FRANCHISE DISCLOSURE DOCUMENT

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC,
a California limited liability company
5565 Greenleaf Ave.
Whittier, California 90601
Telephone: 562-260-6760
E-mail: franchise@trubowl.com or
info@trubowl.com
www.trubowl.com

As a Tru Bowl franchisee, you will operate a fast-casual acai café offering healthy bowls, juices and raw blends, and other healthy superfoods.

The total investment necessary to begin operation of a Tru Bowl franchise business ranges from $204,900 to $331,820. This includes $30,000 which must be paid to the franchisor or its affiliate. The total investment necessary to begin operation of an Area Development Business for two to three outlets ranges from $234,900 to $361,820. This includes $15,000 to $30,000 that must be paid to the franchisor or its affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read 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, franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Dolores Quiroz, 5565 Greenleaf Ave., Whittier, California 90601; 562-260-6760; franchise@trubowl.com or info@trubowl.com.

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

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

Call your state agency or visit your public library for other sources of information on franchising. There may be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 20, 2025

How To Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks To Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with us by mediation, arbitration, and litigation only in California. Out-of-state mediation, arbitration and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate and litigate with us in California than in your own state.

2. **Short Operating History.** The franchisor is at an early state of development and has limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

3. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

4. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

5. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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

MICHIGAN ADDENDUM
TO THE DISCLOSURE DOCUMENT

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

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

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

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

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

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

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

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to: (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards; (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor; (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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 Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, Attn: Katharyn Barron, G. Mennen Williams Building, 525 W. Ottawa Street, 1st Floor, Lansing, Michigan 48913; telephone number (517) 335-7567.

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

FRANCHISE DISCLOSURE DOCUMENT

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

THE FRANCHISOR

The franchisor is TRU BOWL SUPERFOOD BAR FRANCHISE, LLC. For ease of reference in this disclosure document, TRU BOWL SUPERFOOD BAR FRANCHISE, LLC is referred to as "we," "us," or "our" and the person who is considering the franchise is referred to as "you" or "your." If you are a corporation, limited liability company, partnership or other legal entity ("legal entity"), certain provisions of the franchise agreement and any related agreements will apply to your shareholders, members, partners, officers, managers and directors ("principals").

We are a California limited liability company formed on October 23, 2018. We do business under the name "TRU BOWL." Our principal business address is 5565 Greenleaf Ave., Whittier, California 90601. We have not engaged in any other line of business, have not offered franchises in any other line of business, and began offering franchises in May 2019.

Exhibit A contains our agents for service of process.

PARENTS, PREDECESSORS, AND AFFILIATES

Our CEO has operated one business of the type being franchised since August 2011 under DDSZ Inc. d/b/a Thirsteas Fresh Juice and Boba Teas, with a primary business address of 1137 E. Alosta Avenue, Azusa, California 91702. In March 2016, our CEO established our Affiliate, City Dweller's, LLC, with a primary business address of 5565 Greenleaf Ave., Whittier, California 90601, and this Affiliate currently operates the business. Our Affiliate does not engage in any other line of business, has not offered franchises in this line or any other line of business, and does not offer products or services to franchisees.

We do not have a parent or predecessor.

THE FRANCHISE OFFERED

We offer franchises for fast-casual acai and superfood bars under the trademark and trade name TRU BOWL SUPERFOOD BAR (the "Business" or "Franchised Business"). If you purchase a franchise, you will be the owner of the Franchised Business, with your own, hired staff to assist in the operations of the Business. Additional staff may be employed as your Business grows. You will provide these services at your own brick and mortar location.

You must operate the franchised business according to our standards and specifications and sign our standard franchise agreement ("Franchise Agreement").

DEVELOPMENT PROGRAM

We offer and grant the right (the "Development Rights") to develop and operate multiple Tru Bowl Businesses within a certain defined geographic area (a "Development Area") in keeping with a "Development Schedule." We call this opportunity the "Area Development Program." We use our form of Area Development Addendum, and require those seeking to participate in it to sign three Franchise Agreements at the time they chose to participate in the Development Program. The Franchise Agreement used for the first three (3) franchises will be the form of our then-current form Franchise Agreement, on the date the Area Development Addendum is signed. All franchise agreements beyond the first three (3) franchise agreements shall be our then-current form of Franchise Agreement. Under the Area

Development Addendum, we defer the dates the franchisee has to open the Tru Bowl Business for the second and third Tru Bowl Businesses under their Development Schedule. We also agree not to place another Tru Bowl Business in the Development Area during the Development Schedule, provided they are in compliance with the Development Addendum. The current form of Area Development Addendum is attached as Exhibit "B" to this Disclosure Document.

MARKET AND COMPETITION

The market for your Tru Bowl Franchised Business is developing with respect to the segment of the market this franchise serves, quick-service restaurants offering health conscious food and beverage choices. However, the market in general for quick-service restaurants is developed and highly competitive. You will primarily sell your goods and services to the general public who seek prepared, healthy food in a quick-serve setting. The market for your products and services may experience seasonal variations, as sales are stronger in warmer periods. You will compete with businesses, including national, regional and local businesses, offering products and services similar to those offered by your Franchised Business, including other quick-serve restaurants, sit-down restaurants, and supermarkets and other establishments that offer prepared food for on- or off-premises consumption.

INDUSTRY SPECIFIC REGULATIONS

Your business may be subject to various federal, state, and local laws and regulations, including those that (i) establish general standards, specifications, and requirements for the construction, design, and maintenance of restaurant premises, (ii) regulate matters affecting the health, safety, and welfare of your customers, such as general health and sanitation requirements for restaurants, employee practices concerning the storage, handling, cooking, and preparation of food and beverages, restrictions on smoking, availability of and requirements for public accommodations, including restrooms, (iii) set standards pertaining to employee health and safety, (iv) set standards and requirements for fire safety and general emergency preparedness, and (v) regulate the proper use, storage, and disposal of waste, insecticides, and other hazardous materials. You should investigate the application of these laws further. Beyond the foregoing, and depending on the state in which you operate your Tru Bowl Franchised Business, there are no additional laws or regulations specific to the industry.

ITEM 2. BUSINESS EXPERIENCE

PRESIDENT AND CHIEF EXECUTIVE OFFICER – DOLORES QUIROZ-CASTRELLON

Ms. Quiroz-Castrellon has served as our President and Chief Executive Officer since our inception in October 2018. Ms. Quiroz-Castrellon has served as the Owner of DDSZ, Inc. in Azusa, California since August 2011.

VICE PRESIDENT – DAVID CASTRELLON

Mr. Castrellon, Mrs. Quiroz-Castrellon's spouse, has served as our Vice President since our inception in October 2018. Mr. Castrellon has served as President of DDSZ, Inc. in Azusa, California since October 2011.

FOUNDER AND MANAGER OF OPERATIONS – ZACHARY CASTRELLON

Since January 2013, Zachary has served as Assistant Operations Manager for DDSZ, Inc. dba Thirsteas Fresh Juice & Boba Teas in Azusa, CA. Since January 1, 2024, Zachary has served as Manager of Operations, lending focus on the entirety of the Franchise operations; including developing, implementing and enforcing operations to all Corporate and franchise locations.

FOUNDER AND VP OF MARKETING AND OPERATIONS – STEPHEN CASTRELLON

Since January 2013, Stephen has served as Manager of Operations for DDSZ, Inc. dba Thirsteas Fresh Juice & Boba Teas in Azusa, CA. Since January 1, 2024, Stephen has served as VP and Director of Marketing, lending focus on the entirety of the Franchise marketing; including developing, implementing and enforcing to all Corporate and franchise locations marketing strategies.

ITEM 3. LITIGATION

In the Matter of: The Commissioner of Financial Protection and Innovation v. Tru Bowl Superfood Bar Franchise, LLC., doing business as Tru Bowl, In August 2021, the Department of Financial Protection and Innovation ("DFPI") commenced an enforcement action related to the audited financials included in our Franchise Disclosure Document ("FDD") and 2021 application for registration with the DFPI. Unbeknownst to us, the person and company retained to conduct our audit was not properly licensed, in that her and her company's licenses had expired prior to conducting our audit, and were subsequently revoked. Not knowing this, on June 10, 2021, we filed a renewal application for registration with the DFPI. The DFPI found that: (i) our failure to disclose the auditor's lack of licensure was an omission of material fact under the California Franchise Investment Law ("FIL") in violation of section 31200, and (ii) the inclusion of the financial statements in the application was an untrue statement of material fact in violation of Section 31200 of the FIL. To resolve the DFPI's findings, on September 29, 2021, we entered into a Consent Order with the DFPI, wherein we agreed to desist and refrain from violating the FIL, and agreed to pay an administrative penalty of $5,000.

