises in the Commonwealth of Virginia, and

WHEREAS, it is the discretion of the Virginia State Corporation Commission (the "**Commission**") as Administrator of the Virginia Retail Franchising Act, to require an escrow of franchise fees and other fees paid by the franchisee to the Franchisor, and

WHEREAS, in order to conform to the procedures for arranging an escrow account, the Franchisor desires to enter into an Escrow Agreement with the Bank, pursuant to which franchise fees and other fees are to be held in escrow for the purpose of complying with the Virginia Retail Franchising Act.

NOW, THEREFORE, with the foregoing recitals hereinafter incorporated by reference and made a part hereof, it is agreed as follows:

1. The Franchisor shall, until release of escrowed funds as hereinafter provided, deposit with the Bank, all monies obtained from each franchisee that contracts to operate the franchised business within the Commonwealth of Virginia.

2. All funds delivered by the Franchisor to the Bank will be placed in a separate account designated substantially as follows: ——————————————————

3. The Bank shall pay out funds, plus interest if any, from the Escrow Account only upon the occurrence of one of the following conditions:

   (a) A letter from the President or Secretary of the Franchisor directing the Bank to pay out such funds to accompanied with a written notice from

   (b) The Bank shall pay funds into court or disburse or deliver them in accordance with any order of any court of competent jurisdiction.

4. The Franchisor will supply the Bank with the name and address of each franchisee, together with the amount of the deposit that represents each franchisee's franchise fees and other fees, and the Bank will retain records containing the same information.

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5. Any funds deposited in the Escrow Account pursuant to this Escrow Agreement shall be invested and kept invested by the Bank in obligations of the United States, or a savings account or savings accounts of the Bank, or money market funds of or available to the Bank and to which the Bank or an affiliate is investment advisor or provides other services and receives reasonable compensation for such services, provided the money market funds are rated AAA by Standard and Poor's and AAA by Moody's Investor Services, or U.S. Treasury Bills, Notes or Bonds until such funds are to be disbursed as provided in Paragraph 3 hereof. All interest received and any increment shall be added to the funds so deposited in the Escrow Account and shall be distributed as provided in Paragraph 3 hereof.

6. The Commission may inspect the records of the Bank, insofar as they relate to this Escrow Agreement, for the purpose of determining compliance with and conformance to the provisions of this Escrow Agreement. At the Commission's discretion, statements indicating the status of escrow shall be furnished by the Bank to the Commission.

7. The Franchisor shall pay to the Bank reasonable compensation for expenses incurred and services rendered by the Bank under this Escrow Agreement.

8. The Bank shall have no duty to determine the propriety of any deposit or disbursement of funds. Additionally, the Bank shall have no duty to the Franchisor, the Commission, any franchisee or any other party except as expressly stated in this Escrow Agreement. The Franchisor does hereby indemnify the Bank from any and all costs, claims and expenses, including attorneys' fees, which may be incurred by or which may accrue to the Bank relating to the opening or maintenance of any account established under this Escrow Agreement.

9. All proceeds deposited pursuant to this Escrow Agreement shall not be subject to any liens or charges by the Bank, or judgments or creditor's claims against the Franchisor.

10. The Franchisor shall give each franchisee a copy of this Escrow Agreement prior to collecting any funds from that franchisee.

11. The Bank's duties under this Escrow Agreement shall terminate upon final distribution of all monies deposited as provided hereunder.

12. This Escrow Agreement is governed by the laws of the Commonwealth of Virginia.

13. The terms and conditions of that certain Master Escrow Agreement of even date herewith, by and between the Franchisor and U.S. Bank National Association, a national banking association, as Escrow Agent hereunder, are incorporated herein by reference. In the event of any conflict between the provisions of the said Master Escrow Agreement and of this Agreement, this Agreement shall prevail.

IN WITNESS WHEREOF, each party has caused this Escrow Agreement to be signed and executed, and its corporate seal hereto affixed, in its name by its proper and fully authorized officer or officers on the day and year first above written.

ATTEST

By: Connie Jaco
Name: CONNIE JACO
Its: AVP

"BANK"
US BANK NATIONAL ASSOCIATION

By: Wally Jones
Name: WALLY JONES
Its: VP

ATTEST

By: Charles Watson
Name: Charles Watson
Its: VP, Franchise Development

"FRANCHISOR"
TROPICAL SMOOTHIE CAFÉ, LLC

By:
Name: Mike Rotondo
Its: CEO

VIRGINIA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT

THIS RIDER (the "**Rider**") is effective as of _____, 20____ (the "**Agreement Date**"), and amends the Franchise Agreement dated _____, 20____ (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Fees and Payments**. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with U.S. Bank National Association for this purpose.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF WASHINGTON

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the "Act"), Chapter 19.100 RCW, prevails.

Section RCW 19.100.180 of the Act, may supersede the Franchise Agreement in your relationship with us, including the area of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with us including the area of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site will either be in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

A release or waiver of rights signed by you will not include rights under the Act except when signed pursuant to a negotiated settlement after the agreement(s) are in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees may be collected to the extent that they reflect our reasonable estimated or actual costs in effectuating a transfer.

The State of Washington has imposed a deferral condition on us; therefore, no fees are payable by you to us until all of our pre-opening obligations are completed and your business has opened. Because the Franchisor has material pre-opening obligations with respect to each franchised business the Franchisee opens under the Multi-Unit Development Addendum, the State of Washington will require that the franchise fees be released proportionally with respect to each franchised business.

WASHINGTON RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENTAND MULTI-UNIT DEVELOPMENT ADDENDUM

THIS RIDER (the "**Rider**") is effective as of_____, 20 (the "**Agreement Date**"), and amends the Franchise Agreement dated_____, 20 (the "**Agreement**"), between **TROPICAL SMOOTHIE CAFÉ, LLC** ("**we**," "**us**," "**our**" or the "**Franchisor**") and _____ ("**you**," "**your**" or the "**Franchisee**").

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee**. The payment of the initial franchise fee is deferred until all of our pre-opening obligations to you are completed and your business has opened.

3. **Washington Franchise Investment Protection Act**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the "**Act**"), Chapter 19.100 RCW, prevail

4. **Relationship**. Section RCW 19.100.180 of the Act may supersede this Agreement in your relationship with us, including the area of termination and renewal of your franchise. There may also be court decisions which may supersede this Agreement in your relationship with us including the area of termination and renewal of your franchise.

5. **Arbitration**. In any arbitration involving a franchise purchased in Washington, the arbitration site will either be in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

6. **Waiver of Rights**. A release or waiver of rights signed by you will not include rights under the Act except when signed pursuant to a negotiated settlement after the agreement(s) are in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

7. **Transfer Fees**. Transfer fees may be collected to the extent that they reflect our reasonable estimated or actual costs in effectuating a transfer.

8. **Multi-Unit Development.** Because the Franchisor has material pre-opening obligations with respect to each franchised business the Franchisee opens under the Multi-Unit Development Addendum, the Division will require that the franchise fees be released proportionally with respect to each franchised business.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

Us:	**You:**
TROPICAL SMOOTHIE CAFÉ, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT K TO THE DISCLOSURE DOCUMENT

ROSTER OF CURRENT AND FORMER FRANCHISEES

AS OF DECEMBER 31, 2017

ROSTER OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2017

FIRST NAME	LAST NAME	STORE ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE NUMBER
Rhett and Lori	Enzor	411 West Bypass	Andalusia	Alabama	36420	(334) 222-5005
Linda Morgan	Russell Rissman	200 West Glenn Avenue #100	Auburn	Alabama	36830	(334) 821-6555
John Michael	Tate	1350 Inverness Corners	Birmingham	Alabama	35242	(205) 834-8309
Bradley and Randall "Steve"	Sheffield	29740 Urgent Care Drive	Daphne	Alabama	36526	(251) 232-6182
Karen	Purvis	3230 Ross Clark Circle	Dothan	Alabama	36301	(334) 673-5652
Bradley and Randall "Steve"	Sheffield	TBD	Foley	Alabama	TBD	(251) 232-6182
Samuel Hess	Kathleen Regan	3049 John Hawkins Parkway, Suite 100	Hoover	Alabama	35244	(205) 444-0612
*Federico, Gilbert and Peter	Morales-Zimmerman	TBD	Huntsville	Alabama	TBD	(248) 760-2716
*Federico, Peter and Gilbert	Morales-Zimmerman	2324 Whitesburg Drive, SE Suite A	Huntsville	Alabama	35801	(256) 539-9688
Federico, Peter and Gilbert	Morales-Zimmerman	1079 Balch Road Suite D	Madison	Alabama	35758	(256) 970-4330
Nazmi	Ozokur	9 Du Rhu Drive	Mobile	Alabama	36608	(251) 378-5648
William	Cox	7450 Airport Blvd Suite A	Mobile	Alabama	36608	(251) 634-3454
*Linda Morgan	Russell Rissman	TBD	Montgomery	Alabama	TBD	(334) 312-0860
Dimple	Ahuja	TBD	Montgomery	Alabama	TBD	(205) 415-1309
Dimple	Ahuja	3008 Zelda Road	Montgomery	Alabama	36106	(334) 517-1872
Linda	Morgan	6542 Atlanta Hwy	Montgomery	Alabama	36117	(334) 213-2999
Rakesh, Rohit and Nirav	Patel	TBD	Muscle Shoals	Alabama	TBD	(405) 210-2195
Linda	Morgan	2790 Legends Parkway	Prattville	Alabama	36066	(334) 285-4545
Linda Morgan	Russell Rissman	801 South Memorial Drive	Prattville	Alabama	36067	(334) 730-1602
Matthew	Tanner	1800 McFarland Boulevard #306	Tuscaloosa	Alabama	35404	(205) 331-4070
*Linda Morgan	Russell Rissman	TBD	Wetumpka	Alabama	TBD	(334) 462-8850
Brian and Dara	Cupery	1155 W. Ocotilla Road	Chandler	Arizona	85248	(480) 659-3285
Brian and Dara	Cupery	891 East Baseline Road, Suite 106	Gilbert	Arizona	85233	(480) 545-6677
Karleen	Gardner	2080 E. Williams Field Rd #103	Gilbert	Arizona	85295	(480) 963-8100
Eric Persson	Scott Palmateer	TBD	Glendale	Arizona	TBD	(623) 302-0269
Eric	Persson	13375 W Mcdowell Road Suite 110	Goodyear	Arizona	85395	(623) 414-4064
Eric Persson	Scott Palmateer	6614 E. Baseline Rd. Suite 110	Mesa	Arizona	85206	(480) 325-7680
Eric Persson	Scott Palmateer	2815 W. Peoria Avenue, Suite #116	Phoenix	Arizona	85029	(602) 944-3333
Eric Persson	Scott Palmateer	1640 E. Camelback Road, Suite #150	Phoenix	Arizona	85016	(602) 274-2000
Eric Persson	Scott Palmateer	13749 N Litchfield Road Suite 118	Surprise	Arizona	85379	(623) 584-6280
Eric	Persson	8707 S. Priest Drive, Suite # 108	Tempe	Arizona	85284	(480) 496-4200
William and Kimberly	Leto	TBD	Tucson	Arizona	TBD	(480) 907-7018
DeWayne and Charles Gregory	Hart	TBD	Arkadelphia	Arkansas	TBD	(501) 258-5290
Jigna and Nilesh "Neal"	Patel	17328 Interstate 30	Benton	Arkansas	72015	(501) 408-4616
Michael and Heather	Philip	805 South Walton Blvd. Suite 119	Bentonville	Arkansas	72712	(479) 715-6588
Jigna and Nilesh "Neal"	Patel	118 Harvest Drive	Bryant	Arkansas	72109	(501) 943-7492
Glen Johnson	Nicholas "Nick" Crouch	2051 W Main Street Suite A	Cabot	Arkansas	72023	(501) 286-6009
Darrell and Rene	Hill	705 Club Lane #109	Conway	Arkansas	72034	(501) 764-4800
Michael and Heather	Philip	3878 Crossover Rd., Suite 10	Fayetteville	Arkansas	72703	(479) 582-4444

*Glen Johnson	Nicholas "Nick" Crouch	6901 Rogers Ave Suite A	Fort Smith	Arkansas	72903	(479) 452-1833
*Jigna and Nilesh "Neal"	Patel	3308 Central Avenue	Hot Springs	Arkansas	71913	(501) 622-2551
Glen Johnson, Robert Morris	Nicholas "Nick" Crouch	140 John Hardin Drive #29	Jacksonville	Arkansas	72076	(501) 241-2233
Jason	Alley	2007 E. Nettleton Ave.	Jonesboro	Arkansas	72401	(870) 935-5421
Jason	Alley	3410 E Johnson Ave, Suite Q	Jonesboro	Arkansas	72401	(870) 932-8767
*Jigna	Patel	TBD	Little Rock	Arkansas	TBD	(501) 240-1021
*Jigna	Patel	TBD	Little Rock	Arkansas	TBD	(501) 240-1021
*Glen Johnson	Nicholas "Nick" Crouch	16900 Chenal Parkway, Suite 100	Little Rock	Arkansas	72223	(501) 817-3154
*Jigna	Patel	1510 Rebsamen Road	Little Rock	Arkansas	72202	(501) 747-1030
Glen Johnson	Nicholas "Nick" Crouch	10221 N. Rodney Parham Rd.	Little Rock	Arkansas	72227	(501) 224-2233
Glen Johnson	Nicholas "Nick" Crouch	11900 Kanis Rd. Suite D3	Little Rock	Arkansas	72211	(501) 221-6773
Jason	Alley	524 Broadway Avenue	Little Rock	Arkansas	72201	(501) 246-3145
Jigna	Patel	12911 Cantrell Rd. #19	Little Rock	Arkansas	72223	(501) 224-1113
Jigna	Patel	410 S. University Avenue - Suite 140	Little Rock	Arkansas	72205	(501) 280-9988
*Glen Johnson	Nicholas "Nick" Crouch	2600 Main Street	North Little Rock	Arkansas	72114	(501) 904-5212
Glen Johnson	Nicholas "Nick" Crouch	5504 JFK Blvd	North Little Rock	Arkansas	72116	(501) 753-8500
Jim Clark	Rita White	12007 Maumelle Blvd.	North Little Rock	Arkansas	72113	(501) 851-9555
*Michael and Heather	Philip	TBD	Northwest Arkansas	Arkansas	TBD	(479) 263-3980
*Michael and Heather	Philip	TBD	NW Arkansas	Arkansas	TBD	(479) 263-8867
Jigna	Patel	502 Mallard Loop Suite E	Pine Bluff	Arkansas	71603	(870) 536-7040
Michael and Heather	Philip	3351 Pinnacle Hills Parkway	Rogers	Arkansas	72758	(479) 273-2000
*Glen Johnson	Nicholas "Nick" Crouch	605 N Arkansas Avenue	Russellville	Arkansas	72801	(479) 498-0788
Glen Johnson	Nicholas "Nick" Crouch	310 E. Beebe Capps Expy	Searcy	Arkansas	72143	(501) 305-3665
Michael and Heather	Philip	TBD	Springdale	Arkansas	TBD	(479) 263-3980
Michael and Heather	Philip	7022 W. Sunset Avenue, Suite 1	Springdale	Arkansas	72762	(479) 361-9999
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Van Buren	Arkansas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	2025 Fayetteville Road Suite A	Van Buren	Arkansas	72956	(479) 471-5359
*Parvinder and Malwinder	Sidhu	41 Auto Center Drive Suite 109A	Foothill Ranch	California	92610	(949) 452-0184
*Parvinder and Malwinder	Sidhu	9480 Talbert Avenue	Fountain Valley	California	92708	(714) 375-0018
Robert	Frances	TBD	Heavenly Village	California	TBD	(702) 256-3081
*Parvinder and Malwinder	Sidhu	1566 Alton Parkway	Irvine	California	92618	(949) 450-0235
*Parvinder and Malwinder	Sidhu	27412 Antonio Parkway Suite R2	Ladera Ranch	California	92691	(949) 347-1260
*Parvinder and Malwinder	Sidhu	23841 El Toro Road	Lake Forest	California	92630	(949) 452-0172
*Parvinder and Malwinder	Sidhu	28181 Marguerite Parkway Suite 23	Mission Viejo	California	92691	(949) 347-1004
*Parvinder and Malwinder	Sidhu	860 The City Drive Suite A	Orange	California	92868	(714) 703-8037
*Parvinder and Malwinder	Sidhu	TBD	Orange County	California	TBD	(702) 290-7278
*Parvinder and Malwinder	Sidhu	TBD	Orange County	California	TBD	(702) 290-7278
*Parvinder and Malwinder	Sidhu	TBD	Orange County	California	TBD	(702) 290-7278
Gary	Wagner	1424 Pinole Valley Road	Pinole	California	94564	(510) 417-2245
Regina and Michael	Pilson	12799 E. Foothill Blvd., Ste. A	Rancho Cucamonga	California	91739	(909) 899-0708

Craig, Linette and Camille	Corbin	5130 Commons Dr Suite 112	Rocklin	California	95677	(916) 824-2966
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
*Parvinder and Malwinder	Sidhu	TBD	San Diego	California	TBD	(702) 478-0008
Gary	Wagner	TBD	San Francisco	California	TBD	(650) 888-5594
Yen	Duong	TBD	Santa Barbara	California	TBD	(805) 865-6821
Atul, Alpa and Nimisha	Shah	700 South College Avenue	Fort Collins	Colorado	80524	(970) 825-5111
James and Michelle	Dye	TBD	Arvada	Colorado	TBD	(303) 947-0780
Craig	LeMieux	6955 South York Street, Suite 420	Centennial	Colorado	80122	(303) 798-0437
Craig	LeMieux	9615-D E. County Line Rd	Centennial	Colorado	80112	(303) 799-4133
Mark Lukachko	David Keller	15 Dixwell Avenue	New Haven	Connecticut	6511	(203) 691-5428
SudhirKumar	Mehta	TBD	Dover	Delaware	TBD	(410) 463-1133
Alicia D'Andrea-Norris	Dennis Norris	TBD	Wilmington	Delaware	TBD	(302) 893-1847
Gaurang "Steve"	Modi	4742 Limestone Road	Wilmington	Delaware	19808	(302) 510-6109
Oubab	Khalil	425 I Street NW	Washington	District of Columbia	20001	(202) 851-4055
Arman	Marukyan	851 South State Road 434	Altamonte Springs	Florida	32714	(407) 294-0098
Richard "Rick" Pettingill	Raymond "Ray" Sussek	3030 E. Semoran Blvd	Apopka	Florida	32703	(407) 755-1112
Lieu Thi Nguyen, Melvin Cron	Phone Thai Ho	5072 Annunciation Circle, Ste. 101	Ave Maria	Florida	34142	(239) 867-4492
Jack	Cleghorn	1490 N. Broadway Ave.	Bartow	Florida	33830	(863) 519-9111
Cornel and Delrose	Marriott	1025 Gateway Blvd. #305	Boynton Beach	Florida	33426	(561) 733-0059
Oliver and Lindsey	Brama	1007 1st St East	Bradenton	Florida	34208	(941) 747-0505
Emily	Harrington	11011 Causeway Blvd.	Brandon	Florida	33511	(813) 684-1962
Emily	Harrington	2330 W. Brandon Blvd.	Brandon	Florida	33511	(813) 689-6200
*Raymond	Howell Jr.	1751 NE Pine Island Road, Unit L3	Cape Coral	Florida	33909	(239) 573-0035
Joy and Raymond	Howell	2139 Santa Barbara Blvd S	Cape Coral	Florida	33991	(239) 800-5362
*LeRoy and Mary	Smith	54 Riley Road	Celebration	Florida	34747	(407) 566-8636
*Daniel and Matthew Beaulieu	Joseph Hudson	TBD	Charlotte County	Florida	TBD	(502) 345-1200
*Daniel and Matthew Beaulieu	Joseph Hudson	TBD	Charlotte County	Florida	TBD	(502) 345-1200
*Bradley	Freet	TBD	Clearwater	Florida	TBD	(727) 515-0018
*Bradley and Jean	Freet	1840 Gulf To Bay Boulevard	Clearwater	Florida	33765	(727) 474-2850
Bradley	Freet	27001 US 19 North	Clearwater	Florida	33761	(727) 400-6905
Keith	Sabiel	2695 Roosevelt Blvd.	Clearwater	Florida	33761	(727) 536-1800
Ming-Ting	Chung	4360 North Atlantic Avenue	Cocoa Beach	Florida	32931	(321) 868-7891
*Karina Caballero	Cesar Batista	6182 West Sample Road	Coral Springs	Florida	33067	(954) 775-0254
Bill	Wyrough	3802 S. Ferdon Blvd., Suite C	Crestview	Florida	32536	(850) 398-6286

*LeRoy and Mary	Smith	7920 Lake Wilson Road	Davenport	Florida	33896	(863) 420-4444
Sandra Ramirez	Jim Welzer	5780 S University Dr #160	Davie	Florida	33328	(954) 880-0840
Ahmed And Nesreen	Eldeeb	1500 Beville Road #702	Daytona Beach	Florida	32114	(386) 265-1911
*Karina Caballero	Cesar Batista	TBD	Delray Beach	Florida	TBD	(407) 967-2231
Adam	Alfonso	4495 Furling Lane, Suite 120	Destin	Florida	32459	(850) 460-8666
Prashanth "Peter" Jonngadala	Vanisree Jonnagadla	2000 NW 87th Ave., Suite #2	Doral	Florida	33172	(786) 331-3960
Joy and Raymond	Howell	10011 Estero Town Commons Pl. Unit 104A	Estero	Florida	33928	(239) 992-2008
David and Loretta	Whiting	5000 US HWY 17, Suite 7	Fleming Island	Florida	32003	(904) 375-0959
Jesus and Karina Caballero	Cesar Batista	1851 Cordova Road	Fort Lauderdale	Florida	33316	(954) 523-2268
Sandra Ramirez	Jim Welzer	6339 North Andrews Avenue	Fort Lauderdale	Florida	33309	(954) 958-0440
*Andrew and Raymond	Howell	13111 Paul J. Doherty Parkway Suite 140	Fort Meyers	Florida	33913	(239) 789-1210
*Raymond	Howell Jr.	16240 Summerlin Road #310	Fort Myers	Florida	33908	(239) 771-8078
*Raymond	Howell Jr.	1791 Boyscout Drive #1	Fort Myers	Florida	33907	(239) 362-0574
Raymond	Howell Jr.	9377 Six Mile Cypress Pkwy, Ste 100	Fort Myers	Florida	33966	(239) 931-3100
Raymond and Joy	Howell	6611 Orion Drive, #101	Fort Myers	Florida	33912	(239) 561-6220
Kimberly	Rego	3211 South US Highway 1	Fort Pierce	Florida	34982	(772) 448-8709
Kimberly	Rego	5212-A Okeechobee Road	Fort Pierce	Florida	34947	(772) 429-1944
Neil and Carol Hooker	Catherine Catanese	415 C Mary Esther Blvd., Unit C	Fort Walton Beach	Florida	32548	(850) 244-3688
Pamela Clark	Jeffery Pappas	1000 Mar Walt Drive	Fort Walton Beach	Florida	32547	(850) 315-7996
Sara	Holt	10 S. E. Eglin Blvd.	Fort Walton Beach	Florida	32548	(850) 796-2388
Sara	Holt	206 NW Racetrack Road	Fort Walton Beach	Florida	32547	(850) 864-4991
Brandy	Heinlein	3345 SW 34 Street Ste 5	Gainesville	Florida	32608	(352) 379-9988
Dhairya and Vipulkumar	Chaudhari	4125 NW 16th Boulevard	Gainesville	Florida	32605	(352) 363-6227
Linda	Morgan	211 Gulf Breeze Parkway	Gulf Breeze	Florida	32561	(850) 733-9757
Ming-Ting	Chung	660 East Eau Gallie Blvd. Suite 2	Indian Harbour Beach	Florida	32937	(321) 622-8706
Kimberly	Rego	TBD	Indian River County	Florida	TBD	(508) 971-0787
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Jacksonville	Florida	TBD	(573) 489-9890
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Jacksonville	Florida	TBD	(573) 489-9890
Gary and Patricia	Corbitt	10111 San Jose Blvd.	Jacksonville	Florida	32257	(904) 880-5161
Irwin and Josh	Witt	11900 Atlantic Blvd. Suite 228	Jacksonville	Florida	32225	(904) 564-4784
Jim Mabry	Clark Bailey	104 Bartram Oaks Walk, Suite 106	Jacksonville	Florida	32259	(904) 230-6360
Mark	Steele	4765 Hodges Blvd Suite 20	Jacksonville	Florida	32224	(904) 503-2682
Glen Johnson	Nicholas "Nick" Crouch	TBD	Jacksonville	Florida	TBD	(573) 489-9890
Glen Johnson	Nicholas "Nick" Crouch	13159 City Center Blvd	Jacksonville	Florida	32218	(904) 379-6826
Glen Johnson	Nicholas "Nick" Crouch	13280 Old St. Augustine Road	Jacksonville	Florida	32258	(904) 337-1648
Glen Johnson	Nicholas "Nick" Crouch	1808 Hendricks Avenue	Jacksonville	Florida	32207	(904) 399-1514
Glen Johnson	Nicholas "Nick" Crouch	2245 Country Road 210 W	Jacksonville	Florida	32259	(904) 829-9292
Glen Johnson	Nicholas "Nick" Crouch	8221 Southside Blvd.	Jacksonville	Florida	32256	(904) 646-9727
Glen Johnson	Nicholas "Nick" Crouch	9610 Applecross Road, Suite 110	Jacksonville	Florida	32222	(904) 777-8216
Glen Johnson	Nicholas "Nick" Crouch	7159 Phillips Hwy, Unit #5	Jacksonville	Florida	32256	(904) 332-9555
Mark	Steele	1230 Beach Blvd.	Jacksonville Beach	Florida	32250	(904) 242-4940
Nick and Vincent Gannascoli	Nick Gannascoli Jr.	2491 South Federal Highway	Jensen Beach	Florida	34957	(772) 692-8088

Nick and Vincent Gannascoli	Nick Gannascoli Jr.	3174 Federal Hwy	Jensen Beach	Florida	34957	(772) 232-9010
Karina Caballero	Cesar Batista	6671 W. Indianatown Rd Suite 52	Jupiter	Florida	33458	(561) 748-4457
Rick	Price	5440 Military Trail, Suite #5	Jupiter	Florida	33458	(561) 624-8775
Yolanda	Montoya	2677 W. Osceola Pkwy.	Kissimmee	Florida	34741	(407) 201-3982
Yolanda Montoya	James Harley	3222 Rolling Oaks Blvd	Kissimmee	Florida	24747	(407) 507-1537
Nicholas	Crouch	2786 W US Hwy 90, Suite 101	Lake City	Florida	32055	(386) 344-6978
Andrew and Raymond	Howell	3785 Lake Emma Road	Lake Mary	Florida	32746	(407) 942-0050
Karina Caballero	Cesar Batista	TBD	Lake Worth	Florida	TBD	(407) 967-2231
Karina Caballero	Cesar Batista	TBD	Lake Worth	Florida	TBD	(407) 967-2231
Jack	Cleghorn	225 South Florida Ave	Lakeland	Florida	33801	(863) 686-9474
Ming-Ting and Paul Chung	Jacqueline Li	4270 N Hwy 98	Lakeland	Florida	33809	(863) 859-5116
Joe	Mormino	1001 West Bay Drive, Unit 102	Largo	Florida	33770	(727) 216-3329
Quint	Noordstar	8495 Bryan Dairy Road	Largo	Florida	33777	(727) 201-8966
James "Jim" and Joertta	Spafford	15673 Southern Blvd. #B 103-104	Loxahatchee	Florida	33470	(561) 657-8480
Peter	St. Germain	TBD	Marco Island	Florida	TBD	(859) 444-7402
Christopher	Albers	1270 N. Wickham Rd. #1	Melbourne	Florida	32935	(321) 751-3330
Diane	Schullstrom	3682 N. Wickham Rd. Suite E	Melbourne	Florida	32935	(321) 426-7704
Lisa and Robbie "Robb"	Morrison	2328 Citadel Way	Melbourne	Florida	32940	(321) 241-1140
Ming Ting	Chung	TBD	Melbourne	Florida	TBD	(863) 529-7961
Ming-Ting	Chung	1520 S. Babcock St., Suite A	Melbourne	Florida	32907	(321) 952-5575
Ming-Ting	Chung	1700 West New Haven Avenue	Melbourne	Florida	32904	(321) 768-9731
Ming-Ting	Chung	700 E. Merritt Island Causeway	Merritt Island	Florida	32952	(321) 454-2303
*Jim Welzer	Sandra Ramirez	TBD	Miami	Florida	TBD	(305) 766-0207
Clyde "Brad" and Marie	Shellen	TBD	Miami	Florida	TBD	(305) 322-7431
Clyde "Brad" and Marie	Shellen	13550 SW 120th St. #452	Miami	Florida	33186	(305) 251-7570
Giancarlo and Fernando	Capote	11290 SW 12th St., RC 101	Miami	Florida	33199	(305) 348-7534
Jim Welzer	Sandra Ramirez	TBD	Miami	Florida	TBD	(954) 805-5073
Nicholas	Crouch	1782 Blanding Boulevard, Suite 11	Middleburg	Florida	32068	(904) 282-8777
Amy	Reynolds	8855 Immokalee Road #1	Naples	Florida	34120	(239) 331-7445
Daniel and Matthew Beaulieu	Joseph Hudson	5016 Airport Pulling Rd. N.	Naples	Florida	34105	(239) 262-3600
Daniel and Matthew Beaulieu	Joseph Hudson	5995 Pine Ridge Road	Naples	Florida	34119	(239) 330-7214
Stuart	Bell	7335 Radio Road Suite 2	Naples	Florida	34104	(239) 354-3333
Stuart and Austin	Bell	13585 Tamiami Trail North Unit #19	Naples	Florida	34110	(239) 591-2241
Stuart and Austin Bell	Brandon Esswein	TBD	Naples	Florida	TBD	(612) 803-3815
Thomas and Lana	Hudson	570 Ninth Street North	Naples	Florida	34102	(239) 793-5700
Linda Morgan	Russell Rissman	8646 Navarre Parkway	Navarre	Florida	32566	(850) 936-1320
Bill	Wyrough	703 John Sims Pkwy.	Niceville	Florida	32578	(850) 729-8060
Nicholas	Crouch	266 Blanding Blvd Suite 2	Orange Park	Florida	32073	(904) 644-7353
Alfredo	Manzano	63 West Washington Street	Orlando	Florida	32801	(407) 839-0830
Andrew and Raymond	Howell	12201 Research Pkwy #199	Orlando	Florida	32826	(407) 601-4220
Andrew and Raymond	Howell	3120 S. Kirkman Road, Suite 5E	Orlando	Florida	32811	(407) 601-7982
Anna, Esteban and Jacqueline	Perez	TBD	Orlando	Florida	TBD	(407) 455-3091
Barry	Curran	4960 E. Colonial Drive	Orlando	Florida	32803	(407) 897-8585

Cindy	Pantalone	433 N. Mills Avenue	Orlando	Florida	32803	(407) 896-4999
Jacqueline, Esteban and Anna	Perez	2104 Edgewater Drive	Orlando	Florida	32804	(407) 422-1112
Katarina Schickendanz	John Weissfisch	TBD	Orlando	Florida	TBD	(305) 926-2484
Levon and Hovnan	Movsisyan	7561 West Sandlake Rd	Orlando	Florida	32819	(407) 248-0707
Raymond "Ray" Sussek	Richard "Rick" Pettingill	TBD	Orlando	Florida	TBD	(410) 430-9732
Robert, Michele and Brittany	Parsons	12278 Narcoossee Road Suite 102	Orlando	Florida	32832	(407) 203-8721
John Weissfisch	Katarina Schickedanz	8155 Red Bug Lake Rd Suite 109	Oviedo	Florida	32765	(407) 971-9494
Nicholas	Crouch	TBD	Palatka	Florida	TBD	(573) 489-9890
Ming-Ting	Chung	4700 Babcock St., Unit # 9	Palm Bay	Florida	32905	(321) 725-6535
Andrea and Marianna	Tenorio	6271 PGA Blvd.	Palm Beach Gardens	Florida	33418	(561) 775-7744
Karina Caballero	Cesar Batista	2508 PGA Blvd.	Palm Beach Gardens	Florida	33410	(561) 626-0412
Karina Caballero	Cesar Batista	4276 Northlake Blvd.	Palm Beach Gardens	Florida	33410	(561) 624-4513
Joseph and Dawn	Rogers	3083 SW Martin Downs Blvd.	Palm City	Florida	34990	(772) 223-8856
Joyce Braider	Nicholas Mellini	5234 Highway 100 E. Suite #107	Palm Coast	Florida	32164	(386) 586-0085
Nicholas	Crouch	250 Palm Coast Parkway NE Suite 203	Palm Coast	Florida	32137	(386) 283-4811
Jacquelyn	Stephens	652 West 23rd Street	Panama City	Florida	32405	(850) 913-9336
Pamela	Clark	11260 Panama City Beach Pkwy, Unit 101	Panama City Beach	Florida	32407	(850) 588-8470
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Pasco County	Florida	TBD	(352) 467-5473
William and Stephanie	Striepeck	5147 Bayou Blvd., Ste. C	Pensacola	Florida	32503	(850) 332-6601
Bradley and Jean	Freet	6400 Park Blvd.	Pinellas	Florida	33781	(727) 803-6942
Sandra Ramirez	Jim Welzer	1007 South University Drive Suite A	Plantation	Florida	33324	(654) 451-3444
Jim	Mabry	830 N A1A, Suite 1	Ponte Vedra Beach	Florida	32082	(904) 280-4044
*Daniel and Matthew Beaulieu	Joseph Hudson	TBD	Port Charlotte	Florida	TBD	(502) 345-1200
Doug	Dixon	1441 Tamiami Trail, Suite 599	Port Charlotte	Florida	33948	(941) 764-7926
Ahmed	Eldeeb	1781 Dunlawton Avenue Suite 1	Port Orange	Florida	31227	(386) 301-4225
*Kimberly	Rego	6632 S. Federal Highway	Port Saint Lucie	Florida	34952	(772) 409-4100
Charles	Roberts	9182 S. Federal Hwy	Port Saint Lucie	Florida	34952	(772) 380-9494
Elizabeth and Daniel	Grund	10628 SW Village Parkway	Port Saint Lucie	Florida	34987	(772) 344-6960
Mukesh	Patel	314 Port St. Lucie Blvd.	Port Saint Lucie	Florida	34984	(772) 878-0092
Sara Arruda	Brenda Sutherland	1707 NW St. Lucie West Blvd., Suite 122	Port Saint Lucie	Florida	34986	(772) 621-4504
*LeRoy and Mary	Smith	TBD	Reunion	Florida	TBD	(407) 346-5268
Lisa and Robbie "Robb"	Morrison	602 Barnes Boulevard	Rockledge	Florida	32955	(321) 305-4910

Amitbhai	Patel	112 Seagrove Main St., Suite 114`	Saint Augustine	Florida	32080	(904) 461-9090
Amitbhai "Amit"	Patel	TBD	Saint Augustine	Florida	TBD	(904) 687-3098
Nicholas	Crouch	124 Tuscan Way Suite 101	Saint Augustine	Florida	32092	(904) 342-7133
Quint and Christina	Noordstar	625 6th Ave. S #150	Saint Petersburg	Florida	33701	(727) 894-0405
Bradley	Freet	150 Fountain Pkwy N., Suite B	Saint Petersburg	Florida	33716	(727) 573-1425
Quint	Noordstar	1201 4th St. N.	Saint Petersburg	Florida	33701	(727) 821-3100
Quint and Christina	Noordstar	2137 66th Street North	Saint Petersburg	Florida	33710	(727) 345-8947
*Raymond and Andrew	Howell	TBD	Sarasota	Florida	TBD	(804) 815-6718
*Raymond and Andrew	Howell	TBD	Sarasota	Florida	TBD	(804) 815-6718
*Raymond and Andrew	Howell	TBD	Sarasota	Florida	TBD	(804) 815-6718
*Andrew and Raymond	Howell	8605 Tamiami Trail #1	Sarasota	Florida	34238	(941) 220-3402
Elana Williams	Alex Ruzanov	1900 Main Street, Suite 102	Sarasota	Florida	34236	(941) 365-4999
Keith	Sabiel	10720 Park Blvd.	Seminole	Florida	33772	(727) 392-5400
Joseph and Dawn	Rogers	6134 S. Federal Hwy	South Stuart	Florida	34997	(772) 283-7377
Nick and Vincent Gannascoli	Nick Gannascoli Jr.	1989 SE Federal Hwy	Stuart	Florida	34994	(772) 220-2995
Adam	Pope	3839 N. Monroe Street	Tallahassee	Florida	32303	(850) 562-5733
Benny and Christa	Chastian	209 N. Magnolia Suite 1	Tallahassee	Florida	32301	(850) 412-9100
Chris	George	3111 Mahan Drive, #23	Tallahassee	Florida	32308	(850) 878-3777
Danny	Carpenter	904 Thomasville Rd.	Tallahassee	Florida	32303	(850) 224-3600
Garth	Brown	679 B W. Tennessee Street	Tallahassee	Florida	32304	(850) 561-8888
Garth	Brown	800 Ocala Road, Suite 330	Tallahassee	Florida	32304	(850) 576-4300
Joseph	Rizza	3521 Mcclay Blvd.	Tallahassee	Florida	32312	(850) 907-1758
Metz Culinary Management	Inc.	1510 Wahnish Way	Tallahassee	Florida	32307	(850) 412-7191
Ralph	Judy	1500 Apalachee Parkway Suite 1255	Tallahassee	Florida	32301	(850) 402-9675
Sam	Osborne	1415 Timberlane Rd. Unit 323	Tallahassee	Florida	32312	(850) 894-4980
*Christina and Quint	Noordstar	TBD	Tampa	Florida	TBD	(727) 458-1835
*Christina and Quint	Noordstar	TBD	Tampa	Florida	TBD	(727) 458-1835
*Emily	Harrington	TBD	Tampa	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Tampa	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Tampa	Florida	TBD	(352) 467-5473
*Emily	Harrington	TBD	Tampa	Florida	TBD	(352) 467-5473
*Quint and Christina	Noordstar	401 Channel Side Drive	Tampa	Florida	33602	(813) 301-6500
Emily	Harrington	14394 North Dale Mabry Highway	Tampa	Florida	33628	(813) 252-3750
Issa	Abuaita	TBD	Tampa	Florida	TBD	(305) 342-5150
Quint	Noordstar	3810 Neptune St., Suite B4	Tampa	Florida	33629	(813) 374-2245
Ralph	Judy	250 West Shore Plaza Suite KC-1	Tampa	Florida	33609	813-286-792
Tyrone	Blockton	TBD	Tampa	Florida	TBD	(757) 679-0223
Thomas Chow	Jacqueline Li	3045 Columbia Blvd.	Titusville	Florida	32780	(321) 567-4438
Kimberly	Rego	1555 S. U.S. Highway 1, Suite 102	Vero Beach	Florida	32960	(772) 226-9988
Blake and Talia	Baynham	2803 US 441 Unit 200	Wellington	Florida	33414	(561) 249-6135
Andrea and Marianna	Tenorio	TBD	West Palm Beach	Florida	TBD	(954) 778-9398
Ming-Ting and Paul Chung	Jacqueline Li	301 W. Central Avenue	Winter Haven	Florida	33681	(863) 295-7988