Other than the foregoing, there is no litigation required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

There is no bankruptcy information required to be disclosed in this Item.

ITEM 5. INITIAL FEES

INITIAL FRANCHISE FEE

You must pay us, upon signing the Franchise Agreement, a $30,000 initial franchise fee ("Initial Franchise Fee") to own and operate a Tru Bowl Franchised Business. This fee is uniform, is fully earned when the Franchise Agreement is signed, and is non-refundable.

AREA DEVELOPMENT PROGRAM

If you sign an Area Development Agreement ("ADA") and become an area developer, you will pay us a development fee ("Development Fee") equal to the Initial Franchise Fee of $30,000 plus $15,000 multiplied by the number of additional Businesses to be developed. The number of Businesses required by the Development Schedule will be determined by a number of factors, such as the size of the Development

Territory, the population of the Development Territory, and your financial capacity and expertise in developing businesses. For your first Business, you must sign the Franchise Agreement for this Business at the same time you sign the ADA, and we will apply a portion of the Development Fee to pay the Initial Franchise Fee for this Business in full. For each additional Business you develop, we will apply a pro rata portion of the Development Fee toward the Initial Franchise Fee due, and the balance of the Initial Franchise Fee ($15,000) is payable in a lump sum when you sign that Franchise Agreement. You must sign our then-current Franchise Agreement for each Business. The Development Fee is paid in a lump sum when the ADA is signed, is uniform to all developers currently acquiring development rights, is not refundable and will not be credited against any other fees paid to us or our affiliates. We base our qualifications on whether or not we will also offer you the opportunity to become an area developer based on your financial resources, your experience in the industry, your business experience, as well as your marketing and sales plans.

There are no other payments to or purchases from us or our Affiliate that you must make before your Business opens.

ITEM 6. OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee[1]	0% of Gross Revenue for Months 1-3; 5% of Gross Revenue thereafter	Due monthly by the 10th of the month for the previous month.	"Gross Revenue" means all of your revenue from operating your Franchised Business, but excluding taxes collected from customers and paid to taxing authority, and reduced by the amount of any documented refunds, credits, allowances, and chargebacks the Business in good faith gives to customers, and rebates received from suppliers. Franchise Agreement ("FA") Sec. 1.
Interest[2]	The lesser of 1.5% per month or the highest commercial contract interest rate allowed by law	On demand, if incurred	Amounts not received by us within five days after the due date shall incur interest until payment is received in full. FA Sec. 3.5.
Operations Manual Replacement Fee[3]	$250	As Incurred	Payable to us if you lose or destroy the Operations Manual. FA Sec. 3.7.

Type of Fee	Amount	Due Date	Remarks
Maintenance and Refurbishing of Business[4]	You must reimburse our expenses	As incurred	If, after we notify you, you do not undertake efforts to correct deficiencies in your Business's appearance, then we can undertake the repairs and you must reimburse us. FA Sec. 3.8.
Insufficient Funds	$75	As incurred	Due if you have insufficient funds in your EDTA to cover a payment, or if any other payment instrument you use is rejected for insufficient funds. FA Sec. 3.9.
POS System Fee (currently Square)	$35 per month, plus $2.50 per active employee per month	Monthly	Paid to us.
Technology Fee	$350, subject to increase	Monthly	Paid directly to Providers for electronic menu boards, the loyalty program, and social media services.
Management Fee[5]	$300 per person per day (plus other costs and expenses)	As incurred	Due when we (or a third party) manage your store after your managing owner's death or disability, or after your default or abandonment. FA Secs. 3.11 and 18.6.
Renewal Fee[6]	15% of the Initial Franchise Fee when you signed the initial Franchise Agreement	At time of renewal	FA Sec. 4.2.9.

Type of Fee	Amount	Due Date	Remarks
Additional Training or Assistance[7]	We currently charge $300 per person per day if ongoing training is at our location or $300 per person per day (plus hotel, air fare, and other expenses incurred by our trainer) if ongoing training is at your location	When additional training or assistance begins	We may charge you for training newly hired personnel; for refresher training courses; and for additional or special assistance or training you need or request. For all training sessions, you must pay for your trainees' and representatives' salaries and benefits, and for their travel, lodging, and meal expenses. FA Sec. 8.4.
Repair, Maintenance, and Remodeling and Decorating	At least $10,000	Every fifth year after the execution of the Franchise Agreement upon our request	For purposes of updating your equipment. FA Sec. 10.3. This expenditure is in addition to any maintenance or refurbishment of your Business, as described above.
Local Advertising	At least 2% of Gross Revenue	Monthly	You must spend this amount on local advertising in your region as we may direct from time-to-time. FA Sec. 11.1. Payable to local advertising suppliers.
Brand Fund	1% initially, although we reserve the right to require up to 2% of Gross Revenue	Paid monthly with royalties	Based on Gross Revenue during the previous month. See Item 11 for a detailed discussion about the Brand Fund.
Convention Fee	Not to exceed $5,000	When billed	If we hold a franchisee meeting/convention.
Audit Fee[8]	Cost of inspection plus the amount of the underpayment plus interest	The cost of inspection is due when billed; The underpayment and interest is due immediately.	Due if the audit or any other inspection should reveal that any payments to us have been underpaid. In addition, you shall reimburse us for any and all costs and expenses connected with the inspection (including travel expenses and reasonable accounting and attorneys' fees) if the inspection shows an understatement of 2% or more. FA Sec. 12.6.

Type of Fee	Amount	Due Date	Remarks
Testing of Products or Approval of new Suppliers[9]	Not to exceed $1,000	When billed	This covers the costs of testing new products or inspecting new suppliers you propose to us. FA Sec. 13.1.5.
Insurance	You must reimburse our costs plus a reasonable fee for our obtaining insurance for you	When billed	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us. FA Sec. 15.5.
Transfer Fee[10]	The greater of 30% of the Initial Franchise Fee when you signed the initial Franchise Agreement or 10% of the sale price	At the time of transfer	No charge if Franchise Agreement transferred to an entity you control. FA Sec. 18.2(h).
Transfer Fee (Area Development Agreement)	Reimbursement of our expenses, but not more than $15,000	At the time of transfer	For an approved transfer under the Area Development Agreement. ADA Sec. 9.E.
Indemnification[11]	Between $1 and $1,000,000	As incurred	You must reimburse us if we are held liable for claims from your Business's operation. FA Sec. 21.3.
Cost of Enforcement[12]	All costs, including attorneys' fees, of between $1 and $1,000,000	Upon demand	You must reimburse us for all costs and attorney fees if we are the prevailing party in litigation with you. FA Secs. 22.4 and 23.11; Schedule 3; ADA Sec. 6; Appendix E.
Prohibited Product Fee	$250 per Day	Upon Demand	Payable if you use any unapproved product or service, beginning the day after warning is provided orally or in writing.

Type of Fee	Amount	Due Date	Remarks
Loyalty / Rewards Program Fee	Currently between $45.00 and $105.00, based on the number of customers, and subject to increase of up to 20% per year.	Monthly	Payable to us.
Gift Card Program	$300 Initially, plus $24.95 per month (subject to increase)	Monthly	Required to participate in our gift card program. Includes an initial 125 gift cards.
Mystery Shopper Fee	$150 per Month	Upon Demand	Payable if you are required to participate in a mystery shopper program.
Administrative Fee	$250 per Week	Upon demand	Payable if you receive a written or verbal notification, and require follow-up, and such notification remains unresolved for more than one week.
Liquidated Damages (Area Development Agreement)	$10,000 per undeveloped Business	Within 30 days of termination	Payable if we terminate your Area Development Agreement before the Development Schedule is completed. ADA Sec. 8.E.
Tru Bowl App & Website Online Ordering Platform	Currently, $1,549 up-front fee, $1,549 annual fee, and $129 per month, but subject to increase based on increases from our approved suppliers.	When billed	Payable to our approved suppliers.
3rd Party Platform Integration & Marketing Fee - Otter	Currently, $169 per month, but subject to increase based on increases from our approved suppliers.	Monthly	Payable to our approved supplier for use with Doordash, Uber Eats, and Grub Hub.