Ibrahim and Iyad	Abufarha	TBD	Winter Park	Florida	TBD	(810) 686-7309
Glen Johnson, Lucas Anderson	Nicholas Crouch	463909 SR 200 Suite 6	Yulee	Florida	32097	(904) 468-7099
*Michael	Haines	869 N. Main Street Suite 204	Alpharetta	Georgia	30004	(678) 580-1045
*Cuyler and Diane Espisito	Chad Peluso	TBD	Atlanta	Georgia	TBD	(678) 793-1766
*Cuyler and Diane Espisito	Chad Peluso	TBD	Atlanta	Georgia	TBD	(678) 793-1766
*Cuyler and Diane Espisito	Chad Peluso	TBD	Atlanta	Georgia	TBD	(678) 793-1766
*Diane and Cuyler	Esposito	705 Town Blvd. #315	Atlanta	Georgia	30319	(470) 305-7232
*Subhash	Pandat	930 Spring Street NW #001	Atlanta	Georgia	30309	(470) 305-7678
Forrest "Michael" and Frederick	Toca	TBD	Atlanta	Georgia	TBD	(267) 257-2575
Krishnendu Chandra	Nancy Patel	TBD	Atlanta	Georgia	TBD	(404) 754-9551
Scott	Temme	2566 Briarcliff RD NE Suite 106	Atlanta	Georgia	30329	(678) 949-9324
Scott Temme	Michael Haines	TBD	Atlanta	Georgia	TBD	(770) 713-5254
Subhash	Pandat	TBD	Atlanta	Georgia	TBD	(501) 247-1842
Reginald	Foster	262 Robert C Daniel Jr Parkway	Augusta	Georgia	30909	(706) 922-3240
*James and Deborah Pike	Meghan Cook	2249 Cumming Highway Suite 106	Canton	Georgia	30115	(770) 213-4616
Nancy Patel	Krishnendu Chandra	50 Main Street Marketplace Suite 400	Cartersville	Georgia	30121	(678) 719-8804
*James and Deborah Pike	Meghan Cook	TBD	Cherokee County	Georgia	TBD	(770) 883-6055
*James and Deborah Pike	Meghan Cook	TBD	Cherokee County	Georgia	TBD	(770) 883-6055
*James and Deborah Pike	Meghan Cook	TBD	Cherokee County	Georgia	TBD	(770) 883-6055
*James and Deborah Pike	Meghan Cook	TBD	Cherokee County	Georgia	TBD	(770) 883-6055
*James and Deborah Pike	Meghan Cook	TBD	Cobb County	Georgia	TBD	(770) 883-6055
*James and Deborah Pike	Meghan Cook	TBD	Cobb County	Georgia	TBD	(770) 883-6055
*James and Deborah Pike	Meghan Cook	TBD	Cobb County	Georgia	TBD	(770) 883-6055
Mohmed "Mohamed", Riha and Vasmin	Momin	5555 Whittlesey Blvd. Suite 2960	Columbus	Georgia	31909	(706) 327-2003
*Michael "Mike"	Shattuck	TBD	Dawson	Georgia	TBD	(678) 410-2687
*Michael "Mike"	Shattuck	TBD	Dawson	Georgia	TBD	(678) 410-2687
*Michael "Mike"	Shattuck	TBD	Dawson	Georgia	TBD	(678) 410-2687
*Michael "Mike"	Shattuck	TBD	Dawson	Georgia	TBD	(678) 410-2687
*Michael "Mike"	Shattuck	TBD	Dawson	Georgia	TBD	(678) 410-2687
Babatunde "Teaj" and Bamidele "Eric"	Arogbofa	2502 Blackmon Drive Suite 820	Decatur	Georgia	30033	(404) 631-6711
Reginald	Foster	TBD	Ft. Gordon	Georgia	TBD	(404) 667-4193
*Michael	Haines	TBD	Gainesville	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	Gainesville	Georgia	TBD	(404) 662-7878
*Michael	Haines	11160 Medlock Bridge Road #100	Johns Creek	Georgia	30097	(678) 395-4226
*James and Deborah Pike	Meghan Cook	777 Townpark Lane Suite 112	Kennesaw	Georgia	30144	(678) 460-7711
Glen Johnson	Nicholas "Nick" Crouch	TBD	Kingsland	Georgia	TBD	(573) 489-9890
Glen Johnson	Nicholas "Nick" Crouch	TBD	Kingsland	Georgia	TBD	(573) 489-9890
Janine	Bischone	120 Tom Hill Sr. Road Suite 102	Macon	Georgia	31210	(478) 257-6040
*Subhash	Pandat	TBD	Marietta	Georgia	TBD	(501) 247-1842
Mohmed "Mohamed" and Riha	Momin	TBD	McDonough	Georgia	TBD	(404) 578-5406

*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
*Michael	Haines	TBD	North Atlanta	Georgia	TBD	(404) 662-7878
Mohsin and Ashnfina	Dhanani	TBD	Peachtree City	Georgia	TBD	(404) 790-5823
*Diane and Cuyler	Esposito	5840 Roswell Road Suite 600	Sandy Springs	Georgia	30328	(404) 907-4729
*Glen Johnson	Nicholas Crouch	TBD	Savannah	Georgia	TBD	(501) 442-0089
*Glen Johnson	Nicholas Crouch	TBD	Savannah	Georgia	TBD	(501) 442-0089
*Glen Johnson	Nicholas Crouch	TBD	Savannah	Georgia	TBD	(501) 442-0089
*Glen Johnson	Nicholas Crouch	TBD	Savannah	Georgia	TBD	(501) 442-0089
*Michael "Mike"	Shattuck	1630 Scenic Highway North Suite F	Snellville	Georgia	30078	(678) 395-7400
Padmavati Koganti	Vijayakumar Paturi	909 Eagle's Landing Pkwy, Ste 140	Stockbridge	Georgia	30281	(678) 289-5454
*Michael	Haines	3320 Lawrenceville-Suwanee Road Suite 1-A	Suwanee	Georgia	30024	(678) 765-7703
Nicholas	Crouch	1525 Baytree, Suite C	Valdosta	Georgia	31601	(229) 247-5599
Ankit and Minaxi	Patel	TBD	Warner Robins	Georgia	TBD	(478) 960-7570
*Kory and Michelle	Pukash	TBD	Boise	Idaho	TBD	(208) 866-3081
*Kory and Michelle	Pukash	TBD	Boise	Idaho	TBD	(208) 866-3081
*Kory and Michelle	Pukash	TBD	Boise	Idaho	TBD	(208) 866-3081
*Kory and Michelle	Pukash	8925 West Overland Road	Boise	Idaho	83709	(208) 378-1177
Patrick Bode	Kevin Bartlett	1603 W. Taylor Street U.I.C.	Chicago	Illinois	60517	(312) 413-5343
Patrick Bode	Kevin Bartlett	737 S. Halsted Street	Chicago	Illinois	60607	(312) 996-8170
Syed Hameed	Tazeen Syed	12162 S Il Route 47	Huntley	Illinois	60142	(847) 669-3803
Phillip	Knippen	1872 E. Lincoln Hwy.	New Lenox	Illinois	60451	(815) 717-8095
Phillip and Theresa	Knippen	TBD	Orland Hills	Illinois	TBD	(708) 945-7445
Patrick Bode	Kevin Bartlett	9000 W. College Parkway	Palos Hills	Illinois	60465	(708) 608-4480
Phillip and Theresa	Knippen	TBD	Tinley Park	Illinois	TBD	(708) 945-7445
David	Knapp	2882 East 3rd Street	Bloomington	Indiana	47401	(812) 330-2355
David and Kimberly	Knapp	3135 25th St.	Columbus	Indiana	47203	(812) 375-1100
*Armen Grigorian	Kush and Beemal Patel	TBD	Evansville	Indiana	TBD	(502) 460-6577
*Armen Grigorian	Kush and Beemal Patel	TBD	Newburgh	Indiana	TBD	(502) 460-6577
Rick	Sandquist	517 Lincoln Way Suite 101	Ames	Iowa	50010	(515) 233-5460
Rick and Annette	Sandquist	1620 North Ankeny Blvd Suite 110	Ankeny	Iowa	50021	(515) 965-7889
David and Cori	O'Brien	2813 ½ Fifth Avenue South	Fort Dodge	Iowa	50501	(515) 573-1199
Rick and Ricky Sandquist	Andrew Hanse, Kaleb Chingren	TBD	Johnston	Iowa	TBD	(515) 419-2247
*Melissa and Scott	Andersen	TBD	Kansas City	Kansas	TBD	(913) 439-8918
*Rakesh, Rohit and Nirav	Patel	TBD	Kansas City	Kansas	TBD	(316) 200-5139
*Rakesh, Rohit and Nirav	Patel	TBD	Kansas City	Kansas	TBD	(316) 200-5139
Robert and Lori	Good	TBD	Kansas City	Kansas	TBD	(417) 291-5419
Robert and Lori	Good	TBD	Kansas City	Kansas	TBD	(417) 291-5419

Scott and Melissa	Andersen	12850 W. 87th Street	Kansas City	Kansas	66215	(913) 967-5998
Steven and Cassandra	Coad	TBD	Kansas City	Kansas	TBD	(913) 709-9724
Aaron	Walker	TBD	Lawrence	Kansas	TBD	(918) 533-0181
*Melissa and Scott	Andersen	TBD	Shawnee	Kansas	TBD	(913) 439-8918
*James Puritt	Jacob Rowland	TBD	Wichita	Kansas	TBD	(918) 633-0871
*James Puritt	Jacob Rowland	TBD	Wichita	Kansas	TBD	(918) 633-0871
*James Puritt	Jacob Rowland	TBD	Wichita	Kansas	TBD	(918) 633-0871
*James Puritt	Jacob Rowland	TBD	Wichita	Kansas	TBD	(918) 633-0871
Ankit, Alpeshkumar and Minaxi	Patel	1971 Cave Mill Road Suite #1	Bowling Green	Kentucky	42104	(270) 599-0022
Sunil and Sureshkumar "Suresh"	Patel	TBD	Cincinnatti	Kentucky	TBD	(513) 720-9905
Richard and Jeffery	Derrickson	3181 Beaumont Centre Circle Suite 112	Lexington	Kentucky	40513	(859) 223-0032
Tyson Babb, Justin Arnold	Joseph Delapp	4793 Village Square Suite H	Paducah	Kentucky	42001	(270) 557-7348
*Mark, Yuvonka and Jean-Marc	Brown	TBD	Alexandria	Louisiana	TBD	(318) 542-9367
*Mark, Yuvonka and Jean-Marc	Brown	TBD	Baton Rouge	Louisiana	TBD	(318) 542-9367
*Bj Crist	Gustavo Rezende	TBD	Lafayette	Louisiana	TBD	(504) 473-1142
*Bj Crist	Gustavo Rezende	TBD	Lafayette	Louisiana	TBD	(504) 473-1142
BJ	Crist	TBD	Lafayette	Louisiana	TBD	(504) 473-1142
BJ	Crist	1512 Ambassador Cafferey Pkwy	Lafayette	Louisiana	70506	(337) 412-6090
Claire Foret	BJ Crist	458 Heymann Blvd. Suite B	Lafayette	Louisiana	70503	(337) 456-3933
*Douglas Fair	Christian Short	TBD	New Orleans	Louisiana	TBD	(504) 813-1679
*Douglas Fair	Christian Short	TBD	New Orleans	Louisiana	TBD	(504) 813-1679
*Douglas Fair	Christian Short	TBD	New Orleans	Louisiana	TBD	(504) 813-1679
Crystal and Michael	Turpin	426 Alfred Street	Biddeford	Maine	4005	(207) 494-8183
Crystal and Michael	Turpin	45 Western Ave	South Portland	Maine	4106	(207) 871-9991
*Jason	Chan	TBD	Baltimore	Maryland	TBD	(917) 378-9827
*Jason	Chan	TBD	Baltimore	Maryland	TBD	(917) 378-9827
*Shirlean	Gatling	TBD	Baltimore	Maryland	TBD	(301) 775-4132
*Shirlean	Gatling	TBD	Baltimore	Maryland	TBD	(301) 832-8594
Oubab Khalil	Mustafa Sardini	4731A Elm Street	Bethesda	Maryland	20814	(240) 800-3832
Alesha and Ronald	Hicks	TBD	Bowie	Maryland	TBD	(202) 421-6462
Toya and Chanell Evan	Lauren Williamson	15475 Annapolis Road Suite 150	Bowie	Maryland	20715	(301) 805-2829
Clement and Jacqueline	Troutman	1703 Ritchie Station Court Suite 100	Capitol Heights	Maryland	20743	(301) 336-1719
Kwang-woo Choi	Paulo Ifurung	6455 Dobbin Road, Suite 35	Columbia	Maryland	21045	(410) 730-6564
*SudhirKumar	Mehta	TBD	Easton	Maryland	TBD	(410) 463-1133
Nilaykumar, Shwetank, Alkesh and Jigarkumar	Patel	9150 Baltimore National Pike	Ellicot City	Maryland	21042	(410) 680-6048
Tameka	Davis	211 Shorebird St. Suite C	Frederick	Maryland	21701	(301) 644-0417
Shirlean Gatling	Kalion Dickens	2389 Brandermill Blvd Ste 104	Gambrills	Maryland	21054	(410) 721-5800
Darshaben and Sandipkumar "Sandip"	Patel	TBD	Glen Burnie	Maryland	TBD	(201) 270-7041
Eric and Dawn	Metz	TBD	Hartford County	Maryland	TBD	(443) 807-3112
Shwetank, Arpit and Samarpit	Patel	TBD	Howard County	Maryland	TBD	(215) 313-3606
Jacob	Razeq	TBD	La Plata	Maryland	TBD	(540) 419-5166

Kirk and Zakary Purcell	Mary Elizaebeth Purcell Leskinen	TBD	Lexington Park	Maryland	TBD	(301) 475-8267
Mitesh and Jigna	Patel	TBD	Montgomery County	Maryland	TBD	(501) 240-8919
Isha	Katohora	TBD	Montgomery County	Maryland	TBD	(978) 516-8513
Pallavi Vyas	Vijay Patel	TBD	Montgomery County	Maryland	TBD	(757) 572-9383
Rafik Found	Balsam Shawky	TBD	Montgomery County	Maryland	TBD	(703) 966-9004
Monica	McCottry	TBD	Owing Mills	Maryland	TBD	(443) 864-2104
Chip	Ng	1809 Reistertown Road #150	Pikesville	Maryland	21208	(410) 415-5420
Chanel and Toya Evans	Lauren Wiliamson	TBD	Prince Georges County	Maryland	TBD	(703) 981-8763
*SudhirKumar	Mehta	TBD	Salisbury	Maryland	TBD	(410) 463-1133
Arpit and Shwetank	Patel	3390 Lenoardtown Road	Waldorf	Maryland	20601	(301) 638-3291
Karyn	Ferreira	29 Alden Road	Fairhaven	Massachusetts	2719	(774) 202-0321
Ana and Gilber	DeSousa	489 Bearses Way	Hyannis	Massachusetts	2601	(508) 827-4598
Gilbert and Ana	Desousa	85A Faunce Corner Mall Road	North Dartmouth	Massachusetts	2747	(508) 858-5456
Kevin and Sandra	Jennings	20 Commerce Way	Seekonk	Massachusetts	2771	(774) 229-2939
*Hani	Halloun	TBD	Ann Arbor	Michigan	TBD	(810) 397-1891
Deborah	LeMieux-King	885 W. Eisenhower Parkway	Ann Arbor	Michigan	48103	(734) 882-2971
Gary Goodin, Kevin Postill	Wassim Abousamra	607 Liberty Street	Ann Arbor	Michigan	48104	(734) 585-0266
Kenneth Patton IV	Kathleen Turetzky	3400 Washtenaw Avenue	Ann Arbor	Michigan	48104	(734) 418-2333
Ryan and Jeffery Lee	Kaleto	4071 North Euclid	Bay City	Michigan	48706	(989) 667-8770
Walter and Willie Bender	Richard Mazur	TBD	Belleville	Michigan	TBD	(313) 737-1548
*Paul	Dudgeon	TBD	Berkley	Michigan	TBD	(586) 212-9975
Matthew Dillion	Shawn Pnacek	840 S. State Street	Big Rapids	Michigan	49307	(231) 629-8707
Hani	Halloun	10049 East Grand River Avenue Suite 1100	Brighton	Michigan	48116	(810) 360-0255
*Paul Dudgeon, Marshall Dodson	Margaret Turner	S 2510 Telegraph Road Suite A	Bloomfield Hills	Michigan	48315	(248) 221-5727
Hani	Halloun	TBD	Canton	Michigan	TBD	(810) 397-1891
*Paul	Dudgeon	TBD	Chesterfield	Michigan	TBD	(586) 212-9975
James Mcclanaghan	Jerry Bobchick	27805 23 Mile Road	Chesterfield	Michigan	48051	(586) 649-7729
Brent St. Clair	Dianne LeMiuex	6459 Dixie Highway	Clarkston	Michigan	48346	(248) 922-9000
Dianne	LeMieux	7150 Sashabaw Road	Clarkston	Michigan	48347	(248) 620-8005
LeMieux	Craig	1569 North Main Street, Suite A	Clawson	Michigan	48017	(248) 629-7041
Craig and Dianne	LeMieux	5105 West Vienna Road	Clio	Michigan	48420	(810) 564-9993
James and Mark White	White	4863 Carroll Lake Road	Commerce Township	Michigan	48382	(248) 716-9791
Daxa and Prajesh	Patel	703 South State Street	Davison	Michigan	48423	(810) 412-5556
Hicham	Bazzi	5858 Schaefer Road	Dearborn	Michigan	48126	(313) 636-1999
Jeffrey	Lulek	22905 Michigan Avenue	Dearborn	Michigan	48124	(313) 724-6216
*David and Ruth	Buko	1595 W Lake Lansing Road Suite 120	East Lansing	Michigan	48823	(517) 993-5697
David and Ruth	Buko	1201 East Grand River Avenue	East Lansing	Michigan	48823	(517) 708-8565
*Teri and James "Jim"	Guillaumin	22381 Gratiot Avenue	Eastpointe	Michigan	48021	(586) 350-0505

*James "Jim" and Teri	Guillaumin	TBD	Eastpointe or Detroit	Michigan	TBD	(248) 379-3879
*Craig	LeMieux	TBD	Farmington Hills	Michigan	TBD	(810) 691-9623
Harold	Bowen	4009 Owen Road	Fenton	Michigan	48430	(810) 714-4888
*Salem	Najjar	20354 Woodward Avenue	Ferndale	Michigan	48220	(248) 268-4303
Harold Bown	Trent Farnsworth	2103 South Linden Road	Flint Township	Michigan	48532	(810) 733-2100
*Gary Goodin, Kevin Postill	Wassim Abousamra	TBD	Fort Gratiot	Michigan	TBD	(810) 569-3110
*Paul	Dudgeon	34521 Utica Road	Fraser	Michigan	48026	(586) 879-6731
Larry King	Deborah LeMieux-King	2383 East Hill Road, Suite 1	Grand Blanc	Michigan	48439	(810) 953-2233
*Darin Turner	John Cleland	TBD	Grand Rapids	Michigan	TBD	(586) 295-7131
*Darin Turner	John Cleland	TBD	Grand Rapids	Michigan	TBD	(586) 295-7131
*Heather Hendricksen	Thomas Wendeven	TBD	Grand Rapids	Michigan	TBD	(616) 821-1985
*Heather Hendricksen	Thomas Wendeven	TBD	Grand Rapids	Michigan	TBD	(616) 821-1985
*Heather Hendricksen	Thomas Wendeven	TBD	Grand Rapids	Michigan	TBD	(616) 821-1985
*Stephanie and Trevor	Stange	TBD	Grand Rapids	Michigan	TBD	(586) 764-6671
*Stephanie and Trevor	Stange	TBD	Grand Rapids	Michigan	TBD	(586) 764-6671
*Stephanie and Trevor	Stange	TBD	Grand Rapids	Michigan	TBD	(586) 764-6671
Hani	Halloun	2505 Alpine Avenue NW	Grand Rapids	Michigan	49544	(616) 551-0336
Harold	Bowen	TBD	Grand Rapids	Michigan	TBD	(810) 252-7568
Libby	McDonald	5088 28th Street SE	Grand Rapids	Michigan	49512	(616) 975-7777
Libby	McDonald	5429 Northland Drive NE Suite E	Grand Rapids	Michigan	49525	(616) 272-3558
Libby	McDonald	6755 Kalamazoo Ave SE	Grand Rapids	Michigan	49508	(616) 803-0902
Harold	Bowen	4391 Canal Avenue SW	Grandville	Michigan	49418	(616) 719-1810
*Paul	Dudgeon	26130 Crocker Boulevard	Harrison Township	Michigan	48045	(586) 741-8541
Hani	Halloun	10006 West Highland Road	Hartland	Michigan	48353	(810) 991-1155
Jeffrey	Lulek	TBD	Hazel Park	Michigan	TBD	(941) 448-4907
James and Mark White	Mark Miceli	1455 N Michigan Avenue Suite 300	Howell	Michigan	48843	(517) 618-7879
Corina Groeger	Eduardo Ramos	TBD	Kalamazoo	Michigan	TBD	(616) 490-9304
Corina Groeger	Eduardo Ramos	TBD	Kalamazoo	Michigan	TBD	(616) 490-9304
Corina Groeger	Eduardo Ramos	4315 West Main Street	Kalamazoo	Michigan	49006	(269) 382-4044
*David and Ruth	Buko	TBD	Lansing	Michigan	TBD	(989) 751-7818
*David and Ruth	Buko	TBD	Lansing	Michigan	TBD	(989) 781-7818
Bijal	Patel	TBD	Lapeer	Michigan	TBD	(810) 344-9487
Salem	Najjar	TBD	Lincoln Park	Michigan	TBD	(810) 407-1100
Deborah	LeMieux-King	30971 5 Mile Road, Suite B104	Livonia	Michigan	48154	(734) 427-5500
Scott	Meyer	29480 7 Mile Road	Livonia	Michigan	48152	(248) 957-6759
*Paul	Dudgeon	18353 Hall Road	Macomb Township	Michigan	48044	(586) 329-1973
*Gary Goodin, Kevin Postill	Wassim Abousamra	TBD	Marysville	Michigan	TBD	(810) 569-3110
Mark	Yeager	6805 Eastman Avenue	Midland	Michigan	48642	(989) 835-6955
Ryan	Kaleto	985 South Saginaw Road	Midland	Michigan	48858	(989) 835-2533
*Joseph	Ford	TBD	Milford	Michigan	TBD	(248) 259-6549
Ryan Scott and Jeffrey Lee	Kaleto	2332 South Mission Street	Mount Pleasant	Michigan	48858	(989) 317-4800
Deborah	LeMieux-King	TBD	Mundy Township	Michigan	TBD	(810) 691-9620

*Hani	Halloun	TBD	Northville	Michigan	TBD	(810) 397-1891
*Joseph	Ford	TBD	Novi	Michigan	TBD	(248) 259-6549
*Joseph	Ford	58975 Grand River Avenue Suite 900	Novi	Michigan	48374	(248) 513-4430
Joseph	Ford	TBD	Oakland	Michigan	TBD	(248) 259-6549
*David and Ruth	Buko	TBD	Okomos	Michigan	TBD	(989) 781-7818
Richard "Rick"	Stokes	1152 S Ortonville Rd STE 1	Ortonville	Michigan	48462	(248) 627-2677
Deborah	LeMieux-King	1561 East Main Street	Owosso	Michigan	48867	(989) 494-0090
*Salem	Najjar	TBD	Plymouth	Michigan	TBD	(810) 407-1100
*Salem	Najjar	41544 Ann Arbor Road	Plymouth	Michigan	48170	(734) 892-2927
Corina Groeger	Eduardo Ramos	230 W Millham Street	Portage	Michigan	49024	(269) 532-1802
Jeffrey and James	Lulek	TBD	Redford	Michigan	TBD	(941) 448-4907
*Paul Dudgeon	Stephen Lippman	67213 Main Street	Richmond	Michigan	48062	(586) 430-4295
Joseph and Tamara	Dorsch	2913 Crooks Road	Rochester	Michigan	48309	(248) 852-4800
*Paul Dudgeon, Marshall Dodson	Margaret Turner	1288 Walton Blvd	Rochester Hills	Michigan	48307	(248) 923-2700
*Craig	LeMieux	TBD	Royal Oak	Michigan	TBD	(810) 691-9623
David and Ruth	Buko	5620 State Street	Saginaw	Michigan	48609	(989) 401-7795
Mark	Yeager	5815 Bay Road, Suite 700	Saginaw	Michigan	48604	(989) 249-0499
*Paul	Dudgeon	TBD	Saint Clair Shores	Michigan	TBD	(586) 212-9975
*Paul	Dudgeon	30114 Harper Avenue Suite 1	Saint Clair Shores	Michigan	48082	(586) 285-5032
Gary Goodin, Kevin Postill	Wassim Abousamra	TBD	Saline	Michigan	TBD	(810) 569-3110
*Paul	Dudgeon	TBD	Shelby Township	Michigan	TBD	(586) 212-9975
*Paul	Dudgeon	TBD	Shelby Township	Michigan	TBD	(586) 212-9975
*Paul	Dudgeon	14901 23 Mile Road	Shelby Township	Michigan	48316	(586) 580-2179
*Joseph	Ford	25780 Pontiac Trail	South Lyon	Michigan	48178	(248) 278-6336
*Craig	LeMieux	26563 Evergreen	Southfield	Michigan	48076	(248) 621-9000
Craig and Dianne LeMieux	Joseph Dwyer	29920 Telegraph Road	Southfield	Michigan	48034	(248) 353-0725
Paul	Dudgeon	22600 Greater Mack Avenue	St. Clair Shores	Michigan	48080	(586) 552-5808
*Paul	Dudgeon	36721 Van Dyke Avenue	Sterling Heights	Michigan	48312	(586) 272-2941
Hicham	Bazzi	TBD	Taylor	Michigan	TBD	(313) 445-1228
Hicham	Bazzi	21316 Eureka Road	Taylor	Michigan	48180	(734) 318-2222
Jeff	Lulek	7700 Telegraph Road	Taylor	Michigan	48180	(313) 724-6188
John-Paul Calka	Adam Kettlewell	734 Munson Avenue, Suite B	Traverse City	Michigan	49686	(231) 938-6050
Hani	Halloun	4400 Lake Michigan Drive NE	Walker	Michigan	49534	(616) 735-4119
Walter and Willie Bender	Richard Mazur	TBD	Wayne	Michigan	TBD	(313) 737-1548
*Salem	Najjar	TBD	West Ann Arbor	Michigan	TBD	(810) 407-1100
Abed (Eddie)	Hamie	TBD	West Ann Arbor	Michigan	TBD	(313) 338-7100
Prakash Tamhaney	Avinash Kotian	7354 Haggerty Road	West Bloomfield	Michigan	48322	(248) 788-3500
Hani	Halloun	TBD	West Grand Rapids	Michigan	TBD	(810) 397-1891
*Heather Hendricksen	Thomas Wendeven	TBD	West Michigan	Michigan	TBD	(616) 217-6264
*Heather Hendricksen	Thomas Wendeven	TBD	West Michigan	Michigan	TBD	(616) 217-6264
*Salem	Najjar	35599 Warren Road	Westland	Michigan	48185	(734) 351-5986
Craig LeMieux	Brent St. Clair	340 Town Center Boulevard, #1	White Lake	Michigan	48386	(248) 779-7925
*Joseph	Ford	TBD	Wixom	Michigan	TBD	(248) 259-6549

*Salem	Najjar	TBD	Wixom	Michigan	TBD	(810) 407-1100
Paul	Goldman	23112 Allen Road	Wood Haven	Michigan	48183	(734) 561-3480
Daryl	James	8140 Highway 7	Saint Louis Park	Minnesota	55426	(952) 456-6058
Daryl	James	8330 Egan Dr.	Savage	Minnesota	55378	(952) 226-1633
Staci and Ronald	Simmons	TBD	Jackson	Mississippi	TBD	(601) 506-8339
Lisa Murray, Zach Lee Garner	Mac Devin	7164 Hacks Cross Road	Olive Branch	Mississippi	38654	(662) 890-5060
Kavi and Kavi Khambhati	Jagdish and Sanjan Barot	238 S Pearson Road	Pearl	Mississippi	39208	(601) 664-2100
Enrico and Eden Esguerra	Jose Asistido and Allan Yabut	486 Branson Landing Boulevard Suite #201	Branson	Missouri	65616	(417) 336-0220
*Chris and Craig	Hurst	TBD	Columbia	Missouri	TBD	(573) 356-6086
*Chris and Craig	Hurst	TBD	Jefferson City	Missouri	TBD	(573) 356-6086
Lori and Robert	Good	3025 South Main Street Suite B	Joplin	Missouri	64804	(417) 553-0319
Robert and Lori	Good	3102 East 7th Street	Joplin	Missouri	64801	(417) 717-1590
Bhupendra "Mike" and Mamtaben	Patel	TBD	Lees Summit	Missouri	TBD	(816) 668-2235
Matthew	Mawdsley	TBD	Springfield	Missouri	TBD	(417) 350-8576
Matthew	Mawdsley	3645 East Sunshine Street	Springfield	Missouri	65809	(417) 719-4486
Matthew	Mawdsley	3811 S. Campbell Ave., Suite A	Springfield	Missouri	65807	(417) 887-6600
Timothy "Tim"	O'Reilly	3080 N. Kentwood Ave	Springfield	Missouri	65803	(417) 833-2108
Kaye	Wentz	7902 Towne Center Parkway #109	Papillion	Nebraska	68046	(402) 614-9050
Eric	Persson	10612 South Eastern Avenue, Suite C	Henderson	Nevada	89052	(702) 616-1931
Eric	Persson	2850 Bicentennial Parkway #120	Henderson	Nevada	89044	(702) 489-4088
Eric	Persson	621 Stephanie Street	Henderson	Nevada	89014	(702) 463-5599
Eric	Persson	745 South Green Valley Parkway Suite #100	Henderson	Nevada	89052	(702) 565-0112
Eric	Persson	76 West Horizon Ridge Parkway Suite # 120	Henderson	Nevada	89015	(702) 992-0570
Bharti Sharma	Ramesh Piplani	6350 West Charleston Boulevard, Suite 130	Las Vegas	Nevada	89146	(702) 304-1931
Eric	Persson	10140 West Tropicana Avenue #126	Las Vegas	Nevada	89147	(702) 815-1931
Eric	Persson	10670 Southern Highlands Parkway #100	Las Vegas	Nevada	89141	(702) 586-1931
Eric	Persson	3390 Novat Street #110	Las Vegas	Nevada	89128	(702) 531-1931
Eric	Persson	3565 Rainbow Boulevard	Las Vegas	Nevada	89147	(702) 269-5443
Eric	Persson	3595 East Bonanza Road Suite 110	Las Vegas	Nevada	89110	(702) 550-4911
Eric	Persson	4262 Blue Diamond Road #103	Las Vegas	Nevada	89139	(702) 629-3692
Eric	Persson	4990 West Flamingo Road	Las Vegas	Nevada	89103	(702) 873-7289
Eric	Persson	5222 Boulder Highway Suite 100	Las Vegas	Nevada	89122	(702) 855-0732
Eric	Persson	6555 South Jones Boulevard #110	Las Vegas	Nevada	89118	(702) 247-6208
Eric	Persson	7291 South Eastern Avenue Suite 1K	Las Vegas	Nevada	89119	(702) 450-1931
Eric	Persson	7375 South Durango Drive #107	Las Vegas	Nevada	89113	(702) 262-5515
Eric	Persson	7580 South Las Vegas Boulevard Suite # 100	Las Vegas	Nevada	89123	(702) 257-1931
Eric	Persson	9440 West Sahara Boulevard Suite 105	Las Vegas	Nevada	89117	(702) 207-1931
Eric	Persson	9773 West Flamingo Road Suite 100	Las Vegas	Nevada	89147	(702) 242-1931
Eric Persson	Ann Chung	10260 Charleston Boulevard	Las Vegas	Nevada	89135	(702) 869-0603
Hae Kyeong	Han	7660 West Cheyenne Avenue Suite 121	Las Vegas	Nevada	89129	(702) 365-1931
Johnny	Sanchez Losada	11011 West Charleston Boulevard	Las Vegas	Nevada	89135	(702) 388-1931
Mark	Lukachko	4503 Paradise Road #310	Las Vegas	Nevada	89169	(725) 251-6551
Mark	Lukachko	8426 Farm Road Suite 150	Las Vegas	Nevada	89131	(702) 818-4228

Wm. Lincoln	Spoor	3850 South Las Vegas Boulevard – Unit #204	Las Vegas	Nevada	89109	1-702-987-8422
Eric	Persson	445 West Craig Road #103	North Las Vegas	Nevada	89032	(702) 489-8000
Eric	Persson	6360 Simmons Street, Suite 105	North Las Vegas	Nevada	89031	(702) 202-6625
Michael and Crystal	Turpin	1600 Woodbury Avenue	Portsmouth	New Hampshire	3801	(603) 373-8478
Michael	Turpin	160 Washington Street	Rochester	New Hampshire	3839	(603) 509-3000
James	McCaffrey	TBD	Camden	New Jersey	TBD	(609) 602-8288
Tim Fung	Al LaValle	2222 Route 33 Store G	Hamilton	New Jersey	8690	(609) 981-7012
Christopher "Chris" and Wendy	Strutt	TBD	Ocean County	New Jersey	TBD	(973) 418-6421
Kaushik Joshi	Guniyal Pandit	645 Nassau Park Boulevard	Princeton	New Jersey	8540	(609) 454-5269
*Jacob and Nathan	Miller	TBD	Albuquerque	New Mexico	TBD	(970) 739-4122
*Jacob and Nathan	Miller	TBD	Albuquerque	New Mexico	TBD	(970) 739-4122
*Jacob and Nathan	Miller	TBD	Albuquerque	New Mexico	TBD	(970) 739-4122
*Jacob and Nathan	Miller	TBD	Albuquerque	New Mexico	TBD	(970) 739-4122
Jacob and Nathan	Miller	9935 Coors Boulevard Bypass NW Suite D	Albuquerque	New Mexico	87114	(505) 899-2233
Kaleb Warnock	Paula Flores Warnock	TBD	Las Cruces	New Mexico	TBD	(915) 630-0524
Thomas	Diamond	567-B East Main Street	Bay Shore	New York	11706	(631) 969-5636
Ammar	Saleh	TBD	Brooklyn	New York	TBD	(718) 791-2069
Hardik, Harshil and Malav	Patel	137 Centereach Mall	Centereach	New York	11720	(631) 981-8767
Patricia O'Brien	Stephen Brojer	18 Jericho Turnpike	Commack	New York	11725	(631) 923-2929
Don	Rettaliata Jr ESQ.	1936 Deer Park Avenue	Deer Park	New York	11797	(631) 940-9038
Richard and Linda	Orofino	532 Larkfield Road	East Northport	New York	11731	(631) 486-4455
Susanne	Wanser	428 Wheeler Road	Hauppauge	New York	11788	(631) 761-6744
Ja Yoon Lee	Jeon Min Jo	285 South Broadway Unit 9	Hicksville	New York	11801	(516) 827-1234
Tiffany Wirth	Susanne Wanser	4250 Veterans Memorial Highway	Holbrook	New York	11741	(631) 714-4070
Rajul	Shah	61 Wall Street	Huntington Village	New York	11743	(631) 424-8767
Min Joong	Kim	3519B Hempstead Turnpike	Levittown	New York	11756	(516) 731-0399
Vinay	Kapur	TBD	Long Island	New York	TBD	(631) 338-1463
John	Kuitwaard	4946 Merrick Road	Massapequa	New York	11762	(516) 308-7430
Laura	Jankowski	2014 Merrick Road	Merrick	New York	11566	(516) 632-9710
John	Kuitwaard	TBD	Nassau County	New York	TBD	(516) 817-4577
Suqing Zhang, Shuain Sun	Na Lu	TBD	Nassau County	New York	TBD	(347) 721-5508
Tiffany Wirth	Susanne Wanser	499-83 Sunrise Highway	Patchogue	New York	11772	(631) 569-4020
Laura	Jankowski	5120 Nesconset Highway	Port Jefferson Station	New York	11776	(631) 509-5800
Sanjay	Sehgal	11 Old Shore Road	Port Washington	New York	11050	(516) 441-5150
Stephen	Brojer	267 Middle Country Road	Selden	New York	11784	(631) 696-4780
Hardik, Harshil and Malav	Patel	32 East Main Street	Smithtown	New York	11787	(631) 656-9555
*Frank	Mirabella	TBD	Staten Island	New York	TBD	(718) 227-2426
*Frank	Mirabella	TBD	Staten Island	New York	TBD	(718) 227-2426
Frank	Mirabella	1650 Richmond Avenue	Staten Island	New York	10314	(718) 524-4006

Laura and Walter	Jankowski	356 Jericho Turnpike	Syosset	New York	11791	(516) 802-4144
*James	Kirby Jr.	TBD	Asheville	North Carolina	TBD	(407) 516-5529
*James	Kirby Jr.	TBD	Asheville	North Carolina	TBD	(407) 516-5226
*James	Kirby Jr.	TBD	Asheville	North Carolina	TBD	(407) 516-5529
Brandon and Deena	Korman	143 Poole Road Unit B	Belville	North Carolina	28451	(910) 765-1144
John	Agori	1595 Glidewell Drive, Suite 107	Burlington	North Carolina	27215	(336) 792-4118
*Sherman	Dye	1385 Bradford View Drive	Cary	North Carolina	27519	(919) 378-9859
*Sherman	Dye	2028 Kildaire Farm Road	Cary	North Carolina	27511	(919) 977-9506
*Sherman	Dye	228 Crossroads Boulevard	Cary	North Carolina	27518	(919) 651-8379
*Sherman	Dye	817 Bass Pro Lane	Cary	North Carolina	27513	(919) 378-9333
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	TBD	Charlotte	North Carolina	TBD	(919) 524-2852
*John Agori	Mark Rein	5815 Highland Shoppes Drive Suite 200	Charlotte	North Carolina	28269	(704) 626-6501
Everette Brown	Tenisha Patterson	1111 Metropolitan Avenue Suite 110	Charlotte	North Carolina	28204	(252) 292-2002
Kevin	Smith	5349 Ballantyne Commons Parkway Suite 400	Charlotte	North Carolina	28277	(704) 246-8993
Vipul	Patel	TBD	Charlotte	North Carolina	TBD	(842) 229-6840
Vipul and Pravinkumar	Patel	8948 JM Keynes Drive Suite 410	Charlotte	North Carolina	28262	(919) 651-8379
Howard & Erica	Raphael	5311 South Miami Boulevard, Suite F	Durham	North Carolina	27703	(919) 474-2233
*Gira	Patel	3007 Town Center Drive Suite 130	Fayetteville	North Carolina	28306	(910) 425-1087
Gira	Patel	150 Andrews Road Suite 7	Fayetteville	North Carolina	28311	(910) 630-1100
*Gira	Patel	TBD	Fayetteville	North Carolina	TBD	(910) 309-3279
*Gira	Patel	TBD	Fayetteville	North Carolina	TBD	(910) 309-3279
*Gira	Patel	1391 Walter Reed Road Suite 130	Fayetteville	North Carolina	28304	(910) 321-0196
Devang	Desai	503 North Berkeley Boulevard	Goldsboro	North Carolina	27534	(919) 947-5175
*Victor	Archie	1201 West Gate City Boulevard	Greensboro	North Carolina	27403	(336) 763-4492
John Agori	Mark Rein	1218 Bridford Parkway	Greensboro	North Carolina	27407	(336) 793-4240
Victor	Archie	2130-Q New Garden Road	Greensboro	North Carolina	27410	(336) 763-2367
Devang	Desai	1856 West Arlington Boulevard	Greenville	North Carolina	27858	(252) 215-2204
*Victor	Archie	3860 John Gordon Lane	High Point	North Carolina	27262	(336) 803-4643
John Agori	Mark Rein	109 East Williamson Road	Mooresville	North Carolina	28117	(704) 765-6329
Darel and Lisa	Crumpler	2236 South Croatan Highway Unit #2	Nags Head	North Carolina	27959	(252) 441-3500
Jr., Joe	Goetschius	7100 South Croatan Highway Suite 82	Nags Head	North Carolina	27959	(252) 255-1516
Eshita Kothari	Hansaben Patel	TBD	Pineville	North Carolina	TBD	(803) 347-8268
*Sherman	Dye	TBD	Raleigh	North Carolina	TBD	(919) 599-3593
*Sherman	Dye	TBD	Raleigh	North Carolina	TBD	(919) 599-3593
*Sherman	Dye	TBD	Raleigh	North Carolina	TBD	(919) 599-3593
*Sherman	Dye	TBD	Raleigh	North Carolina	TBD	(919) 599-3593

*Sherman	Dye	TBD	Raleigh	North Carolina	TBD	(919) 599-3593
*Sherman	Dye	3004 Wake Forest Road Suite 112	Raleigh	North Carolina	27609	(919) 916-5190
Eric and Gail	Farinella	8111 Creedmoor Road, Suite 157	Raleigh	North Carolina	27613	(919) 803-5991
Erica and Howard	Raphael	6679 Falls of Neuse Road Suite 101	Raleigh	North Carolina	27615	(919) 879-2233
Howard and Erica	Raphael	1028 Oberlin Drive, Suite 232	Raleigh	North Carolina	27605	(919) 755-2222
Darel and Lisa	Crumpler	5385 South Virginia Dare Trail #1	Southern Shores	North Carolina	27949	(252) 441-9996
Presley	Reeves	1671-1A North Howe Street	Southport	North Carolina	28461	(910) 363-4908
*John Agori	Mark Rein	1009 Stadium Drive Suite 120	Wake Forest	North Carolina	27587	(919) 371-4358
Brandon and Deena	Korman	TBD	Wilmington	North Carolina	TBD	(516) 655-4010
*Brandon and Deena	Korman	130 Hays Lane Unit 130	Wilmington	North Carolina	28411	(910) 821-8678
*Brandon and Deena	Korman	2804 South College Road	Wilmington	North Carolina	28412	(910) 769-3939
*Steve	Scroggin	TBD	Winston Salem	North Carolina	TBD	(336) 813-2699
*Steve	Scroggin	TBD	Winston Salem	North Carolina	TBD	(336) 813-2699
*Steve	Scroggin	TBD	Winston Salem	North Carolina	TBD	(336) 813-2699
*Steve	Scroggin	670 Saint George Square Court	Winston Salem	North Carolina	27103	(336) 608-4330
Steve	Scroggin	216 West 4th Street	Winston-Salem	North Carolina	27101	(336) 722-1300
Dave and Vandita	Desai	TBD	Winterville	North Carolina	TBD	(252) 864-1737
Ryan Seeger	James Hensyel	1650 45th Street South Building A Suite 123	Fargo	North Dakota	58103	(701) 404-8995
Ryan Seeger	James Hensyel	2424 13th Avenue South	Fargo	North Dakota	58103	(701) 353-7683
Jennifer Lessard	Colleen Moorstad	TBD	Grand Forks	North Dakota	TBD	(701) 740-5871
Doug	Ruggles	3195 Dayton-Xenia Road, Suite 770	Beavercreek	Ohio	45434	(937) 426-8767
Sureshkumar "Suresh"	Patel	11255 Reed Hartman Highway Suite D	Blue Ash	Ohio	45242	(513) 832-1984
Eric, Julie, Shaun and William	Munson	TBD	Bowling Green	Ohio	TBD	(419) 360-2995
Chet	Hakanson	988 Miamisburg Centerville	Centerville	Ohio	45459	(937) 291-9250
Tony	Torres	6241 Far Hills Avenue	Centerville	Ohio	45459	(937) 434-8699
Sureshkumar "Suresh"	Patel	720 Eastgate South Drive Suite 200	Cincinnati	Ohio	45245	(513) 752-3525
Sureshkumar "Suresh" and Sunil	Patel	TBD	Cincinnatti	Ohio	TBD	(513) 720-9905
Craig and Dianne	LeMieux	TBD	Cleveland	Ohio	TBD	(810) 691-9623
Nitesh	Patel	11322 Euclid Avenue	Cleveland	Ohio	44106	(216) 421-2233
Christopher	Becker	2307 Far Hills Avenue	Dayton	Ohio	45419	(937) 395-3525
Eric, Julie, Shaun and William	Munson	TBD	Defiance	Ohio	TBD	(419) 877-9170
Heena	Patel	TBD	Dublin	Ohio	TBD	(201) 221-6089
Doug	Ruggles	2642 Colonel Glenn Highway	Fairborn	Ohio	45324	(937) 429-1519
*Michelle	Parsons	1790 Tiffin Avenue	Findlay	Ohio	45840	(419) 422-5500
*Michelle	Parsons	TBD	Fremont	Ohio	TBD	(419) 262-1404
Suresh	Gupta	6221 Old Troy Pike Parkway	Huber Heights	Ohio	45424	(937) 235-8630
William and Julie	Munson	1385 Conant Street, Suite E	Maumee	Ohio	43537	(419) 893-2100
Julie, William, Eric and Shaun	Munson	10090 Old U.S. 20	Rossford	Ohio	43460	(419) 874-1800
Tim	Poulos	TBD	Springfield	Ohio	TBD	(937) 232-3332
Tim	Poulos	233 East Home Road	Springfield	Ohio	45503	(937) 342-1883
Julie, William, Eric and Shaun	Munson	5221 Monroe Street Suite E	Toledo	Ohio	43623	(419) 517-0044

Julie, William, Eric, Shaun and Angelia	Munson	7427 W Central Avenue	Toledo	Ohio	46317	(567) 408-7650
Glen Johnson	Nicholas "Nick" Crouch	874 East Hillside Drive Suite A	Broken Arrow	Oklahoma	74012	(918) 355-0017
*Rakesh and Rohit	Patel	TBD	Edmond	Oklahoma	TBD	(405) 210-2195
*Rakesh and Rohit	Patel	TBD	Edmond	Oklahoma	TBD	(405) 210-2195
Glen Johnson	Nicholas "Nick" Crouch	501 South Van Buren Street	Enid	Oklahoma	73703	(580) 237-3983
Glen Johnson	Nicholas "Nick" Crouch	1204 NW Sheridan Road	Lawton	Oklahoma	73505	(580) 713-5262
Glen Johnson	Nicholas "Nick" Crouch	TBD	Midwest City	Oklahoma	TBD	(501) 442-0089
*Amish, Rakesh and Rohit	Patel	TBD	Midwest City Airport	Oklahoma	TBD	(405) 210-2195
Glen Johnson	Nicholas "Nick" Crouch	2101 Riverwalk Drive	Moore	Oklahoma	73160	(405) 799-2698
Glen Johnson	Nicholas "Nick" Crouch	156 12th Ave SE	Norman	Oklahoma	73071	(405) 801-2232
Glen Johnson	Nicholas "Nick" Crouch	2162 24th Avenue NW	Norman	Oklahoma	73069	(405) 928-5363
*Amish	Patel	7307 North MacArthur Boulevard Unit 100	Oklahoma City	Oklahoma	73132	(405) 603-7600
Glen Johnson	Nicholas "Nick" Crouch	7141 South Western Avenue, Suite A	Oklahoma City	Oklahoma	73139	(405) 702-7762
Glen Johnson	Nicholas "Nick" Crouch	7800 North May Avenue, Suite A	Oklahoma City	Oklahoma	73116	(405) 847-8678
Tasha and Joe	Stefanatos	3131 West Memorial Road, Suite A	Oklahoma City	Oklahoma	73134	(405) 753-5454
Glen Johnson	Nicholas "Nick" Crouch	TBD	Owasso	Oklahoma	TBD	(501) 442-0089
Glen Johnson	Nicholas "Nick" Crouch	1202 North Boomer Road	Stillwater	Oklahoma	74075	(405) 743-2929
Glen Johnson	Nicholas "Nick" Crouch	10140 East 71st Street, Suite A	Tulsa	Oklahoma	74133	(918) 940-7669
Glen Johnson	Nicholas "Nick" Crouch	3722 South Peoria Avenue Suite 200	Tulsa	Oklahoma	74105	(918) 743-6333
TBJ Food Services LLC, Scott	Dunitz	4808 South 109th East Avenue	Tulsa	Oklahoma	74146	(918) 236-4650
Timothy and Nicole	Smallwood	1717 North Peoria Avenue	Tulsa	Oklahoma	74106	(918) 728-6229
Timothy and Nicole	Smallwood	4925 East 21st Street	Tulsa	Oklahoma	74114	(918) 814-8080
Timothy and Nicole	Smallwood	7460 South Olympia Avenue	Tulsa	Oklahoma	74132	(918) 938-7747
Glen Johnson, Lucas Anderson	Nicholas "Nick" Crouch	1751 Garth Brooks Boulevard, #100	Yukon	Oklahoma	73099	(405) 265-3002
Ravinder Rai	Jaswinder Singh	TBD	Allentown	Pennsylvania	TBD	(610) 202-9922
Sandip and Hareshkumer "Haresh"	Patel	3601 Market Street	Camp Hill	Pennsylvania	17011	(717) 412-0157
*Richard "Rick" and Richard "Brad"	Evans	848 East Main Street #300	Ephrata	Pennsylvania	17522	(717) 466-2900
Lori and Brian	Gast	TBD	Greensburg	Pennsylvania	TBD	(701) 306-9699
Nimisha	Shah	235 Strawberry Square	Harrisburg	Pennsylvania	17101	(717) 236-2122
Nimisha Shah	Sangita Doshi	TBD	Harrisburg	Pennsylvania	TBD	(717) 561-1077
Sangita Doshi	Nimisha Shah	4635 High Pointe Boulevard	Harrisburg	Pennsylvania	17111	(717) 561-1077
*Richard "Rick" and Richard "Brad"	Evans	TBD	Lancaster	Pennsylvania	TBD	(410) 726-9408
*Richard "Rick" and Richard "Brad"	Evans	TBD	Lancaster	Pennsylvania	TBD	(410) 726-9408
*Richard "Rick" and Richard "Brad"	Evans	572B Centerville Road	Lancaster	Pennsylvania	17601	(717) 618-8980
Matt	Shaffer	15 East King Street	Lancaster	Pennsylvania	17601	(717) 397-1827
Matt and Cody	Shaffer	235 Bloomfield Drive, Suite 105	Lititz	Pennsylvania	17543	(717) 560-1490
*Richard "Rick" and Richard "Brad"	Evans	2201 Strickler Road Suite 703	Manheim	Pennsylvania	17545	(000) 000-0000
Matt	Shaffer	341 Comet Drive	Millersville	Pennsylvania	17551	(717) 584-6532
*Kai	Qiu	82 East Lancaster Avenue	Paoli	Pennsylvania	19301	(610) 441-7310
Rosalind Lindsey	Luke Kirby	1600 North Broad Street, Unit 4	Philadelphia	Pennsylvania	19121	(267) 758-6593
Alan Geoffery	Cheryl Ussery	1570 Egypt Road Suite 180	Phoenixville	Pennsylvania	19460	(610) 676-8100

Bobbilyn	Lynn	TBD	Robinson Township	Pennsylvania	TBD	(724) 986-2627
Kai and Amy	Qiu	251 East Swedesford Road	Wayne	Pennsylvania	19087	(610) 441-7313
*Kai	Qiu	849 Paoli Pike	West Chester	Pennsylvania	19380	(610) 441-7312
Hareshkumar and Sandip	Patel	1800 Loucks Road Suite 625	York	Pennsylvania	17408	(717) 885-0706
Sandip and Hareshkumer "Haresh"	Patel	3013 East Market Street	York	Pennsylvania	17401	(717) 885-5190
Shiv	Javia	1722 South Queen Street Unit 2	York	Pennsylvania	17403	(717) 318-5438
*Rekha Khemlani	Sneha Sabnani	TBD	Providence	Rhode Island	TBD	(314) 260-7793
**Sneha Sabnani	Rekha Khemlani	229 Waterman Street	Providence	Rhode Island	2906	(401) 383-3487
Jill and John Zajac	Colton Carmichael	TBD	Providence	Rhode Island	TBD	(508) 400-7230
Donald and Elena	Reese	TBD	Aiken	South Carolina	TBD	(803) 646-3489
*Justin Franklin	Matthew Wyrick	TBD	Beaufort County	South Carolina	TBD	(912) 314-0859
*Justin Franklin	Matthew Wyrick	TBD	Beaufort County	South Carolina	TBD	(912) 314-0859
*Justin Franklin	Matthew Wyrick	TBD	Beaufort County	South Carolina	TBD	(912) 314-0859
Jon	Parkman	186 Seven Farms Drive Unit D	Charleston	South Carolina	29414	(843) 352-7162
Michael Aldridge	Ann Lane	TBD	Charleston	South Carolina	TBD	(206) 909-2748
Daksheshkumar "Dax"	Soni	TBD	Columbia	South Carolina	TBD	(267) 616-0097
Eshita Kothari	Hansaben Patel	4400 Fort Jackson Boulevard Suite 600	Columbia	South Carolina	29209	(803) 724-2000
Hansaben and Yash	Patel	TBD	Columbia	South Carolina	TBD	(803) 347-8266
Leslie	Duffy	650 Lincoln Street	Columbia	South Carolina	29201	(803) 807-9335
Leslie and David	Duffy	150B Harbison Boulevard Suite 20	Columbia	South Carolina	29212	(803) 217-3112
Randall Engels	Rondey Taquino Jr.	201 Graduate Road – Unit 103	Conway	South Carolina	29525-0504	(843) 234-5670
Vipul	Patel	2600 David McLeod Boulevard, Suite E	Florence	South Carolina	29501	(843) 799-0094
*Gregory "Greg" Powell	William "Bill" Ruby	TBD	Greenville	South Carolina	TBD	(303) 809-6574
*Gregory "Greg" Powell	William "Bill" Ruby	TBD	Greenville	South Carolina	TBD	(303) 809-6574
*Gregory "Greg" Powell	William "Bill" Ruby	TBD	Greenville	South Carolina	TBD	(303) 809-6574
*Gregory "Greg" Powell	William "Bill" Ruby	TBD	Greenville	South Carolina	TBD	(303) 809-6574
*Gregory "Greg" Powell	William "Bill" Ruby	3704 Pelham Road	Greenville	South Carolina	29615	(864) 520-8550
John	Wickey	1118 Woodruff Road, Suite B	Greenville	South Carolina	29607	(864) 603-1316
Leslie and David	Duffy	5166 Sunset Boulevard Suite H	Lexington	South Carolina	29072	(803) 356-0318
*Jeffrey "Jeff"	Walker	TBD	Mount Pleasant	South Carolina	TBD	(858) 598-3655
*Jeffrey "Jeff"	Walker	1165 Oakland Market Road	Mount Pleasant	South Carolina	29466	(843) 352-7226
Roberto and Rylan	Laben	11990 Highway 17 Bypass South Unit 1	Murrells Inlet	South Carolina	29576	(843) 651-4805
Rylan	Miller	TBD	Myrtle Beach	South Carolina	TBD	(224) 730-1839
Rylan Miller	Roberto Laben	TBD	Myrtle Beach	South Carolina	TBD	(224) 730-1839
Rylan Miller	Roberto Laben	TBD	Myrtle Beach	South Carolina	TBD	(224) 730-1839
Marc and Lawrence Rodenbaugh	Kevin Lawler, Alexander "Alex" Corbishley	7250 Rivers Avenue Building 300, Suite 102	North Charleston	South Carolina	29406	(854) 999-1223
Rylan Miller	Roberto Laben	1400 Highway 17 North Unit 4	North Myrtle Beach	South Carolina	29582	(843) 663-2060
Peter Ruggerio	Linda Dolan-Ruggiero	TBD	Rock Hill	South Carolina	TBD	(917) 886-7836
*Gregory "Greg" Powell	William "Bill" Ruby	2815 Woodruff Road Suite 102	Simpsonville	South Carolina	29681	(864) 609-4600
Alexander "Alex" Corbishley, Kevin Lawler	Lawrence and Marc Rodenbaugh	TBD	Summerille	South Carolina	TBD	(757) 408-0848

Jon	Parkman	TBD	Summerville	South Carolina	TBD	(843) 817-7445
Alex and Lori	Torzsa	2435 West Highway 160 Suite 104	Tega Cay	South Carolina	29708	(803) 802-0088
Jason McCulley	Megan Myerov-McCulley	TBD	Rapid City	South Dakota	TBD	(321) 439-1998
Jason McCulley	Megan Myerov-McCulley	1612 Eglin Street Suite 900	Rapid City	South Dakota	57701	(605) 716-8521
*Karen Wallis	Paul Neumaier	TBD	Chattanooga	Tennessee	TBD	(248) 431-5406
*Karen Wallis	Paul Neumaier	TBD	Chattanooga	Tennessee	TBD	(248) 431-5406
*Jason	Willeman	119 Lovell Road	Farragut	Tennessee	37934	(865) 218-5000
Paul Dudgeon	Lawrence "Larry" Lavigne	443 Cool Springs Road	Franklin	Tennessee	37067	(615) 905-4731
*Jason, Raquel, Jody and Amy	Willeman	9161 Kingston Pike	Knoxville	Tennessee	37923	(000) 000-0000
Babeshkumar and Rajanikant	Patel	2012 Cumberland Avenue	Knoxville	Tennessee	37916	(865) 312-9470
*Jigna	Patel	TBD	Memphis	Tennessee	TBD	(501) 240-1021
*Jigna	Patel	TBD	Memphis	Tennessee	TBD	(501) 240-1021
*Jigna	Patel	765 North Germantown Parkway	Memphis	Tennessee	38018	(901) 755-1008
Jigna	Patel	1779 Kirby Parkway, Suite 3	Memphis	Tennessee	38138	(901) 758-8666
Brijesh	Patel	TBD	Nashville	Tennessee	TBD	(615) 414-4930
Krunalkumar and Pinika	Patel	TBD	Pigeon Forge	Tennessee	TBD	(978) 399-9313
Glen Johnson, Lucas Anderson	Nicholas Crouch	TBD	Amarillo	Texas	TBD	(501) 442-0089
*Alonzo Soliz Sr.	Alonzo Soliz Jr.	TBD	Austin	Texas	TBD	(512) 791-6546
*Alonzo Soliz Sr.	Alonzo Soliz Jr.	TBD	Austin	Texas	TBD	(512) 791-6546
*Michael	Wynn	1020 Grove Boulevard	Austin	Texas	78741	(512) 389-9895
*Michael	Wynn	11928 Stone Hollow Drive	Austin	Texas	78758	(512) 251-1800
*Michael	Wynn	3401 Webberville Road Building 2000, First Floor	Austin	Texas	78702	(512) 506-0838
Chirag and Sandip	Patel	TBD	Austin	Texas	TBD	(405) 512-2996
Michael	Wynn	6101 Airport Boulevard	Austin	Texas	78752	(512) 838-6335
*Carlos, Rafael, Jose and Esteban	Varela	2715 Boca Chica Boulevard Suite 1-A	Brownsville	Texas	78521	(956) 443-0521
*Carlos, Rafael, Jose and Esteban	Varela	3230 Pablo Kisel Boulevard Suite E-113	Brownsville	Texas	78526	(956) 621-1519
Alonzo Soliz Jr.	Alonzo Soliz Sr.	1465 East Whitestone Boulevard	Cedar Park	Texas	78613	(512) 259-5472
Paul Davis	Vanessa Boles	TBD	Conroe	Texas	TBD	(479) 871-7487
Binu Agrawal	Jagriti Gupta	28610 Highway 290	Cypress	Texas	77433	(281) 758-5839
Manish and Pooja	Vij	TBD	Cypress	Texas	TBD	(281) 687-8665
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Dallas	Texas	TBD	(501) 442-0089
*Smit	Shah	TBD	Dallas	Texas	TBD	(281) 221-6025
*Smit	Shah	TBD	Dallas	Texas	TBD	(281) 221-6025

*Smit	Shah	TBD	Dallas	Texas	TBD	(281) 221-6025
*Smit	Shah	TBD	Dallas	Texas	TBD	(281) 221-6025
*Smit	Shah	TBD	Dallas	Texas	TBD	(281) 221-6025
*Steven "Steve"	Milam	TBD	Dallas	Texas	TBD	(469) 377-7939
*Steven "Steve"	Milam	TBD	Dallas	Texas	TBD	(469) 337-7939
*Thomas, Darci, Calei and Kodei	Kesterson	TBD	Dallas	Texas	TBD	(972) 740-9608
*Thomas, Darci, Calei and Kodei	Kesterson	TBD	Dallas	Texas	TBD	(972) 740-9608
Robert	Causey	4560 West Mockingbird Lane Suite118	Dallas	Texas	75209	(214) 351-7037
*Kaleb	Warnock	TBD	El Paso	Texas	TBD	(915) 630-0524
*Kaleb	Warnock	TBD	El Paso	Texas	TBD	(915) 630-0524
*Kaleb Warnock	Paula Flores Warnock	8889 Gateway West Building 2100	El Paso	Texas	79925	(915) 259-0400
*Kaleb Warnock, Paula Flores-Warnock	Paul Beltran	TBD	El Paso	Texas	TBD	(915) 241-0109
Kaleb Warnock	Paula Flores Warnock	1513 North Zaragoza Road	El Paso	Texas	79925	(915) 303-7080
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 593-4653
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
*Glen Johnson	Nicholas "Nick" Crouch	TBD	Fort Worth	Texas	TBD	(501) 442-0089
Glen Johnson	Nicholas "Nick" Crouch	4620 SW Loop 820	Fort Worth	Texas	76109	(817) 763-8552
Vivek and Heena	Ajbani	2700 Presidio Vista Drive Suite 120	Fort Worth	Texas	76177	(817) 349-0096
*Steven "Steve"	Milam	TBD	Frisco	Texas	TBD	(469) 377-7939
Patrick Sommerville, Jesus Garza	Harish Jethwa	3301 Preston Road, Suite 6	Frisco	Texas	75034	(972) 294-5031
*Carlos, Rafael, Jose and Esteban	Varela	6710 W Expressway 83	Harlingen	Texas	78552	(956) 245-7359
Amit Bhakta	Maheschandra "Mahesh" Bhakta	TBD	Houston	Texas	TBD	(901) 336-7438
Jignesh and Hemalkumar	Patel	TBD	Houston	Texas	TBD	(832) 875-9315
Jignesh and Hemalkumar	Patel	TBD	Katy	Texas	TBD	(832) 875-9315
Cristina and Hector Quiroz	Gaston Baza	TBD	Killeen	Texas	TBD	(915) 929-6382
*Carlos, Rafael, Jose and Esteban	Varela	TBD	Laredo	Texas	TBD	(956) 574-9787
Dexter	Rivera	TBD	Leauge City	Texas	TBD	(702) 239-3636
Patrick Sommerville, Jesus Garza	Harish Jethwa	4940 State Highway 121 Suite 135	Lewisville	Texas	75056	(214) 618-0832
Glen Johnson	Nicholas "Nick" Crouch	2520 82nd Street	Lubbock	Texas	79423	(806) 745-1755
Glen Johnson	Nicholas "Nick" Crouch	5139 80th Street	Lubbock	Texas	79424	(804) 783-0160
*Carlos, Rafael, Jose and Esteban	Varela	TBD	McAllen	Texas	TBD	(956) 574-9787
Daniel	Hall	TBD	McKinney	Texas	TBD	(972) 922-0077
*Ben	Halstead	TBD	Midland	Texas	TBD	(432) 413-9525
*Ben	Halstead	TBD	Midland	Texas	TBD	(727) 543-0841

Benjamin "Ben" Halstead	Marilyn Johnson	TBD	Midland	Texas	TBD	(727) 543-0841
Chinedu and Jean Ekwenibe	Kozhaya Sokhon	TBD	N. Houston	Texas	TBD	(832) 801-3380
*Grant	Watkins	TBD	Odessa	Texas	TBD	(432) 413-9525
*Grant	Watkins	TBD	Odessa	Texas	TBD	(432) 413-9525
*Thomas, Darci, Calei and Kodei	Kesterson	1937 Preston Road Unit 1004	Plano	Texas	75093	(972) 248-6900
Jignesh	Patel	5620 Grand Parkway South, Suite A	Richmond	Texas	77406	(832) 595-0499
Pamela	Farley	2355 State Highway 35 North	Rockport	Texas	78382	(361) 790-5222
Grant	Watkins	TBD	San Angelo	Texas	TBD	(432) 413-9525
*Joseph and Joseph	O'Hare	TBD	San Antonio	Texas	TBD	(915) 342-6922
*Joseph and Joseph	O'Hare	TBD	San Antonio	Texas	TBD	(915) 342-6922
*Joseph and Joseph	O'Hare	TBD	San Antonio	Texas	TBD	(915) 252-0677
Pamela	Ozowalu	TBD	San Antonio	Texas	TBD	(210) 372-7448
Vanessa Boles	Paul Davis	19075 Interstate 45 S Suite 116C	Shenandoah	Texas	77385	(936) 266-0593
*Carlos, Rafael, Jose and Esteban	Varela	410 Padre Boulevard Suite 111	South Padre Island	Texas	78597	(956) 433-5259
Mina	Patel	TBD	Sugar Land	Texas	TBD	(281) 746-0664
Shashank "Shash" Trivedi	Sweta Patel	TBD	Sugar Land	Texas	TBD	(832) 472-0954
Jigna and Nilesh "Neal"	Patel	4845 Texas Boulevard	Texarkana	Texas	75503	(903) 735-9888
John	McNeill	3202 North Navaro Street	Victoria	Texas	77901	(361) 579-7977
Cody	Sommer	1190 Sage Drive, Unit A	Cedar City	Utah	84720	(435) 267-0382
Cody	Sommer	233 North Airport Road	Cedar City	Utah	84721	(435) 586-1447
Cody	Sommer	1167 South State Street	Orem	Utah	84097	(801) 225-1293
Cody	Sommer	1010 East Red Hill Parkway	Saint George	Utah	84770	(435) 656-5508
Cody	Sommer	1622 West Sunset Boulevard	Saint George	Utah	84770	(435) 986-4474
*Cody	Sommer	TBD	Salt Lake City	Utah	TBD	(702) 610-2639
*Cody	Sommer	TBD	Salt Lake City	Utah	TBD	(702) 610-2639
*Cody	Sommer	TBD	Salt Lake City	Utah	TBD	(702) 610-2639
*Cody	Sommer	TBD	Salt Lake City	Utah	TBD	(702) 610-2639
Cody	Sommer	7812 South 1300 East	Sandy	Utah	84094	(801) 568-7061
Abraham	Razeq	16450 Consumer Row	King George	Virginia	22485	(540) 413-1347
Abraham	Razeq	2701 Neabsco Common Place Unit #128	Woodbridge	Virginia	22191	(571) 285-4436
Getu Beyene, Getu Mokonnen	Addisu Tessema	1610 Belle View Boulevard	Alexandria	Virginia	22307	(703) 347-9964
Marcus	Barnett	6552-A Little River Turnpike	Alexandria	Virginia	22312	(703) 354-0940
Mohammed Samir Hasan	Kathering Ronckovitz-Hasan	6424 Landsdowne Centre Suite 32	Alexandria	Virginia	22315	(703) 373-3660
Woo Choi	Agapito Dienzo	1556 Potomac Greens Drive	Alexandria	Virginia	22314	(703) 299-8315
Manish and Meenal	Singh	3811 North Fairfax Drive – Unit B	Arlington	Virginia	22203	(703) 243-2933
Dennis and Nicole	Drake	43670 Greenway Corporate Drive Suite # 126	Ashburn	Virginia	20147	(571) 291-9089
Pheng "PK"	Khov	20598 East Hampton Plaza	Ashburn	Virginia	20147	(703) 430-1700
Jonathan "Jon"	Cash	896 Prices Fork Road	Blacksburg	Virginia	24060	(540) 951-4000
Nimeshkuma	Bhagat	13609 Carrollton Boulevard, Ste. 1	Carrollton	Virginia	23314	(757) 745-7700
Hae and Dong Jun "DJ"	Chung	14220- B Centreville Square	Centreville	Virginia	20121	(703) 815-1455
Daniel	Hester	4500 Daly Drive	Chantilly	Virginia	20151	(703) 263-2400
Jon	Cash	TBD	Charlottesville	Virginia	TBD	(757) 286-7177
Niall	Reid	1954 Rio Hill Center	Charlottesville	Virginia	22901	(434) 975-0333

Daniel	Cintron	1412 Greenbrier Parkway, Suite 135	Chesapeake	Virginia	23320	(757) 413-5400
Henry	Truong	1434 Sam's Drive Suite 101	Chesapeake	Virginia	23320	(757) 410-9543
Payal	Shah	1501 Cedar Road #110	Chesapeake	Virginia	23322	(757) 312-0001
Payal	Shah	4105 Chesapeake Square Boulevard, #103	Chesapeake	Virginia	23321	(757) 488-2060
Sanjay	Patel	237 South Battlefield Boulevard Ste 7	Chesapeake	Virginia	23322	(757) 410-5558
Vimal	Patel	1320 Kempsville Road, Suite 111	Chesapeake	Virginia	23320	(757) 547-3570
Vimal	Patel	1464 Mount Pleasant Road Suite 30	Chesapeake	Virginia	23322	(757) 546-7070
Gemini and Urvashi	Patel	6925 Commons Plaza	Chesterfield	Virginia	23832	(804) 717-9060
Joanne	Bennett	190 Southgate Square	Colonial Heights	Virginia	23834	(804) 524-9876
Steve	Harwit-Whewell	15315 Creativity Drive	Culpeper	Virginia	22701	(540) 825-8417
Maher "Mike" and Abeer "Abby"	Abdel-Qader	3978 Fettler Park Drive Building A	Dumfries	Virginia	22025	(703) 291-5097
Chong	Kim	12164 Fairfax Towne Center Suite 107A	Fairfax	Virginia	22033	(703) 272-7007
Do Yong Kim	Paul Robertson	TBD	Fairfax	Virginia	TBD	(703) 867-1312
Do Yong Kim	Paul Robertson	10655 Braddock Road	Fairfax	Virginia	22032	(703) 867-1312
Shikeba	Ramin	TBD	Fairfax	Virginia	TBD	(989) 980-3216
Shikeba	Ramin	6110-A Arlington Boulevard	Falls Church	Virginia	22044	(703) 992-8004
Abraham and Jacob	Razeq	9913 Southpoint Parkway	Fredericksburg	Virginia	22407	(540) 710-7025
Curtis	Williams	15 South Gateway Drive, Suite 113	Fredericksburg	Virginia	22406	(540) 656-2167
Mohammed Samir	Hasan	TBD	Fredericksburg	Virginia	TBD	(703) 899-6896
Mohammed Samir	Hasan	1460 Central Park Boulevard	Fredericksburg	Virginia	22401	(540) 785-7025
Chaudary	Anwarkhan	50 Riverton Commons Plaza, Suite 20	Front Royal	Virginia	22630	(540) 635-3965
Dennis and Nicole	Drake	8069 Stonewall Shops Square	Gainesville	Virginia	20155	(703) 754-0404
Ashokkumar and Falguniben	Patel	11321 C Nuckols Road	Glen Allen	Virginia	23059	(804) 346-5101
Sanjay	Patel	1040 Settlers Landing Road, Suite E/F	Hampton	Virginia	23663	(757) 722-6290
Shreyansh and Deepal	Trivedi	106 Coliseum Crossing	Hampton	Virginia	23666	(757) 896-2270
Corrine	Loan	1011 Port Republic Road	Harrisonburg	Virginia	22801	(540) 217-5575
Daniel	Hester	2465 Centreville Road, Ste. J-23	Herndon	Virginia	20171	(703) 793-0116
Jigneshbhai	Patel	506-A East Market Street	Leesburg	Virginia	20176	(703) 777-1100
Maher "Mike" and Abeer "Abbey"	Abdel-Qader	TBD	Lorton	Virginia	TBD	(540) 295-7807
Jonathan "Jon" and Tina	Cash	7701 Timberlake Road	Lynchburg	Virginia	24502	(434) 239-8767
Dennis and Nicole	Drake	TBD	Manassas	Virginia	TBD	(703) 257-9606
Greg and Christine	Krebs	9971 Sowder Village Square	Manassas	Virginia	20109	(703) 330-1399
Gemini and Urvashi	Patel	9363 Atlee Road, Suite 2101	Mechanicsville	Virginia	23116	(804) 730-1764
Vimal	Patel	7152 Mechanicsville Turnpike	Mechanicsville	Virginia	23111	(804) 569-9707
Brant	Druhot	4501 Commonwealth Centre Parkway	Midlothian	Virginia	23112	(804) 763-2900
George "Roger" and Rebecca	Nicholson	15521 Westchester Commons Way	Midlothian	Virginia	23113	(804) 897-9595
Ernest and Sylvia Jones	Rajesh Kaushal	4191 William Styron Square	Newport News	Virginia	23606	(757) 595-0600
John and Hyang	Boyd	12551 Jefferson Avenue, Suite 211	Newport News	Virginia	23602	(757) 833-6256
Vimal	Patel	12300 Jefferson Avenue, Suite 738	Newport News	Virginia	23602	(757) 369-5533
Vimal	Patel	12368 Warwick Boulevard A 109	Newport News	Virginia	23606	(757) 240-5458
Harsha	Amin	3841 East Little Creek Road Suite A	Norfolk	Virginia	23518	(757) 965-5237
Jatin and Shreyansh	Trivedi	4316 Monarch Way	Norfolk	Virginia	23508	(757) 440-7580
Jatin and Shreyansh	Trivedi	7862 Tidewater Drive, Suite 111	Norfolk	Virginia	23505	(757) 531-4950

Nayna	Modi	1153 N. Mililtary Highway	Norfolk	Virginia	23502	(757) 455-5694
Payal	Shah	265 Granby Street	Norfolk	Virginia	23510	(757) 624-9400
Roy and Debbie	Perez	742 West 21st Street, Unit #B	Norfolk	Virginia	23517	(757) 622-2002
Warren	Thompson	700 Park Avenue	Norfolk	Virginia	23504	(757) 823-8342
Fardin	Golzar	2918 Chain Bridge Road	Oakton	Virginia	22124	(703) 496-5535
Rajesh	Kaushal	475 A Wythe Creek Road	Poquoson	Virginia	23662	(757) 659-0297
Bhavin	Patel	4032 Unit B Victory Boulevard	Portsmouth	Virginia	23701	(757) 465-8944
Chuck	Kim	609 East Main Street Suite BB	Purcellville	Virginia	20132	(540) 338-1100
Manish and Meenal	Singh	11684 Plaza America Drive	Reston	Virginia	20190	(703) 796-2233
Brant	Druhot	11513 Busy Street	Richmond	Virginia	23236	(804) 377-7320
Brant	Druhot	1601 Willow Lawn Drive	Richmond	Virginia	23230	(804) 658-5431
Gemini and Urvashi	Patel	8207 West Broad Street	Richmond	Virginia	23294	(804) 527-2060
George "Roger" and Rebecca	Nicholson	11736 West Broad Street, Suite 101	Richmond	Virginia	23233	(804) 364-0281
Marion and Anna Lynn	Cabble	929 West Broad Street	Richmond	Virginia	23220	(804) 353-3533
Reena	Patel	4501 South Laburnum Avenue, Suite 150	Richmond	Virginia	23231	(804) 236-1100
Reena	Patel	7102 Midlothian Turnpike Suite B	Richmond	Virginia	23225	(804) 276-3563
Eddie and Rebecca	Maloney	TBD	Roanoke	Virginia	TBD	(540) 537-7949
Jonathan "Jon"	Cash	TBD	Roanoke	Virginia	TBD	(757) 286-7177
Daniel	Hester	24995 Riding Plaza	South Riding	Virginia	20152	(703) 542-6657
Mohammed Samir Hasan	Kathering Ronckovitz-Hasan	1465 Stafford Marketplace, Suite 115	Stafford	Virginia	22556	(540) 659-2200
Corrine and Travis	Loan	850 Statler Boulevard Unit 107	Staunton	Virginia	22952	(540) 885-3555
Sanjay and Ruma Patel	Payal Shah	5860 Harbour View Boulevard, Ste A1 A	Suffolk	Virginia	23435	(757) 484-7548
Vimal	Patel	1201 North Main Street, Suite 300	Suffolk	Virginia	23434	(757) 539-7774
Abraham and Jacob	Razeq	TBD	Thornburg	Virginia	TBD	(540) 287-7448
Trung	Tang	TBD	Tysons	Virginia	TBD	(703) 898-2267
Trung	Tang	2672 Avenir Place, Suite O	Vienna	Virginia	22180	(703) 207-4318
Baldev	Gill	4701 Shore Drive, Suite 101	Virginia Beach	Virginia	23455	(757) 460-3350
Harsha	Amin	4001 Virginia Beach Boulevard Suite 115	Virginia Beach	Virginia	23452	(757) 200-0500
Herb	Schriefer	2165 General Booth Boulevard Suite 158	Virginia Beach	Virginia	23454	(757) 430-0144
Indira and Ratilal	Patel	2728 North Mall Drive #113	Virginia Beach	Virginia	23452	(757) 333-6700
Joshua and Jennifer	Moore	3813 Princess Anne Road, Suite 125	Virginia Beach	Virginia	23456	(757) 965-2522
Krishna and Ritaben	Patel	211 25th Street	Virginia Beach	Virginia	23451	(757) 422-3970
Leonardo	Agagas	4312 Holland Road, Ste 105	Virginia Beach	Virginia	23452	(757) 747-1941
Leonardo and Mary	Agagas	2476 Nimmo Parkway, Suite 117	Virginia Beach	Virginia	23456	(757) 430-4433
Patrick Finn	Roy Perez	401 North Great Neck Road Suite 101	Virginia Beach	Virginia	23454	(757) 313-7350
Robyn	Lyon	2865 Lynnhaven Drive, Suite B-1	Virginia Beach	Virginia	23451	(757) 965-6965
Scott and Linda	Menkes	1255 Fordham Drive, Suite 107	Virginia Beach	Virginia	23464	(757) 313-7230
Tony	Torres	4515 Haygood Road	Virginia Beach	Virginia	23455	(757) 460-7878
Harkirat and Jermajit	Singh	251 West Lee Highway	Warrenton	Virginia	20186	(540) 428-1818
Corrine and Travis	Loan	TBD	Waynesboro	Virginia	TBD	(540) 383-8482
Bipin Vyas, Jignesh Patel	Tarun and Rupal Shah	4920 / 8 A Monticello Avenue	Williamsburg	Virginia	23188	(757) 229-0600
Bipin Vyas, Jignesh Patel	Tarun and Rupal Shah	6618/C Mooretown Road	Williamsburg	Virginia	23188	(757) 258-0007
Stephen and Jessica	Seminaro	152 Market Street	Winchester	Virginia	22603	(540) 667-0002

Stephen and Jessica Seminaro	Kayla Kennedy	1531 South Pleasant Valley	Winchester	Virginia	22601	(540) 773-5731
Nuatu Tseggai	Joseph Carrol	2966 Prince William Parkway	Woodbridge	Virginia	22192	(703) 910-7188
Heayoung	Yi	2643 George Washington Memorial Highway, Suite 1	Yorktown	Virginia	23693	(757) 867-9004
Vimal	Patel	8135 George Washington Memorial Highway Suite C	Yorktown	Virginia	23692	(757) 327-1001
Tai Lam	Mong-Kieu Nguyen	10445 NE 4th Street, Unit M	Bellevue	Washington	98004	(425) 590-9609
Lynn Wiggins	Aaron Brooks	12954 SE Kent Kangley Road	Kent	Washington	98030	(253) 246-7347
Tyler and Natalie	Dewey	1905 SE 192nd Avenue, Suite 113	Vancouver	Washington	98607	(360) 817-1800
Jessica and Stephen	Seminaro	171 Retail Commons Parkway, Suite 9	Martinsburg	West Virginia	25403	(304) 264-4445
Jennifer and Anthony	Jordan	TBD	Morgantown	West Virginia	TBD	(304) 906-8938
Dalton and Joseph	Ruesch	10 College Avenue	Appleton	Wisconsin	54911	(920) 997-1644
Nick and Kimberly	Stauff	TBD	Pewaukee	Wisconsin	TBD	(262) 442-5879
Seth	Jirikowic	1951 8th Street South	Wisconsin Rapids	Wisconsin	54494	(715) 424-1540

***These Franchisees have signed a Multi-Unit Development Addendum.**

LIST OF 37 FRANCHISEES WHO HAD AN OUTLET TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS DURING THE YEAR ENDED DECEMBER 31, 2017 OR WHO HAVE NOT COMMUNICATED WITH US WITHIN 10 WEEKS OF THE DATE OF THIS DISCLOSURE DOCUMENT.