We may require that all fees payable to us be paid through an Electronic Depository Transfer Account ("EDTA"). Even if we do not require payment through an EDTA, we reserve the right to charge you an additional fee for the use of any other payment instrument. This additional fee will cover our additional expenses from processing a non-EDTA payment to us or any third party.

Unless otherwise stated, all fees are imposed by, payable to, and collected by us. We mandate several fees for third party services and it is your duty to pay these fees. All fees payable to us are non-refundable. Whether fees paid to third parties are refundable would depend on their policies.

<u>NOTES</u>

[1]Royalty Fee: As a Franchisee, you must pay us a percentage of your sales as compensation for your rights as a Franchisee (the "Royalty"). The Royalty rate is currently scaled between 0% and 5% of your Gross Revenue as calculated per calendar month for the entire term of the Franchise Agreement. The Royalty obligation begins immediately on the first month your Business is open for operation. The Royalty is due and payable monthly on the 10th day of each month, to be paid according to our specifications. If you open the Business for operation on the 25th of the month or any time until the 25th of the next month, then your Business will be deemed to have opened during the immediately following calendar month. For example, if you open your Business on January 26th, then we would consider February as your first month in operation and since there are no Royalties due for your first month, your royalty payments would begin in March for your February Royalty obligation. If your Franchise Agreement is terminated, you must continue Royalty payments for the remaining term of your Franchise Agreement based on the average Gross Revenue earned in the 12-month period immediately preceding termination.

Royalty fees shall be payable to us by direct deposit from your account. See the Direct Deposit Agreement, attached as Schedule 7 of the Franchise Agreement. We reserve the right to change the time and manner of payment at any time upon written notice to you. All Royalty fees are non-refundable.

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

[2]Interest: Interest and late charges begin to accrue on amounts not received within ten days after the due date. In addition to any interest and late charges, you must also pay any damages, expenses, collection costs, and/or reasonable attorney fees we may incur when you do not make the required payments, provided no interest charged shall exceed the maximum legal rate of any local, national, or international authority having jurisdiction over your Business activities.

[3]Operations Manual: All fees for replacement of lost Operations Manuals shall occur only upon a your request.

[4]Maintenance and Refurbishment: We may charge you certain maintenance and refurbishment fees for any work we perform on your behalf to repair or otherwise improve your franchise location, including any repairs or improvements made on our own initiative if you refuse to complete any requested maintenance or refurbishment. The total amount of the maintenance and refurbishment fees that you pay us will vary depending on the labor and material costs of any maintenance and refurbishing performed, as well as any associated costs or losses we may incur due to your failure to maintain or refurbish the location in accordance with our requests.

[5]Management Fee: Management fees will only be charged when one of our employees, or a third party appointed by us, actively controls the day to day management of your Business. The total amount of

Management fees that you owe will be determined by the number of days that it is necessary for us to manage your Business.

[6]Renewal Fee: Renewal fees are due at the time of renewal of the Franchise Agreement.

[7]Training Fees: Training fees may be imposed on you according to our policies.

[8]Audit Fee: We will assess Audit fees against you if you fail to provide us reports, supporting records, or any other information we require under the Franchise Agreement; or if you understate (or if we have reason to believe you understated) required Royalty payments. The total amount of the audit fees that you pay us will vary depending on the cost of the audit itself (for which you will be entirely liable), and whether you have any unpaid Royalties for which you may be penalized in accordance with the Franchise Agreement.

[9]Testing of Products or Approval of New Suppliers: You must obtain our written approval for any product, vendor, supplier, or piece of equipment that you wish to use in the operation of your Business and you will be charged an assessment fee for the examination of any product, vendor, supplier, or piece of equipment submitted to us for approval. This fee will not exceed $1,000 for any single product, vendor, supplier, or piece of equipment you wish to offer, use, and/or substitute in your operation of the Business. We may waive these fees at our sole and absolute discretion if the equipment, products, vendors and/or suppliers you select meet our requirements and are added to our approved list of equipment, products, vendors and/or suppliers for all franchise locations.

[10]Transfer Fee: The term "transfer" means any of the following: the sale of 20% or more of the assets of your franchise; the sale, assignment, or conveyance of 20% or more of your stock, membership interest, membership units, or partnership units of your franchise to any third party; or the placement of your assets, stock, membership interest, partnership units, or membership units of your Business into a business trust. We have to approve a partner or transferee.

[11]Indemnification: You must protect, defend, indemnify, and hold us harmless against any claims, lawsuits, or losses arising out of your operation of the Franchised Business brought by third parties, or any default under the Franchise Agreement. You must pay for any and all damages, legal fees, enforcement or collection costs, and/or any other costs assessed against us in any proceeding related to your Franchised Business to the extent permitted by law, provided that no indemnification fee shall exceed the actual total costs assessed against us.

[12]Cost of Enforcement: Cost of enforcing the Franchise Agreement fees will be levied against you if we prevail against you in any dispute arising out of the Franchise Agreement or the Area Development Agreement. However, the total amount of any fees will vary depending on the value of legal fees, expert witness fees, accountant fees, costs to us or our employees in complying or addressing the dispute, and any travel expenses that we deem necessary to resolve the dispute.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

A. FRANCHISE AGREEMENT

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Initial Franchise Fee[1]	$30,000	$30,000	Lump sum	Upon signing your Franchise Agreement	To us
Travel and Living Expenses While Training	$0	$2,500	As arranged	As incurred	To third party
Real Estate Rent Deposits, Utility Deposits, and Pre-Paid Expenses[2]	$15,300	$21,800	As arranged	As incurred	To third party
Furniture, Fixtures, and Equipment[3]	$29,400	$40,520	As arranged	As incurred	To third party
Leasehold Improvements[4]	$75,000	$150,000	As arranged	As incurred	To third party
Inventory and Supplies[5]	$5,000	$7,000	As arranged	As incurred	To third party
Business Licenses and Permits[6]	$1,500	$3,000	As arranged	As incurred, before lease signing	To third party
Advertising – Grand Opening	$5,000	$8,000	As arranged	As incurred	To third party
Insurance (3 months)	$1,200	$1,500	As arranged	As incurred	To third party
Architectural/Engineering Fees[7]	$1,500	$12,500	As arranged	As incurred	To third party
Subscriptions, Computer and POS System	$1,500	$1,500	As arranged	As incurred	To third party
Signage[8]	$8,000	$10,000	As arranged	As incurred	To third party
Accountant/Attorney Fees[9]	$1,500	$3,500	As arranged	As incurred	To third party
Additional Funds (for three months)[10]	$20,000	$30,000	As arranged	As incurred	To third party
Total Estimated Initial Investment[11]	**$204,900**	**$331,820**			

NOTES

[1]We describe the Initial Franchise Fee in Item 5.

[2]We anticipate that you will rent the Business's premises. We estimate your Franchised Business will contain approximately 900 to 1,200 square feet and will generally be located near colleges, schools, trails, fitness centers, and hospitals. Your location can be freestanding or within a strip mall center. It is possible, however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Business already is constructed or could be constructed. Real estate costs depend on location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying. Because of the numerous variables that affect the value of a particular piece of real estate, this estimated initial investment table does not reflect the potential cost of purchasing real estate.

[3]The furniture, fixtures, and equipment necessary for the operation of a Tru Bowl Business includes all furniture, blenders, sinks, tables, display cases, refrigerators, smallware, and miscellaneous other kitchen items, many of which may be leased. Does not include freight or installation. Based on where the location is geographically, the number will vary.

[4]The cost of leasehold improvements depends upon the condition and size of the premises, the local cost of contract work and the location of the Franchise. The estimated figures include remodeling walls, ceilings, floors, and other construction, including electrical, plumbing and carpentry work. Many locations are built in existing structures, while others are new build-outs. You will incur expenditures in this category if you take over space which was occupied by a prior tenant. It is difficult, if not impossible, to estimate what it might cost to improve existing property. Tenant improvement allowances, if any, paid to you may defray a portion of build-out costs, but our estimate does not include any tenant improvement allowance you may negotiate.

[5]Opening inventory of products and supplies will vary based on expected volume of business and size of storage areas in the premises.