STATE	NAME(S)	CITY	TELEPHONE NUMBER	TRANSFER	CLOSED	CEASED OPERATIONS - OTHER REASON
Alabama	Karen Purvis	Dothan	(334) 673-5652		1	
Arizona	Eric Persson and Scott Palmateer	Gilbert	(702) 461-6055	1		
Arkansas	Bradley Newcomb and Josh Inmon	Bryant	(501) 786-6555	1		
Arkansas	Bradley Newcomb and Josh Inmon	Benton	(501) 786-6555	1		
Arkansas	Glen Johnson, Lucas Anderson and Nicholas "Nick" Crouch	Marion	(501) 442-0089			1
Florida	Michael Fletcher	Fort Pierce	(772) 873-2772	1		
Florida	David and Vickie Shumate	Palm Bay	(321) 777-2024	1		
Florida	Andrew and Raymond Howell	Oviedo	(804) 815-1095	1		
Florida	Christa, Michael and Striker Burks	Estero	(772) 216-0241	1		
Florida	Phillip Woodhouse	Naples	(239) 591-8511	1		
Florida	Robert and Steve Szasz	Tampa	(727) 656-8742	1		
Florida	Sara Holt	Destin	(334) 304-5011		1	
Florida	Linda Morgan and Russell Rissman	Lynn Haven	(334) 312-0860		1	
Florida	Andrew and Raymond Howell	Orlando	(804) 815-1095			1
Florida	Emily Harrington	Tampa	(352) 467-5473			1
Georgia	Kevin and Keisha Davis	Conyers	(404) 225-4715		1	
Illinois	Syed Hameed and Tazeen Syed	Crystal Lake	(603) 962-4261		1	
Louisiana	Amiee and Paul Arcemont	Morgan City	(985) 518-4122		1	
Maine	Mike and Crystal Turpin	South Portland	(603) 834-3140			1
Maryland	Hakim and Linda Burgess	Waldorf	(540) 455-0845	1		
Michigan	Hani Halloun	Ann Arbor	(810) 397-1891	1		
Nevada	Henry Neth and Joseph Provenza	Pharump	(775) 209-3061		1	

Ohio	Gregory DeBrow	Lyndhurst	(216) 406-6461		1	
Pennsylvania	Zhibo Wu	Glen Mills	(516) 382-6489		1	
Tennessee	Axay Rana	Knoxville	(973) 220-3323		1	
Texas	Bernarldo and Doris Ellis	Frisco	(214) 618-8483	1		
Texas	Kate and Clifton Holsenbeck	Lewisville	(912) 210-1473	1		
Texas	Pamela Young, David and Cindy Taylor	Fort Worth	(817) 676-4889	1		
Virginia	Pardeep and Parmjit Kaur	Norfolk	(757) 401-5091	1		
Virginia	Jatin Trivedi	Virginia Beach	(757) 761-5327	1		
Virginia	Shailen Patel	Mechanicsville	(804) 360-2064	1		
Virginia	Jennifer and Joshua Moore	Norfolk	(757) 353-5650	1		
Virginia	Jigneshbhai Patel	Purcellville	(757) 301-7804	1		
Virginia	Katherine and Mohammed Hasan	Dumfries	(703) 899-6896	1		
Virginia	Hazem Abdelrahman and Khaled Hassan	Manassas	(703) 347-2069		1	
Virginia	Gemini and Urvashi Patel	Chester	(804) 921-9252			1
Wisconsin	Michaela and Shane Ruesch	Wisconsin Rapids	(715) 424-2229	1		

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT L TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Financial Statements

December 31, 2017 and December 25, 2016

BENNETT THRASHER LLP
Better Together

Tropical Smoothie Café, LLC and Subsidiary

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BENNETT THRASHER LLP

Independent Auditor's Report

To the Board of Directors of
Tropical Smoothie Café, LLC and Subsidiary

We have audited the accompanying consolidated financial statements of Tropical Smoothie Café, LLC and Subsidiary (collectively, the Company), which comprise the consolidated balance sheets as of December 31, 2017 and December 25, 2016, and the related consolidated statements of operations, members' deficit, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility 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 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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tropical Smoothie Café, LLC and Subsidiary as of December 31, 2017 and December 25, 2016, and the results of their operations and their cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Bennett Thrasher LLP

March 30, 2018

BETTER TOGETHER
A Limited Liability Partnership of Certified Public Accountants & Consultants
Rv 200 00 Rv 00 0 **phone** 0. .2200 **fax** 0. 0.0
www.btcpa.net

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Balance Sheets
December 31, 2017 and December 25, 2016
(In thousands)

	2017	2016
Assets		
Current assets:		
Cash	$ 3,960	$ 4,787
Restricted cash	3,510	2,987
Accounts receivable	2,330	1,629
Inventory	167	155
Prepaid expenses	373	282
Current portion of deferred commission expense	291	408
Current portion of notes receivable	48	247
Total current assets	10,679	10,495
Property and equipment, net	640	408
Other assets:		
Intangible assets, net	7,076	5,749
Investment in Tin Drum Holding Company, Inc.	2,312	2,030
Related party receivable, net	347	468
Notes receivable, related party	1,387	1,267
Notes receivable, net of current portion	3	688
Deferred commission expense, net of current portion	835	624
Other	80	100
Total other assets	12,040	10,926
Total assets	$ 23,359	$ 21,829
Liabilities and Members' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$ 5,085	$ 4,084
Local advertising program	2,380	2,305
Current portion of senior credit facility (Note 4)	2,250	1,250
Current portion of notes payable	693	446
Current portion of deferred franchise fees	1,179	1,423
Total current liabilities	11,587	9,508
Senior credit facility, net of current portion and deferred loan costs	14,108	16,300
Notes payable, net of current portion	1,503	692
Deferred franchise fees, net of current portion	2,888	1,965
Other, net	521	117
Total liabilities	30,607	28,582
Commitments and contingencies (Note 5)		
Members' deficit	(7,248)	(6,753)
Total liabilities and members' deficit	$ 23,359	$ 21,829

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Statements of Operations
For the Fiscal Years Ended December 31, 2017 and December 25, 2016
(In thousands)

	2017	2016
Revenues:		
Franchise revenues	$ 33,193	$ 26,381
Company-operated restaurant sales	1,140	1,010
Miscellaneous revenues	5,684	3,935
Total revenues	40,017	31,326
Costs of revenues	6,670	5,775
Gross profit	33,347	25,551
Operating expenses:		
Operating expenses	25,883	20,400
Depreciation and amortization	1,632	774
Total operating expenses	27,515	21,174
Income from operations	5,832	4,377
Other expense:		
Interest expense, net (Note 4)	(1,724)	(1,788)
Equity in losses of Tin Drum Holding Company, Inc.	(558)	(167)
Total other expense	(2,282)	(1,955)
Net income	$ 3,550	$ 2,422

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Statements of Members' Deficit
For the Fiscal Years Ended December 31, 2017 and December 25, 2016
(In thousands)

Balance at December 27, 2015	$	(7,481)
Distributions		(1,769)
Equity-based compensation expense		75
Net income		2,422
Balance at December 25, 2016		(6,753)
Exercise of options		32
Repurchase of member units		(1,537)
Distributions		(2,062)
Equity-based compensation expense		157
Subscription receivable		(635)
Net income		3,550
Balance at December 31, 2017	$	(7,248)

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Statements of Cash Flows
For the Fiscal Years Ended December 31, 2017 and December 25, 2016
(In thousands)

	2017	2016
Cash flows from operating activities:		
Net income	$ 3,550	$ 2,422
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,632	774
Non-cash interest income	(120)	(100)
Non-cash interest expense	59	59
Equity-based compensation expense	157	75
Equity in losses of Tin Drum Holding Company, Inc.	558	167
Change in operating assets and liabilities:		
Deposits into restricted cash	(523)	(463)
Accounts receivable	(701)	(118)
Inventory	(12)	(15)
Prepaid expenses	(91)	(133)
Deferred commission expense	(94)	(14)
Related party receivable	121	(193)
Other, net	20	(4)
Accounts payable and accrued expenses	1,405	1,242
Local advertising program	75	93
Deferred franchise fees	679	864
Cash provided by operating activities	6,715	4,656
Cash flows from investing activities:		
Acquisition of property and equipment	(391)	(118)
Issuance of notes receivable, related party	-	(667)
Issuance of notes receivable	(48)	(454)
Principal payments on notes receivable	296	121
Investment in Tin Drum Holding Company, Inc.	(840)	-
Re-acquired area development rights	(1,000)	-
Cash used in investing activities	(1,983)	(1,118)
Cash flows from financing activities:		
Principal payments on senior credit facility	(1,250)	(250)
Principal payments on notes payable	(742)	(424)
Repurchase of member units	(1,537)	-
Proceeds from exercise of options	32	-
Distributions	(2,062)	(1,769)
Cash used in financing activities	(5,559)	(2,443)
Net (decrease) increase in cash	(827)	1,095
Cash, at beginning of year	4,787	3,692
Cash, at end of year	$ 3,960	$ 4,787
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 1,672	$ 1,716
Supplemental disclosure of Non-cash Financing Transactions:		
Loan payable for re-acquired area developer rights	$ 1,800	$ -

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Notes to Consolidated Financial Statements
December 31, 2017 and December 25, 2016

Note 1: Description of Business and Summary of Significant Accounting Policies

Nature of Operations

Tropical Smoothie Café, LLC develops and franchises a system of both traditional and non-traditional fast casual restaurants primarily under the trade name "Tropical Smoothie Café". Traditional restaurants feature dine-in, delivery and carry-out service. Non-traditional units include express units, which have a more limited menu and operate in non-traditional locations, such as college campuses. The system features a variety of premium quality proprietary real fruit smoothies, specialty sandwiches, gourmet wraps, salads, soups and coffee drinks.

Tropical Smoothie Café, LLC's wholly owned subsidiary, TSC-GA, LLC, operates one restaurant of the type being franchised.

As of December 31, 2017 and December 25, 2016, there were 627 and 539 stores, respectively, in operation by franchisees throughout the United States with a concentration in the southeastern region and the one corporate owned location.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The consolidated financial statements include the accounts of Tropical Smoothie Café, LLC and its wholly owned subsidiary (collectively, the Company). All intercompany accounts and transactions have been eliminated in consolidation.

Fiscal Year

The Company reports on a 52-53 week year basis which ends on the last Sunday in December. The fiscal years ended December 31, 2017 and December 25, 2016 contained 53 and 52 weeks, respectively.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Revenue Recognition

The principal sources of revenue for the Company are royalty fees, franchise fees, and territory sales. The franchise agreements require the franchisee to pay an initial, non-refundable fee. Initial franchise fees are typically $25 thousand for the franchisee's first franchise location and $15 thousand for each additional location. Territory sales are based on the territory purchased, the territory's size and population and other factors which are included in franchise revenues in the consolidated statement of operations.

After opening of a franchised restaurant, franchisee royalty fees of 6% of gross sales, net of discounts, are due to the Company on a weekly basis for each restaurant operated by a franchisee. In area developer territories, 3% of the Company's royalty is paid to the area developer. In addition to weekly royalties, franchisees are required to participate in both national and local advertising programs. The national advertising fee is 2% of gross sales, net of discounts, and is recognized as franchise revenue by the Company and deposited in an account to be used in connection with national advertising for the Tropical Smoothie brand. The local advertising (co-op) fee is 2% and these amounts are recorded as liabilities and are deposited in an account to be used in connection with local area advertising.

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee. Generally, these services include restaurant design and assistance with site location, confidential operating manuals and initial training. Franchise fee revenue is recognized in the accompanying consolidated financial statements once substantial performance of these services is completed, which is generally upon the opening of a store. At December 31, 2017 and December 25, 2016, there was $4,067 thousand and $3,388 thousand, respectively, in unearned revenues relating to franchises sold, for which the Company must provide future services. The Company recognizes continuing royalty fees as earned.

Territory sales are recognized when the territory is sold through contractual agreement to area developers. An Area Developer acts as a Company sales representative within a defined geographic area to solicit prospective single-unit and multi-unit franchisees and to provide support before, during and after a franchisee begins operations. The Company considers substantial performance of its obligation under this agreement satisfied at the designation of a geographical area, which serves as the exclusive designated territory of the area developer. Area developers receive 50% of the initial franchise fees and 50% of the weekly royalty fees of franchises in their territories. Area developer fees are initially deferred and recognized with the related revenue.

The Company recognizes a transfer fee of the greater of 5% of the total sales price of a franchised restaurant or $10 thousand when the franchised restaurant is sold or otherwise transferred to an unrelated third-party. Area developers receive one-half of the transfer fee for transfers occurring within their territory.

The Company sells gift cards with no expiration dates. The franchisees recognize income on gift cards when they are redeemed by the customer. The gift card proceeds are pooled and administered by the Company. Funds are transferred to or withdrawn from franchisee bank accounts on a monthly basis by the third-party gift card processor. The Company's third-party gift card processor provides the Company with a handling and license fee related to their administration of the program which totaled $609 thousand and $442 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively, and is included as a component of miscellaneous revenue in the accompanying consolidated statements of operations.

The Company negotiates with certain suppliers and manufacturers to receive discounts or rebates on items franchisees must purchase. The rebate programs vary depending on the supplier and the nature of the product. The Company recognizes rebate revenue in the period in which it is earned, which is included as a component of miscellaneous revenue in the accompanying consolidated statement of operations.

Sales by the Company-operated restaurant are recognized at the point of sale to the end customer. The Company presents sales net of sales taxes collected from customers.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments that are readily convertible into cash and have a maturity of ninety days or less when purchased. These investments are carried at cost, which approximates fair value. At times, cash and cash equivalent balances may exceed federally insured amounts. The Company mitigates its risks by depositing cash and investing in cash equivalents with major financial institutions. The Company has not experienced any losses in such accounts. The Company had no cash equivalents at December 31, 2017 and December 25, 2016.

Restricted Cash

Restricted cash consists primarily of cash held on behalf of franchisees for local advertising and for escrow franchise fee deposits as required by certain states.

Accounts Receivable

Accounts receivable consist primarily of amounts due from vendors for rebates and from franchisees for royalty sales pursuant to franchise agreements. The Company regularly analyzes its accounts receivable to determine whether any allowance is necessary based on the Company's collection history. The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to operations at that time.

Inventory

Inventory is stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged against operations when incurred. Estimated useful lives of property and equipment for purposes of computing depreciation are as follows:

Leasehold improvements	Lesser of estimated useful life or life of the lease
Machinery and equipment	5-7 years
Furniture and fixtures	7 years
Computers and software	5 years

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When indicators of impairment are present, the Company evaluates the carrying amount of such assets in relation to the operating performance and future estimated undiscounted net cash flows expected to be generated by the assets or underlying businesses. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The assessment of the recoverability of assets will be impacted if estimated future operating cash flows are not achieved. There were no impairment losses recognized in fiscal years ending December 31, 2017 and December 25, 2016, respectively.

Intangible Assets

Intangible assets are recorded at cost and consist of trademarks and other marketing-related property and reacquired franchise rights. Trademarks and marketing-related property are amortized over the legal life of the trademark, 15 years. Reacquired franchise rights are amortized over the remaining life of the related franchise agreement.

Deferred Loan Costs

Deferred loan costs relate to the financing of the senior credit facility and are being amortized on a straight-line basis over the life of the underlying facility approximating the effective interest method. Deferred loan costs are included as a component of the senior credit facility, in the accompanying consolidated balance sheets and totaled $142 thousand and $200 thousand, net of accumulated amortization of $152 thousand and $93 thousand, at December 31, 2017 and December 25, 2016, respectively. Amortization expense for deferred loan costs was $59 thousand for each of the fiscal years ended December 31, 2017 and December 25, 2016, respectively, and is included as a component of interest expense in the accompanying consolidated statements of operations.

Notes Receivable

The Company has various notes receivables due from employees and franchisees with varying interest rates ranging from 4.0% to 5.0% which totaled $51 thousand and $935 thousand at December 31, 2017 and December 25, 2016, respectively. Interest income is recognized when paid and totaled $3 thousand and $22 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively. Aggregate future principal payments on the notes total $48 thousand for 2018, $3 thousand for 2019.

During 2017, the Company recharacterized a $635 thousand note receivable from an employee as a subscription receivable given the member's intention related to such note and the underlying terms of the agreement. (Note 6)

The Company regularly analyzes its notes receivable to determine whether any allowance is necessary based on the Company's collection history. The Company considers notes receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to operations at that time.

Deferred Franchise Fees and Costs

Deferred revenue consists primarily of initial franchise fees received for which the Company has not substantially performed or satisfied all material services or conditions related to the sale of the franchise. Commission payments associated with initial franchise agreements are deferred and amortized to operating expenses upon recognition of the related franchise fee revenue. At December 31, 2017 and December 25, 2016, deferred commission expense totaled $1,126 thousand and $1,032 thousand, respectively.

Advertising

In accordance with the franchise agreement and as noted in the revenue recognition policy, franchisees must pay a national advertising fee of 2% of net sales. The national advertising fee is used for developing and conducting marketing and advertising for the Tropical Smoothie Café system. The Company incurred expenses of $7,280 thousand and $6,290 thousand for national advertising during the fiscal years ended December 31, 2017 and December 25, 2016, respectively, and are included as a component of operating expenses in the accompanying consolidated statements of operations.

The Company's total advertising expenses, including national advertising expenses, totaled $8,324 thousand and $7,653 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively. Advertising costs are expensed as incurred.

Equity-Based Compensation

The Company accounts for the issuance of equity instruments to employees in accordance with accounting standards for share-based payments which require companies to recognize in the statement of operations the fair value of stock awards issued over the requisite service period. Management estimates the fair value of the equity issued on the date of grant.

The fair value of the stock awards is determined on the grant date using the Black-Scholes option pricing model. Expected volatility is based on the average historical volatility of similarly structured restaurant companies. The expected term of the options granted represents the period of time that the options are expected to be outstanding. The Company used the simplified method to estimate the expected term of the options. The risk-free rate is based on U.S. Treasury yields in effect at the time of the grant for the expected term of the options.

Assumptions for the grants issued in 2017 and 2016 are as follows:

	2017	**2016**
Risk-free interest rate	1.96%	1.36%
Volatility factor	30%	31%
Dividend yield	0%	0%
Expected life (years)	7	7

Income Taxes

Under the provisions of the Internal Revenue Code and applicable state laws, the Company is not directly subject to income taxes since the Company's profits and losses are allocated to, and are reported on, the individual members' tax returns. Therefore, no provision or liability for income taxes has been included in the accompanying consolidated financial statements.

The Company applies the provisions of accounting standards for income taxes. These standards require that a tax position be recognized or derecognized based on a 'more-likely-than-not' threshold. This applies to positions taken or expected to be taken in a tax return. The Company does not believe its consolidated financial statements include any material uncertain tax positions. There have been no penalties or interest incurred by the Company during the fiscal years ended December 31, 2017 and December 25, 2016. The Company is no longer subject to Federal and state income tax examinations by tax authorities for years prior to 2014.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation. These reclassifications had no effect on previously reported consolidated results of operations or members' equity.

New Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue with Contracts from Customers*. ASU 2014-09 supersedes the current revenue recognition guidance, including industry-specific guidance. The guidance introduces a five-step model to achieve its core principal of the entity recognizing revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The updated guidance is effective for annual periods beginning after December 15, 2018, and early adoption is permitted only for annual periods beginning after December 15, 2016. The Company is currently evaluating the impact of the updated guidance on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases*. ASU 2016-02 requires that lease arrangements longer than 12 months result in an entity recognizing an asset and liability. The updated guidance is effective for annual periods beginning after December 15, 2019, and early adoption is permitted. The Company is currently evaluating the impact of the updated guidance on the consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash.* ASU 2016-18 enhances and clarifies the guidance on the classification and presentation of restricted cash in the statement of cash flows. The revised standard is effective for all entities beginning after December 15, 2018, and early adoption is permitted. The Company is currently evaluating the impact of the updated guidance on the consolidated financial statements.

Note 2: Property and Equipment

Property and equipment consist of the following as of December 31, 2017 and December 25, 2016:

(in thousands)	2017	2016
Leasehold improvements	$ 241	$ 172
Machinery and equipment	236	186
Furniture and fixtures	218	172
Computers and software	472	246
	1,167	776
Accumulated depreciation	(527)	(368)
	$ 640	$ 408

Depreciation expense for the fiscal years ended December 31, 2017 and December 25, 2016 totaled $159 thousand and $123 thousand, respectively.

Note 3: Intangible Assets

Intangible assets consist of the following as of December 31, 2017 and December 25, 2016:

(in thousands)	Estimated life	2017	2016
Trademarks and other marketing-related property	15 years	$ 135	$ 135
Reacquired franchise rights	Various	11,167	8,367
Accumulated amortization		(4,226)	(2,753)
		$ 7,076	$ 5,749

Amortization expense related to intangible assets was $1,473 thousand and $651 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively.

Estimated future amortization expense is as follows:

(in thousands) Fiscal year	
2018	$ 1,638
2019	1,637
2020	648
2021	630
2022	578
Thereafter	1,945
	$ 7,076

Note 4: Debt

Notes Payable

A summary of notes payable as of December 31, 2017 and December 25, 2016 is as follows:

(in thousands)	2017	2016
Note payable to former area developer. The note provides for monthly principal and interest payments of $23 thousand and bears a fixed rate of interest of 8%. The note matures on July 1, 2019 and is unsecured.	$ 394	$ 651
Note payable to former area developer. The note provides for monthly principal and interest payments of $13 thousand and bears a fixed rate of interest of 8%. The note matures on October 1, 2019 and is unsecured.	244	387
Note payable to former area developer. The note provides for monthly principal and interest payments of $7 thousand and bears a fixed rate of interest of 8%. The note matures on March 15, 2018 and is unsecured.	21	100
Note payable to former area developer. The note provides for monthly principal and interest payments of $35 thousand and bears a fixed rate of interest of 6%. The note matures on March 1, 2022 and is unsecured.	1,537	-
Total notes payable	2,196	1,138
Less current portion	(693)	(446)
Notes payable, net of current portion	$ 1,503	$ 692

Aggregate future principal payments are as follows at December 31, 2017:

(in thousands) Fiscal year	
2018	$ 693
2019	626
2020	375
2021	398
2022	104
	$ 2,196

Senior Credit Facility

The Company has a $18,000 thousand senior credit facility with a related party member. At December 31, 2017 and December 25, 2016, $16,500 thousand and $17,750 thousand, respectively, was outstanding under the senior credit facility, net of deferred loan costs of $142 thousand and $200 thousand, respectively. The senior credit facility bears interest at the rate of 7.5% per annum and required quarterly interest-only payments through October 2016; at which time the Company is required to make quarterly principal payments ranging from $250 thousand to $1,000 thousand with a final balloon payment of $8,000 thousand in September 2020. Additionally, the Company is required to pay a monthly agent and consulting fee which equals 1% of the outstanding balance of the senior credit facility which is included as a component of interest expense. Interest expense associated with the senior credit facility totaled $1,643 thousand and $1,732 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively. The senior credit facility is collateralized by substantially all assets of the Company.

Aggregate future principal payments are as follows at December 31, 2017:

(in thousands) Fiscal year	
2018	$ 2,250
2019	3,250
2020	11,000
	$ 16,500

The Company is required to adhere to certain financial and non-financial covenants. As of December 31, 2017, the Company was in compliance with such covenants.

Note 5: Commitments and Contingencies

Litigation

In August 2016, the Company learned of allegations that certain consumers in the Virginia area had been diagnosed with hepatitis A after consuming strawberries at various franchised cafés. The Company has been named as a co-defendant in pending lawsuits for personal injuries stemming from the hepatitis A outbreak, and has retained counsel to defend the Company against those allegations. The Company's general liability insurance carrier is presently covering the Company's defense costs pursuant to a reservation of rights and has moved to dismiss its previously filed claim for rescission and recoupment in Federal court. Based on its own insurance and the amount of insurance available from other defendants in personal injury litigation, the Company believes it can limit its financial exposure for legal fees and liability, should there be any. The Company does not anticipate these matters will have a material adverse effect on the Company's financial position or results of operations. While it is possible that the Company's future results of operations for a fiscal year could be impacted by changes in circumstances related to the lawsuits, the Company believes the likelihood of such an outcome to be low.

During 2017, the Company provided the impacted franchisees with a release payment as part of an overarching franchisee support plan established during fiscal 2017, which was expensed as incurred and included as a component of operating expenses in the consolidated statements of operations.

The Company from time to time may be involved in various legal claims, actions, and complaints, generally arising out of the normal course of business. Although it is difficult to predict the ultimate outcome of any potential or threatened litigation, management believes that any ultimate liability will not materially affect the consolidated financial position or consolidated results of operations of the Company.

Operating Leases

The Company leases office and restaurant space under non-cancelable agreements accounted for as operating leases. The leases generally require the Company pay taxes, maintenance and insurance.

Future minimum rental payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) were as follows as of December 31, 2017:

(in thousands) Fiscal year	
2018	$ 417
2019	450
2020	458
2021	368
2022	74
Thereafter	57
	$ 1,824

The Company recognizes rent expense on a straight-line basis over the expected lease term. Differences between amounts paid and amounts expensed are recorded as deferred rent. Deferred rent totaled $143 thousand and $117 thousand at December 31, 2017 and December 25, 2016, respectively, and is included as a component of other liabilities in the accompanying consolidated balance sheets.

Rent expense was $394 thousand and $365 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively, and is included as a component of operating expenses in the accompanying consolidated statements of operations.

Guarantees of Indebtedness

During 2013, the related party lender began offering a Franchise Finance Program to area developers and franchisees for which the Company provides a conditional guarantee. The contingent obligations are "last loss" guarantees requiring the related party lender to exhaust all remedies against (i) the applicable borrower, (ii) all collateral securing the loan and (iii) any other guarantor of the loan, including the applicable area developer. At December 31, 2017 and December 25, 2016, the Company had pledged conditional guarantees totaling $1,288 thousand and $2,385 thousand, respectively, and determined the fair value of the contingent obligation was nominal.

Note 6: Members' Equity

Member Units

At December 31, 2017, the authorized equity capital of the Company consisted of 12,000 thousand Common A Units and 1,000 thousand Common B Units of which approximately 9,877 thousand Common A Units and approximately 308 thousand Common B Units are issued and outstanding as of December 31, 2017. The units have a stated value equal to the amount originally contributed. Common A Unit members shall be entitled to a number of votes equal to their respective percentage interest with respect to all matters on which members are entitled to vote, as defined. Common B Unit members do not have voting rights. The units have transfer restrictions limiting their sale or transfer. Profit and losses are allocated in accordance with respective unit ownership percentages. Cash distributions are allocated in accordance with the requirements for the allocation of profits subject to certain limitations, as defined.

Subscription Receivable

During 2017, the Company recharacterized a $635 thousand note receivable from a member as a subscription receivable, given the member's intention related to such note and the underlying terms of the agreement. The note has been reflected in the accompanying consolidated balance sheet as a reduction to members' equity. This note is a full recourse promissory note bearing interest at a rate of 1.72% and is collateralized by the units issued. Interest is payable quarterly and any unpaid principal and interest accrued is due in January 2024.

Note 7: Equity Method Investment in Tin Drum Holding Company, Inc.

In December 2014, the Company purchased approximately 2,360 thousand shares of Tin Drum Holding Company, Inc. (TDHC) Series C Preferred Stock at a purchase price of $1.0591 per share, resulting in a total cost of $2,500 thousand and an approximate 20% ownership interest in TDHC. During 2017, the Company purchased approximately 2,166 thousand shares of TDHC Series D Preferred Stock at a purchase price of $0.3878 per share, resulting in a total cost of $840 thousand and an increase in approximate ownership interest in TDHC to 34.5% at December 31, 2017. The Company is related to TDHC through common ownership. In accordance with FASB Accounting Standards Codification (ASC) 323, *Investments – Equity Method and Joint Ventures*, the Company accounts for the investment under the equity method of accounting, due to the Company having significant influence, but not control, of TDHC.

For the fiscal years ended December 31, 2017 and December 25, 2016, the Company's proportionate share of TDHC's net losses totaled $558 thousand and $167 thousand, respectively, and is included in the accompanying consolidated statements of operations. At December 31, 2017 and December 25, 2016, the Company's equity in TDHC totaled $2,312 thousand and $2,030 thousand, respectively, and is included in the accompanying consolidated balance sheets.

Summarized financial information for TDHC as of and for the fiscal years ended December 31, 2017 and December 25, 2016 is as follows:

(in thousands)	2017	2016
Assets	$ 5,657	$ 6,771
Liabilities	2,921	2,671
Net assets	$ 2,736	$ 4,100
Revenues	$ 4,966	$ 5,955
Cost of sales	1,563	1,866
Operating expenses, net	5,477	4,925
Net loss	$ (2,074)	$ (836)

Note 8: Equity-Based Compensation

In May 2013, the Company established an incentive compensation plan (the 2013 Equity Incentive Plan or the Plan). The Plan provides for the grant of options to certain employees, Board members, advisors and other service providers of the Company who are selected by the Committee to be the recipient of such grants. The Board authorized 1,000 thousand Series B Common Unit options for issuance under the Plan. The terms of any such grant of an equity incentive shall be determined on a case by case basis by the Board pursuant to any plan adopted by the Board.

The following table summarizes equity-based compensation activity for the fiscal year ended December 31, 2017:

	(in thousands) Options	Weighted Average Exercise Price per Unit
Oustanding, December 25, 2016	570	$ 2.07
Granted	230	4.62
Excercised	(17)	1.85
Forfeited/canceled	(194)	2.28
Outstanding, December 31, 2017	589	$ 3.02

	(in thousands) Nonvested Options	Weighted Average Fair Value
Nonvested options, December 25, 2016	295	$ 0.84
Granted	230	1.58
Vested	(48)	0.92
Forfeited/canceled	(175)	0.71
Nonvested options, outstanding, December 31, 2017	302	$ 0.76

The fair value of options granted during the fiscal years ended December 31, 2017 and December 25, 2016 was $359 thousand and $137 thousand, respectively. The Company recorded equity-based compensation expense of $157 thousand and $75 thousand related to the granted options for the fiscal years ended December 31, 2017 and December 25, 2016, respectively. As of December 31, 2017 there was $335 thousand of total unrecognized compensation costs related to such options, and the costs are expected to be recognized over a weighted average period of 4.48 years. At December 31, 2017 there were approximately 287 thousand of vested options pursuant to the Company's compensation arrangement which have a remaining life of 5.89 years. Options outstanding at December 31, 2017 have a weighted average remaining contractual life of 10.27 years.

During 2017, the Company recognized compensation expense of $69 thousand related to approximately 131 thousand previously issued and vested performance based options upon satisfaction of certain performance criteria, as defined.

Note 9: Related Party Transactions

On May 20, 2015, the Company entered into a management and various consulting agreements with certain related parties which continue through December 31, 2021 and automatically renew thereafter for one year terms until terminated by the Company or the related parties. For the fiscal years ended December 31, 2017 and December 25, 2016, fees related to such arrangements totaled $982 thousand and $696 thousand, respectively, and are included as a component of interest and operating expenses in the accompanying consolidated statements of operations.

On August 16, 2012, the Company assumed an annual consulting agreement with a related party which is renewable annually. For the fiscal years ended December 31, 2017 and December 25, 2016, consulting fees related to this agreement were $133 thousand and $129 thousand, respectively.

As discussed in Note 7, the Company is related to TDHC through common ownership. The Company pays certain costs on behalf of TDHC and has a receivable due from TDHC of $346 thousand and $468 thousand at December 31, 2017 and December 25, 2016, respectively. During 2017, the Company established a reserve against the outstanding balance totaling $315 thousand. Receivables from TDHC are settled from time to time and do not bear interest.

In December 2015, the Company entered into a senior credit agreement with TDHC which provides for aggregate borrowings up to $1,167 thousand, of which $1,167 thousand was outstanding for each of the fiscal years ended December 31, 2017 and December 25, 2016. Outstanding borrowings bear interest at 10% and require quarterly interest-only payments with the principal to be paid in full in December 2020. Accrued interest totaling $220 thousand and $100 thousand is included as a component of the notes receivable, related party at December 31, 2017 and December 25, 2016 in the accompanying consolidated balance sheets. Borrowings on the senior credit agreement are secured by substantially all assets of TDHC. Interest income on the note receivable totaled $120 thousand and $100 thousand for the fiscal years ended December 31, 2017 and December 25, 2016, respectively.

Note 10: Employee Benefit Plan

The Company has a defined contribution plan which covers all employees who are 21 years of age or older and have completed three months of service. The plan also provides for employer discretionary contributions. The Company made discretionary contributions of $202 thousand and $117 thousand for the fiscal years ended December 31, 2017 and December 25, 2016.

Note 11: Subsequent Events

In January 2018, the Company purchased approximately 413 thousand shares of TDHC Series D Preferred Stock at a purchase price of $0.3878 per share, resulting in a total cost of $160 thousand and an increase in approximate ownership interest in TDHC to 36.5%.

The Company has evaluated for subsequent events between the consolidated balance sheet date of December 31, 2017 and the report date, the date the consolidated financial statements were issued, and has concluded that all subsequent events requiring recognition or disclosure have been incorporated into these consolidated financial statements.

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Tropical Smoothie Café, LLC and Subsidiary

Consolidated Financial Statements

December 25, 2016 and December 27, 2015

BENNETT B|T THRASHER

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Tropical Smoothie Café, LLC and Subsidiary

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BENNETT B|T THRASHER

Independent Auditor's Report

To the Board of Directors of
Tropical Smoothie Café, LLC and Subsidiary

We have audited the accompanying consolidated financial statements of Tropical Smoothie Café, LLC and Subsidiary (collectively, the Company), which comprise the consolidated balance sheets as of December 25, 2016 and December 27, 2015, and the related consolidated statements of operations, members' deficit, and cash flows for the fiscal years then ended and the related notes to the consolidated financial statements.

Management's Responsibility 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 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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tropical Smoothie Café, LLC and Subsidiary as of December 25, 2016 and December 27, 2015, and the results of their operations and their cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Bennett Thrasher LLP

March 30, 2017

A LIMITED LIABILITY PARTNERSHIP OF CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS
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Tropical Smoothie Café, LLC and Subsidiary

Consolidated Balance Sheets
December 25, 2016 and December 27, 2015

	2016	2015
Assets		
Current assets:		
Cash	$ 4,787,383	$ 3,692,420
Restricted cash	2,987,091	2,523,712
Accounts receivable	1,628,589	1,510,484
Inventory	154,942	139,581
Prepaid expenses	282,312	149,482
Current portion of deferred commission expense	407,627	449,750
Current portion of notes receivable	246,903	138,752
Total current assets	10,494,847	8,604,181
Property and equipment, net	407,762	413,950
Other assets:		
Intangible assets, net	5,749,412	6,399,649
Investment in Tin Drum Holding Company, Inc.	2,030,104	2,197,236
Related party receivable	468,178	274,802
Notes receivable, related party	1,266,695	500,000
Notes receivable, net of current portion	688,360	463,476
Deferred commission expense, net of current portion	623,628	567,376
Other, net	99,939	96,106
Total other assets	10,926,316	10,498,645
Total assets	$ 21,828,925	$ 19,516,776
Liabilities and Members' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$ 4,200,963	$ 2,958,886
Local advertising program	2,304,711	2,211,441
Current portion of senior credit facility (Note 4)	1,250,000	250,000
Current portion of notes payable	445,955	411,778
Current portion of deferred franchise fees	1,422,759	1,261,006
Total current liabilities	9,624,388	7,093,111
Senior credit facility, net of current portion and deferred loan costs	16,299,662	17,491,002
Notes payable, net of current portion	692,394	1,150,571
Deferred franchise fees, net of current portion	1,964,755	1,262,754
Total liabilities	28,581,199	26,997,438
Commitments and contingencies (Note 5)		
Members' deficit	(6,752,274)	(7,480,662)
Total liabilities and members' deficit	$ 21,828,925	$ 19,516,776

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Statements of Operations
For the Fiscal Years Ended December 25, 2016 and December 27, 2015

	2016	2015
Revenues:		
Royalties	$ 18,114,653	$ 15,605,872
National advertising	6,284,919	5,233,124
Rebates	3,482,870	2,099,946
Franchise fees	1,980,976	1,574,828
Food and beverage sales, net	1,010,367	867,408
Miscellaneous	452,611	535,680
Total revenues	31,326,396	25,916,858
Costs of revenues	5,774,617	4,621,326
Gross profit	25,551,779	21,295,532
Operating expenses:		
Operating expenses	20,400,346	15,606,364
Depreciation and amortization	773,606	706,425
Total operating expenses	21,173,952	16,312,789
Income from operations	4,377,827	4,982,743
Other expense:		
Interest expense, net (Note 4)	(1,787,875)	(1,649,059)
Equity in losses of Tin Drum Holding Company, Inc.	(167,132)	(286,292)
Total other expense	(1,955,007)	(1,935,351)
Net income	$ 2,422,820	$ 3,047,392

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Statements of Members' Deficit
For the Fiscal Years Ended December 25, 2016 and December 27, 2015

Balance at December 28, 2014	$ (3,987,460)
Exercise of options	651,779
Distributions	(7,273,367)
Equity-based compensation expense	80,994
Net income	3,047,392
Balance at December 27, 2015	(7,480,662)
Distributions	(1,769,167)
Equity-based compensation expense	74,735
Net income	2,422,820
Balance at December 25, 2016	$ (6,752,274)

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Consolidated Statements of Cash Flows
For the Fiscal Years Ended December 25, 2016 and December 27, 2015

	2016	2015
Cash flows from operating activities:		
Net income	$ 2,422,820	$ 3,047,392
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	773,606	706,425
Non-cash interest income	(99,695)	-
Non-cash interest expense	58,660	139,002
Equity-based compensation expense	74,735	80,994
Equity in losses of Tin Drum Holding Company, Inc.	167,132	286,292
Change in operating assets and liabilities:		
Deposits into restricted cash	(463,379)	(437,496)
Accounts receivable	(118,105)	(217,686)
Inventory	(15,361)	(131,701)
Prepaid expenses	(132,830)	(14,246)
Deferred commission expense	(14,129)	(665,374)
Related party receivable	(193,376)	(274,802)
Other, net	(3,833)	7,514
Accounts payable and accrued expenses	1,242,077	228,001
Local advertising program	93,270	537,920
Deferred franchise fees	863,754	1,414,756
Cash provided by operating activities	4,655,346	4,706,991
Cash flows from investing activities:		
Acquisition of property and equipment	(117,515)	(154,528)
Issuance of notes receivable, related party	(666,667)	(500,000)
Issuance of notes receivable	(454,348)	(561,682)
Principal payments on notes receivable	121,314	10,954
Re-acquired area development rights	-	(128,218)
Cash used in investing activities	(1,117,216)	(1,333,474)
Cash flows from financing activities:		
Principal payments on senior credit facility	(250,000)	5,200,000
Principal payments on notes payable	(424,000)	(376,839)
Deferred loan costs	-	(293,300)
Proceeds from exercise of options	-	651,779
Distributions	(1,769,167)	(7,273,367)
Cash used in financing activities	(2,443,167)	(2,091,727)
Net increase in cash	1,094,963	1,281,790
Cash and cash equivalents at beginning of year	3,692,420	2,410,630
Cash and cash equivalents at end of year	$ 4,787,383	$ 3,692,420
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 1,715,787	$ 1,445,853

See accompanying notes to the consolidated financial statements.