[6]Estimated costs of obtaining required licenses and permits to operate your Business. Some costs may vary depending on the location of the Franchised Business.

[7]The architect will provide architectural services relating to the building.

[8]The cost of signs may vary depending on the type, size, and location of the signs, and may also be affected by municipal restrictions.

[9]We strongly recommend that you engage an attorney and/or an accountant to advise you regarding your purchase of this franchise. Business entity selection and related legal fees include complying with fictitious, assumed, or trade name statutes of the state in which the Business is located. The estimate varies from state to state depending on state law, the prevailing rate of attorneys' fees, and the scope of legal services requested.

[10]You will need capital to support ongoing expenses, such as payroll, utilities, rent, and Royalty payments, if these costs are not covered by sales revenue for your first three months of operation. Our estimate does not include any sales revenue you may generate. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months.

This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

[10]We relied on our Affiliate's experience in operating a similar business since 2011 to compile these estimates.

[11]Leasehold improvements. Inflation, the effects of tariffs, and supply chain delays may impact your overall costs. As of the date of this Disclosure Document, inflation rates, contractor costs and building supplies are at all-time highs, and the impact of tariffs (if implemented) are unknown.

B. AREA DEVELOPMENT AGREEMENT

Expenditure[1]	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Area Development Fee[2]	$15,000 - $30,000	Lump Sum	Upon entering into Area Development Agreement	Us
Initial Investment for Your Initial Franchised Business[3]	**$204,900 - $331,2820**	See Chart 7(A) above.		
Total Estimated Initial Investment	**$219,900 - $361,820**			

[1]**Generally:** The estimates set forth in this Chart 7(B) assume that you will be entering into an Area Development Agreement for the right to open and operate three to five Franchised Businesses within a Development Territory and the cost of opening the first Franchised Business.

[2]**Development Fee:** The Development Fee ranges from $15,000 to $30,000 for three to five Businesses, as explained in Item 5 above.

[3]**Initial Investment for Your Initial Franchised Business:** This figure represents the total estimated initial investment required to open your initial Franchised Business under the Franchise Agreement you must at the same time you sign your Area Development Agreement.

Other than the Development Fee for three to five units, this figure does not include the costs associated with opening a second and subsequent locations which will likely incur additional costs due to factors that we cannot estimate or control, such as inflation, increased labor costs or increased materials costs.

ITEM 8. RESTRICTIONS ON SOURCES OF SERVICES AND PRODUCTS

THE GOODS OR SERVICES REQUIRED TO BE PURCHASED OR LEASED:

Advertising and Marketing

You must use advertising material from us, a vendor that we designate, or we must approve the advertising in writing before its use.

Architectural and Engineering Services

You must purchase architectural and engineering services to assist in your build out. You may purchase these services from any qualified vendor.

Computer Hardware, Software, and POS System

You must purchase computer hardware and software designated by us. The required list of hardware and software is more specifically described in Item 11. You will set up, maintain, and use e-mail capability with an e-mail service designated by us, for the purposes of receiving electronic correspondence from us, other franchisees, and your customers.

Furniture, Fixtures, and Equipment

You must purchase furniture, fixtures, and equipment from a supplier that we designate or subject to our specifications.

Insurance

You must obtain the insurance we require, as set forth below:

General Liability Insurance	$1,000,000	Per Occurrence
	$1,000,000	In the Aggregate
Business Property Insurance	Business Property including any Alterations and Additions insured to 100% of the total replacement cost values	Must include Windstorm and Hail coverage
Business Income/Extra Expense	Actual Loss Sustained for 12 months	
Valuable Papers and Records	$2,500	Per Occurrence
Comprehensive Crime and Employee Dishonesty Insurance	$25,000	Per Occurrence
Money and Securities	$2,500/Inside $5,000/Outside	

Inventory and Supplies

You must purchase inventory and supplies (including acai and sorbets, branded cups, bowls, bags, gift cards, and related items) from an approved supplier or according to our specifications. While the vendors may change periodically, you must use all (and only) approved vendors. If you wish to purchase a product or service that we require you to purchase from an approved supplier from an alternate source, then you must obtain our prior written approval. We may provide our standards and specifications for a given Required Item directly to the Approved Supplier we have designated or otherwise approved as the source for that item/service. We may determine to provide these standards and specifications to an alternative supplier you propose if: (i) we approve the supplier in writing as outlined more fully in this Item; and (ii) the alternative supplier agrees to sign our prescribed form of non-disclosure agreement with respect to any confidential information we disclose.

Leased Location

You will need a site in which to operate the Franchised Business. We furnish site selection guidelines. You must send to us any proposed lease and information we require so we can evaluate the site. The site you propose must be approved by us before you sign the lease. You may lease from any landlord.

Leasehold Improvements

You may purchase leasehold improvements from any supplier but must build out your location according to our specifications.

Signage

You must purchase signage according to our specifications, which may include a vendor designation.

Volume Purchasing and Specifications

Franchisees must use all TB vendors as acquired. Vendors will change periodically to sustain competitive pricing. Approved vendors extend better pricing.

Warranty or Customer Service Requirements

Franchisees make themselves familiar with and implement the TB Guidelines to Customer Service and Upselling: Franchisees are required to make known our JUCED products, to sample them and sell up to 3 cases of each flavor per month.

WHETHER WE OR OUR AFFILIATES ARE APPROVED SUPPLIERS:

We are an approved supplier of advertising material, branded cups, bowls, bags, gift cards, and related items, but not the sole approved supplier of these items. We reserve the right to earn a profit from the sale of advertising materials, and branded cups and bowls, to our franchisees. In our last fiscal year, ending on December 31, 2024, we received $0 revenue from the sale of advertising materials to our franchisees.

OFFICER INTERESTS IN SUPPLIERS:

The following officers have an ownership interest in us: Dolores Quiroz-Castrellon, David Castrellon, Stephen Castrellon, and Zachary Castrellon. None of our officers has an ownership interest in any other approved supplier.

ALTERNATIVE PRODUCTS OR SUPPLIERS:

We do not maintain written criteria for approving new products or suppliers. Therefore, these criteria are not available to you or a proposed supplier. We permit you to purchase alternative products or contract with alternative suppliers if they meet our criteria and are approved by us. You must pay for any costs incurred by us, up to $1,000, to test another product or supplier you propose. If you wish to propose another product or supplier to us, you must submit information regarding the proposed product or supplier that you wish for us to consider in writing. Your request must include sufficient specifications, photographs, drawings, and other information and samples to enable us to determine whether the proposed product or supplier meets our specifications. Your request must also provide confirmation that the supplier is financially sound and carries adequate liability insurance. We will examine the quality of the items and the supplier's ability to supply a sufficient quantity in a timely manner and with good customer service to determine whether to add the supplier to our list of approved vendors. We will notify you within 30 days whether your request for an alternative product or supplier is granted. If we revoke our approval of a product supplier, we will provide written notice to you and you must immediately stop purchasing that product or purchasing from that supplier.

ISSUANCE AND MODIFICATION OF SPECIFICATIONS:

We issue specifications and standards to franchisees or approved suppliers through our Operations Manual or through informational bulletins we issue from time to time.

REQUIRED PURCHASES AS A PROPORTION OF COSTS:

We estimate that approximately 65% of your expenditures for leases and purchases in establishing your Franchised Business will be for goods and services that must be purchased from us, an Affiliate, an approved supplier, or from another party according to our standards and specifications. We estimate that approximately 30% of your expenditures on an ongoing basis will be for goods and services that must be purchased either from us, an Affiliate, an approved supplier or another party according to our standards and specifications. We mandate the provider for purchasing acai and flavored bases, amongst other items.

SUPPLIER PAYMENTS TO US:

Designated suppliers may make payments to us from franchisee purchases. In the last fiscal year, we did not yet receive any supplier rebates but anticipate supplier rebates in the future. If we receive any supplier rebates, there is no restriction on our use of this money.

PURCHASING OR DISTRIBUTION COOPERATIVES:

At this time, we do not have any purchasing or distribution cooperatives.

PURCHASE ARRANGEMENTS:

We may negotiate purchase arrangements with suppliers, including price terms, for the benefit of our franchisees.