Tropical Smoothie Café, LLC and Subsidiary

Notes to Consolidated Financial Statements
December 25, 2016 and December 27, 2015

Note 1: Description of Business and Summary of Significant Accounting Policies

Nature of Operations

Tropical Smoothie Café, LLC develops and franchises a system of both traditional and non-traditional fast casual restaurant units primarily under the trade name "Tropical Smoothie Café". Traditional restaurants feature dine-in and carry-out service. Non-traditional units include express units, which have a more limited menu and operate in non-traditional locations, such as college campuses. The system features proprietary menu items and emphasizes the preparation of food and drinks (smoothies) with high quality ingredients.

Tropical Smoothie Café, LLC's wholly owned subsidiary, TSC-GA, LLC, operates one store of the type being franchised.

As of December 25, 2016 and December 27, 2015, there were approximately 539 and 465 stores, respectively, in operation by franchisees throughout the United States and the one corporate owned location, with a concentration in the southeastern region.

Basis of Accounting

The consolidated financial statements include the accounts of Tropical Smoothie Café, LLC and its wholly owned subsidiary (collectively, the Company). All intercompany accounts and transactions have been eliminated in consolidation.

Fiscal Year

The Company reports on a 52-53 week year basis which ends on the last Sunday in December. The fiscal years ended December 25, 2016 and December 27, 2015 each contained 52 weeks.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Franchise Operations

The Company enters into Franchise Agreements with franchisees who build and operate restaurants using the Tropical Smoothie brand within a defined geographical area. The Company believes that franchising is an effective and efficient means to expand the Tropical Smoothie brand. The franchisee is required to operate its restaurants in compliance with a Franchise Agreement that includes adherence to operating and quality control procedures established by the Company. If a franchisee becomes financially distressed, the Company generally does not provide any financial assistance. If financial distress leads to a franchisee's noncompliance with the Franchise Agreement and the Company elects to terminate the Franchise Agreement, the Company has the right but not the obligation to acquire the assets of the franchisee at fair value as determined by an independent appraiser. The Company has financial exposure for the collection of the royalty payments. Franchisees generally remit royalty payments weekly for the prior week's sales, which substantially minimizes the Company's financial exposure or at least enables the Company to quickly identify any troubled franchisees.

The Company sells certain territories (areas) within the United States to area developers. The area developers are required to meet mandatory development schedules for their specified territory. The Company splits franchise fees, transfer fees, and continuing royalty fees with area developers for stores opened in their territories.

Revenue Recognition

The principal sources of revenue for the Company are franchise fees, territory sales and weekly royalty payments. The franchise agreements require the franchisee to pay an initial, non-refundable fee. Initial franchise fees are typically $25,000 for the franchisee's first franchise location and $15,000 for each additional location. Territory sales are based on the territory purchased, the territory's size and population and other factors and are included in franchise fees in the accompanying consolidated statements of operations.

After opening of a franchised restaurant, franchisee royalty fees of 6% of gross revenues, net of discounts, are due to the Company on a weekly basis for each restaurant operated by a franchisee. In area developer territories, 3% of the Company's royalty is paid to the area developer. In addition to weekly royalties, franchisees are required to participate in both national and local advertising (co-ops) programs. The national advertising fee is 2% of gross sales, net of discounts, and is recognized as revenue by the Company and deposited in an account to be used in connection with national advertising for the Tropical Smoothie brand. The local advertising (co-op) fee is 2% and these amounts are recorded as liabilities and are deposited in an account to be used in connection with local area advertising.

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee. Generally, these services include restaurant design and assistance with site location, confidential operating manuals and initial training. Franchise fee revenue is recognized in the accompanying consolidated financial statements once substantial performance of these services is completed, which is generally upon the opening of a store. At December 25, 2016 and December 27, 2015, there was $3,387,514 and $2,523,760, respectively, in unearned revenues relating to franchises sold, for which the Company must provide future services. The Company recognizes continuing royalty fees as earned.

Territory sales are recognized when the territory is sold through contractual agreement. The Company considers substantial performance of their obligation under this agreement satisfied at the designation of a geographical area, which serves as the exclusive designated territory of the area developer. Area developers receive 50% of the initial franchise fee for the first franchisee store, 50% for each additional franchisee store and 50% of the weekly royalty fees of franchises in their territories. Area developer fees are initially deferred and recognized with the related revenue.

The Company recognizes a transfer fee of the greater of 5% of the total sales price of a franchised store or $10,000 when the franchised store is sold or otherwise transferred to an unrelated third-party. Area developers receive one-half of the transfer fee for transfers occurring within their territory.

The Company sells gift cards with no expiration dates. The franchisees recognize income on gift cards when they are redeemed by the customer. The gift card proceeds are pooled and administered by the Company. Funds are transferred to or withdrawn from franchisee bank accounts on a monthly basis by the third-party gift card processor. The Company's third party gift card processor provides the Company with a handling and license fee related to their administration of the program which totaled $441,642 and $529,274 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively, and is included as a component of miscellaneous revenue in the accompanying statements of operations.

The Company negotiates with suppliers and manufacturers to receive discounts or rebates on certain items franchisees must purchase. The rebate programs vary depending on the supplier and the nature of the product. The Company recognizes rebate revenue in the period in which it is earned.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments that are readily convertible into cash and have a maturity of ninety days or less when purchased. These investments are carried at cost, which approximates fair value. At times, cash and cash equivalent balances may exceed federally insured amounts. The Company mitigates its risks by depositing cash and investing in cash equivalents with major financial institutions. The Company had no cash equivalents at December 25, 2016 and December 27, 2015.

Restricted Cash

Restricted cash consists primarily of cash held on behalf of franchisees for local advertising and for escrow franchise fee deposits as required by certain states.

Accounts Receivable

Accounts receivable consist primarily of amounts due from vendors for rebates and from franchisees for royalty sales pursuant to franchise agreements. The Company regularly analyzes its accounts receivable to determine whether any allowance is necessary based on the Company's collection history. The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to operations at that time.

Inventory

Inventory is stated at the lower of cost or market. Cost is determined by the first-in, first-out method.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged against operations when incurred. Estimated useful lives of property and equipment for purposes of computing depreciation are as follows:

Leasehold improvements	Lesser of estimated useful life or life of the lease
Machinery and equipment	5-7 years
Furniture and fixtures	7 years
Computers and software	5 years

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When indicators of impairment are present, the Company evaluates the carrying amount of such assets in relation to the operating performance and future estimated undiscounted net cash flows expected to be generated by the assets or underlying businesses. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The assessment of the recoverability of assets will be impacted if estimated future operating cash flows are not achieved. In the opinion of management, no long-lived assets were impaired as of December 25, 2016 and December 27, 2015.

Intangible Assets

Intangible assets are recorded at cost and consist of trademarks and other marketing-related property and reacquired franchise rights. Trademarks and marketing-related property are amortized over the legal life of the trademark, 15 years. Reacquired franchise rights are amortized over the remaining life of the related franchise agreement.

Deferred Loan Costs

Deferred loan costs relate to the financing of notes payable and are being amortized on a straight-line basis over the life of the underlying notes approximating the effective interest method. Deferred financing costs are included as a component of the senior credit facility, in the accompanying consolidated balance sheets and totaled $200,338 and $258,998, net of accumulated amortization of $92,962 and $34,302, at December 25, 2016 and December 27, 2015, respectively. Amortization expense for deferred loan costs was $58,660 and $139,002 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively, and is included as a component of interest expense in the accompanying consolidated statements of operations.

Notes Receivable

The Company has various notes receivables due from employees and franchisees with varying interest rates ranging from 1.72% to 5.0% which totaled $935,263 and $602,228 at December 25, 2016 and December 27, 2015, respectively. Interest income is recognized when paid and totaled $21,592 and $855 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively. Aggregate future principal payments on the notes are as follows:

Fiscal year	
2017	$ 246,903
2018	34,765
2019	4,608
Thereafter	648,987
	$ 935,263

The Company regularly analyzes its notes receivable to determine whether any allowance is necessary based on the Company's collection history. The Company considers notes receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to operations at that time.

Deferred Franchise Fees and Costs

Deferred revenue consists primarily of initial franchise fees received for which the Company has not substantially performed or satisfied all material services or conditions related to the sale of the franchise. Commission payments associated with initial franchise agreements are deferred and amortized to operating expenses upon recognition of the related franchise fee revenue. At December 25, 2016 and December 27, 2015, deferred commission expense totaled $1,031,255 and $1,017,126, respectively.

Advertising

In accordance with the franchise agreement and as noted in the revenue recognition policy, franchisees must pay a national advertising fee of 2% of net sales. The national advertising fee is used for developing and conducting marketing and advertising for the Tropical Smoothie Café system. The Company incurred expenses of $6,290,290 and $4,706,275 for national advertising during the fiscal years ended December 25, 2016 and December 27, 2015, respectively, and are included as a component of operating expenses on the accompanying consolidated statements of operations.

The Company's total advertising expenses, including national advertising expenses, totaled $7,652,666 and $5,470,918 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively. Advertising costs are expensed as incurred.

Equity-Based Compensation

The Company accounts for the issuance of equity instruments to employees in accordance with accounting standards for share-based payments which require companies to recognize in the statement of operations the fair value of stock awards issued over the requisite service period. Management estimates the fair value of the equity issued on the date of grant.

The fair value of the stock awards is determined on the grant date using the Black-Scholes option pricing model. Expected volatility is based on the average historical volatility of similarly structured restaurant companies. The expected term of the options granted represents the period of time that the options are expected to be outstanding. The Company used the simplified method to estimate the expected term of the options. The risk-free rate is based on U.S. Treasury yields in effect at the time of the grant for the expected term of the options.

Assumptions for the grants issued in 2016 and 2015 are as follows:

	2016	2015
Risk-free interest rate	1.36%	1.72%
Volatility factor	31%	37%
Dividend yield	0%	0%
Expected life (years)	7	7

Income Taxes

Under the provisions of the Internal Revenue Code and applicable state laws, the Company is not directly subject to income taxes since the Company's profits and losses are allocated to, and are reported on, the individual members' tax returns. Therefore, no provision or liability for income taxes has been included in the accompanying consolidated financial statements.

The Company applies the provisions of accounting standards for income taxes. These standards require that a tax position be recognized or derecognized based on a 'more-likely-than-not' threshold. This applies to positions taken or expected to be taken in a tax return. The Company does not believe its consolidated financial statements include any material uncertain tax positions. There have been no penalties or interest incurred by the Company during the fiscal years ended December 25, 2016 and December 27, 2015. The Company is no longer subject to Federal and state income tax examinations by tax authorities for years prior to 2013.

Reclassification

Certain prior year amounts have been reclassified to conform to current year presentation. These reclassifications had no effect on previously reported results of operations or members' equity.

New Accounting Pronouncements

In April 2015, the FASB issued Accounting Standards Update (ASU) 2015-03, *Interest – Imputation of Interest and Simplifying the Presentation of Debt Issuance Costs*. The amendments in ASU 2015-03 require that debt issuance costs (deferred financing costs) related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in ASU 2015-03. Management has incorporated the changes into the Companies' consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue with Contracts from Customers*. ASU 2014-09 supersedes the current revenue recognition guidance, including industry-specific guidance. The guidance introduces a five-step model to achieve its core principal of the entity recognizing revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The updated guidance is effective for annual periods beginning after December 15, 2018 and early adoption is permitted only for annual periods beginning after December 15, 2016. The Company is currently evaluating the impact of the updated guidance on the consolidated financial statements.

Note 2: Property and Equipment

Property and equipment consist of the following as of December 25, 2016 and December 27, 2015:

	2016	2015
Leasehold improvements	$ 172,012	$ 162,300
Machinery and equipment	185,276	161,308
Furniture and fixtures	172,193	128,232
Computers and software	246,181	206,640
	775,662	658,480
Accumulated depreciation	(367,900)	(244,530)
	$ 407,762	$ 413,950

Depreciation expense for the fiscal years ended December 25, 2016 and December 27, 2015 totaled $123,370 and $113,418, respectively.

Note 3: Intangible Assets

Intangible assets consist of the following as of December 25, 2016 and December 27, 2015:

	Estimated life	2016	2015
Trademarks and other marketing-related property	15 years	$ 135,000	$ 135,000
Reacquired franchise rights	Various	8,366,926	8,366,926
Accumulated amortization		(2,752,514)	(2,102,277)
		$ 5,749,412	$ 6,399,649

Amortization expense related to intangible assets was $650,236 and $593,007 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively.

Estimated future amortization expense is as follows:

Fiscal year	
2017	$ 650,236
2018	650,074
2019	648,293
2020	648,293
2021	629,878
Thereafter	2,522,638
	$ 5,749,412

Note 4: Debt

Notes Payable

A summary of notes payable as of December 25, 2016 and December 27, 2015 is as follows:

	2016	2015
Note payable to former area developer. The note provides for monthly principal and interest payments of $23,318 and bears a fixed rate of interest of 8%. The note matures on July 1, 2019 and is unsecured.	$ 651,097	$ 869,255
Note payable to former area developer. The note provides for monthly principal and interest payments of $13,092 and bears a fixed rate of interest of 8%. The note matures on October 1, 2019 and is unsecured.	386,674	517,191
Note payable to former area developer. The note provides for monthly principal and interest payments of $7,068 and bears a fixed rate of interest of 8%. The note matures on March 15, 2018 and is unsecured.	100,578	175,903
Total notes payable	1,138,349	1,562,349
Less current portion	(445,955)	(411,778)
Notes payable, net of current portion and deferred financing costs	$ 692,394	$ 1,150,571

Aggregate future principal payments are as follows at December 25, 2016:

Fiscal year	
2017	$ 445,955
2018	417,632
2019	274,762
	$ 1,138,349

Senior Credit Facility

The Company has a $18,000,000 senior credit facility with a related party member. At December 25, 2016 and December 27, 2015, $17,750,000 and $18,000,000, respectively, was outstanding under the senior credit facility, net of deferred loan costs of $200,338 and $258,998, respectively. The senior credit facility was executed in May 2015 which refinanced existing notes payable from the member totaling $12,800,000. The senior credit facility bears interest at the rate of 7.5% per annum and requires quarterly interest-only payments until October 2016; at which time the Company is required to make quarterly principal payments ranging from $250,000 to $1,000,000 with a final balloon payment of $8,000,000 in September 2020. Additionally, the Company is required to pay a monthly agent and consulting fee which equals 1% of the outstanding balance of the senior credit facility which is included as a component of interest expenses. Interest expense associated with the senior credit facility totaled $1,732,431 and $1,497,906 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively. The senior credit facility is collateralized by substantially all assets of the Company.

Aggregate future principal payments are as follows at December 25, 2016:

Fiscal year	
2017	$ 1,250,000
2018	2,250,000
2019	3,250,000
2020	11,000,000
	$ 17,750,000

The Company is required to adhere to certain financial and non-financial covenants. As of December 25, 2016, the Company was in compliance with such covenants.

Note 5: Commitments and Contingencies

Litigation

In August 2016, the Company learned of allegations that certain consumers in the Virginia area had been diagnosed with hepatitis A after consuming strawberries at various franchised cafés. The Company has been named as a co-defendant in pending lawsuits for personal injuries stemming from the hepatitis A outbreak, and has retained counsel to defend the Company against those allegations. While the Company's general liability insurance carrier is presently covering the Company's defense costs pursuant to a reservation of rights, the insurance carrier has filed a claim for rescission and recoupment in federal court. The Company is defending the insurance litigation and has filed a third-party claim for indemnification and negligence against its insurance broker. Based on the Company's position in the insurance litigation, and the amount of insurance available from other defendants in personal injury litigation, the Company believes it can limit its financial exposure for legal fees and liability, should there be any. The Company does not anticipate these matters will have a material adverse effect on the Company's financial position or results of operations. It is possible, however, that the Company's future results of operations for a fiscal year could be impacted by changes in circumstances related to the lawsuits, proceedings or claims.

The Company from time to time may be involved in various legal claims, actions, and complaints, generally arising out of the normal course of business. Although it is difficult to predict the ultimate outcome of any potential or threatened litigation, management believes that any ultimate liability will not materially affect the consolidated financial position or consolidated results of operations of the Company.

Operating Leases

The Company leases office and restaurant space under non-cancelable agreements accounted for as operating leases. The leases generally require the Company pay taxes, maintenance and insurance.

Future minimum rental payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) were as follows as of December 25, 2016:

Fiscal year	
2017	$ 352,308
2018	347,302
2019	327,784
2020	332,150
2021	253,607
	$ 1,613,151

The Company recognizes rent expense on a straight-line basis over the expected lease term. Differences between amounts paid and amounts expensed are recorded as deferred rent. Deferred rent totaled $116,638 and $87,091 at December 25, 2016 and December 27, 2015, respectively.

Rent expense was $364,771 and $295,085 for the fiscal years ended December 25, 2016 and December 27, 2015, respectively, and is included as a component of operating expenses on the accompanying consolidated statements of operations.

Guarantees of Indebtedness

During 2013, the related party lender began offering a Franchise Finance Program to area developers and franchisees for which the Company provides a conditional guarantee. The contingent obligations are "last loss" guarantees requiring the related party lender to exhaust all remedies against (i) the applicable borrower, (ii) all collateral securing the loan and (iii) any other guarantor of the loan, including the applicable area developer. At December 25, 2016 and December 27, 2015, the Company had pledged conditional guarantees totaling $2,384,838 and $2,565,886, respectively, and determined the fair value of the contingent obligation was nominal.

Note 6: Members' Equity

At December 25, 2016, the authorized equity capital of the Company consisted of 12,000,000 Common A Units and 1,000,000 Common B Units of which 10,000,000 Common A Units and 352,313 Common B Units are issued and outstanding. The units have a stated value equal to the amount originally contributed. Common A Unit members shall be entitled to a number of votes equal to their respective percentage interest with respect to all matters on which members are entitled to vote, as defined. Common B Unit members do not have voting rights. The units have transfer restrictions limiting their sale or transfer. Profit and losses are allocated in accordance with respective unit ownership percentages. Cash distributions are allocated in accordance with the requirements for the allocation of profits subject to certain limitations, as defined.

Note 7: Equity Method Investment in Tin Drum Holding Company, Inc.

In December 2014, the Company purchased 2,360,499 shares of Tin Drum Holding Company, Inc. (TDHC) Series C Preferred Stock at a purchase price of $1.0591 per share, resulting in a total cost of $2,500,005 and an approximate 20% ownership interest in TDHC. The Company is related to TDHC through common ownership. In accordance with FASB Accounting Standards Codification (ASC) 323, *Investments – Equity Method and Joint Ventures*, the Company accounts for the investment under the equity method of accounting, due to the Company having significant influence, but not control, of TDHC. For the fiscal years ended December 25, 2016 and December 27, 2015, the Company's proportionate share of TDHC's net losses totaled $167,132 and $286,292, respectively, and is included in the accompanying consolidated statements of operations. At December 25, 2016 and December 27, 2015, the Company's equity in TDHC totaled $2,030,104 and $2,197,236, respectively, and is included in the accompanying consolidated balance sheets.

Summarized financial information for TDHC as of and for the fiscal years ended December 25, 2016 and December 27, 2015 is as follows:

	2016	2015
Assets	$ 6,770,507	$ 6,884,542
Liabilities	2,671,420	1,929,620
Net assets	$ 4,099,087	$ 4,954,922
Revenues	$ 5,955,237	$ 5,794,737
Cost of sales	1,866,252	1,747,286
Operating expenses, net	4,924,645	5,478,913
Net loss	$ (835,660)	$ (1,431,462)

Note 8: Equity-Based Compensation

In May 2013, the Company established an incentive compensation plan (the 2013 Equity Incentive Plan or the Plan). The Plan provides for the grant of options to certain employees, Board members, advisors and other service providers of the Company who are selected by the Committee to be the recipient of such grants. The Board authorized 1,000,000 Series B Common Unit options for issuance under the Plan. The terms of any such grant of an equity incentive shall be determined on a case by case basis by the Board pursuant to any plan adopted by the Board.

The following table summarizes equity-based compensation activity for the fiscal year ended December 25, 2016:

	Options	Weighted Average Exercise Price per Unit
Outstanding, December 27, 2015	306,437	$ 2.02
Granted	175,000	2.28
Forfeited/canceled	(42,500)	1.85
Outstanding, December 25, 2016	438,937	$ 2.14

	Nonvested Options	Weighted Average Fair Value
Nonvested options, December 27, 2015	265,937	$ 1.15
Granted	175,000	0.78
Vested	(113,437)	1.34
Forfeited/canceled	(32,500)	1.34
Nonvested options, outstanding, December 25, 2016	295,000	$ 0.84

The fair value of options granted during the fiscal years ended December 25, 2016 and December 27, 2015 was $137,290 and $184,157, respectively. The Company recorded equity-based compensation expense of $74,735 and $80,994 related to the granted options for the fiscal years ended December 25, 2016 and December 27, 2015, respectively. As of December 25, 2016 there was $139,324 of total unrecognized compensation costs related to such options, and the costs are expected to be recognized over a weighted average period of 4.10 years. At December 25, 2016 there were 143,937 of vested options pursuant to the Company's compensation arrangement which have a remaining life of 6.55 years. Options outstanding at December 25, 2016 have a weighted average remaining contractual life of 9.10 years.

Note 9: Related Party Transactions

On May 20, 2015, the Company entered into a management and various consulting agreements with certain related parties which continue through December 31, 2021 and automatically renew thereafter for one year terms until terminated by the Company or the related parties. For the fiscal years ended December 25, 2016 and December 27, 2015, fees related to such arrangements totaled $695,886 and $242,192, respectively, and are included as a component of interest and operating expenses in the accompanying statements of operations.

Prior to May 20, 2015, the Company was subject to a management and various consulting agreements with certain related parties which were terminated as part of the refinancing of the Company's senior credit facility. For the fiscal year ended December 27, 2015, fees related to such arrangements totaled $136,716 and are included as a component of interest and operating expenses in the accompanying consolidated statements of operations.

On August 16, 2012, the Company assumed an annual consulting agreement with a related party which is renewable annually. For the fiscal years ended December 25, 2016 and December 27, 2015, consulting fees related to this agreement were $128,899 and $125,145, respectively.

As discussed in Note 7, the Company is related to TDHC through common ownership. The Company pays certain costs on behalf of TDHC and has a receivable due from TDHC of $468,178 and $274,802 at December 25, 2016 and December 27, 2015, respectively. Receivables from TDHC are settled from time to time and do not bear interest.

In December 2015, the Company entered into a senior credit agreement with TDHC which provides for aggregate borrowings up to $1,167,000, of which $1,167,000 and $500,000 was outstanding at December 25, 2016 and December 27, 2015, respectively. Outstanding borrowings bear interest at 10% and require quarterly interest-only payments with the principal to be paid in full in December 2020. Accrued interest totaling $99,695 is included as a component of the notes receivable, related party at December 25, 2016 on the accompanying consolidated balance sheets. Borrowings on the senior credit agreement are secured by substantially all assets of TDHC. Interest income on the note receivable totaled $99,695 for the fiscal year ended December 25, 2016 and was nominal for the fiscal year ended December 27, 2015.

Note 10: Employee Benefit Plan

The Company has a defined contribution plan which covers all employees who are 21 years of age or older and have completed three months of service. The plan also provides for employer discretionary contributions. The Company made discretionary contributions of $117,315 and $108,675 for the fiscal years ended December 25, 2016 and December 27, 2015.

Note 11: Subsequent Events

On January 20, 2017, the Company reacquired certain franchise rights from an area developer by entering into a $1,800,000 note payable. The note payable provides for monthly principal and interest payments of $34,799 through March 2022 and bears interest at 6% per annum.

The Company has evaluated for subsequent events between the consolidated balance sheet date of December 25, 2016 and the report date, the date the consolidated financial statements were issued, and has concluded that all subsequent events requiring recognition or disclosure have been incorporated into these consolidated financial statements.

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UNAUDITED FINANCIAL STATEMENTS

On September 24, 2018, Tropical Smoothie Café, LLC (the "Company") entered into a credit agreement (the "2018 Credit Agreement) consisting of a $50 million term loan (the "2018 Term Loan") and a $3.5 million revolving credit facility (the "2018 Revolving Credit Facility") with a syndicate of lenders. The 2018 Credit Agreement is collateralized by substantially all assets of the Company. In addition to the 2018 Term Loan, the Company borrowed $1.0 million under the 2018 Revolving Credit Facility at closing. After repayment of the prior Senior Credit Facility and deducting related fees and expenses, net proceeds from the 2018 Credit Agreement were used to pay a distribution of $35.0 million to the holders of equity interests in the Company. The Company will use existing cash reserves plus available credit under the 2018 Revolving Credit Facility to fund working capital and other general corporate purposes of the Company.

The following unaudited financial statements as of, and for the period ended, September 30, 2018 are provided for informational purposes only and are not intended to project the future financial results of the Company.

The unaudited financial statements should be read in conjunction with the audited financial statements of the Company as of, and for the year ended, December 31, 2017.

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

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

Tropical Smoothie Café, LLC and Subsidiary

Unaudited Condensed Consolidated Balance Sheets
September 30, 2018 and December 31, 2017
(In thousands)

	9/30/2018	12/31/2017
Assets		
Current assets:		
Cash	$ 4,418	$ 3,960
Restricted cash	5,622	3,510
Accounts receivable	3,048	2,330
Inventory	155	167
Prepaid expenses	1,067	373
Current portion of deferred commission expense	105	291
Current portion of notes receivable	189	48
Total current assets	14,604	10,679
Property and equipment, net	800	640
Other assets:		
Intangible assets, net	9,498	7,076
Investment in Tin Drum Holding Company, Inc.	2,307	2,312
Related party receivable, net	273	347
Notes receivable, related party	1,476	1,387
Notes receivable, net of current portion	-	3
Deferred commission expense, net of current portion	1,260	835
Other	167	80
Total other assets	14,981	12,040
Total assets	$ 30,385	$ 23,359
Liabilities and Members' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$ 4,457	$ 5,085
Local advertising program	4,068	2,380
Current portion of senior credit facility	-	2,250
2018 revolving credit facility	1,000	-
Current portion 2018 term loan	125	-
Current portion of notes payable	1,015	693
Current portion of deferred franchise fees	435	1,179
Total current liabilities	11,100	11,587
Senior credit facility, net of current portion and deferred loan costs	-	14,108
2018 term loan, net of current portion and deferred loan costs	48,198	-
Notes payable, net of current portion	1,578	1,503
Deferred franchise fees, net of current portion	4,771	2,888
Other, net	629	521
Total liabilities	66,276	30,607
Commitments and contingencies (Note 3)		
Members' deficit	(35,891)	(7,248)
Total liabilities and members' deficit	$ 30,385	$ 23,359

See accompanying notes to the unaudited consolidated financial statements.

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

Tropical Smoothie Café, LLC and Subsidiary

Unaudited Condensed Consolidated Statements of Operations
Thirty-nine Weeks Ended September 30, 2018 and September 24, 2017
(In thousands)

	39 Weeks Ended	
	9/30/2018	9/24/2017
Revenues:		
Franchise revenues	$ 31,953	$ 25,362
Company-operated restaurant sales	802	890
Miscellaneous revenues	6,205	4,561
Total revenues	38,960	30,813
Costs of revenues	6,190	5,617
Gross profit	32,770	25,196
Operating expenses:		
Operating expenses	22,232	18,559
Depreciation and amortization	1,568	1,177
Total operating expenses	23,800	19,736
Income from operations	8,970	5,460
Other expense:		
Interest expense, net	1,242	1,306
Equity in losses of Tin Drum Holding Company, Inc.	164	260
Total other expense	1,406	1,566
Net income	$ 7,564	$ 3,894

See accompanying notes to the consolidated financial statements.

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Tropical Smoothie Café, LLC and Subsidiary

Unaudited Condensed Statement of Members' Deficit
Thirty-nine Weeks Ended September 30, 2018
(In thousands)

Balance at December 31, 2017	$ (7,248)
Exercise of options	705
Repurchase of member units	(1,966)
Distributions	(35,485)
Equity-based compensation expense	98
Subscription receivable	441
Net income	7,564
Balance at September 30, 2018	$ (35,891)

See accompanying notes to the consolidated financial statements.

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Tropical Smoothie Café, LLC and Subsidiary

Unaudited Condensed Consolidated Statements of Cash Flows
Thirty-nine Weeks Ended September 30, 2018 and September 24, 2017
(In thousands)

	39 Weeks Ended	
	9/30/2018	9/24/2017
Cash flows from operating activities:		
Net income	$ 7,564	$ 3,894
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,568	1,177
Non-cash interest income	(94)	(97)
Non-cash interest expense	148	44
Equity-based compensation expense	98	-
Equity in losses of Tin Drum Holding Company, Inc.	165	260
Change in operating assets and liabilities:		
Deposits into restricted cash	(2,112)	(2,031)
Accounts receivable	(209)	(700)
Inventory	12	(25)
Prepaid expenses	(694)	(58)
Deferred commission expense	(238)	(51)
Related party receivable	(12)	(69)
Other, net	-	(212)
Accounts payable and accrued expenses	(1,108)	1,929
Local advertising program	1,735	1,415
Deferred franchise fees	1,139	488
Cash provided by operating activities	7,962	5,964
Cash flows from investing activities:		
Acquisition of property and equipment	(333)	(258)
Issuance of notes receivable	(26)	(46)
Principal payments on notes receivable	27	262
Investment in Tin Drum Holding Company, Inc.	(160)	(525)
Re-acquired area development rights	(2,918)	(1,000)
Cash used in investing activities	(3,410)	(1,567)
Cash flows from financing activities:		
Proceeds from 2018 Term Loan	50,000	-
Proceeds from 2018 Revolving Credit Facility	1,000	-
Principal payments on senior credit facility	(16,500)	(750)
Principal payments on notes payable	(505)	(488)
Repurchase of member units	(1,330)	(462)
Proceeds from exercise of options	510	21
Deferred loan costs	(1,784)	-
Distributions	(35,485)	(1,763)
Cash used in financing activities	(4,094)	(3,442)
Net (decrease) increase in cash	458	955
Cash, at beginning of period	3,960	4,787
Cash, at end of period	$ 4,418	$ 5,742

See accompanying notes to the consolidated financial statements.

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Note 1: Description of Business and Summary of Significant Accounting Policies

Nature of Operations

Tropical Smoothie Café, LLC develops and franchises a system of both traditional and non-traditional fast casual restaurants primarily under the trade name "Tropical Smoothie Café". Traditional restaurants feature dine-in, delivery and carry-out service. Non-traditional units include express units, which have a more limited menu and operate in non-traditional locations, such as college campuses. The system features a variety of premium quality proprietary real fruit smoothies, specialty sandwiches, gourmet wraps, salads, soups and coffee drinks.

Tropical Smoothie Café, LLC's wholly owned subsidiary, TSC-GA, LLC, operates one restaurant of the type being franchised.

As of September 30, 2018, and December 31, 2017, there were 697 and 627 stores, respectively, in operation by franchisees throughout the United States with a concentration in the southeastern region and the one corporate owned location.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The consolidated financial statements include the accounts of Tropical Smoothie Café, LLC and its wholly owned subsidiary (collectively, the Company). All intercompany accounts and transactions have been eliminated in consolidation.

The condensed unaudited consolidated financial statements as of and for the thirty-nine week period ended September 30, 2018, have not been audited by the Company's independent registered public accountants, but in the opinion of management, they contain all normal recurring adjustments necessary for a fair statement of the Company's financial condition and results of operations for the interim periods presented. Interim period operating results are not necessarily indicative of the results expected for the full fiscal year. Certain information required by GAAP for complete financial statements is not included. The Consolidated Balance Sheet data as of December 31, 2017 that is presented herein was derived from the Company's audited consolidated financial statements for the fiscal year then ended. The Company suggests that the accompanying financial statements be read in conjunction with the audited consolidated financial statements and notes for the fiscal year ended December 31, 2018. Except as disclosed herein, there has been no material change in the information disclosed in the notes to our consolidated financial statements included in our audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2017.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

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Note 2: Debt

2018 Credit Facility

On September 24, 2018, Tropical Smoothie Café, LLC (the "Company") entered into a credit agreement (the "2018 Credit Agreement) consisting of a $50 million term loan (the "2018 Term Loan") and a $3.5 million revolving credit facility (the "2018 Revolving Credit Facility") with a syndicate of lenders. The 2018 Credit Agreement is collateralized by substantially all assets of the Company. In addition to the 2018 Term Loan, the Company borrowed $1.0 million under the 2018 Revolving Credit Facility at closing. After repayment of the prior Senior Credit Facility and deducting related fees and expenses, net proceeds from the 2018 Credit Agreement were used to pay a distribution of $35.0 million to the holders of equity interests in the Company. The Company will use existing cash reserves plus available credit under the 2018 Revolving Credit Facility to fund working capital and other general corporate purposes of the Company.

As of September 30, 2018, the Company had $50 million outstanding under the 2018 Term Loan and $1.0 million outstanding under the 2018 Revolving Credit Facility. Outstanding balances under the credit facility accrue interest at a margin of 550 basis points over the London Interbank Offered Rate ("LIBOR") or other alternative indices plus an applicable margin as specified in the facility. As of September 30, 2018, the interest rate for all amounts outstanding under the 2018 Credit Agreement was approximately 7.71%.

The Company expensed approximately $100 thousand associated with the extinguishment of the Senior Credit Facility, which is reported as a component of "Interest expense, net." Additionally, the Company capitalized approximately $1,784 thousand of fees related to the new facility as debt issuance costs which will be amortized over the remaining life of the facility utilizing the straight-line method for the revolving credit facility.

Quarterly principal payments under the term loan begin September 30, 2019 with a final balloon payment of approximately $42.3 million due September 24, 2023. The following table summarizes the aggregate debt maturities under the term loan by fiscal year (in thousands):

2019	$ 125
2020	875
2021	1,750
2022	2,563
2023	44,687
Total	$ 50,000

The 2018 Credit Agreement is secured by a first priority security interest in substantially all of the Company's assets.

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Notes Payable

A summary of notes payable as of September 30, 2018 and December 31, 2017 is as follows (in thousands):

	9/30/2018	12/31/2017
Note payable to former area developer. The note provides for monthly principal and interest payments of $23 thousand and bears a fixed rate of interest of 8%. The note matures on July 1, 2019 and is unsecured.	$ 225	$ 394
Note payable to former area developer. The note provides for monthly principal and interest payments of $13 thousand and bears a fixed rate of interest of 8%. The note matures on October 1, 2019 and is unsecured.	151	244
Note payable to former area developer. The note provides for monthly principal and interest payments of $7 thousand and bears a fixed rate of interest of 8%. The note matures on March 15, 2018 and is unsecured.	-	21
Note payable to former area developer. The note provides for monthly principal and interest payments of $35 thousand and bears a fixed rate of interest of 6%. The note matures on March 1, 2022 and is unsecured.	1,315	1,537
Note payable to former area developer. The note provides for annual principal payments of $150 thousand and is not interest bearing. The note matures on May 11, 2021 and is unsecured.	450	-
Note payable to former area developer. The note provides for monthly principal and interest payments of $14 thousand and bears a fixed rate of interest of 6%. The note matures on September 1, 2021 and is unsecured.	452	-
Total notes payable	2,593	2,196
Less current portion	(1,015)	(693)
Notes payable, net of current portion	$ 1,578	$ 1,503

Senior Credit Facility

The Company used the proceeds from the 2018 Credit Agreement to retire the $18 million senior credit facility with a related party member. At December 31, 2017, $16,500 thousand was outstanding under the senior credit facility, net of deferred loan costs of $142 thousand. The senior credit facility bore interest at the rate of 7.5% per annum and required quarterly interest-only payments through October 2016; at which time the Company was required to make quarterly principal payments ranging from $250 thousand to $1.0 million with a final balloon payment of $8.0 million in September 2020. Additionally, the Company was required to pay a monthly agent and consulting fee which equals 1% of the outstanding balance of the senior credit facility which was included as a component of interest expense. Interest expense associated with the senior credit facility totaled $1,093 thousand and $1,243 thousand for the thirty-nine-week periods ended September 30, 2018 and September 24, 2017, respectively. The senior credit facility was collateralized by substantially all assets of the Company.

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Note 3: Commitments and Contingencies

Litigation

In August 2016, the Company learned of allegations that certain consumers in the Virginia area had been diagnosed with hepatitis A after consuming strawberries at various franchised cafés. The Company has been named as a co-defendant in pending lawsuits for personal injuries stemming from the hepatitis A outbreak and has retained counsel to defend the Company against those allegations. The Company's general liability insurance carrier is presently covering the Company's defense costs pursuant to a reservation of rights and has moved to dismiss its previously filed claim for rescission and recoupment in Federal court. Based on its own insurance and the amount of insurance available from other defendants in personal injury litigation, the Company believes it can limit its financial exposure for legal fees and liability, should there be any. The Company does not anticipate these matters will have a material adverse effect on the Company's financial position or results of operations. While it is possible that the Company's future results of operations for a fiscal year could be impacted by changes in circumstances related to the lawsuits, the Company believes the likelihood of such an outcome to be low.

During 2017, the Company provided the impacted franchisees with a release payment as part of an overarching franchisee support plan established during fiscal 2017, which was expensed as incurred and included as a component of operating expenses in the consolidated statements of operations.

The Company from time to time may be involved in various legal claims, actions, and complaints, generally arising out of the normal course of business. Although it is difficult to predict the ultimate outcome of any potential or threatened litigation, management believes that any ultimate liability will not materially affect the consolidated financial position or consolidated results of operations of the Company.