MATERIAL BENEFITS:

We do not provide material benefits, such as the grant of an additional or renewal franchise, to you based on your use of a particular supplier. However, when your franchise is up for renewal, to continue your franchise rights, you must be in compliance with your Franchise Agreement, which includes compliance with any supplier standards that are contained in our Operations Manual.

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.

FRANCHISEE'S OBLIGATIONS	SECTION IN FRANCHISE AGREEMENT	SECTION IN AREA DEVELOPMENT AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site selection and acquisition/lease	2 and 5	2, 4	11, 12
b. Pre-opening purchases/leases	5, 13, and 15	2, 4	7, 8, 11
c. Site development and other pre-opening requirements	2, 3, 5, 8, and 10	2, 3, 4	11
d. Initial and ongoing training	8	N/A	11
e. Opening	4, 5, 11, and 13	4	11
f. Fees	3, 4, 8, 10, 11, 12, 13, 15, 18, 21, 22, and 23	3, 8, 9	5, 6, 7, 8, 11
g. Compliance with standards and policies/operating manual	6, 7, 9, 10, and 13	2, 4, 6	8, 11, 14, 16
h. Trademarks and proprietary information	6, 7, and 9	6	13, 14
i. Restrictions on products/ services offered	6 and 13	N/A	8, 16
j. Warranty and customer service requirements	13	N/A	16
k. Territorial development and sales quotas	N/A	4	12
l. Ongoing product/service purchases	13	N/A	8, 11
m. Maintenance, appearance & remodeling requirements	3, 10, and 13	N/A	6
n. Insurance	15	N/A	6, 7, 8
o. Advertising	11	N/A	6, 7, 8, 11
p. Indemnification	21	10	6

FRANCHISEE'S OBLIGATIONS	SECTION IN FRANCHISE AGREEMENT	SECTION IN AREA DEVELOPMENT AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
q. Owner's participation/ management/staffing	8 and 13	N/A	15
r. Records and reports	12	N/A	11
s. Inspections and audits	6 and 12	N/A	6, 11, 13
t. Transfer	18 and 19; Schedule 1	9	6, 17
u. Renewal	4; Schedule 1	N/A	17
v. Post-termination obligations	17, Schedule 2	8	17
w. Non-competition covenants	7, 9, and 17; Schedule 2	6, 8	17
x. Dispute resolution	23, Schedules 2, 3	10	17
y. Liquidated damages	N/A	8	6

ITEM 10. FINANCING

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

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

Except as listed below, TRU BOWL SUPERFOOD BAR FRANCHISE, LLC is not required to provide you with any assistance.

1. Before you open your Franchised Business, we will:

a. Provide an initial training program. This training does not include any professional licenses, certification, or other training you must possess and/or complete before you can operate the Franchised Business. (Section 8.1 of the Franchise Agreement).

b. Provide to you opening assistance and guidance to assist you with any questions you may have in operating and establishing the Franchised Business. (Section 8.2 of the Franchise Agreement).

c. Provide to you, on loan, one copy of the Tru Bowl Operations Manual or provide you with access to an electronic copy of the Operations Manual. The Table of Contents of the Operations Manual, along with number of pages devoted to each section, is included as Exhibit C to this Disclosure Document. (Section 9.1 of the Franchise Agreement). The Operations Manual contains a total of 98 pages.

d. Provide assistance and guidance in establishing prices for products and services. The Operations Manual will provide you with a list of minimum and maximum prices for the sale of the products and services to be offered by you. (Section 9 and 13 of the Franchise Agreement).

2. After the opening of the Franchised Business, we will:

a. Offer you guidance and/or training. We offer you advice and guidance on a variety of business matters, including sales techniques, operational methods, accounting procedures, as well as marketing and sales strategies. (Section 14.1 of the Franchise Agreement).

b. Make available to you ongoing training as we think necessary. (Sections 8.4 of the Franchise Agreement). Ongoing training programs are described later in this Item.

c. Provide you with modifications to the Operations Manual as they are made available to franchisees. (Section 9.2 of the Franchise Agreement).

d. Administer a system-wide Brand Fund.

3. Advertising and Promotion:

a. Each month, you must spend at least 2% of your Gross Revenue on your local advertising, promotions, and public relations in the local area surrounding the Franchised Business,. We may, in our sole discretion, allow you to directly control elements of the local advertising program, including designing your own materials, using your own materials, or designing an advertising program. You may not control your local advertising without first obtaining our express written permission; such permission not to exceed 15 days without the express written extension of our approval. Franchisor shall have the right to review all marketing materials and must be approved by us before their use. (Section 11.1 of the Franchise Agreement).

b. You must spend approximately $5,000 on advertising your Grand Opening at least 60 days prior to your Grand Opening, according to our guidelines. (Section 11.2 of the Franchise Agreement).

c. You are restricted from establishing a presence on, or marketing on the Internet without our written consent. We have an Internet website at the uniform resource locator www.trubowl.com that provides information about the System and about Tru Bowl Businesses. We may provide you with a page on our website, where we will have contact information and pricing for your location. All information posted on Tru Bowl website or any linked webpages must be approved by us before it is posted. We retain the sole right to market on the Internet, including the use of websites, Instagram pages, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. You may be requested to provide content for our Internet marketing and you must follow our intranet and Internet usage rules, policies and requirements. We retain the sole right to use the Marks on the Internet, including on websites, as domain names, directory addresses, search terms and meta-tags, social media pages and in connection with linking, marketing, co-branding and other arrangements. You are restricted from responding to any type of online review unless you obtain our prior written consent. We retain the sole right to approve any linking to, or other use of, the Tru Bowl website. You are not permitted to use a domain name containing "Tru Bowl" in the URL. (Section 11.3 of the Franchise Agreement).

Any websites or other modes of electronic commerce that we establish or maintain, including any mobile applications ("apps") that we may introduce, may — in addition to advertising and promoting the products, programs or services available at Tru Bowl Businesses — also be devoted in part to offering Tru Bowl franchises for sale and be used by us to exploit the electronic commerce rights which we alone reserve.

You are not permitted to promote your Business or use any of the Marks in any manner on any social or networking websites or on the Internet without our prior written consent. We will control all social media initiatives. You must comply with our System standards regarding the use of social media in your Business's operation, including prohibitions on your and the Business's employees posting or blogging comments about the Business or the System, other than on a website established or authorized by us ("social media" includes personal blogs, common social networks like Instagram, Facebook, Google, TikTok, FourSquare and SnapChat, professional networks like LinkedIn, live-blogging tools like Twitter, Instagram, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). You must also sign our Social Media Policy, as provided in the Operations Manual. We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf.

We alone, will be, and will at all times remain, the sole owner of the copyrights to all material which appears on any website we establish and maintain or social media accounts, such as Instagram for your specific location, as indicated in our Social Media Policy.

d. We do not anticipate forming, or approving the formation of, a centralized marketing or advertising fund to which you must contribute.

e. We do not anticipate forming, or approving the formation of, advertising cooperatives.

f. We may, in our discretion, form an advisory council to work with us to improve the System, the products offered by Tru Bowl Businesses, advertising, and any other matters that we deem appropriate. If an advisory council is formed, it will act solely in an advisory capacity, and will not have decision making authority. We will have the right to form, change, merge or dissolve any advisory council. We may develop by-laws for any advisory council.

g. We collected a total of $1,810 for the year 2024. None of these funds were used, but will be used in 2025.

If formed, an advisory council will be comprised of our representatives and franchisee representatives. Franchisee representatives may be selected by us or may be elected by other franchisees in the System. If you participate on an advisory council, you will pay any expenses you incur related to your participation, such as travel and living expenses to attend council meetings.

We maintain a nationwide Brand Fund, into which we require you to contribute 1% of Gross Revenue. We reserve the right to require you to contribute up to 2% of Gross Revenue each month to our system-wide advertising and promotions fund ("Brand Fund"). All franchises will contribute on an equal basis to the Brand Fund. Affiliate- or corporate-owned stores are not required to contribute to the Brand Fund. The Brand Fund will be intended to promote the services of the System. We will administer the Brand Fund and all programs that the Brand Fund finances. We will use the Brand Fund for public relationships and the development and placement of print, electronic media and web-based advertising. We will not use the Brand Fund to solicit prospective franchisees, but we may use the Brand Fund to develop a website and social media platforms. We may use an outside advertising agency to create and place advertising, and handle public relations. The Brand Fund will advertise locally, regionally and nationally, as we decide in our sole discretion, to promote the System. We are not required to spend any amount on advertising in any franchisee's specific territory.