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EXHIBIT M TO THE DISCLOSURE DOCUMENT

NETSURION AGREEMENT

VendorSafe

Work Order

CUSTOMER INFORMATION

Legal Name of Customer _____
Mailing Address _____
City, State, Zip _____
Attn. (Name) _____
E-mail Address _____
Telephone Number _____

SERVICE LOCATION

☐ Service Location physical address is the same address as the Customer address

Business Name Tropical Smoothie Café
Store # _____
Physical Address _____
City, State, Zip _____
Store Phone Number _____
Visa Merchant ID _____

BILL TO

The BILL TO ADDRESS is the same address as the (select one of the options below)

☐ Same as Customer ☐ Same as Service Location ☐ Address provided below

Bill To Name _____
Billing Address _____
City, State, Zip _____
Attn. (Name) _____
E-mail Address _____
Telephone Number _____

INSTALL CONTACT

VendorSafe® will contact this person to schedule the appointment to remotely configure the firewall and confirm the shipping address.

Full Name _____ Title: _____
Telephone- Office _____ Best Time to Call _____
Telephone- Cell _____ Best Time to Call _____
E-mail Address _____

SHIPPING INSTRUCTIONS

Shipping & Handling ☐ UPS Ground: $20.00

Ship to ☐ Customer ☐ Service Location ☐ Bill To ☐ Address provided below
☐ Not applicable (VendorSafe® firewall has already been ordered or installed)

Company Name _____
Attn. (Name) _____
Address _____
City, State, Zip _____
Telephone Number _____

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VendorSafe

Work Order

SERVICES The service term is 36 months.

Service Package	Quantity	Onetime Setup Fee	Monthly Service Fee	Total Setup Fee	Total Recurring Fee
Titanium Secure	1	$275.00	$0.00	$275.00	$0.00
On-Site Firewall Installation		$0.00	$0.00	$0.00	$0.00
These fees do not include applicable sales tax or regulatory charges. TOTAL FEES				$275.00	$0.00

* Fee includes trip charge and two (2) hours of on site labor. Should additional time or trip be needed, fee is $150.00 per hour.

INTERNET SERVICE PROVIDER ("ISP") INFORMATION FOR SERVICE LOCATION

Type ☐DSL ☐Cable ☐T-1 ☐Other _____

List websites the service location will need to access for business purposes (i.g. Your bank at www.mybank.com). No need to list payment processors, microsoft or antivirus updates.

1. _____ 5. _____
2. _____ 6. _____
3. _____ 7 _____
4. _____ 8. _____

List other types of systems you need remote access to or that require access to the internet (i.e., DVR, time clock, monitoring system, etc.)

1. _____ 3. _____
2. _____ 4. _____

ADDITIONAL INFORMATION

List POS provider: _____

Please provide any additional information that would be useful to deploy services:

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VendorSafe

Work Order

ACCOUNT PERMISSIONS (Click on Permissions to see definitions)

CONTACT 1

Full Name _____ Title: _____

Employed by ☐ Owner ☐ Third Party Office Telephone # _____

E-mail 1 _____ Send security code to E-mail 1 ☐ Yes ☐ No

E-mail 2 _____ Send security code to E-mail 2 ☐ Yes ☐ No

Cell Telephone # _____ Carrier _____ Send security code to Cell? ☐ Yes ☐ No

Permissions ☐ Support ☐ PCI Compliance ☐ VST Remote Access ☐ LANScribe™

CONTACT 2

Full Name _____ Title: _____

Employed by ☐ Owner ☐ Third Party Office Telephone # _____

E-mail 1 _____ Send security code to E-mail 1 ☐ Yes ☐ No

E-mail 2 _____ Send security code to E-mail 2 ☐ Yes ☐ No

Cell Telephone # _____ Carrier _____ Send security code to Cell? ☐ Yes ☐ No

Permissions ☐ Support ☐ PCI Compliance ☐ VST Remote Access ☐ LANScribe™

CONTACT 3

Full Name Zwayne Sealy Title: IT Manager

Employed by ☒ Owner ☐ Third Party Office Telephone # _____

E-mail 1 zsealy@tropicalsmoothie.com Send security code to E-mail 1 ☒ Yes ☐ No

E-mail 2 _____ Send security code to E-mail 2 ☐ Yes ☐ No

Cell Telephone # _____ Carrier _____ Send security code to Cell? ☐ Yes ☒ No

Permissions ☒ Admin ☐ Support ☒ PCI Compliance ☒ VST Remote Access ☒ LANScribe™

The services to be provided under this Work Order are subject to the terms and conditions stated in the executed Computer Network Services Agreement, dated _____ between Vendor Safe Technologies, LLC and Customer.

VENDOR SAFE TECHNOLOGIES, LLC:		CUSTOMER:	
Signature	_____	Signature	Zwayne Sealy [illegible]
Printed Name	_____	Printed Name	_____
Date	_____	Date	_____

14-1217

COMPUTER NETWORK SERVICES AGREEMENT

1. Description and Nature of Parties. This agreement ("Agreement"), effective on the latest date at the end of this Agreement, is by and between Vendor Safe Technologies, LLC, Two Arena Place, 7324 Southwest Freeway, Suite 1700, Houston, TX 77074 ("VST"), and

_____, located at

_____. ("Customer"). Customer is in the business of accepting

payment for goods and/or services via payment card. VST is in the business of providing technological services to payment-card-accepting businesses. Customer is desirous of VST providing certain computer-related technological services to Customer, and VST is desirous of providing such services to Customer; therefore, the parties agree as follows.

2. **Definitions.** Definitions concerning all terms of art contained in this Agreement are as stated (or to be stated) at http://www.vendorsafe.com/definitions-91312/. The parties agree to be bound by these definitions. Should any changes be made by VST to these definitions and thereby imposed on Customer, Customer will be notified by email at the email address listed below.

3. **Work Order and Contract Documents.** Services will be provided as indicated on each work order ("Work Order") submitted to VST by Customer. By submitting a Work Order, Customer agrees that the Work Order immediately becomes a part of and is governed by this Agreement. This Agreement does not obligate Customer to order services from VST nor does it obligate VST to accept Work Orders for services from Customer, but it, together with any applicable Work Order, governs the services provided by VST to Customer.

4. **Installation.** Customer will install all hardware equipment and/or software necessary to carry into effect the Work Order in relation to network data and security technological services at each of Customer's locations, including, where necessary, operating-system patches or new or different operating-system versions. Installation of the Equipment by VST shall take place Monday through Friday, 8:00 a.m. through 6:00 p.m. CST; additional costs may be assessed to Customer for evening and weekend installations. Once functioning post-installation, VST will transition each location to the VendorSafe® service model as detailed on the applicable Work Order.

5. **Costs at Location.** Customer is responsible for all costs at its Location(s), including without limitation, personnel, wiring, computer equipment, Internet access, electrical power and the like, necessary for the use of the VST services and equipment.

6. **Firewalls.** If any Work Order includes the installation of a firewall(s), then VST warrants the firewalls installed at Customer's location(s) for the initial Term of this Agreement or for 36 (thirty-six) months, whichever is lesser. During the initial Term, any firewall(s) having failed through regular usage will be replaced by VST. Any firewall(s) having failed through the fault of Customer or a third party will be replaced by VST after payment to VST by Customer of the replacement cost of $1,000.00 (One thousand dollars) per firewall. Concerning any renewal Terms, an additional warranty period is available for a reasonable fee. Title to the firewall(s) passes to Customer upon shipment.

7. **Term and Termination.**

7.1. The initial term ("Term") of this Agreement is 36 (thirty-six) months plus any partial first month beginning on the date of shipment of any equipment listed in the Work Order(s).

7.2. **Termination.** Either party may terminate this Agreement for any reason or for no reason at the end of a Term by giving written notice to the other party not less than ninety (90) days prior to the end of the then current Term. Customer may terminate this Agreement only in accordance with the termination conditions set forth in this Agreement.

7.3. **Early Termination.** If Customer desires to terminate this Agreement prior to the end of a Term (an "Early Termination"), Customer shall give VST notice (the "Early Termination Notice"), pursuant to Section 17 of its intent to terminate early ninety (90) days prior to the desired termination date. Customer shall be responsible for payment of the Monthly Service Fee for all installed locations the month in which it delivers to VST the Early Termination Notice (the "Early Termination Notice Month"). Customer shall also be responsible for paying an early termination charge (the "Early Termination Charge") equal to $750.00 (Seven Hundred Fifty Dollars) for any customer location installed less than (12) twelve months prior to the Early Termination Notice Month.

7.4. **Termination for Breach.** Either party may terminate this Agreement at any time by giving thirty (30) days written notice (the "Breach Notice") of termination to the other party in the event that the other party: (i) breaches the terms or conditions of this Agreement including, but not limited to, payment of the Monthly Service Fee, and fails to remedy such breach within thirty (30) days of the date of the Breach Notice; or (ii) becomes insolvent, makes an assignment for the benefit of creditors, is adjudged bankrupt, or if a receiver is appointed over such party's assets. VST may require an activation fee to change or resume a terminated or suspended Account.

7.5. **Breach - Payment of Fees.** In the event of Customer's breach of the terms of this Agreement, including without limitation, failure to pay any sum due hereunder, in addition to other remedies and recoveries provided for hereunder (e.g., for early termination), Customer shall reimburse VST for all attorneys, court, collection and other costs incurred by VST in the enforcement of VST's rights hereunder and VST may keep any deposits or other payments made by Customer.

7.6. **Scope of Termination.** Any termination of the Agreement between VST and Franchisor shall have no effect on this Agreement and this Agreement will remain in full force and effect. Customer agrees in the event the Agreement between VST and Franchisor is terminated, Customer will pay the set up fees for any new installation as indicated in Exhibit A attached hereto.

8. **Fees and Payment.** Client agrees to pay all monthly recurring charges and non-recurring charges, (collectively, the "Fees") as indicated in Exhibit "A", attached hereto. Client agrees that Fees commence upon delivery of the firewall. The pricing is confidential and may not be disclosed to third parties. Any partial month at the beginning of the Term will be invoiced to Customer on a pro-rated basis. Invoicing, which will occur one month in advance, begins upon shipment.

COMPUTER NETWORK SERVICES AGREEMENT

9. **Billing Disputes.** If Customer disputes any portion of its Invoice, Customer must pay the undisputed portion in full by the Due Date. To dispute an Invoice, or a portion thereof, Customer must, within ten (10) days of the date on the Invoice ("Dispute Due Date"), submit a written claim fully documenting the reasons for the dispute (the "Claim") via certified or overnight mail, return receipt requested, to the address below. After receipt of the Claim, VST shall undertake an investigation of the Claim, so long as Customer has not waived its rights pursuant to this paragraph to make the Claim. At the conclusion of the investigation, VST will notify Customer of any amount determined by VST to be correctly charged and such amount will become immediately due and owing. Amounts determined by VST to have been correctly charged will be subject to the Late Payment Fee (as defined below). If the Claim is not sent by the Dispute Due Date, Customer waives all rights to dispute the applicable Charges, unless otherwise provided by law. All billing disputes must be sent to:

Billing Department
Vendor Safe Technologies, LLC
7324 Southwest Freeway, Suite 170
Houston, TX 77074
Billing@vendorsafe.com

10. **Taxes.** Federal, state, local, county, municipal and other governmental or regulatory agencies may assess taxes, including, without limitation, excise, franchise, sales, value-added, use, personal and real property taxes, surcharges, tariffs or fees (collectively, "Taxes") on Customer's purchase or use of the Services or Equipment. These Taxes may change from time-to-time, with or without notice to Customer. Customer is responsible for the payment of all applicable Taxes now in force or enacted in the future. The Taxes are in addition to the amounts paid for the Services and Equipment. If Customer is exempt from any or all Taxes, it must provide VST with an original certificate that satisfies applicable legal requirements attesting to its tax-exempt status. Tax exemption shall only apply from and after the date that VST receives such valid certificate. If any amounts paid by Customer for the Services are refunded by VST to the Customer, applicable Taxes may not be refundable.

11. **Privacy and Confidentiality.** In the course of providing the deliverables, VST may be given access to, or be provided with, confidential information about Customer's business and/or Customer's website ("Business Information"), and personal information about Customer, Customer's employees, Customer's account and/or card holders and/or Customer's website ("Personal Information"). Customer authorizes such access and disclosure of Customer's Business Information to VST. VST will use all reasonable efforts to keep Customer's Business Information confidential and will not disclose Customer's Business Information to any third party. To the extent that access to Personal Information by VST occurs, Customer authorizes such access and authorizes VST to use such Personal Information for the sole purpose of providing the services contemplated by this Agreement. VST will not use any such Personal Information for any other purposes than those specifically related to providing the services contemplated by this Agreement.

12. **Intellectual Property.** The intellectual property associated with any equipment installed at Customer's location(s) is and remains VST's property. By its possession and use, Customer acquires no rights or interests of any kind in the intellectual property and hereby expressly covenants that it will not disclose anything about VST's intellectual property or allow any physical access to VST's intellectual property.

13. **Publicity.** Should VST desire to use Customer's name and identity in its marketing efforts relative to the subject matter of this Agreement, VST must request and receive Customer's express written consent, which consent shall not be unreasonably denied, conditioned, or delayed, and which may be sought and received via email at the email addresses listed below.

14. **Limitation on Liability.** IN NO EVENT IS VST'S LIABILITY UNDER THIS AGREEMENT MORE THAN THE TOTAL AMOUNT PAID BY CUSTOMER TO VST DURING THE INITIAL TERM OF THIS AGREEMENT. This paragraph in no way limits the TrustVault Certificate® described in paragraph 15. of this Agreement.

15. **Assignment.** This Agreement may be assigned by VST at the sole discretion of VST. Customer may assign this Agreement only after Notice to VST and with VST's express written permission, which permission VST shall not unreasonably deny, condition, or delay.

16. **Integration; Amendment; Severability; Waiver; Headings; Construction; Counterparts.** This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement, oral or written. This Agreement supersedes any prior written or oral agreements between the parties. This Agreement may be amended only if the amendment is in writing and is signed by both parties. If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable but that by limiting such provision it would become valid and enforceable, then such provision is deemed to be written, construed, and enforced as so limited. The failure of either party to enforce any provision of this Agreement is not a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The headings used in this Agreement are for convenience of reference only and form no part of this Agreement. This Agreement was negotiated by the parties, and, therefore, it shall not be strictly construed against either party as the drafter. This Agreement may be executed in one or more counterparts; if so, all counterparts constitute one agreement.

17. **Notices.** With the exception of numbered paragraphs 02. and 09. of this Agreement, all notices required or permitted under this Agreement will be in writing and will be deemed delivered when delivered in person or deposited in the United States mail, certified, postage prepaid, and addressed as follows. Such address may be changed by either party by providing Notice to the other in the manner set forth in this paragraph.

VST:	Customer:
Legal Department	_____
President	_____
Vendor Safe Technologies, LLC	_____
7324 Southwest Freeway, Suite 1700	_____
Houston, TX 77074	_____
legal@vendorsafe.com	_____

VendorSafe
Protect Data. Secure Business.

Exhibit A
Fees and Payments

Fees:

Service Package	Quantity	One-time Setup Fee	Monthly Service Fee (a)	Total Setup Fee	Total Monthly Fee
Titanium Secure	1	$275.00	$0.00	$275.00	$0.00
On-Site Firewall Installation (b)		$0.00	$0.00	$0.00	$0.00
These fee do not include applicable sales tax or regulatory charges.			Total	$275.00	$0.00

(a) Monthly Service Fee to be paid by Franchisor, Tropical Smoothie Café, LLC, for so long as the Computer Network Franchisors Agreement dated _____ between VST and Franchisor is in effect.

(b) Fee includes trip charge and two (2) hours of on-site labor. Should additional time or trip be needed, fee is $150.00 per hour.

I understand that this Authorization is separate from my Agreement for VST Services with VST and that I must provide VST 30 Days Advance Notice of any Billing Change Request.

Signature Zwayne Sealy _____ Date _____

Full Name _____

For ACH Debit:

Financial Institution Name _____

Routing Transit Number for ACH Transactions (9 digits) _____

Financial Institution Account Number _____

Name as it Appears on the Account _____

For Credit Card:

Card Number _____

Expiration Date _____ CVID _____ (3- or 4-digit # on the back of your card.)

Name as it Appears on the Card _____

Credit Card Billing Address _____

City, State,Zip Code _____

14-1218

EXHIBIT N-1 TO THE DISCLOSURE DOCUMENT

FINANCING PROGRAM DOCUMENTS

FORM OF LOAN AGREEMENT

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "Agreement"), dated as of _____, 20____, is entered into by and between ***[Franchisee]***, a _____ ("Borrower") and BIP Franchise Finance, LLC, a Delaware limited liability company, and its successors and assigns ("Lender").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement agree as follows:

1. Loan Terms.

(a) Amount of Loan. Subject to (i) the terms and conditions set forth in this Agreement, (ii) the execution and delivery of a Franchise Agreement between Borrower and Franchisor in connection with the Tropical Smoothie franchise located at the Property, a true and correct copy of which has been delivered to Lender, and (iii) approval by Franchisor and Area Developer (if applicable) of the Loan to be made by Lender to Borrower hereunder, Lender shall make a loan to Borrower in the maximum principal amount of _____ and ___/100 Dollars ($_____) (the "Loan"), the proceeds of which shall be disbursed by Lender to Borrower as set forth in Section 1(b) below. Borrower's obligation to repay the Loan shall be evidenced by a promissory note substantially in the form attached hereto as Exhibit A (the "Note"), with a maturity date of sixty (60) months after the date of the first required payment in accordance with Section 1(c) below (the "Maturity Date").

(b) Disbursements. The proceeds of the Loan shall be advanced by Lender to Borrower in a maximum of three (3) disbursements (each, a "Disbursement"), with the first Disbursement to be advanced on the Closing Date and the final Disbursement to be advanced no later than one hundred eighty (180) days after the Closing Date.

(c) Payments. Borrower shall pay to Lender by means of an automated clearing house ("ACH") system monthly principal and interest payments in the amount of _____ and ___/100 Dollars ($_____), based upon a _____ (____) month amortization of the Loan, payable on or before the first day of the second calendar month following the month during which the Tropical Smoothie franchise located at the Property opens for business, and continuing on the first day of each month thereafter, with the outstanding principal sum and all accrued and unpaid interest on the Loan to be paid in full on or before the Maturity Date; provided, that from the date that the first Disbursement is made on the Closing Date until such time as the first payment of principal and interest is due and payable in accordance with this Section 1(c), Borrower shall pay to Lender, on the first day of each calendar month, an amount equal to all interest accrued on the outstanding principal amount of all Disbursements at the Interest Rate set forth herein.

At all times, any payment on a promissory note between Borrower and Guarantor or any Affiliate shall be subordinate to Borrower's payment in full of the Loan.

(d) Interest.

(i) The principal sum outstanding on the Loan shall bear interest at a rate of nine and three-quarters percent (9.75%) per annum, compounded annually (the "Interest

Rate"). All computations of interest shall be computed upon the basis of the actual number of days elapsed in a year consisting of 360 days.

(ii) Upon the occurrence of an Event of Default and while such Event of Default is continuing, the Interest Rate on the Loan shall increase by two percent (2.0%) per annum over the existing Interest Rate, compounded annually (the "Default Rate"), except that the Default Rate will not exceed the maximum rate of interest allowed by law.

(iii) Notwithstanding any provision to the contrary in this Agreement, in no event shall the Interest Rate charged on the Loan exceed the maximum rate of interest permitted under applicable state and/or federal usury law. Any payment of interest that would be deemed unlawful under applicable law for any reason shall be deemed received on account of, and will automatically be applied to reduce, the principal sum outstanding on the Loan and any other sums (other than interest) due and payable to Lender under this Agreement, and the provisions of this Agreement shall be deemed amended to provide for the highest rate of interest permitted under applicable law.

(e) Security. The payment of the Loan and any other amounts advanced under this Agreement is secured by, among other things: (a) a Security Agreement of even date herewith executed by Borrower in favor of Lender; (b) a Guaranty of even date herewith executed by Guarantor in favor of Lender ("Guaranty"); and (c) the Collateral. In addition, at the option of Lender, Borrower shall obtain and deliver to Lender executed deposit account control agreements from all financial institutions in which Borrower maintains deposit accounts as additional security for the Loan. All of the terms, agreements, conditions, covenants, warranties, representations, provisions and stipulations made by or imposed upon Borrower in any of the foregoing instruments are hereby made a part of this Agreement to the same extent, and with the same force and effect, as if they were fully recited herein.

(f) Use of Proceeds. Borrower shall use the proceeds of the Loan to finance the development of a Tropical Smoothie franchise located at the Property; provided, that the principal amount of the Loan shall not exceed an amount equal to eighty percent (80%) of all development costs approved by Lender in its sole discretion and Borrower shall provide Lender with written evidence, approved by Lender in its sole discretion, that the remaining twenty percent (20%) of all development costs has been contributed as Borrower equity on or prior to the Closing Date. No portion of the Loan may be used for (i) the purpose of purchasing or carrying any "margin security" or "margin stock" as such terms are used in Regulations U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R. 221 and 224, or (ii) primarily personal, family or household purposes.

(g) Transaction Costs. On the Closing Date, Borrower shall pay Lender (i) an amount equal to all of Lender's transaction related expenses, including usual and customary legal fees, transaction related travel and evaluation costs and any and all other due diligence costs, and (ii) an origination fee equal to one and one-half percent (1.5%) of the Loan ("Origination Fee"). At Borrower's option, the Origination Fee can be deducted from the proceeds of the Loan to be disbursed by Lender to Borrower on the Closing Date. In addition, Borrower shall pay all reasonable expenses, including reasonable legal fees and expenses incurred by Lender in collecting any sum due under this Agreement and all other Loan Documents.

2. Prepayment. Borrower may prepay the Note in whole or in part at any time, without penalty. Mandatory prepayments will be made from one hundred percent (100%) of the net

proceeds of permitted asset sales and from casualty loss insurance recoveries to the extent the affected assets are not replaced.

3. Representations and Warranties. Each of Borrower and Guarantor hereby warrants and represents to Lender the following:

(a) Organization and Qualification. Borrower is duly organized, validly existing and in good standing under the laws of the State in which it was organized, has the power and authority to carry on its business and to enter into and perform all documents relating to this transaction, and is qualified and licensed to do business in each jurisdiction in which such qualification or licensing is required. All information provided to Lender with respect to Borrower and its operations is true and correct. The Organizational Documents of Borrower, as certified by the Governing Authority of the state in which Borrower was organized or by an authorized officer of Borrower, have not been amended or modified since the date copies were provided to Lender, and are in full force and effect, and no proceedings for the amendment, modification or rescission of any such Organizational Documents are pending or contemplated.

(b) Due Authorization. The execution, delivery and performance by Borrower and Guarantor of the Loan Documents (i) has been duly authorized by all necessary company action, (ii) does not contravene any law or any governmental rule or order binding on Borrower, (iii) does not contravene any provision of the Organizational Documents of Borrower, (iv) does not violate any agreement or instrument by which Borrower is bound, and (v) will not result in the creation of a Lien on any assets of Borrower except the Lien granted to Lender pursuant to this Agreement and the Security Agreement. Borrower and Guarantor have duly executed and delivered to Lender the Loan Documents to which they are a party and they are valid and binding obligations of Borrower and Guarantor enforceable according to their respective terms, except as limited by equitable principles and by bankruptcy, insolvency or similar laws affecting the rights of creditors generally. No notice to, or consent by, any governmental body is needed in connection with this transaction.

(c) Litigation. Except as set forth on Schedule 3(c), there is no claim, litigation, proceeding, investigation or inquiry, administrative or judicial, pending or threatened against or affecting Borrower or its members, shareholders, officers, properties or assets that is an uninsured claim.

(d) Business. Borrower is not a party to or subject to any agreement or restriction that may have a Material Adverse Effect on the financial condition or the prospects of Borrower, or the Business.

(e) Licenses, etc. Borrower has obtained any and all licenses, permits, franchises, governmental authorizations, patents, trademarks, copyrights or other rights necessary for the ownership of its property and the conduct of its Business. Borrower possesses adequate licenses, patents, patent applications, copyrights, trademarks, trademark applications, and trade names to continue to conduct its business as heretofore conducted by it, without any conflict with the rights of any other person or entity. All of the foregoing is in full force and effect and none of the foregoing are in known conflict with the rights of others.

(f) Laws and Taxes. Borrower is in material compliance with all laws, regulations, rulings, orders, injunctions, decrees, conditions or other requirements applicable to or imposed upon Borrower by any law or by any Governmental Authority, court or agency. Borrower has filed all required tax returns and reports that are now required to be filed by it in connection with any

federal, state and local tax, duty or charge levied, assessed or imposed upon Borrower or its assets, including unemployment, social security, and real estate taxes. Borrower has paid all taxes which are now due and payable. No taxing authority has asserted or assessed any additional tax liabilities against Borrower which are outstanding on this date, and Borrower has not filed for any extension of time for the payment of any tax or the filing of any tax return or report.

(g) Title. Borrower has good and marketable title to the assets reflected on the most recent balance sheet submitted to Lender prior to the Closing Date and to the Collateral, free and clear from all liens and encumbrances of any kind, except for (collectively, the "Permitted Liens"): (a) current taxes and assessments not yet due and payable, (b) liens and encumbrances, if any, reflected or noted on such balance sheet submitted to Lender prior to the Closing Date or notes thereto, (c) assets disposed of in the ordinary course of business, (d) any security interests, pledges, assignments or mortgages granted to Lender to secure the repayment or performance of the Obligations; (e) purchase money Liens relating to the acquisition of machinery and equipment of Borrower; (f) pledges and deposits of money securing statutory obligations under workmen's compensation, unemployment insurance, social security or public liability laws or similar legislation (excluding liens under ERISA); (g) pledges or deposits of money securing bids, tenders, contracts (other than contracts for the payment of money) or leases to which Borrower is a party as lessee made in the ordinary course of business; (h) inchoate and unperfected workers, mechanics' or similar Liens arising in the ordinary course of business; (i) any other liens of Borrower in favor of Lender; and (j) the liens and encumbrances listed on Schedule 3(g).

(h) Subsidiaries and Partnerships. Borrower has no Subsidiaries and is not a party to any partnership agreement or joint venture agreement.

(i) Defaults. Borrower is in compliance with all material agreements applicable to it and there does not now exist any default or violation of or under any of the terms, conditions or obligations of (a) its Organizational Documents, or (b) any indenture, mortgage, deed of trust, franchise, lease, permit, contract, agreement or other instrument to which Borrower is a party or by which it is bound, and the consummation of the transactions contemplated hereunder will not result in such default or violation.

(j) ERISA. Borrower and all individuals or entities who along with Borrower would be treated as a single employer under ERISA or the Internal Revenue Code of 1986, as amended (an "ERISA Affiliate"), are in compliance with all of their obligations to contribute to any "employee benefit plan" as that term is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, and any regulations promulgated thereunder from time to time ("ERISA"). Borrower and each of its ERISA Affiliates are in full compliance with ERISA, and there exists no event described in Section 4043(b) thereof ("Reportable Event").

(k) Insurance. Borrower has obtained and shall maintain or cause to be maintained at all times, insurance for Borrower, the Property, the Business and the Collateral as set forth in Section 4(b) of this Agreement.

(l) Environmental Laws. To the best of Borrower's knowledge, Borrower, its business operations (including, but not limited to, the Business and franchises) and its assets (including, but not limited to the Collateral, the Business and the Property) are and shall be in compliance with all laws concerning environmental protection and hazardous substances.

(m) Financial Statements. Borrower represents that all financial statements provided to Lender, either prior to or contemporaneously herewith, are true, correct and complete in all

material respects, and that there has been no material adverse change in the financial condition or prospects of Borrower, Guarantor or the Business since the date of such financial statements. Borrower shall provide to Lender any and all additional financial information and materials as Lender may request concerning Borrower, Guarantor, the Collateral, the Property or the Business, all of which shall be in form and substance reasonably satisfactory to Lender in all respects. All of the financial statements and other information and materials delivered or caused to be delivered by Borrower to Lender have been and shall be prepared in accordance with GAAP and shall be accurate and complete in all respects.

(n) Persons with Disabilities; Accessibility. The Collateral and the Property presently do, and the Collateral and the Property at all times shall, strictly comply to the extent applicable with the requirements of the Americans with Disabilities Act of 1990, as amended, all state and local laws and ordinances related to accessibility for persons with disabilities and all rules, regulations, and orders issued pursuant thereto including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities (collectively, "Access Laws"). Notwithstanding any provisions set forth herein or in any other document regarding Lender's approval of alterations of the Property, Borrower shall not alter the Property in any manner which would increase Borrower's responsibilities for compliance with the applicable Access Laws without the prior written approval of Lender. The foregoing shall apply to tenant improvements constructed by Borrower or by any of its tenants. Lender may condition any such approval upon receipt of a certificate of Access Law compliance from an architect, engineer or other person acceptable to Lender. Further, Borrower agrees to give prompt written notice to Lender of the receipt by Borrower of any complaints related to violation of any Access Laws and of the commencement of any proceedings or investigations which relate to compliance with applicable Access Laws.

(o) Lease Agreements and Franchise Agreements. Each Lease Agreement and Franchise Agreement have an initial term, without exercised options, greater than or equal to the term of the Loan. Borrower agrees to seek the prior consent of Lender prior to choosing not to exercise an available option to extend a Lease Agreement or Franchise Agreement.

The representations and warranties contained in this Section 3 are, to the best of Borrower's knowledge, true, correct and complete in all material respects, and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make such representation or warranty not misleading.

4. Affirmative Covenants. Borrower covenants with, and represents and warrants to, Lender that, from and after the execution date of this Agreement until the Obligations are paid and satisfied in full:

(a) Financial Statements.

(i) Borrower will maintain a standard and modern system for accounting in accordance with GAAP or in accordance with other methods acceptable to Lender in its sole discretion and will furnish to Lender:

(1) within ninety (90) days after each fiscal year end, consolidated and consolidating, reviewed year-end financial statements (which shall include a balance sheet, statement of income and retained earnings, and a statement of cash flow) for Borrower and any Affiliates prepared by an independent certified public accountant in accordance with GAAP (subject to standard exceptions) in the

United States, consistently applied, in form and substance reasonably satisfactory to Lender, together with unit-level operating statements and a schedule setting forth in reasonable detail all debt (including all capital lease obligations) of Borrower as of such fiscal year end;

(2) within forty-five (45) days after each quarter end, financial statements which shall include (i) a consolidated statement of income and retained earnings and statement of cash flow (current quarter and year-to-date) on both an entity and unit-level basis, (ii) a consolidated balance sheet as of the end of such fiscal quarter, and (iii) a schedule setting forth in reasonable detail all debt (including all capital lease obligations) of Borrower as of such quarter end, all prepared in accordance with GAAP (subject to standard exceptions) in the United States, consistently applied, together with a compliance statement, the form of which is attached hereto as Exhibit B;

(3) within fifteen (15) days after filing, copies of federal tax returns for Borrower and Guarantor, together with all schedules and any requests for filing extensions;

(4) within fifteen (15) days after the filing of Guarantor's tax return, a personal financial statement of Guarantor which has been certified by Guarantor; and

(5) such other financial information regarding Borrower, Guarantor or any of their Affiliates as Lender may reasonably request.

(ii) Borrower shall give representatives of Lender access to its books and records at all reasonable times, including permission to examine, copy and make abstracts from any such books and records and such other information which might be helpful to Lender in evaluating the status of the Loan as it may reasonably request from time to time.

(iii) If at any time Borrower has any subsidiaries which have financial statements that could be consolidated with those of Borrower under GAAP, the financial statements required above shall be the financial statements of Borrower and all such subsidiaries prepared on a consolidated and consolidating basis.

(b) Insurance. At its own expense, Borrower shall obtain and maintain:

(i) insurance against (a) loss, destruction or damage to its property and Business of the kinds included within the classification "All Risks of Physical Loss" and such insurance shall be maintained in an amount which, after the application of any deductible, shall be equal to the full insurable value of such property and the tangible Collateral. The term "full insurable value" shall mean the actual replacement cost of the property and the Collateral (without taking into account any depreciation, and exclusive of excavations, footings and foundations, landscaping and paving) determined annually by an insurer, a recognized independent insurance broker or an independent appraiser selected by Lender and paid by Borrower. Such All Risks of Physical Loss insurance shall also include business interruption coverage for a minimum twelve (12) months' loss of income, including coverage for all amounts due under the Note with Lender named as a loss payee with respect to those payments, (b) Commercial General Liability insurance covering bodily injury, death, property damage, products liability and liability from the sale

of liquor, beer or wine (if applicable) in such amounts as are generally available at commercially reasonable premiums and are generally required by institutional lenders for businesses and assets comparable to the Business and Collateral but in any event for a combined single limit of at least $1,000,000.00 per occurrence, and $3,000,000.00 in the aggregate, (c) statutory workers' compensation insurance with respect to any work in connection with the Business or on or about the Collateral and the Property, (d) if any property is in an area identified by the Federal Emergency Management Agency as having special flood hazards, flood insurance in an amount equal to the full insurable value or the maximum limit of coverage available for the Collateral and the Property under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, or the National Flood Insurance Reform Act of 1994, as each may be amended from time to time, and (e) if any property is in an area subject to earthquakes, earthquake insurance equal to the full insurable value of such property. All such policies shall (i) be issued by financially sound and reputable insurers with a rating of at least "A" or better by both Standard & Poor's Ratings Service and Moody's Investors Service (or such other credit rating agencies as may be designated by Lender) or a general policy rating of "A" or better and a financial class of VIII or better by A.M. Best Company, Inc., (ii) if required, name Lender as a "lender loss payee", "additional insured" or "mortgagee", as applicable, and (iii) shall provide for thirty (30) days prior written notice to Lender before such policy is altered, canceled or terminated. All of the insurance policies required hereby shall be evidenced by one or more Certificates of Insurance delivered to Lender by Borrower on or before the Closing Date and at such other times as Lender may request from time to time.

(ii) any and all other insurance required under any of Borrower's Franchise Agreements or Lease Agreements.

(c) Taxes. Borrower shall pay when due all taxes, assessments and other governmental charges imposed upon it or its assets, franchises, business, income or profits before any penalty or interest accrues thereon, and all claims (including, without limitation, claims for labor, services, materials and supplies) for sums which by law might be a Lien or charge upon any of its assets, provided that (unless any material item or property would be lost, forfeited or materially damaged as a result thereof) no such charge or claim need be paid if it is being diligently contested in good faith, if Lender is notified in advance of such contest and if Borrower establishes an adequate reserve or other appropriate provision required by GAAP and deposits with Lender cash or bond in an amount acceptable to Lender.

(d) Compliance with Laws. Borrower shall comply with all federal, state and local laws, regulations and orders applicable to Borrower, the Business or Borrower's assets including but not limited to all environmental laws, in all respects material to Borrower's Business, assets or prospects and shall immediately notify Lender of any violation of any rule, regulation, statute, ordinance, order or law relating to the public health or the environment and of any complaint or notifications received by Borrower regarding any environmental or safety and health rule, regulation, statute, ordinance or law. Borrower shall obtain and maintain any and all licenses, permits, franchises, governmental authorizations, patents, trademarks, copyrights or other rights necessary for the ownership of its property and the conduct of its Business and as may be required from time to time by applicable law.

(e) Other Amounts Deemed Loans. If Borrower fails to pay any tax, assessment, governmental charge or levy or to maintain insurance within the time permitted or required by this Agreement, or to discharge any Lien prohibited hereby, or to comply with any other obligation, Lender may, but shall not be obligated to, pay, satisfy, discharge or bond the same for the account

of Borrower. To the extent permitted by law and at the option of Lender, all monies so paid by Lender on behalf of Borrower shall be deemed Obligations and Borrower's payments under this Agreement may be increased to provide for payment of such Obligations pius interest thereon.

(f) Inspection Rights. Upon reasonable notice during customary business hours, Lender or its duly authorized representative shall have the right to visit all the facilities of Borrower, meet with managers and inspect all records and files relevant to the operation of the Business, and the costs of such inspection shall be borne equally between Borrower and Lender.

(g) Death or Permanent Disability of Operator. Upon the death or permanent disability of Guarantor, Lender shall have the option to require Borrower to accelerate the Note and Obligations due Lender under this Agreement.

(h) Further Assurances. Borrower shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all such further assurances and other agreements or instruments, and take or cause to be taken all such other action, as shall be reasonably necessary from time to time to give full effect to the Loan Documents and the transactions contemplated thereby. In connection with any assignment or transfer of all or any portion of the Obligations or Collateral by Lender to any other person or entity, and such other person or entity shall thereupon become vested with all the rights in respect of such Obligations or Collateral, Borrower agrees to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered any and all other agreements, documents or instruments requested by Lender and/or its assignee or transferee.

5. Negative Covenants. Borrower covenants with, and represents and warrants to, Lender that, from and after the execution date of this Agreement until the Obligations are paid and satisfied in full:

(a) Limitation on Liens. Borrower will not create or suffer to exist any Lien in respect of any property of any character of Borrower (whether owned on the date hereof or hereafter acquired) except for Permitted Liens.

(b) Limitation on Transactions with Affiliates. Except with respect to any such existing loans which have been disclosed to Lender, Borrower will not enter into any transaction with any of Borrower's members, shareholders, officers, or management employees or any Affiliate of any such person, unless and until Lender has consented to the repayment terms associated therewith.

(c) Limitation on Borrower's Consolidation, Merger and Sales. Borrower will not sell, lease, assign, or transfer all, substantially all or any material portion of the assets of Borrower, or enter into or approve any liquidation, dissolution, combination, consolidation or merger involving Borrower, or any reclassification or recapitalization of Borrower.

(d) Limitation on Disposition of Assets. Borrower will not sell or otherwise dispose of any assets (other than the sale of inventory in the ordinary course of business and the disposition of obsolete or inoperable equipment) of Borrower unless the following conditions are satisfied: (i) the assets are sold at fair value, (ii) the assets are obsolete or are not necessary to operate the Business, (iii) the proceeds from the sale or disposition are one hundred percent (100%) in cash, and (iv) the proceeds are, within ten (10) days of receipt, applied, with Lender's written approval, to permanently reduce the amount outstanding on the Note or are reinvested in assets used in the Business.

(e) Change in the Business. Except for store-wide changes mandated by Franchisor under Borrower's Franchise Agreements of which Lender is provided notice, Borrower will not authorize, approve or otherwise change in any substantive way the Business of Borrower; change the brand or business name under which it markets or is known to the public; change the size or location of Borrower's property; materially change the products offered by Borrower; or materially change Borrower's method of marketing and selling products to customers.

(f) Limitation on Distributions. Borrower shall not distribute any Excess Cash to the members or shareholders of Borrower, as members or shareholders, if:

(i) any Event of Default has occurred and is continuing;

(ii) any due and payable payment required to be made by Borrower to Lender under this Agreement is outstanding;

(iii) there were two (2) or more overdue payments required to be made by Borrower to Lender within the twelve (12) month period immediately preceding the proposed date of distribution;

(iv) Borrower is not in material compliance with all obligations and covenants contained in this Agreement;

(v) Borrower is not in material compliance with all Franchise Agreements, Lease Agreements and other material agreements affecting Borrower, the Business and/or the Property; or

(vi) the distribution would reduce Borrower's liquidity to an extent that could be reasonably expected to materially damage the day-to-day operations of Borrower.