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

4. Computer:

You must lease or purchase and use any hardware and software programs we designate. (Section 12.5 of the Franchise Agreement). The approximate cost of the hardware and software ranges from $1,100 to $1,500. The point of sale system will provide you with the following functions: order tracking, credit card processing, and financial reporting.

You must have a maintenance contract for the point of sale system, which we estimate will cost $185 per month. Neither we nor our affiliates have any obligation to provide ongoing maintenance, repairs, upgrades, or updates for your computer system. There are no contractual limitations on our right to require you to update, upgrade and/or replace your point of sale system. You must maintain your computer systems in good working order and must replace, update, or upgrade your hardware systems as we require.

Independent Access to Information. You must maintain a high speed internet connection to provide us with independent access to the information that will be generated or stored in your computer systems, including customer, transaction, and operational information. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business. There are no contractual limitations on our right to access information concerning your Business and its performance. (Section 12.5 of the Franchise Agreement).

5. Site Selection

You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Business and for constructing and equipping the Business at the approved site. You will select the site for the Business subject to our acceptance and using our site selection criteria. This is the same for single unit franchisee and area developers. Before you lease or purchase the site for the Business, you must locate a site that satisfies our site selection guidelines. You must submit to us in the form we specify a description of the site, including evidence that the site satisfies our site selection guidelines, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site. We have the right to approve deviations from our site selection standards based on the individual factors and components of a particular site.

You must have located and submitted to us, for our review, all information we require regarding the site you propose for your Business no later than 60 days after you have signed the Franchise Agreement. We will have 15 days after we receive all required information and materials from you to approve or disapprove the proposed site as the location for your Business. If we do not provide our specific approval of a proposed site, the site is deemed not accepted. We do not warrant or guarantee that your Business will be successful at any site that we approve. Our approval only means that the site meets our minimum requirements for a Business, subject to any deviation from our standards as we may permit. You must sign the lease or otherwise secure the legal right to occupy the location, meeting all our stated specifications, within 75 days of the signing of the Franchise Agreement.

Our criteria for site selection include: location of the site and its setting (free-standing building, shopping center, shopping mall, downtown location, etc.); availability of parking; visibility from main roads; availability, size and placement of signage; co-tenants in the shopping center or immediate area; accessibility to the site; condition of the premises and how much build-out or construction it will need; proximity to competitive businesses; and availability of utilities. We will use these and other factors in determining the suitability of your proposed site for a Business. We generally do not own the premises and lease it to you. Once the location for your Business has been determined, your Business may not be relocated without our prior written consent. You must provide us with a copy of the signed lease for your Business location.

6. Typical Length of Time Before Operation

We estimate that the time from the Franchise Agreement is signed to the opening of the Restaurant will be approximately four and six months. Factors that may affect your beginning operations include ability to secure permits, zoning and local ordinances, weather conditions, and completing training.

We do not provide assistance with conforming the Business to local ordinances and building codes, obtaining the permits and licenses for the construction and operation of the Business, completing construction or remodeling, and hiring and training your employees. We do not provide assistance with equipment, signs, fixtures, opening inventory or supplies except by providing a list of approved suppliers and through our written specifications. We do not deliver or install these items.

You must open your Franchised Business and be operational within 180 days after signing the Franchise Agreement. If you are unable to open the Business within this timeframe we may, in our sole discretion, provide you with an extension of time. (Section 5.4 of the Franchise Agreement). Time can extend provided franchisee is showing activity.

7. Training

We provide you and up to one additional trainee all training programs that cover material aspects of the operation of the Franchised Business. The topics covered are listed in the chart below. This training is offered on an as needed basis at our headquarters in Whittier, California, or another training center we designate. You must satisfactorily complete the initial training not later than two weeks before the opening of the Franchised Business. If you are a business entity and your manager fails to complete the initial training program to our reasonable satisfaction, you may be permitted to select a substitute manager and the substitute manager must complete the initial training to our satisfaction. You must pay our then-current rates for additional training as well as the substitute manager's expenses for providing the substitute manager an initial training program at our location, or our then-current rates for additional training or training at your location (plus hotel, air fare and other expenses incurred by our trainer).

The time frames provided in the chart are estimates of the time it will take to complete training. We do not charge for the initial training. You must pay for all travel costs and living expenses for yourself and any of your attendees. If you replace your manager, he/she must attend our training program, at your expense. You will be charged for additional training, as provided for in Item 6.

In addition to the initial training program, we may provide you with additional on-site opening assistance for the Grand/Soft Opening of your Business. If you request additional days of assistance related to the opening of your Business, or at any time while you are operating your Business, you must pay our then-current per diem fee for each representative sent to your Business, and you must reimburse each representative's expenses while providing additional assistance to you.

Your Franchised Business must at all times either be under your day-to-day supervision as the Owner/Operator, or by an approved manager who has satisfactorily completed our training program.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Introduction to Tru Bowl	2 hours	0 hours	Whittier, California
Understanding Tru Bowl & its Services	1 hour	0 hours	Whittier, California
Permits and Coding Compliance	1 hour	0 hours	Whittier, California
Operation of the Business	1 hour	80 hours	One-Half in Whittier, California and one-half at your franchised business (over 4-5 days)
Billing and Collections Procedures	1 hour	0 hours	Whittier, California
Regulatory Compliance	1 hour	0 hours	Whittier, California
Bookkeeping	1 hour	0 hours	Whittier, California
Do's and Don'ts	1 hour	0 hours	Whittier, California
Marketing and Advertising	1 hour	0 hours	Whittier, California
Totals	**10 hours**	**80 hours**	

80 hours training- Franchisee to train 40 hours at a Corporate store and We will train 40 hours at your location, 2-3 days prior to soft opening and 2 days after soft opening for a total of 40 hours. All persons attending the initial training program must complete the program to our satisfaction. If you cannot complete the program to our satisfaction, we may terminate the Franchise Agreement. (Section 8.3 of the Franchise Agreement). Note, the hours of training on the above chart may overlap and be provided concurrently, at our discretion. We reserve the right to modify our training program based on the individual needs and/or experience of an individual trainee.

The principal instructional materials will consist of the Operations Manual.

Dolores Quiroz-Castrellon, Stephen Castrellon, and Zachary Castrellon currently oversee the training. Each trainer has at least eight years of experience in the subjects being taught and at least eight years of experience with us or our Affiliate. Other Tru Bowl managers may participate in the training, including on-site training at our affiliate location. Also, we may periodically name additional or substitute trainers.

Periodically, you, your managers and/or employees must attend refresher-training programs to be conducted at a location we designate or by webinar, at our discretion. Attendance at these programs will be at your expense; however, you do not have to attend more than two of these programs in person in any calendar year and these programs will not collectively exceed four full days during any calendar year (including both in person training and webinar training). (Franchise Agreement, Section 8.4).

When we believe it is prudent to do so, we may hold a meeting or convention of our franchisees, and we may state that attendance at the meeting is mandatory. You must pay our then-current fee for the franchisee meeting, and you will pay all travel and living expenses you and your attendees incur while attending the franchisee meeting. We will designate the location of any franchisee meeting, such as a resort hotel, but we will not designate a site outside North America.

ITEM 12. TERRITORY

Franchisees:

You must operate your Business at the specific location identified in your Franchise Agreement. You are awarded a protected marketing territory (the "Territory") that will include a business area that will encompass the lesser of a (4) four-mile radius from your Tru Bowl Franchised Business or (b) a land area with a population of 50,000 people. We reserve the right to grant each franchisee a territory on a case-by-case basis in order to account for the unique features of each geographic marketplace. This shall only apply to single unit franchisees and not area developers. You may not conduct business at any other site or sites other than the approved location as described in your Franchise Agreement. You may not relocate your Business within the Territory without our express written consent. While you must conduct your Business at the approved location, you may also conduct additional activities to sell products and/or provide services (for example at promotional events, charity events, etc.), as long as these events are within your Territory. You may conduct business at off-site events in other geographical areas where there is not a Tru Bowl Business only after providing notice to us and after obtaining our explicit written approval; however, you cannot perform Target Marketing, as described below, outside of your Territory.

There are no minimum sales goals, market penetration, or other contingency you must meet to retain your rights to your Territory. You are not granted a right of first refusal to purchase additional franchises.

We shall approve or deny any request to conduct off-site events (such as at expos, promotional events, charity events, etc.) outside of your Territory within three business days of receipt of your request. Your request and our response to same shall be in writing or by email. If we approve your request to conduct business at off-site events outside the Territory, you must be prepared to immediately lose any accounts or operations you have established in the outside geographical area if and when that area is purchased by any other franchisee, and you shall immediately refrain from conducting any business whatsoever at these off-site events.

We cannot grant any other person or entity the right to locate a Franchise within your Territory during the term of the Franchise Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We have the right to delineate the exact boundaries of your Territory once a primary location is approved by us. We may describe your Territory in terms of street, town or county boundaries, or we may depict your Territory on a map that is attached to your Franchise Agreement. Certain locations, such as major metropolitan areas, may have smaller territories due to the relative density of the populated areas. You may not open your primary location in the Territory for your Business until we grant you our explicit written permission. You may not relocate your Business until we grant you our explicit written consent, which consent will be given at our sole and absolute discretion. We will base any consent on traffic patterns at your proposed new location, a study of the local population, and a review of your lease agreement. We do not require you to pay a relocation fee.

During the term of your Franchise Agreement, your Territory may be altered only by: (i) mutual consent of you and us, in writing and signed by both parties; (ii) at the time of transfer or renewal as a condition to transfer or renew; or (iii) for any default of the Franchise Agreement which triggers our ability to terminate the Franchise Agreement.

The Territory described above will affect where you and other franchisees may solicit business. You are encouraged to directly advertise and market for clients located within your Territory. Regardless of any other rights you may have in the Territory, we maintain the right to service clients and sell services and products to anyone from anywhere at our Affiliate's location without compensation to you. You are prohibited from soliciting and/or marketing products and services outside of your Territory, specifically including Target Marketing within the territory of another Tru Bowl Business (including competing franchises and/or a company/affiliate owned businesses). Target Marketing means a concerted effort by a franchisee to solicit and obtain clients through any type of advertisement or marketing, directed at all or a portion of another franchisee's territory ("Target Marketing"). We will use commercially reasonable efforts to enforce this requirement regarding Target Marketing if you or any other franchisee violates it.

Your Territory is exclusive as long as you comply with the terms of the Franchise Agreement. While the Franchise Agreement is in effect, and while you are not in breach of the Franchise Agreement, we shall not establish either a company-owned franchise nor license any other person or entity to locate a franchise within your Territory. We sell certain products and services through alternative channels of distribution (such as online marketplaces, grocery stores, and the like). However, we will not permit other franchisees, or company-owned outlets to make sales through alternative channels of distribution in your Territory. We reserve the same right to sell products (including shipping products) to anyone from anywhere without compensation to you. You are prohibited from selling similar products and conducting similar services through any alternative channels of distribution without our written approval. You are also prohibited from selling any products at wholesale.

If during the term of the Franchise Agreement you are unable to promptly and properly service any of your customers, you must refer the customers to another franchisee, company-owned Business, or directly to us. If you fail to refer off-site events or customers as required, we will have the right to immediately terminate the Franchise Agreement. For any default of the Franchise Agreement, as an alternative to termination, we may, at our sole and absolute discretion, unilaterally modify or completely eliminate any rights that you may have with respect to the Territory, effective 10 days after delivery of written notice to you. In addition, we may modify, or eliminate completely, the Territory. (Franchise Agreement Section 2.4).

Any rights not expressly granted to you are reserved to us. These rights reserved to us include:

1. Advertise, market, and sell similar products or services outside your Territory;

2. Advertise, offer, and sell products and services through the internet via mobile app and/or other related venues, no matter where the customer is based;

3. Sell, offer, or distribute products or services to anyone from anywhere through any alternative or other channels of distribution other than local businesses providing these products under the Marks and System, and on any terms and conditions we deem appropriate. We retain this right whether or not we are using the Marks or System, or are acting inside or outside your Territory;

4. Develop, manufacture, and/or distribute any labeled products or services that have been branded with our Mark or logo, or any different brand of products or equipment through any outlet located anywhere (including, by way of illustration, discount warehouses, retail stores, online marketplaces, and/or similar venues) and on any terms and conditions we deem appropriate. If we decide to develop and/or distribute products or services, you will receive no compensation from us for sales inside your Territory, unless we have agreed otherwise in another signed writing;

5. Own and/or operate, or authorize others to own and/or operate, (a) any business located outside your Territory, whether or not this business uses the Marks and/or System; (b) any business anywhere, whether or not they shall use the Marks and/or System, which is not substantially similar to the business franchised to you under the Franchise Agreement; and/or (c) any business anywhere which does not use the Marks; and

6. Acquire, merge, affiliate with, or engage in any transaction with other businesses (whether competitive or not), located anywhere, including arrangements in which we are acquired and/or us or our franchised businesses (including your own Business) are converted to another format, or if we acquire a similar business which will be maintained under the System or otherwise. You will fully participate in any conversion related to merger or acquisition, whether initiated by us or a third party, at your expense.

We have not established, and do not presently intend to establish, other franchises or company-owned businesses, except as disclosed in Item 1 of this Franchise Disclosure Document, that offer similar services or products under a trade name or trademark different than the Marks.

Area Developers:

Under the Area Development Agreement, you will develop, open and operate multiple Tru Bowl Businesses within a defined Development Territory (the "Development Territory"). We determine the Development Territory using the same criteria that we use in deciding the Territory for a Business. However, the Development Territory must be able to support the number of Businesses you intend to establish in that area. As a result, the Development Territory generally consists of a portion of a city, county, or designated market area. Your Development Territory will be described in the ADA before you sign it.

As long as you are in compliance with the ADA and all Franchise Agreements, we will not develop or operate, or grant anyone else to develop or operate a Tru Bowl business in your Development Territory. The reserved rights and limitations described above regarding what we and our affiliates can and cannot do in a franchisee's Territory for a single Franchise are generally the same for the Development Territory under the ADA. In addition, we and our affiliates have the right to continue to own and operate, and allow others to own and operate, currently operating Tru Bowl Businesses existing inside your Development Territory as of the date you sign the ADA.

You have no right of first refusal or similar rights to acquire additional franchises or establish additional Businesses that are not in your Development Territory. In addition, you will not be entitled to a right of first refusal for any territories that are immediately adjacent to your own which are not in your Development Territory. If you wish to obtain an additional location, it must be included in your Development Schedule and you must sign a separate Franchise Agreement for the location.

Upon expiration or termination of the ADA, we will be entitled to develop and operate, or to franchise to others the right to develop and operate, Tru Bowl Businesses in the Development Territory, except these other Businesses may not infringe on any Territory granted to you under any Franchise Agreement.

We may terminate the ADA if you: (i) fail to comply with the Development Schedule; (ii) make or attempt to make a transfer or assignment in violation of the ADA; (iii) fail to comply with any terms and conditions of the ADA; or (iv) fail to comply with any terms and conditions of any individual Franchise Agreement or any other agreement to which you and we or our affiliates are parties, and do not cure the failure within the applicable cure period (regardless of whether we in fact terminate the Franchise Agreement or any other agreement). For any default of the ADA, as an alternative to termination, we may, at our sole and absolute discretion: (i) modify or completely eliminate any territorial rights that you may have with respect to your Development Territory and either operate or grant others to operate businesses within the Development Territory; or (ii) reduce the Development Territory and Development Schedule to a size and magnitude that we estimate you are capable of operating otherwise in accordance with the ADA (Area Development Agreement, Section 7).

ITEM 13. TRADEMARKS

You receive the right to operate your business under the name "Tru Bowl Superfood Bar," which is the primary Mark used to identify our System per the limitations set forth in the Franchise Agreement and/or Operations Manual. You may also use any other current or future Marks to operate your Franchised Business that we designate, including the logo on the front of this Disclosure Document and the service mark listed below. By "Mark," we mean any trade name, trademark, service mark or logo used to identify your business. We have filed for registration of the following Mark in the U.S. Patent and Trademark Office ("USPTO") Principal Register:

MARK	REGISTRATION NUMBER	REGISTRATION DATE	PRINCIPAL OR SUPPLEMENTAL REGISTER OF THE USPTO
TRU BOWL SUPERFOOD BAR	5838697	August 20, 2019	Principal

We intend to file all required affidavits and renewals.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by us. There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark. There are no agreements in effect that significantly limit our right to use or license the use of the Marks in a manner that is material to the franchise.