(g) Limitations on Development. Neither Borrower, Guarantor nor any Affiliate of Borrower or Guarantor shall develop any other franchise location (signing a lease or acquiring the property on which a Tropical Smoothie will be operated) if:

(i) any Event of Default has occurred and is continuing;

(ii) any due and payable payment required to be made by Borrower to Lender under this Agreement has not been paid;

(iii) there were two (2) or more overdue payments required to be made by Borrower to Lender within the twelve (12) month period immediately preceding the proposed date of distribution;

(iv) Borrower is not in material compliance with all obligations and covenants contained in this Agreement; or

(v) Borrower is not in material compliance with all Franchise Agreements, Lease Agreements and other material agreements affecting Borrower, the Business and/or the Property.

(h) Limitation on Payment of Management Expenses. Borrower shall not pay any Management Expenses in connection with the Business located at the Property unless (a) the

Business located at the Property is open for business to the general public and (b) Borrower is current on all Obligations due to Lender.

(i) Limitation on Indebtedness. Borrower will not create, assume, incur, or suffer to exist any Indebtedness other than:

(i) the Loan; and

(ii) customary operating accounts and liabilities incurred by Borrower with respect to the Business or Property in the ordinary course of its business which are not unpaid more than ninety (90) days beyond the date incurred.

(j) Change in Ownership. Without Lender's prior written consent, Borrower shall not either issue any additional equity units or any options or other convertible security, or modify the rights or preferences of the units, or repurchase or redeem any of the units of Borrower.

(k) Margin Securities. No amount advanced to Borrower under the Note shall be used for the purpose of purchasing or carrying any "margin stock" or "margin security," as such terms are used in Regulations U and X of the Board of Governors of the Federal Reserve System, 12 CFR 221 and 224.

6. Events of Default. The occurrence of any one of the following events shall be deemed an "Event of Default" under this Agreement and each other Loan Document, whether or not such Event of Default has been cured by the Franchisor or any other guarantor:

(a) Any failure to make any payment when due of principal or accrued interest under this Agreement, the Note or any other Obligation and such nonpayment remains uncured for a period of five (5) days thereafter;

(b) Any representation or warranty of Borrower or Guarantor set forth in this Agreement, the Loan Documents or in any agreement, instrument, document, certificate or financial statement evidencing, guarantying, securing or otherwise related to, this Agreement or any other Obligation is materially inaccurate or misleading;

(c) Borrower fails to observe or perform any other term or condition of this Agreement, the Loan Documents or any other term or condition set forth in any agreement, instrument, document, certificate or financial statement evidencing, guarantying or otherwise related to this Agreement, the Loan Documents or any other Obligation, or Borrower otherwise defaults in the observance or performance of any covenant or agreement set forth in any of the foregoing and such failure or default remains uncured for a period of thirty (30) days thereafter;

(d) An Event of Default occurs under the Security Agreement, the Guaranty or any other Loan Document;

(e) The occurrence of a default or an event of default under any Franchise Agreement or Lease Agreement or any other material agreement to which Borrower is a party;

(f) The death, permanent disability, legal incompetence or dissolution of Borrower or Guarantor, or the lease, sale or other conveyance of a material part of the assets or business of Borrower to a third party outside the ordinary course of its business, or the lease, purchase or other acquisition of a material part of the assets or business of a third party by Borrower;

(g) The creation of any Lien (except a lien to Lender and the Permitted Liens) on, the institution of any garnishment proceedings by attachment, levy or otherwise against, the entry of a judgment against, or the seizure of, any of the property of Borrower or Guarantor including, without limitation, any property deposited with Lender;

(h) A commencement by Borrower of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect; or the entry of a decree or order for relief in respect of Borrower in a case under any such law or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of Borrower or for any substantial part of the property of Borrower, or ordering the wind-up or liquidation of the affairs of Borrower, or the filing of a petition initiating an involuntary case in which Borrower is the debtor under any such bankruptcy, insolvency or similar law; or the making by Borrower of any general assignment for the benefit of creditors; or the failure of Borrower generally to pay its debts as such debts become due; or the taking of action by Borrower in furtherance of any of the foregoing;

(i) Any sale, conveyance or transfer of any rights in the Collateral securing the Obligations, or any destruction, loss or damage of or to any material portion of the Collateral unless such loss or damage is covered by insurance, the proceeds of which shall be used to replace or restore such Collateral.

(j) The occurrence of any Event of Default beyond any applicable grace or cure period under any loan documents evidencing and/or securing any other obligation owed by Borrower, Guarantor, or an Affiliate of Borrower or Guarantor to Lender.

(k) The entry of any judgment in an amount greater than Twenty-Five Thousand and 00/100 Dollars ($25,000.00) or any other material order or decree against Borrower which remains unsatisfied or undischarged and in effect for five (5) Business Days after such entry without a stay of enforcement or execution.

(l) Any fact, event or circumstance that, alone or when taken with other events or conditions occurring or existing concurrently with such event or condition (i) has or is reasonably expected to have a material adverse effect on the Business, assets, operations, condition (financial or otherwise), or prospects of Borrower or Guarantor, (ii) materially impairs or is reasonably expected to materially impair the ability of Borrower or Guarantor to pay and perform their Obligations under the Loan Documents to which they are a party, (iii) materially impairs or is reasonably expected to materially impair the ability of Lender to enforce its rights and remedies under any Loan Document, or (iv) has or is reasonably expected to have any material adverse effect on the Collateral, the Lien of Lender in such Collateral or the priority of such Lien.

7. Remedies. In addition to any other remedy permitted by law, Lender may at any time after the occurrence and during the continuance of an Event of Default, apply the Collateral to the Note or such other Obligations, whether due or not, and Lender may, at its option, proceed to enforce and protect its rights by an action at law or in equity or by any other appropriate proceedings; provided that the Note and the Obligations shall be accelerated automatically and immediately if the Event of Default arises under Section 6(h) above. Borrower shall pay all costs of collection incurred by Lender, including its reasonable attorney's fees, if this Agreement is referred to an attorney for collection, whether or not payment is obtained before entry of judgment, which costs and fees are Obligations secured by the Collateral.

Without limiting the generality of the foregoing, Borrower acknowledges and agrees that Lender may at any time after the occurrence and during the continuance of an Event of Default,

take any and all actions that Lender deems necessary or appropriate to maintain or continue the operation of the Tropical Smoothie franchise located at the Property, including but not limited to, (i) operating the franchise itself or through Franchisor or any affiliate, area developer, franchisee or other operator approved by Franchisor (each, a "Designee"), and/or (ii) transferring all assets, including the Franchise Agreement, used in connection with such franchise located at the Property to Franchisor or any Designee of Franchisor, and Borrower hereby consents to any such actions taken by Lender. Upon the occurrence of an Event of Default, Lender will consult with Franchisor and Area Developer (if applicable) to determine what actions are deemed necessary or appropriate to maintain or continue the operation of the Tropical Smoothie franchise located at the Property.

Lender's rights and remedies hereunder are cumulative, and may be exercised together, separately, and in any order. No delay on the part of Lender in the exercise of any such right or remedy shall operate as a waiver. No single or partial exercise by Lender of any right or remedy shall preclude any other further exercise of it or the exercise of any other right or remedy. No waiver or indulgence by Lender of any Event of Default is effective unless in writing and signed by Lender, nor shall a waiver on one occasion be construed as a waiver of any other occurrence in the future.

8. **Miscellaneous**.

(a) Entire Agreement. This Agreement constitutes the entire agreement and understanding between Lender and Borrower, and supersedes all prior agreements and understandings relating to the subject matter hereof.

(b) Severability. The declaration of invalidity of any provision of this Agreement shall not affect any part of the remainder of the provisions.

(c) Assignment. Lender may assign some or all of its rights and remedies described in this Agreement and may act as agent for any such assignee without notice to, or prior consent from, Borrower. Borrower may not assign any of its rights, remedies or obligations described in this Agreement unless:

(i) Borrower has obtained the prior written consent of Lender to such assignment, which consent may be withheld in Lender's sole discretion;

(ii) Borrower has obtained the prior written consent of Franchisor to such assignment, which consent may be withheld in Franchisor's sole discretion;

(iii) Borrower has executed and delivered all documents and taken all other actions required by Lender and Franchisor in connection with such assignment, including without limitation the execution and delivery of a Reaffirmation of Master Guaranty agreeing to continue to guarantee payment and performance of all obligations of the assignee under this Agreement, the Note and all other Loan Documents;

(iv) The assignee has executed and delivered all documents and taken all other actions required by Lender and Franchisor in connection with such assignment; and

(v) Borrower has paid to Lender an assignment fee in an amount equal to three percent (3%) of the then outstanding principal balance of the Loan.

(d) Waiver of Borrower. Borrower and Guarantor hereby (i) waive demand, presentment, protest and notice of dishonor, notice of protest and notice of default except as otherwise specified in this Agreement, and (ii) waive all suretyship defenses, including but not limited to, all defenses based upon impairment of collateral and all suretyship defenses described in Section 3-605 of the Uniform Commercial Code (the "UCC"). Such waiver is entered to the full extent permitted by Section 3-605 (i) of the UCC.

(e) Waiver; Amendments.

(i) No failure or delay by Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of Lender under the Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any Loan Document or consent to any departure by Borrower or Guarantor therefrom shall in any event be effective unless the same shall be permitted by Section 8(e)(ii) of this Agreement, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(ii) No Loan Document, this Agreement or provision thereof may be waived, amended or modified except, in the case of this Agreement, by an agreement or agreements in writing entered into by Borrower and Lender or, in the case of any other Loan Document, by an agreement or agreements in writing entered into by the parties thereto with the consent of Lender.

(f) Jury Waiver. BORROWER AND GUARANTOR WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS AGREEMENT, ANY OTHER LOAN DOCUMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(g) Governing Law; Consent to Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF GEORGIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS AND SHALL BE DEEMED TO HAVE BEEN EXECUTED IN THE STATE OF GEORGIA. BORROWER AND GUARANTOR HEREBY AGREE TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN FULTON COUNTY, GEORGIA. BORROWER AND GUARANTOR CONSENT THAT ALL SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL OR HAND DELIVERY DIRECTED TO BORROWER OR GUARANTOR AND LENDER AT THEIR ADDRESSES SET FORTH IN SECTION 8(h) HEREOF AND ON THE SIGNATURE PAGES TO THE LOAN DOCUMENTS, RESPECTIVELY, AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED THREE (3) BUSINESS DAYS AFTER THE SAME SHALL HAVE BEEN DEPOSITED IN THE U.S. CERTIFIED MAIL, POSTAGE PREPAID. BORROWER AND GUARANTOR WAIVE ANY OBJECTION TO JURISDICTION OVER THE PERSON OR, TO THE EXTENT OF COMPLIANCE WITH THE IMMEDIATELY PRECEDING SENTENCE, SUFFICIENCY OF PROCESS OR SERVICE UPON BORROWER OR GUARANTOR.

(h) Notices. Except as otherwise specifically provided herein, all notices, requests, consents, and other communications hereunder must be in writing and delivered (i) if to Lender,

_____, Attn: _____, and (ii) if to Borrower, to the address set forth on the signature page of this Agreement. All communications hereunder shall be in writing and shall be deemed given upon the earlier of receipt, one (1) Business Day after being sent by facsimile transmission or by reputable overnight courier, or three (3) Business Days after being sent by certified mail. Each party, by notice so given, may specify a different notice address. Any notice of change of address shall be effective only upon receipt.

(i) Successors and Assigns. This Agreement shall inure to the benefit of and shall bind the parties hereto, their heirs, legal representatives, successors and permitted assigns.

(j) Counterparts; Facsimile or Scanned Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same Agreement. The parties hereto agree that the delivery of this Agreement by facsimile or emailed pdf files of scanned copies bearing their respective signatures shall be sufficient and binding upon them as if this Agreement were delivered with original signatures.

(k) Lender Discussions with Franchisor. Borrower hereby authorizes Lender to discuss with Franchisor Borrower's financial condition, operations and any other matters relating to Borrower, the Business or the Property. Borrower further (i) consents to the release to Lender by Franchisor of any information relating to the foregoing matters, and (ii) instructs Franchisor to release any information relating to the foregoing matters upon the request of Lender.

(l) Grammatical Interpretation; Construction. The headings of sections and subsections and divisions in this Agreement and the other Loan Documents are only for convenience of reference and will not govern the interpretation of any of the provisions of this Agreement or the other Loan Documents. All grammatical changes shall be made to this Agreement and the other Loan Documents to maximize the rights and benefits belonging to Lender, including, without limitation, so that the singular shall include the plural and the masculine the feminine and vice versa.

(m) Time is of the Essence. Time is of the essence with respect to this Agreement and the other Loan Documents.

(n) Joint and Several Liability. In the event that Borrower consists of more than one Person or if more than one Person is liable for any Indebtedness and Obligations to Lender described in this Loan Agreement or the other Loan Documents or grants Lender a Lien against their assets (x) their liability shall be joint and several in nature and affect their jointly and/or severally-owned assets, and (y) except as prohibited by applicable state law, each Person waives (a) any right to require Lender to: (i) proceed against any other Person, (ii) proceed against or exhaust any security received from any other Person, or (iii) pursue any other remedy whatsoever; (b) any defense arising by reason of the application by any other Person of the proceeds of any borrowing; (c) any defense resulting from the absence, impairment or loss of any right of reimbursement, subrogation, contribution or other right or remedy of any Person against any other Person, or any security, whether resulting from an election by Lender to foreclose upon security by non-judicial sale, or otherwise; (d) any setoff or counterclaim of any other Person or any defense which results from any disability or other defense of any other Person or the cessation or stay of enforcement from any cause whatsoever of the liability of any other Person (including, without limitation, the lack of validity or enforceability of any Loan Document); (e) any right to exoneration of sureties which would otherwise be applicable; (f) any right of subrogation or reimbursement and, if there are any guarantors of the Obligations, any right of contribution, and

right to enforce any remedy which Lender now has or may hereafter have against any other Person and any benefit of, and any right to participate in, any security now or hereafter received by Lender; (g) all presentments, diligence, demands for performance, notices of non-performance, notices delivered under this Agreement or any other Loan Document, protests, notice of dishonor, and notices of acceptance of the Note and of the existence, creation or incurring of new or additional Liabilities and notices of any public or private foreclosure sale; (h) the benefit of any statute of limitations to the extent permitted by law; (i) any appraisement, valuation, stay, extension, moratorium, redemption or similar law or similar rights for marshaling; (j) any right to be informed by Lender of the financial condition of any other Person or any change therein or any other circumstances bearing upon the risk of nonpayment or nonperformance of the Obligations; and (k) the benefit of all principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Agreement or any other Loan Document, and agrees that the Obligations of each Person shall not be affected by any circumstances, whether or not referred to in this Agreement or any other Loan Document, which might otherwise constitute a legal or equitable discharge of any Person. Each Person has the ability and assumes the responsibility for keeping informed of the financial condition of any other Person and of other circumstances affecting such nonpayment and nonperformance risks.

(o) Lost Note. Borrower shall, if the Note is mutilated, destroyed, lost or stolen (a "**Lost Note**"), promptly deliver to Lender, upon receipt from Lender of an affidavit in a form reasonably acceptable to Lender and Borrower stipulating that such Note has been mutilated, destroyed, lost or stolen, in substitution therefor, a new promissory note containing the same terms and conditions as such Lost Note with a notation thereon of the unpaid principal and accrued and unpaid interest. Borrower shall provide fifteen (15) days' prior notice to Lender before making any payments to third parties in connection with a Lost Note.

(p) Cross-Collateral. All Loans and advances by Lender to Borrower or an Affiliate under this Agreement or any other loan agreement between such parties constitute one transaction, and all Indebtedness and the Obligations of Borrower or an Affiliate to Lender under this Agreement or any other loan agreement, present and future, constitute one obligation secured by the Collateral of the Loan or the Collateral of an Affiliate loan and security held and to be held by Lender hereunder and by virtue of all other assignments and security agreements between Borrower and Lender now and hereafter existing, as may be amended, restated, supplemented, extended or renewed.

(q) Costs and Expenses. Whether or not the Loan is closed, all costs and expenses incurred by Lender in connection with the Loan, including but not limited to attorneys' fees, appraisals, legal due diligence and any and all other expenses, shall be paid by Borrower upon demand by Lender. Such costs and expenses shall be in addition to, and shall not be offset against, the Origination Fee or any other fee due and owing to Lender.

(r) Indemnification. Borrower shall indemnify, defend and hold Lender, Franchisor, Area Developer and any of their respective affiliates and their directors, officers, employees, agents and attorneys (each an "Indemnitee") harmless of and from any claim brought or threatened against any Indemnitee by Borrower or Guarantor, or any other person (as well as from reasonable attorneys' fees and expenses in connection therewith) on account of Lender's relationship with Borrower or Guarantor (each of which may be defended, compromised, settled or pursued by Lender with counsel of Lender's election, but at the expense of Borrower), except for any claim arising out of the gross negligence or willful misconduct of Lender. This indemnification shall survive payment of the Obligations, and/or any termination, release or

discharge executed by Lender in favor of Borrower. Franchisor and Area Developer are intended third party beneficiaries of this Section.

9. **Definitions**. All financial terms used herein but not defined on the exhibits, in the Security Agreement or in any other Loan Document have the meanings given to them by GAAP. All other undefined terms have the meanings given to them in the Uniform Commercial Code as adopted in the state whose law governs this instrument. The following definitions are used herein:

"Access Laws" has the meaning set forth in Section 3(n) of this Agreement.

"Affiliate" means, as to Borrower, (a) any Subsidiary, (b) any person or entity which, directly or indirectly, is in control of, is controlled by or is under common control with, Borrower, or (c) any person who is a director, officer or employee (i) of Borrower or (ii) of any person described in the preceding clause (a).

"Area Developer" means _____ and its legal successor and assigns.

"Borrower" has the meaning given to such term in the Introduction to this Agreement.

"Business" shall mean the ownership, acquisition, sale or operation of Tropical Smoothie franchise locations.

"Business Day" means any day which is neither a Saturday or Sunday nor a legal holiday on which commercial banks are authorized or required to be closed in Atlanta, Georgia.

"Closing Date" means the date of this Agreement.

"Collateral" means all property of Borrower or an Affiliate in which Lender has a first priority Lien, security interest or collateral assignment pursuant to the terms of this Agreement or any other Loan Document.

"Default Rate" has the meaning set forth in Section 1(d) of this Agreement.

"Disbursement" has the meaning set forth in Section 1(b) of this Agreement.

"ERISA" has the meaning set forth in Section 3(j) of this Agreement.

"ERISA Affiliate" has the meaning set forth in Section 3(j) of this Agreement.

"Event of Default" has the meaning set forth in Section 6 of this Agreement.

"Excess Cash" means Borrower's net income under GAAP less (a) all payments to lenders, (b) reserves for capital improvements, replacements and contingencies, and (c) any other amounts reasonably necessary to be retained by Borrower for the effective maintenance of the Business as determined in good faith by Operator.

"Franchise Agreement" means those certain Franchise Agreements by and between Borrower and Franchisor.

"Franchisor" means Tropical Smoothie Café, LLC and its legal successors and assigns.

"GAAP" means generally accepted accounting principles as in effect from time to time.

"Governmental Authority" means any nation, sovereign or government; any state or other political subdivision thereof; any agency, authority or instrumentality thereof or of any such state or political subdivision; and any entity or authority exercising executive, legislative, taxing, judicial, regulatory or administrative functions of or pertaining to government, including any central bank, stock exchange, regulatory body, arbitrator, public sector entity, supra-national entity and any self-regulatory organization.

"Guarantor" means, jointly and severally, _____ and _____.

"Guaranty" has the meaning set forth in Section 1(e) of this Agreement.

"Indebtedness" means the total of all Obligations, whether current or long-term, which in accordance with GAAP would be included as liabilities upon Borrower's balance sheet at the date as of which Indebtedness is to be determined, and shall also include guaranties, endorsements (other than for collection in the ordinary course of business) or other arrangements whereby responsibility is assumed for the obligations of others, whether by agreement to purchase or otherwise acquire the obligations of others, including any agreement, contingent or otherwise, to furnish funds through the purchase of goods, supplies or services for the purpose of payment of the obligations of others.

"Indemnitee" has the meaning set forth in Section 8(r) of this Agreement.

"Interest Rate" has the meaning set forth in Section 1(d) of this Agreement.

"Lease Agreements" means the Lease Agreement dated _____, 20___, by and between _____, as landlord ("Landlord"), and Borrower, as Tenant, with respect to the Property, together with the Addendum to Lease Agreement Conditional Assignment of Lease dated _____, 20___, by and among Landlord, Borrower and Franchisor, and all other lease agreements entered into by Borrower in connection with the Business.

"Lender" has the meaning given to such term in the Introduction to this Agreement.

"Lien" means any security interest, mortgage, pledge, assignment, lien or other encumbrance of any kind, including interests of vendors or lessors under conditional sale contracts or capital leases.

"Loan" has the meaning set forth in Section 1(a) of this Agreement and includes all amounts outstanding under the Note and/or advanced pursuant to this Agreement.

"Loan Documents" means each and every document or agreement executed by any party evidencing, guarantying or securing any of the Obligations, including, but not limited to, this Agreement, the Note, the Security Agreement and the Guaranty; "Loan Document" means any one of the Loan Documents.

"Lost Note" has the meaning set forth in Section 8(o) of this Agreement.

"Management Expenses" means any and all expenses not directly attributable to a particular franchised store, including salaries, bonuses or other compensation to non-store level personnel.

"Material Adverse Effect" means a change which (a) materially impairs or is reasonably expected to impair the ability of Borrower or Guarantor to pay and perform its obligations under the Loan Documents to which it is a party; or (b) materially impairs or is reasonably expected to materially impair the ability of Lender to enforce its rights and remedies under any Loan Document; or (c) has or is reasonably expected to have any material adverse effect on the Collateral, the lien of Lender in such Collateral or the priority of such lien; or (d) is prejudicial to any business, operations or financial condition of Borrower or Guarantor.

"Maturity Date" has the meaning set forth in Section 1(a) of this Agreement.

"Note" has the meaning set forth in Section 1(a) of this Agreement.

"Obligation(s)" means all loans, advances, indebtedness and each and every other obligation or liability of Borrower owed to Lender, however created, of every kind and description whether now existing or hereafter arising and whether direct or indirect, primary or as guarantor or surety, absolute or contingent, liquidated or unliquidated, matured or unmatured, participated in whole or in part, whether or not secured by additional collateral, whether originated with Lender or owed to others and acquired by Lender by purchase, assignment or otherwise, and including, without limitation, all loans, advances, indebtedness and each and every obligation or liability arising under this Agreement or any other Loan Documents, all obligations to perform or forbear from performing acts, and agreements, instruments and documents evidencing, guarantying, securing or otherwise executed in connection with any of the foregoing, together with any amendments, modifications and restatements thereof, and all expenses and attorneys' fees incurred by Lender hereunder or any other document, instrument or agreement related to any of the foregoing.

"Organizational Documents" means any articles, bylaws, certificates, operating agreements, limited liability company agreements or similar organizational documents of Borrower.

"Origination Fee" has the meaning set forth in Section 1(g) of this Agreement.

"Permitted Liens" has the meaning set forth in Section 3(g) of this Agreement.

"Person" means any individual, partnership, corporation, joint stock company, estate, association, firm, enterprise, trust, limited liability company, unincorporated association, joint venture and any other entity.

"Property" means the Tropical Smoothie franchised location located at _____.

"Reportable Event" has the meaning set forth in Section 3(j) of this Agreement.

"Security Agreement" means that certain Security Agreement executed by Borrower in favor of Lender of even date herewith, as the same may be amended or restated from time to time.

"Subsidiary" means any corporation, limited liability company or other entity in which Borrower owns a majority of the voting equity interests or has the ability to control or direct management of the business of such entity.

"UCC" has the meaning set forth in Section 8(d) of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Loan Agreement on the date first written above.

LENDER:

BIP FRANCHISE FINANCE, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

BORROWER:

_____,
a _____

By: _____
Name: _____
Title: _____

ADDRESS FOR NOTICE:

_____
Attn: _____
_____
_____

GUARANTOR:

_____

ADDRESS FOR NOTICE:

_____
_____
_____

Exhibit A
FORM OF NOTE

$_____ _____, 20___

FOR VALUE RECEIVED, _____, a _____ ("Borrower"), promises to pay to the order of BIP Franchise Finance, LLC, a Delaware limited liability company, and its successors and assigns ("Lender"), the principal sum of _____ and ___/100 Dollars ($_____) pursuant to the terms and conditions set forth in the Loan Agreement (as hereinafter defined), in immediately available funds at the office of Lender, _____, together with interest on the unpaid principal amount hereof at the rates and on the dates set forth in the Loan Agreement.

Lender is hereby authorized to record based on the loan payment schedule to be provided by Lender on the Closing Date, or to otherwise record in accordance with its usual practice (including, without limitation in Lender's electronic data processing system), the date and amount of each interest and principal payment hereunder.

This Note is issued pursuant to, and is entitled to the benefits of, the Loan Agreement dated of even date herewith (which, as it may be amended or modified and in effect from time to time, is herein called the "Loan Agreement"), between Borrower and Lender, to which Loan Agreement reference is hereby made for a statement of the terms and conditions governing this Note, including the terms and conditions under which this Note may be prepaid or its maturity date accelerated. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Loan Agreement.

_____,
a(n)_____

By:_____
Name:
_____
Title:
_____

Exhibit B

FORM OF COVENANT COMPLIANCE CERTIFICATE

I, _____ of _____, pursuant to the Loan Agreement dated _____, 20___ (as may be amended from time to time) by and between _____ ("Borrower") and BIP Franchise Finance, LLC ("Lender") (the "Agreement"), certify that, as of the last day of the fiscal quarter of Borrower for the quarter ended _____:

(a) All representations and warranties of Borrower in the Loan Documents are true and correct in all material respects.

(b) Borrower is in compliance in all material respects with all of its obligations, duties and covenants under the Loan Documents.

(c) No event has occurred which, with the passage of time and/or the giving of notice, would constitute an Event of Default under the Loan Documents.

(d) Since the Closing Date, no event has occurred that has had or could reasonably be expected to have a Material Adverse Effect on Borrower, the Collateral or the Property.

_____,
a(n) _____

By:_____
Name:
_____
Title:
_____

SCHEDULE 3(c)
Litigation

SCHEDULE 3(g)
Permitted Liens

EXHIBIT N-2 TO THE DISCLOSURE DOCUMENT

FINANCING PROGRAM DOCUMENTS

FORM OF SECURITY AGREEMENT

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (the "Agreement"), dated as of _____, 20___, is entered into by and between ***[Franchisee]***, a _____ (the "Debtor") and BIP Franchise Finance, LLC, a Delaware limited liability company (the "Secured Party").

Recitals:

A. This Agreement is made pursuant to that certain Loan Agreement, of even date herewith, by and between the Secured Party and the Debtor (the "Loan Agreement").

B. The Debtor has executed and delivered to the Secured Party that certain Note of even date herewith in the face amount of _____ and ___/100 Dollars ($_____) (the "Note").

C. The Note evidences the Debtor's indebtedness to the Secured Party for a loan in the original principal amount of _____ and ___/100 Dollars ($_____) (the "Loan").

D. In connection with the Note, and as a condition to the Secured Party's advance of the Loan, the Debtor has agreed to execute and deliver this Agreement.

Agreements:

NOW THEREFORE, in order to induce the Secured Party to advance the Loan, and in consideration of the benefits expected to accrue to the Debtor by reason thereof, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby represents and warrants to, and agrees with the Secured Party as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms used in this Agreement have the meanings given to such terms in the UCC, the Note or the Loan Agreement.

2. Grant of Security Interest.

(a) The Debtor hereby grants to the Secured Party a first priority continuing security interest in and to, and a pledge of, all assets of the Debtor (the "Collateral"), whether now owned or existing or hereafter acquired or arising and wheresoever located (including but not limited to the locations described on Schedule 6 attached hereto), including, without limitation: (i) all Accounts, (ii) all Chattel Paper, (iii) all Commercial Tort Claims, (iv) all Deposit Accounts, (v) all Equipment, (vi) all General Intangibles, (vii) all Instruments, (viii) all Inventory, (ix) all Investment Property, (x) all Letter-of-Credit Rights, (xi) all Payment Intangibles, (xii) all leases on the Properties, and (xiii) all accessions to, all substitutions for, and all replacements of, and to the extent not otherwise included in the foregoing, all cash and non-cash Proceeds and products of the above-described property of the Debtor described in this Section 2(a), including, but not limited to, proceeds of insurance policies constituting or insuring such property.

(b) As used in this Agreement, the following terms have the following meanings:

"Accounts" means "accounts" (as defined in the UCC) including, without limitation, all present and future rights to payment for goods sold or leased or for services rendered or for policies of insurance issued or to be issued, and whether or not they have been earned by performance, and shall include all security pledged or granted to the Debtor, all of the Debtor's rights and interest in goods which gave rise to same, all indemnities in respect thereof and all guaranties thereof.

"Account Debtor" means "account debtor" (as defined in the UCC), including, without limitation, any Person who is or becomes obligated to the Debtor under, with respect to, or on account of an Account, Chattel Paper or General Intangible.

"Chattel Paper" means "chattel paper" (as defined in the UCC), including, without limitation, a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods.

"Commercial Tort Claims" means "commercial tort claims" (as defined in the UCC), including, without limitation, a claim arising in tort with respect to which (a) the claimant is an organization or (b) the claimant is an individual and the claim (i) arose in the course of the claimant's business or profession and (ii) does not include damages arising out of personal injury to or the death of an individual.

"Deposit Accounts" means each and every "deposit account" (as defined in the UCC), including, without limitation, demand deposit, checking, savings, money market and other deposit accounts owned or maintained by the Borrower at a financial institution.

"Equipment" means "equipment" (as defined in the UCC) and fixtures (as defined in the UCC), including, without limitation, all machinery, equipment, furniture, furnishings, fixtures, and parts, supplies, and motor vehicles (titled and untitled) of every kind and description, now or hereafter owned by the Debtor, or in which the Debtor may have or may hereafter acquire any interest, wheresoever located.

"General Intangibles" means all "general intangibles" (as defined in the UCC) including, without limitation, contract rights, choses in action, causes of action and all other personal property of every kind and nature, now or hereafter arising, all Company or other business records (including, without limitation, all information, reports and other records relating to the Collateral); all intellectual property, trade secrets, good will, registrations, licenses, permits, customer lists, tax refunds, tax refund claims, rights and claims against carriers and shippers, and rights to indemnification.

"Instruments" means "instruments" (as defined in the UCC) including, without limitation, negotiable instruments or any other writing that evidences a right to the payment of a monetary obligation, and is of a type that in the ordinary course of business is transferred by delivery with any necessary indorsement or assignment.

"Inventory" means all "inventory" (as defined in the UCC), including, without limitation, all goods, merchandise, work-in-process, raw materials, finished goods, and inventory held for sale or lease to other Persons, all other materials, supplies, and tangible personal property of any kind, nature, or description held for sale or lease or for display or demonstration, or furnished or to be furnished under contracts of service, or which are or which might be used or consumed in connection with the manufacturing, packing, shipping, advertising, selling, leasing, or furnishing of such goods, merchandise, or other personal property, all documents of title or other documents pertaining thereto, and all Proceeds of the foregoing.

"Investment Property" means "investment property" (as defined in the UCC), including, without limitation, all securities, whether certificated or uncertificated, all security entitlements, all securities accounts, all commodity contracts and all commodity accounts.

"Letter of Credit Rights" means "letter of credit rights" (as defined in the UCC), including, without limitation, a right to payment or performance under a letter of credit.

"Payment Intangibles" means "payment intangibles" (as defined in the UCC), including, without limitation, a present or future general intangible under which the Account Debtor's principal obligation is a monetary obligation.

"Proceeds" means all "proceeds" (as defined in the UCC), including, without limitation, proceeds from the sale of any franchise rights and proceeds of any and all of the Collateral made or due and payable to the Debtor from time to time including, without limitation, all proceeds in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any Person acting under color of governmental authority) and, to the extent not otherwise included, all payments under insurance (whether or not the Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the Collateral.

"UCC" means the Uniform Commercial Code in effect in the State of _____ and any other state in which the Collateral is located.

3. Obligations Secured. The security interest herein granted secures any and all of the Indebtedness and other obligations of the Debtor under and pursuant to the Loan Documents and this Agreement of whatsoever nature, fixed or contingent, whether now existing or hereafter arising, including without limitation the principal of and interest on the Loan (collectively, the "Secured Obligations").

4. Grant of License; Accounts. Except as may be prohibited by any written agreement between the Debtor and Tropical Smoothie Café, LLC (the "Franchisor"), the Debtor hereby grants to the Secured Party (and its agents, representatives or assigns), a non-exclusive, fully-paid, royalty-free, worldwide right and license to, upon the occurrence and during the continuance of an Event of Default (unless appropriately waived in writing in accordance with this Agreement), (a) use, or sell or otherwise transfer, any and all of the Debtor's Inventory which may bear or utilize any of the Debtor's intellectual property; (b) use or sell any such work-in-process or completed or finished products; and (c) accept any and all orders or shipments of products ordered by the Debtor and use or sell any such products bearing or utilizing any of the Debtor's intellectual property. With respect to the Debtor's Accounts, the Debtor hereby grants to the

Secured Party all of the rights, remedies and powers of attorney relating thereto and to collections and other Proceeds as are granted by the Debtor to the Secured Party in this Agreement.

5. Perfection; Further Actions.

(a) The Debtor authorizes the Secured Party to file such financing statements deemed by the Secured Party to be necessary or appropriate under applicable law, and otherwise take such other action and execute such assignments or other instruments or documents, in each case as the Secured Party may reasonably request, to evidence, perfect, or record the Secured Party's security interest in the Collateral or to enable the Secured Party to exercise and enforce its rights and remedies with respect to any Collateral. The Debtor hereby authorizes the Secured Party to file any such financing statements, amendments or continuation statements on the Debtor's behalf which may be reasonably required by the Secured Party. The Debtor represents that its exact legal name as shown on its Organizational Documents and state of formation or organization are as set forth in the first paragraph of this Agreement. The Debtor agrees that, notwithstanding any provision in the UCC to the contrary, the Debtor shall not file a termination statement on any financing statement filed by the Secured Party in connection with any security interest granted under this Agreement if the Secured Party reasonably objects to the filing of such termination statement. The parties acknowledge that any reproduction of this Agreement shall be sufficient as a financing statement to the extent permitted by law. The Debtor shall bear all of the cost and expense in connection with its incurrence and receipt of the Loan, the issuance of the Note, the granting of security interests in the Collateral, and the filing of financing statements and other actions in connection with the perfection of the security interests herein granted.

(b) If the Debtor owns or acquires any Chattel Paper or Instrument constituting a portion of the Collateral, the Debtor will within ten (10) days notify the Secured Party thereof, and upon request by the Secured Party promptly deliver such Chattel Paper or Instrument to the Secured Party appropriately assigned or endorsed to the order of the Secured Party as further security hereunder.

(c) The Debtor agrees that if any warehouse receipt or receipt in the nature of a warehouse receipt is issued with respect to any of its Inventory, such warehouse receipt or receipt in the nature thereof shall not be "negotiable" (as such term is used in the UCC).

(d) The Debtor will, at its own expense, make, execute, endorse, acknowledge, file and/or deliver to the Secured Party from time to time such lists, descriptions and designations of its Collateral, warehouse receipts, receipts in the nature of warehouse receipts, bills of lading, documents of title, vouchers, invoices, schedules, confirmatory assignments, conveyances, transfer endorsements, powers of attorney, certificates, reports and other assurances or instruments and take such further steps relating to the Collateral and other property or rights covered by the security interest hereby granted, which the Secured Party reasonably deems appropriate or advisable to perfect, preserve or protect its security interest in the Collateral.

(e) The Debtor shall from time to time deliver to the Secured Party, within fifteen (15) days following the Secured Party's request therefor, landlord's or bailee's waivers or agreements, in form and substance reasonably satisfactory to the Secured Party, in respect of any location at which Collateral is stored and which is not owned by the Debtor in fee simple; provided that, as to any such location of Collateral on the date

hereof, the Debtor's failure to deliver such waiver or agreement shall not constitute a default under this Section 5(e) so long as the Debtor has made diligent and good faith efforts to obtain same.

(f) The Debtor shall advise the Secured Party in writing of any "commodity account" (as such term is defined in the UCC) or other Investment Property now or hereafter owned by the Debtor (other than shares or membership interests in Subsidiaries, if any, excluded from Collateral hereunder) and, if so requested by the Secured Party at any time while the Note is outstanding, shall take such steps as the Secured Party may from time to time reasonably request for the purpose of causing the Secured Party to have "control" (as defined in the UCC) thereof and its security interest hereunder to be first in priority (subject to Liens permitted under the Note and the Loan Agreement).

(g) If, at any time, the Debtor acquires a "commercial tort claim" (as such term is defined in the UCC), the Debtor shall promptly notify the Secured Party thereof in writing (which writing shall describe such commercial tort claim with sufficient specificity to grant to the Secured Party a security interest therein pursuant to the UCC), and upon delivery thereof to the Secured Party, the Debtor shall be deemed to thereby grant to the Secured Party (and the Debtor hereby grants to the Secured Party) a security interest and Lien in and to such commercial tort claim and all Proceeds thereof, all upon the terms of and governed by this Agreement.

6. Representations and Agreements.

(a) The Debtor's chief executive office is located at the address set forth on Schedule 6 attached hereto and the Debtor's U.S. Federal Tax I.D. Number is as set forth on such Schedule 6. The Debtor will not move its chief executive office except to such new location as the Debtor may establish in accordance with the last sentence of this Section 6(a). The originals of all documents evidencing all or a portion of the Collateral and the only original books of account and records of the Debtor relating thereto are, and will continue to be, kept at such chief executive office, or at such new location(s) as the Debtor may establish in accordance with the last sentence of this Section 6(a). All Collateral is, and will continue to be, maintained at, and controlled and directed (including, without limitation, for general accounting purposes) from, the locations described in Schedule 6 or at such new location(s) as the Debtor may establish in accordance with the last sentence of this Section 6(a). The Debtor shall not establish any new location for such chief executive office until (i) it has given to the Secured Party at least ten (10) days' prior written notice of its intention to do so, clearly describing such new location and providing such other information in connection therewith as the Secured Party may reasonably request, and (ii) with respect to such new location, it shall have taken all action, reasonably satisfactory to the Secured Party, to maintain the security interest of the Secured Party in the Collateral intended to be granted hereby at all times fully perfected and in full force and effect.

(b) The only locations at which is located any Inventory (other than Inventory sold or leased to the Debtor's customers in the ordinary course of the Debtor's business) or Equipment of the Debtor (including, without limitation, the location of any warehouse, bailee or consignee at which Collateral is located) are set forth on Schedule 6 hereto, and the Debtor agrees that all Equipment and Inventory shall at all times hereafter be kept at one of such locations set forth on Schedule 6, unless the Debtor complies with the following sentence, or, as to Inventory, is temporarily off-site for work or treatment in the

ordinary course of the Debtor's business. The Debtor shall not establish any new location for Inventory or Equipment until (i) it has given to the Secured Party at least ten (10) days' prior written notice of its intention to do so, clearly describing such new location and providing such other information in connection therewith as the Secured Party may reasonably request, and (ii) with respect to such new location, it shall have taken all action, reasonably satisfactory to the Secured Party, to maintain the security interest of the Secured Party in the Collateral intended to be granted hereby at all times fully perfected and in full force and effect.

(c) The Debtor has not used or conducted business under any other trade name, assumed name, fictitious name and other name at any time during the five (5) years before the date hereof, except Tropical Smoothie.

(d) The Debtor has not merged with, or acquired substantially all of the assets of, any other entity at any time during the five (5) years before the date hereof.

7. Title to Collateral; Liens; Transfers. The Debtor has good and indefeasible title to and ownership of the Collateral, free and clear of all Liens, except as permitted under the Loan Agreement. Except as permitted in the Loan Agreement and upon the prior consent of the Secured Party, the Debtor shall not encumber, pledge, mortgage, grant a security interest in, assign, sell, lease or otherwise dispose of or transfer, whether by sale, merger, consolidation, liquidation, dissolution or otherwise, any of the Collateral.

8. Other Changes Affecting Perfection. The Debtor shall not, without giving the Secured Party ten (10) days prior written notice thereof and taking such steps, reasonably satisfactory to the Secured Party, as may be necessary or appropriate to maintain the perfection in full force and effect of the Lien in the Collateral: (a) add any new places of business or close any of its existing places of business, (b) make any change in the Debtor's name or adopt or operate under any trade name, assumed name or fictitious name or otherwise add any name under which the Debtor does business, or (c) make any other change (other than sales and leases of Inventory in the ordinary course of business) which might affect the perfection or priority of the Secured Party's Lien in the Collateral. Notwithstanding the foregoing, the Debtor may from time to time replace furniture, fixtures and equipment at the end of their useful life without the requirement of the Secured Party consent provided that any such replacements be and remain subject to the Lien in the Collateral as set forth herein.

9. Maintenance of Insurance. The Debtor shall at all times maintain the insurance policies required by the Secured Party and in the amounts described in the Loan Agreement. So long as no Event of Default exists, upon the Debtor's request, the Secured Party shall disburse to the Debtor insurance Proceeds received by the Secured Party, which shall be used by the Debtor solely for the purpose of repair and restoration of the property giving rise to such Proceeds; provided that the Debtor shall deliver to the Secured Party a certificate in form and substance reasonably satisfactory to the Secured Party confirming the absence of any Event of Default at the time of each such disbursement.

10. Power of Attorney for Insurance. The Debtor shall at all times maintain insurance on the Collateral and shall promptly deliver to the Secured Party true copies of all reports made to insurance companies. The Debtor hereby irrevocably makes, constitutes, and appoints the Secured Party (and all officers, employees, or agents designated by the Secured Party), upon and during the continuance of an Event of Default, but subject to Section 23, below, as its true and lawful attorney-in-fact and agent, with full power of substitution, such that the Secured Party

shall have the right and authority, to make and adjust claims under such policies of insurance, receive and endorse the name of the Debtor on, any check, draft, instrument or other item of payment for the Proceeds of such policies of insurance and make all determinations and decisions with respect to such policies of insurance. The Debtor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable. Without waiving or releasing any of the Debtor's obligations under this Agreement, the Secured Party may (but shall not be required to) at any time or times upon and during the continuance of an Event of Default take such actions with respect thereto as the Secured Party deems advisable. All sums disbursed by the Secured Party in connection therewith (including, but not limited to, reasonable attorneys' and paralegals' fees and disbursements, court costs, expenses and other charges relating thereto) shall be payable on demand, and until paid by the Debtor to the Secured Party, with interest thereon at the rate of interest then accruing under the Note, shall be additional Secured Obligations under this Agreement secured by the Collateral.

11. Maintenance of Records and Equipment.

(a) The Debtor will keep and maintain at its own cost and expense satisfactory and complete records of its Collateral, including, but not limited to, the originals of all documentation (including each contract) with respect thereto, records of all payments received, all credits granted thereon, and all other dealings therewith. The Debtor shall, if requested by the Secured Party, deliver to the Secured Party copies of all documents evidencing its Collateral and copies of such other documents relating thereto as the Secured Party may reasonably request. If the Secured Party so directs after the occurrence and during the continuance of an Event of Default, the Debtor shall legend, in form and manner reasonably satisfactory to the Secured Party, any Collateral, as well as books, records and documents of the Debtor evidencing or pertaining to the Collateral with an appropriate reference to the fact that the Collateral has been assigned to the Secured Party and that the Secured Party has a security interest therein.

(b) The Debtor shall keep and maintain each item of Equipment in good operating condition, ordinary wear and tear excepted, and the Debtor shall provide all maintenance and service and all repairs, necessary for such purpose.

12. Limitations on Dispositions of Inventory and Equipment. The Debtor shall not sell, transfer, lease or otherwise dispose of any of the Inventory or Equipment, or attempt, offer or contract to do so, except for (a) dispositions of Inventory in the ordinary course of business, (b) so long as no Event of Default has occurred, the disposition of obsolete or worn out Equipment in the ordinary course of business, and (c) dispositions otherwise permitted under the Note or the Loan Agreement.

13. Protection of Collateral; Reimbursement. All insurance expenses and all expenses of protecting, storing, warehousing, insuring, handling, maintaining, and shipping any Collateral, any and all excise, property, sales, use, or other taxes imposed by any state, federal, or local authority on any of the Collateral, or in respect of the sale thereof, or otherwise in respect of the Debtor's business operations which, if unpaid, could result in the imposition of any Lien upon the Collateral, shall be borne and paid by the Debtor. If, after notice to the Debtor, the Debtor fails to promptly pay any portion thereof when due, except as may otherwise be permitted under this Agreement or under any of the other Loan Documents, the Secured Party, at its option, may, but shall not be required to, pay the same. All sums so paid or incurred by the Secured Party for any of the foregoing and any and all other sums for which the Debtor may become liable under this

Agreement and all costs and expenses (including reasonable attorneys' fees, legal expenses, and court costs, expenses and other charges related thereto) which the Secured Party may incur in enforcing or protecting its Liens on or rights and interests in the Collateral or any of its rights or remedies under this Agreement or the Note or in respect of any of the transactions to be had under this Agreement shall be repayable on demand and, until paid by the Debtor to the Secured Party with interest thereon at the rate of interest then accruing under the Note, shall be additional Secured Obligations under this Agreement secured by the Collateral. Unless otherwise provided by law, the Secured Party shall not be liable or responsible in any way for the safekeeping of any of the Collateral or for any loss or damage thereto or for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency, or other Person whomsoever.

14. Inspection; Verification. During regular business hours and after reasonable notice to the Debtor, the Secured Party (by any of its officers, employees, agents, representatives, or designees) shall have the right to inspect the Collateral and to inspect all books, records, journals, orders, receipts, or other correspondence related thereto (and to make extracts or copies thereof as the Secured Party may desire) and to inspect the premises upon which any of the Collateral is located for the purpose of verifying the amount, quality, quantity, value, and condition of, or any other matter relating to, the Collateral.

15. Status of Collateral. The Debtor agrees to advise the Secured Party promptly, in sufficient detail, of any event which could have a Material Adverse Effect on the value of the Collateral or on the security interests granted to the Secured Party herein.

16. Secured Party Not Liable; Waivers.

(a) The powers conferred on the Secured Party hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Debtor for any act or failure to act, except for its own gross negligence or willful misconduct.

(b) Except as otherwise provided in this Agreement, THE DEBTOR HEREBY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW:

(i) all damages occasioned by such taking of possession except any damages which are the direct result of the Secured Party's gross negligence or willful misconduct;

(ii) all other requirements as to the time, place and terms of sale or other requirements with respect to the enforcement of the Secured Party's rights hereunder; and

(iii) all rights of redemption, appraisement, valuation, stay, extension or moratorium now or hereafter in force under any applicable law in order to prevent or delay the enforcement of this Agreement or the absolute sale of the Collateral or any portion thereof, and the Debtor for itself and all who may claim under it, insofar as it or they now or hereafter lawfully may, hereby waives the benefit of all such laws.

Any sale of, or the grant of options to purchase, or any other realization upon, any Collateral shall operate to divest all right, title, interest, claim and demand, either at law or in equity, of the Debtor therein and thereto, and shall be a perpetual bar both at law and in equity against the Debtor and against any and all persons claiming or attempting to claim the Collateral so sold, optioned or realized upon, or any part thereof, from, through and under the Debtor.

17. Authority to Execute Transfers. Without limitation of any authorization granted to the Secured Party hereunder, the Debtor also hereby authorizes the Secured Party, upon the occurrence and continuance of an Event of Default beyond any applicable grace or cure period, to execute, in connection with the exercise by the Secured Party of its remedies hereunder, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

18. Performance by Secured Party of the Debtor's Obligations. If the Debtor fails to perform or comply with any of its agreements contained herein and the Secured Party shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of the Secured Party and any guarantor incurred in connection with such performance or compliance, together with interest thereon at the rate of interest then accruing under the Note, shall be payable by the Debtor to the Secured Party or the guarantor, as applicable, on demand and shall constitute Secured Obligations secured hereby. The Secured Party will notify the Debtor as soon as it is practicable of any action taken by it of the nature referred to herein.

19. Reinstatement. The provisions of this Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against the Debtor for liquidation or reorganization, should the Debtor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Debtor's assets or should any other financial impairment occur, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. If any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

20. Termination of Security Interest; Release of Collateral. Upon the payment in full of all Secured Obligations: (a) the security interests and licenses granted to the Secured Party under this Agreement shall terminate, (b) all rights to the Collateral shall revert to the Debtor, (c) the Secured Party will, at the Debtor's expense, execute and deliver to the Debtor such documents as the Debtor may reasonably request to evidence the termination of such security interests and the release of such Collateral, and (d) this Agreement shall be terminated, and the Debtor shall have no further liabilities or obligations thereunder (except any liabilities and/or obligations which under the terms of this Agreement survive termination of such agreements). Upon the written request of the Debtor, the Secured Party shall also release from the security interest hereof Equipment sold pursuant to the provisions of Section 12 above.

21. Events of Default. Any of the following is an Event of Default under this Agreement:

(a) the occurrence of an Event of Default beyond any applicable cure or grace period under the Loan Agreement or the Loan Documents; or

(b) the occurrence of any Event of Default under any loan documents evidencing and/or securing any other obligation owed by Borrower, an Affiliate or any Guarantor to Lender.

22. Remedies. Upon and during the continuance of an Event of Default, the Secured Party has all the rights and remedies set forth in this Agreement and any additional rights to which a secured party is entitled under the UCC (including, without limitation, foreclosure and secured party sale), at law or in equity. Without limiting the generality of the foregoing, upon the occurrence of an Event of Default (unless appropriately waived in writing in accordance with this Agreement), the Secured Party may, in the Debtor's or the Secured Party's name: (a) demand payment on any Collateral, (b) enforce payment on any Collateral, by legal proceedings or otherwise, (c) exercise all of the Debtor's rights and remedies with respect to the Collateral and the collection on any Collateral, (d) settle, adjust, compromise, extend, or renew any Collateral, (e) settle, adjust, or compromise any legal proceedings brought to collect on any Collateral, (f) if permitted by applicable law, sell or assign any Collateral upon such terms, for such amounts, and at such time or times as the Secured Party deems advisable, (g) discharge and release any Collateral, (h) take control, in any manner, of any Collateral and any item of payment or Proceeds relating to any Collateral, (i) prepare, file, and sign the Debtor's name on a proof of claim in bankruptcy or similar document against any Account Debtor, or (j) endorse the name of the Debtor upon any Collateral and upon any of the items of payment or Proceeds relating to any Collateral and deposit the same to the account of the Secured Party on account of the Secured Obligations. Without limiting the generality of the foregoing, the Secured Party may:

(a) personally, or by agents or attorneys, immediately retake possession of the Collateral or any part thereof, from the Debtor or any other person who then has possession of any part thereof with or without notice or process of law, and for that purpose may enter upon the Debtor's premises where any of the Collateral is located and remove the same and use in connection with such removal any and all services, supplies, aids and other facilities of the Debtor;

(b) instruct the obligor or obligors on any agreement, instrument or other obligation (including, without limitation, the Accounts) constituting the Collateral to make any payment required by the terms of such instrument or agreement directly to the Secured Party;

(c) sell, assign or otherwise liquidate, or direct the Debtor to sell, assign or otherwise liquidate, any or all of the Collateral or any part thereof, and take possession of the proceeds of any such sale or liquidation;

(d) withdraw any or all monies, securities and/or instruments from any Collateral for application to the Secured Obligations;

(e) instruct (or, as defined and used in the UCC, give instructions to) any issuer, obligor, broker, custodian, depository, securities or other intermediary or bailee in respect of any Collateral to, as determined by the Secured Party, sell, convert, exchange, make any payment on, or otherwise deal with such Collateral and to deliver, disburse, deliver control or otherwise transfer such Collateral or the Proceeds thereof to the Secured Party; and

(f) take possession of the Collateral or any part thereof, by directing the Debtor in writing to deliver the same to the Secured Party at any place or places reasonably designated by the Secured Party, in which event the Debtor shall at its own expense:

(i) forthwith cause the same to be moved to the place or places so reasonably designated by the Secured Party and there delivered to the Secured Party,

(ii) store and keep any Collateral so delivered to the Secured Party at such place or places pending further action by the Secured Party, and

(iii) while the Collateral shall be so stored and kept, provide such guards and maintenance services as shall be necessary to protect the same and to preserve and maintain them in good condition;

it being understood that the Debtor's obligation so to deliver the Collateral is of the essence of this Agreement and that, accordingly, upon application to a court of equity having jurisdiction, the Secured Party shall be entitled to a decree requiring specific performance by the Debtor of said obligation.

23. Additional Remedies. Upon the occurrence and during the continuance of an Event of Default beyond any applicable grace or cure period, to the extent permitted by applicable law and in addition to any other right or remedy provided for in this Agreement, the Secured Party shall have each of the following rights and remedies:

(a) General Rights and Remedies. The Secured Party shall have all of the rights and remedies of a secured party under the UCC or under other applicable law, and the Secured Party shall have all other legal and equitable rights to which the Secured Party may be entitled, all of which rights and remedies shall be cumulative, and none of which shall be exclusive, to the extent permitted by law, in addition to any other rights or remedies contained in this Agreement or in the Loan Agreement.

(b) Possession of Collateral. The Secured Party shall have the right to take immediate possession of the Collateral and all Proceeds relating to such Collateral and: (i) require the Debtor, at the Debtor's expense, to assemble the Collateral and make it available to the Secured Party at the Debtor's principal place of business or at such other location(s) designated by the Secured Party or (ii) enter any of the premises of the Debtor or wherever any Collateral shall be located and to keep and store the same on such premises until sold. If the premises on which the Collateral is located is owned or leased by the Debtor, then the Debtor shall not charge the Secured Party for storage of such Collateral on such premises for a period of at least thirty (30) days after the date on which the Secured Party enters onto such premises and takes possession of the Collateral.

(c) Foreclosure of Liens. The Secured Party shall have the right to foreclose the Liens created under this Agreement or under any other agreement relating to the Collateral.

(d) Disposition of Collateral. The Secured Party shall have the right to sell or to otherwise dispose of all or any Collateral in its then condition, or after any further manufacturing or processing thereof, at public or private sale or sales, wholesale dispositions, or sales pursuant to one or more contracts, with such notice as may be

required by law, in lots or in bulk, for cash or on credit, all as the Secured Party, in its discretion, may deem advisable. The Debtor acknowledges and covenants that ten (10) days' written notice to the Debtor of any public or private sale or other disposition of Collateral shall be reasonable notice thereof, and such sale shall be at the Debtor's premises or at such other locations where the Collateral then is located, or as otherwise determined by the Secured Party. The Secured Party shall have the right to conduct such sales on the Debtor's premises, without charge therefor, and such sales may be adjourned from time to time in accordance with applicable law without further requirement of notice to the Debtor, and the Debtor shall permit the Secured Party to conduct a sale or sales from such premises at any time and from time to time and permit purchasers and prospective purchasers access to such premises and the Collateral for the purposes of inspecting, bidding, removal of Collateral and other activities incident to such sale. The Secured Party shall have the right to bid or credit bid at any such sale on its own behalf.

(e) Notification of Account Debtors. The Secured Party shall have the right to notify Account Debtors and other Persons indebted to the Debtor of the Secured Party's interest in any such amounts payable to the Debtor, to instruct such Account Debtors and other Persons to remit such amounts directly to the Secured Party, and, upon collection of the same, to apply same to the Secured Obligations.

Without limiting the generality of any remedies of the Secured Party set forth herein or in the Loan Agreement or in any other agreement between the Debtor and the Secured Party, the Debtor acknowledges and agrees that the Secured Party may at any time after the occurrence and during the continuance of an Event of Default, take any and all actions that the Secured Party deems necessary or appropriate to maintain or continue the operation of the Tropical Smoothie franchise located at the Property (as defined in the Loan Agreement), including but not limited to (i) operating the franchise itself or through Franchisor or any affiliate, area developer, franchisee or other operator approved by Franchisor (each, a "Designee"), and/or (ii) transferring all assets, including the Franchise Agreement, used in connection with such franchise located at the Property to Franchisor or any Designee of Franchisor, and the Debtor hereby consents to any such actions taken by Lender. Upon the occurrence of an Event of Default, the Secured Party will consult with Franchisor and any other guarantor of the Loan to determine what actions are deemed necessary or appropriate to maintain or continue the operation of the Tropical Smoothie franchise located at the Property.

24. Cross-Collateral. All Loans by the Secured Party to the Debtor or an Affiliate under the Loan Agreement or any other loan agreement between such parties constitute one transaction, and all Indebtedness and the Obligations of the Debtor or an Affiliate to the Secured Party under this Agreement, the Loan Agreement, the Loan Documents or any other loan agreement, present and future, constitute one obligation secured by the Collateral and by any other security held and to be held by the Secured Party hereunder and by virtue of all other assignments and security agreements between the Debtor and the Secured Party now and hereafter existing, as may be amended, restated, supplemented, extended or removed.

25. Binding Effect; Assignment. This Agreement shall become effective when it has been executed by the Debtor and by the Secured Party and thereafter shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective successors and assigns.

26. Governing Law; Consent to Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF GEORGIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS AND SHALL BE DEEMED TO HAVE BEEN EXECUTED IN THE STATE OF GEORGIA; PROVIDED THAT THE LAWS OF ANY OTHER STATE IN WHICH COLLATERAL IS LOCATED SHALL GOVERN THE PERFECTION OF THE SECURITY INTEREST THEREIN CREATED HEREBY. DEBTOR HEREBY AGREES TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN FULTON COUNTY, GEORGIA. DEBTOR CONSENTS THAT ALL SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL OR HAND DELIVERY DIRECTED TO DEBTOR AND SECURED PARTY AT THEIR ADDRESSES SET FORTH IN THE LOAN AGREEMENT AND ON THE SIGNATURE PAGES TO THE LOAN DOCUMENTS, RESPECTIVELY, AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED THREE (3) BUSINESS DAYS AFTER THE SAME SHALL HAVE BEEN DEPOSITED IN THE U.S. CERTIFIED MAIL, POSTAGE PREPAID. DEBTOR WAIVES ANY OBJECTION TO JURISDICTION OVER THE PERSON OR, TO THE EXTENT OF COMPLIANCE WITH THE IMMEDIATELY PRECEDING SENTENCE, SUFFICIENCY OF PROCESS OR SERVICE UPON DEBTOR.

27. Severability of Provisions; Captions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. The several captions to sections and subsections herein are inserted for convenience only and shall be ignored in interpreting the provisions of this Agreement.

28. Entire Agreement. This Agreement, the Loan Agreement and the Loan Documents referred to in or otherwise contemplated by this Agreement set forth the entire agreement of the parties as to the transactions contemplated by this Agreement.

29. JURY TRIAL WAIVER. THE DEBTOR AND THE SECURED PARTY HEREBY IRREVOCABLY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE NOTE OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT OR THE NOTE AND THE RELATIONSHIPS THEREBY ESTABLISHED. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including, without limitation, contract claims, tort claims, breach of duty claims, and all other statutory and common law claims. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS OF THIS AGREEMENT. In the event of litigation, this provision may be filed as a written consent to a trial by the court.

30. Further Assurances. In connection with any assignment or transfer of all or any portion of the Obligations or Collateral by the Secured Party to any other person or entity, and such other person or entity shall thereupon become vested with all the rights in respect of such Obligations or Collateral, the Debtor agrees to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered any and all other agreements, documents or instruments requested by the Secured Party and/or its assignee or transferee.

31. Counterparts; Facsimile or Scanned Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same Agreement. The parties hereto agree that the

delivery of this Agreement by facsimile or emailed pdf files of scanned copies bearing their respective signatures shall be sufficient and binding upon them as if this Agreement were delivered with original signatures.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Security Agreement to be executed by their respective officers and agents thereunto duly authorized, as of the date first above written.

SECURED PARTY:

BIP FRANCHISE FINANCE, LLC,
a Delaware limited liability company

By:_____
Name:_____
Title:_____

DEBTOR:

_____,
a _____

By:_____
Name:_____
Title:_____

SCHEDULE 6

Location of Debtor's Chief Executive Office:

Debtor's U.S. Federal Tax I.D. Number:

Collateral Locations:

[chief executive office]

[list stores]

EXHIBIT N-3 TO THE DISCLOSURE DOCUMENT

FINANCING PROGRAM DOCUMENTS

FORM OF GUARANTY

GUARANTY

THIS GUARANTY ("Guaranty"), dated as of _____, 20__, is made by _____ (the "Guarantor"), in favor of BIP Franchise Finance, LLC, a Delaware limited liability company, and its successors and assigns ("Lender").

WHEREAS, Guarantor owns _____ percent (_____%) of the issued and outstanding common membership interests/shares of _____, a _____ ("Borrower");

WHEREAS, Lender has made a loan to Borrower in the original principal amount of _____ and ___/100 Dollars ($_____) (the "Loan"), as evidenced by a Promissory Note issued by Borrower and payable to the order of Lender, dated as of _____, 20___ (the "Note"); and

WHEREAS, in consideration of Lender making the Loan to Borrower, Lender requires that Guarantor guarantee the Obligations (as defined below) of Borrower under the Note in accordance with the terms of this Guaranty.

NOW, THEREFORE, in consideration of the foregoing promises and in order to induce Lender to make the Loan, Guarantor hereby agrees as follows:

SECTION 1. Guaranty. Guarantor hereby guarantees the full and prompt payment and performance when due, whether upon the occurrence of an Event of Default or earlier by reason of acceleration or otherwise, and at all times thereafter of (i) all Indebtedness, liabilities and obligations of every kind and nature of Borrower to Lender, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, joint or several, now or hereafter existing, or due or to become due, and howsoever owed, held, or acquired by Lender, (ii) all of Borrower's indebtedness, liabilities and obligations under any of the documents listed in **Exhibit A** (collectively, the "Agreements"), and (iii) all expenses (including reasonable attorneys' fees) incurred by Lender in enforcing any rights under this Guaranty (all such indebtedness, liabilities, obligations and expenses collectively referred to herein as the "Obligations").

SECTION 2. Guaranty Absolute. Guarantor guarantees that the Obligations will be paid and performed strictly in accordance with the terms of the Agreements, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any such terms or the rights of Lender with respect thereto. The liability of Guarantor under this Guaranty shall be absolute and unconditional irrespective of:

(i) Any lack of validity or enforceability of any of the Agreements, or any other agreement or instrument evidencing all or any part of the Obligations;

(ii) the absence of any attempt to collect the Obligations from Borrower or Guarantor or other action to enforce the same;

(iii) the waiver or consent by Lender with respect to any provision of any document evidencing the Obligations, or any part thereof, or any other agreement now or hereafter executed by Borrower and delivered to Lender and any modification thereof;

(iv) failure by Lender to take any steps to perfect and maintain its security interest in, or preserve its rights to, any security or collateral for the Obligations;

(v) Lender's election in any proceedings instituted under Chapter 11 of Title 11 of the United States Code (11 U.S.C. § 101 et seq.) (the "Bankruptcy Code"), or the application of Section 1111(b)(2) of the Bankruptcy Code; or

(vi) any borrowing or grant of a security interest under Section 364 of the Bankruptcy Code.

SECTION 3. Waiver; Guaranty of Collection. Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of receivership or bankruptcy of Borrower, protest or notice with respect to the Obligations and all demands whatsoever, and covenants that this Guaranty will not be discharged, except by complete performance of the Obligations contained herein or as otherwise provided herein. Lender shall have the exclusive right to determine the application of payments and credits, if any, from the Guarantor, Borrower or from any other person on account of the Obligations or of any other liability of Guarantor to Lender.

SECTION 4. Subrogation. Until irrevocable payment in full of the Obligations (i) Guarantor shall not have any right of subrogation and hereby waives any right to enforce any remedy which Lender now has or may hereafter have against Borrower or any endorser or any other guarantor of all or any part of the Obligations, and (ii) Guarantor hereby waives any benefit of, and any right to participate in, any security or collateral given to Lender to secure payment of the Obligations or any other liability of Borrower to Lender. Guarantor further agrees that any and all claims of Guarantor against Borrower or any endorser or any other guarantor of all or any part of the Obligations, or against any of their respective properties, arising by reason of any payment by any of the Guarantors to Lender pursuant to the provisions hereof, shall be subordinate and subject in right of payment to the prior payment, in full, of all principal and interest, all costs of collection (including reasonable attorneys' fees) and any other liabilities or obligations owing to Lender by Borrower which may arise either with respect to or on any note, instrument, document, item, agreement or other writing heretofore, now or hereafter delivered to Lender. Guarantor also waives all setoffs and counterclaims (other than compulsory counterclaims or defenses that have not been waived) and all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty. Guarantor further waives all

notices of the existence, creation or incurring of new or additional indebtedness, arising either from additional equity investments in or loans extended to Borrower or otherwise, and also waives all notices that the principal amount, or any portion thereof, and/or any interest on any instrument or document evidencing all or any part of the Obligations is due, notices of any and all proceedings to collect from the maker, any endorser or any other guarantor of all or any part of the Obligations, or from anyone else, and, to the extent permitted by law, notices of exchange, sale, surrender or other handling of any security or collateral given to Lender to secure payment of the Obligations.

SECTION 5. Financial Condition of Borrower. Guarantor hereby assumes responsibility for keeping informed of the financial condition of Borrower and of all circumstances bearing upon the risk of nonpayment of the Obligations or any part thereof that diligent inquiry would reveal, and Guarantor hereby agrees that Lender shall not have any duty to advise Guarantor of information known to Lender regarding such condition or any such circumstances. If Lender, in its sole discretion, undertakes at any time or from time to time to provide any such information to Guarantor, Lender shall not be under any obligation (i) to undertake any investigation not a part of its regular business routine, (ii) to disclose any information which, pursuant to accepted or reasonable commercial finance practices, Lender wishes to maintain confidential or (iii) to make any other or future disclosures of such information or any other information to Guarantor.

SECTION 6. Marshaling of Assets. Guarantor consents and agrees that Lender shall not be under any obligation to marshal any assets in favor of Guarantor or against or in payment of any or all of the Obligations. Guarantor further agrees that, to the extent that Borrower makes payments to Lender, or Lender receives any proceeds of Collateral, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to Borrower, their estates, trustees, receivers or any other party, including, without limitation, Guarantor, under any bankruptcy law, state or federal law, common law or equitable cause, then to the extent of such payment or repayment, the Obligations or part thereof which has been paid, reduced or satisfied by such amount shall be reinstated and continued in full force and effect as of the date such initial payment, reduction or satisfaction occurred.

SECTION 7. Amendments, Etc. No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed by Lender and Guarantor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 8. Addresses for Notices. All notices and other communications provided for hereunder must be in writing and delivered (i) if to Guarantor, to the address set forth on the signature page of this Guaranty, and (ii) if to Lender, _____, Attn:_____. All communications hereunder shall be in writing and shall be deemed given upon the earlier of receipt, one (1) Business Day after being sent by facsimile transmission or by reputable overnight courier, or three (3) Business Days after being sent by certified mail. Each party, by notice so given, may specify a different notice address. Any notice of change of address shall be effective only upon receipt.

SECTION 9. No Waiver; Remedies. No failure on the part of Lender to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, and no single or partial exercise by Lender of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right; nor shall any modification or, waiver of any of the provisions of this Guaranty be binding upon Lender, except as expressly set forth in a writing duly signed and delivered by an authorized officer or agent of Lender on behalf of Lender. Lender's failure at any time or times hereafter to require strict performance by Borrower or Guarantor of any of the provisions, warranties, terms and conditions contained in any promissory note, security agreement, agreement, guaranty, instrument or document now or at any time or times hereafter executed by Borrower or Guarantor and delivered to Lender shall not waive, affect or diminish any right of Lender at any time or times hereafter to demand strict performance thereof and such right shall not be deemed to have been waived by any act or knowledge of Lender, its agents, officers or employees, unless such waiver is contained in an instrument in writing signed by an officer or agent of Lender and directed to Borrower specifying such waiver. No waiver by Lender of any default or Event of Default shall operate as a waiver of any other default or the same default or Event of Default on a future occasion, and no action by Lender permitted hereunder shall in any way affect or impair Lender's rights or the obligations of Guarantor under this Guaranty. Any determination by a court of competent jurisdiction of the amount of any principal and/or interest owing by Borrower to Lender shall be conclusive and binding on Guarantor irrespective of whether the undersigned was a party to the suit or action in which such determination was made. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 10. Continuing Guaranty. This Guaranty is a continuing guaranty and shall (i) remain in full force and effect until payment in full of the Obligations and all other amounts payable under the Agreements and this Guaranty, (ii) be binding upon Guarantor, his/her respective successors and assigns, and (iii) inure to the benefit of and be enforceable by Lender and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), Lender may, subject to the provisions of the Agreements, assign or otherwise transfer all or any portion of Borrower's Obligations to Lender held by it to any other person or entity, and such other person or entity shall thereupon become vested with all the rights in respect of such Obligations granted to Lender herein or otherwise, whereupon this Guaranty shall continue to guaranty all of the Obligations to both Lender and such transferee.

SECTION 11. Financial Statements. Each Guarantor shall deliver to Lender within fifteen (15) days after the filing thereof, Guarantor's federal income tax return, along with a personal financial statement, in form and detail reasonably satisfactory to Lender.

SECTION 12. Governing Law. This Guaranty shall be governed by, and construed in accordance with, the laws of the State of Georgia, without regard to principles of conflict of laws and shall be deemed to have been executed in the State of Georgia.

SECTION 13. WAIVER OF JURISDICTION. GUARANTOR HEREBY AGREES TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN FULTON COUNTY, GEORGIA. GUARANTOR CONSENTS THAT ALL SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL OR HAND DELIVERY DIRECTED TO GUARANTOR AND LENDER AT THEIR ADDRESSES SET FORTH IN SECTION 8 HEREOF AND ON THE SIGNATURE PAGES TO THE AGREEMENTS, RESPECTIVELY, AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED THREE (3) BUSINESS DAYS AFTER THE SAME SHALL HAVE BEEN DEPOSITED IN THE U.S. CERTIFIED MAIL, POSTAGE PREPAID. GUARANTOR WAIVES ANY OBJECTION TO JURISDICTION OVER THE PERSON OR, TO THE EXTENT OF COMPLIANCE WITH THE IMMEDIATELY PRECEDING SENTENCE, SUFFICIENCY OF PROCESS OR SERVICE UPON GUARANTOR.

SECTION 14. Severability. If any provision or provisions, or if any portion of any provision or provisions, in this Guaranty is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Guaranty to be illegal, invalid, unlawful, void or unenforceable as written, then such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this Guaranty shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of Guarantor and Lender under the remainder of this Guaranty shall continue in full force and effect.

SECTION 15. Defined Terms. Any capitalized term used in this Guaranty and not specifically defined herein shall have the meaning given to such term in the Agreements.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered as of the date first above written.

_____

Printed Name:_____

Address for Notice:

_____

_____

_____

EXHIBIT A
AGREEMENTS

1. Loan Agreement dated _____, 20___, between Borrower and Lender.

2. Promissory Note dated _____, 20___, in the principal amount of _____ and ___/100 Dollars ($_____) from Borrower to Lender.

3. Security Agreement dated _____, 20___, from Borrower to Lender.

4. All other agreements, instruments and documents now existing or hereafter entered into between Borrower and Lender.

EXHIBIT O TO THE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

TROPICAL SMOOTHIE CAFÉ, LLC

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know TROPICAL SMOOTHIE CAFÉ, LLC ("we" or "us"), and you are preparing to enter into a Franchise Agreement for the operation of a Tropical Smoothie Café® franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **Do not sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document; you should sign and date this Questionnaire the same day you sign the Franchise Agreement.** Please review each of the following questions carefully and provide honest responses to each question.

Yes__No__ 1. Have you received and personally reviewed the Franchise Agreement and each addendum, exhibit or schedule attached to it?

Yes__No__ 2. Did you receive the Franchise Agreement and each related agreement, containing all material terms, at least 7 calendar days before signing any binding agreement with us or an affiliate? (Note: This does not include changes to any agreement arising out of negotiations you initiated with us.)

Yes__No__ 3. Have you received and personally reviewed the Franchise Disclosure Document ("FDD") we provided?

Yes__No__ 4. Did you receive the FDD at least 14 calendar days before signing the Franchise Agreement or any related agreement, or before paying any funds to us or an affiliate?

Yes__No__ 5. Did you sign a receipt for the FDD indicating the date you received it?

Yes__No__ 6. Do you understand all the information contained in the FDD, the Franchise Agreement, and each related agreement and/or addendum?

If No, what parts of the FDD, Franchise Agreement and/or related agreements do you not understand? (Attach additional pages if necessary.)

_____

_____

_____

Yes__No__ 7. Have you reviewed the FDD, Franchise Agreement, and each addendum, exhibit or schedule with a lawyer, accountant or other professional advisor?

____ Yes ____ No (check one) Do you wish to have more time to do so?

Yes__No__ 8. Do you acknowledge and understand that no parent or affiliate of ours promises to back us financially or otherwise guarantees our performance or commits to perform post-sale obligations for us?

Yes__No__ 9. Do you understand the risks of developing and operating a Tropical Smoothie Café® franchise?

Yes__No__ 10. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?

Yes__No__ 11. Do you understand we and our affiliates retain the exclusive, unrestricted right to engage, directly or through others, in the production, distribution and sale of products and services under the Tropical Smoothie Café® name or other mark, through alternative channels of distribution, which may compete with your unit and adversely affect its sales?

Yes__No__ 12. Do you understand that, except where prohibited by the laws of your state, all disputes or claims you may have arising out of or relating to the Franchise Agreement must be litigated in Georgia, if not resolved informally or by mediation?

Yes__No__ 13. Do you understand that you and your manager must satisfactorily complete the initial training course before we will allow the Tropical Smoothie Café® to open? (See Sections 3A.5. and 5.G. of the Franchise Agreement.)

Yes__No__ 14. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Agreement and/or the FDD?

Yes__ No__ 15. Has any employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Tropical Smoothie Café® franchise will generate, that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes__ No__ 16. Have you paid any money to us or our affiliate(s) concerning the franchise opportunity prior to today?

If you answered "Yes" to any one of questions 14–16, please provide a full explanation of each "Yes" answer below. (Attach additional pages if necessary.)

_____

_____

_____

_____

Yes__ No__ 17. Do you understand that the Franchise Agreement (and ancillary agreements and addenda, if any) contains the entire agreement between us and you concerning the franchise for the Tropical Smoothie Café®, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?*

Yes__No__ 18. Do you acknowledge and understand that the Franchise Agreement and related agreements are not effective until signed by us?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

_____ Signature of Franchise Applicant #1 _____ Name (please print) Dated _____	_____ Signature of Franchise Applicant #2 _____ Name (please print) Dated _____
_____ Signature of Franchise Applicant #3 _____ Name (please print) Dated _____	_____ Signature of Franchise Applicant #4 _____ Name (please print) Dated _____

* Nothing contained in this Questionnaire is intended to disclaim the representations we made in the FDD that we furnished to you.

EXHIBIT P TO THE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TROPICAL SMOOTHIE CAFÉ, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

If TROPICAL SMOOTHIE CAFÉ, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit "A" to this disclosure document).

The franchisor is Tropical Smoothie Café, LLC, located at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338. Its telephone number is (770) 821-1900.

We authorize the respective state agencies identified on Exhibit "A" to receive service of process for us if we are registered in the particular state.

Issuance Date: April 20, 2018, as amended July 2, 2018.

The name, principal business address, and telephone number of the franchise sellers offering the franchise are:

Name	Principal Business Address	Telephone Number
Charles Watson, Jennifer Folger, Philip Watson, Austin Sills, Robert Fischer, Cheryl Fletcher, Chris Leavitt, Tom Plauche, Haley Crook	1117 Perimeter Center West, Suite W200, Atlanta, GA 30338	(770) 821-1900
See Exhibit "C" for information on Area Developers (if any) in your area.	See Exhibit "C" for information on Area Developers (if any) in your area.	See Exhibit "C" for information on Area Developers (if any) in your area.

I received a disclosure document dated April 20, 2018, as amended July 2, 2018 (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits:

A	State Agencies and Administrators/Agents for Service of Process	K	Roster of Current and Former Franchisees
B	Form of Franchise Agreement	L	Financial Statements
B-1	Form of Multi-Unit Development Addendum to Franchise Agreement	M	Netsurion Agreement
C	Information About Our Area Developers	N	Form of Financing Program Documents
D	Pre-Authorized Bank Form		N-1 - Loan Agreement
E	OLO Online Ordering Services Agreement		N-2 - Security Agreement
F	Addendum to Lease Agreement/Conditional Assignment of Lease		N-3 Personal Guaranty
G	Operating Manual Table of Contents	O	Franchisee Disclosure Questionnaire
H	Nondisclosure and Noncompetition Agreement	P	Receipts
I	Owners' Guaranty		
J	State Specific Addenda and Riders		

KEEP THIS COPY FOR YOUR RECORDS.

_____ _____

Signature Date

Print Name:_____

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TROPICAL SMOOTHIE CAFÉ, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

If TROPICAL SMOOTHIE CAFÉ, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit "A" to this disclosure document).

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Name	Principal Business Address	Telephone Number
Charles Watson, Jennifer Folger, Philip Watson, Austin Sills, Robert Fischer, Cheryl Fletcher, Chris Leavitt, Tom Plauche, Haley Crook	1117 Perimeter Center West, Suite W200, Atlanta, GA 30338	(770) 821-1900
See Exhibit "C" for information on Area Developers (if any) in your area.	See Exhibit "C" for information on Area Developers (if any) in your area.	See Exhibit "C" for information on Area Developers (if any) in your area.

I received a disclosure document dated April 20, 2018, as amended July 2, 2018. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits:

A State Agencies and Administrators/Agents for Service of Process
B Form of Franchise Agreement
B-1 Form of Multi-Unit Development Addendum to Franchise Agreement
C Information About Our Area Developers
D Pre-Authorized Bank Form
E OLO Online Ordering Services Agreement
F Addendum to Lease Agreement/Conditional Assignment of Lease
G Operating Manual Table of Contents
H Nondisclosure and Noncompetition Agreement
I Owners' Guaranty
J State Specific Addenda and Riders
K Roster of Current and Former Franchisees
L Financial Statements
M Netsurion Agreement
N Form of Financing Program Documents
N-1 - Loan Agreement
N-2 - Security Agreement
N-3 Personal Guaranty
O Franchisee Disclosure Questionnaire
P Receipts

RETURN THIS RECEIPT TO US AT:
TROPICAL SMOOTHIE CAFÉ, LLC
1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338
Tel: 770-821-1900 / Fax: 770-821-1895
E-mail: info@tropicalsmoothie.com

_____ _____
Signature Date
Print Name:_____