We know of no infringing or prior superior uses that could materially affect the use of the Marks.

You do not receive any rights to the Marks other than the right to use them in the operation of your Franchised Business. You must follow any rules we establish with relation to the Marks, including notice of your independent ownership of the Business. You must use the Marks as the sole trade identification of the Franchised Business. You cannot use any Mark or portion of any Mark as part of any business entity name. You may not use any Mark in connection with the sale of any unauthorized services or products, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law. Any unauthorized use of the Marks by you is a breach of the Franchise Agreement and an infringement of our rights in the Marks. You must not contest the validity or ownership of the Marks, including any Marks that we license to you after you sign the Franchise Agreement. You must not assist any other person in contesting the validity or ownership of the Marks.

You must immediately notify us in writing when you learn about any claim of infringement, unfair competition, or similar claims about the Marks. You must not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so. however, you may communicate with your own counsel at your own expense. We are not required to take affirmative action when notified of these uses or claims. We have the sole right to control any administrative or judicial proceeding involving a trademark licensed by us. The Franchise Agreement does not require us to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you or if the proceeding is resolved unfavorable to you. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks.

While we are not required to defend you against a claim arising from your use of our Marks, we will reimburse you for all of your expenses incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding. We have the right to control the defense and settlement of any proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel and for expenses in removing signage or discontinuing your use of any Mark. We will not reimburse you for disputes where we challenge your use of a Mark.

If we require, you must modify or discontinue the use of any Mark and use other trademarks or service marks we designate. We do not have to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. If we adopt and use new or modified Marks, you must add or replace equipment, supplies and fixtures, and you must make other modifications we designate as necessary to adapt your Franchised Business for the new or modified Marks. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

You must notify us if you apply for your own trademark or service mark registrations. You must not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any of our Marks.

You may not advertise on the Internet using, or establish, create or operate an Internet site or website using any domain name containing, the words "Tru Bowl" or any variation thereof without our prior written consent.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents are material to the franchise. We own copyrights in the Operations Manual, our website, our marketing materials, training manuals or videos, and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Register of Copyrights. You may use these items only as we specify while operating the Franchised Business and you must stop using them if we direct you to do so.

We know of no effective determinations of the U.S. Copyright Office or any court regarding any of our copyrighted materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

We have developed certain trade secrets and other confidential information, including methods of business management, recipes, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a Tru Bowl Business. We will provide our trade secrets and other confidential information to you during training, in the Operations Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the trade secrets and other confidential information for the purpose of operating your Franchised Business. You may only divulge trade secrets and/or other confidential information to employees who must have access to it to operate the Franchised Business. You must enforce the confidentiality provisions your employees sign.

Certain individuals with access to trade secrets or other confidential information, including your shareholders (and members of their immediate families and households), officers, directors, partners, members, if you are a corporation, limited liability company or other business entity, and your managers, and employees may be required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the independent right to enforce those agreements.

All ideas, concepts, recipes, techniques or materials concerning the Franchised Business and/or the System, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed our sole and exclusive property and a part of the System that we may choose to adopt and/or disclose to other franchisees, and you agree to assign to us all right, title and interest in any intellectual property so developed without additional compensation to you. Likewise, we will disclose to you concepts and developments of other franchisees that we make part of the System. You must also assist us in obtaining intellectual property rights in any concept or development if requested.

Your use of the Operations Manual, trade secrets or other confidential information in an unauthorized manner is a default of the Franchise Agreement that may result in automatic termination of the Franchise Agreement. Further information about termination of the Franchise Agreement following a default is included in Item 17.

You must immediately notify us in writing when you learn about any claim of infringement, unfair competition, or similar claims about the Copyrights. You must not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so. however, you may communicate with your own counsel at your own expense. We are not required to take affirmative action when notified of these uses or claims. We have the sole right to control any administrative or judicial proceeding involving a tradeCopyright licensed by us. The Franchise Agreement does not require us to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a tradeCopyright licensed by us to you or if the proceeding is resolved unfavorable to you. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Copyrights.

While we are not required to defend you against a claim arising from your use of our Copyrights, we will reimburse you for all of your expenses incurred in any legal proceeding disputing your authorized use of any Copyright, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding. We have the right to control the defense and settlement of any proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel and for expenses in removing signage or discontinuing your use of any Copyright. We will not reimburse you for disputes where we challenge your use of a Copyright.

If we require, you must modify or discontinue the use of any Copyright and use other tradeCopyrights or service Copyrights we designate. We do not have to reimburse you for modifying or discontinuing the use of a Copyright or for substituting another tradeCopyright or service Copyright for a discontinued Copyright. If we adopt and use new or modified Copyrights, you must add or replace equipment, supplies and fixtures, and you must make other modifications we designate as necessary to adapt your Franchised Business for the new or modified Copyrights. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Copyright.

You must notify us if you apply for your own tradeCopyright or service Copyright registrations. You must not register or seek to register as a tradeCopyright or service Copyright, either with the USPTO or any state or foreign country, any of the Copyrights or a tradeCopyright or service Copyright that is confusingly similar to any of our Copyrights.

You may not advertise on the Internet using, or establish, create or operate an Internet site or website using any domain name containing, the words "Tru Bowl" or any variation thereof without our prior written consent.

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

You have no obligation to be the direct, full-time, day-to-day Owner Operator of the Business. If you do not choose to run the Business on a personal basis you must employ a full time, on-site Manager or Operator. While you have the right to select any Manager or Operator, we retain the right to accept or reject any proposed individual or entity as the Manager. You must pay the compensation to any individual or entity you contract to act as the Manager of the Business, and you have the sole legal responsibility for any dispute relating to the Manager. We do not require that your Manager have an ownership interest in you, which will be in your discretion. We have the right to require any approved Manager to attend and satisfactorily complete our initial training program before opening the Business or acting as Manager. You must keep us informed at all times of the identity of your Manager. If you must replace the Manager, your replacement Manager must be approved by us within 60 days, and our approval will not be unreasonably withheld. We may also require any replacement Manager to attend and complete our training program at your expense.

As described in Item 14, certain individuals associated with your Franchised Business, including your owners (and members of their immediate families and households), officers, directors, partners, and your managers, and employees may be required to sign nondisclosure and non-competition agreements the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the independent right to enforce the agreements.

If you are a corporation or other business entity, anyone who owns a 5% or greater interest in the entity must personally guarantee the performance of all of your obligations under the Franchise Agreement and agree to be personally liable for your breach of the Franchise Agreement by signing the Unlimited Guaranty and Assumption of Obligations attached to the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all the services and products we specify. You may not sell any services or products that we have not authorized and you must discontinue offering any services or products that we may disapprove. We may take action, including terminating your franchise if you purchase or sell unapproved products or make purchases from unapproved suppliers. We may periodically change required or authorized services or products. There are no limits on our right to make these changes, except that your investment required to change required or authorized products or services will not be unreasonably disproportionate to your initial investment.

Periodically, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based on factors, including test marketing, your qualifications, and regional or local differences. If we allow a Business to offer different products or services based on regional or local differences, we are not required to provide you with a similar variation.

We do not place restrictions on you with respect to who may be a customer of your Franchised Business, except as described in Item 12.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of Franchise Term	FA: Section 4.1 ADA: Section 5	**FA**: The initial term is seven years. **ADA**: Term is the date the last Location is required to be opened according to the Development Schedule.
b. Renewal or Extension of Term	FA: Section 4.2 ADA: N/A	**FA**: You have the right to renew for additional seven year terms.
c. Requirements for Franchisee to Renew or Extend	FA: Section 4.2 ADA: N/A	**FA**: You may renew the Franchise Agreement if you: have fully complied with the

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		provisions of the Franchise Agreement; have made capital expenditures as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us or any of our affiliates; are not in default of any provision of the Franchise Agreement or any other agreement between you and us; have given timely written notice of your intent to renew; sign a current Franchise Agreement, which may have different terms and conditions than your original Franchise Agreement; comply with current qualifications and agree to comply with any training requirements; sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement and pay a renewal fee. You may be asked to sign a contract with materially different terms and conditions than your original contract, but the boundaries of your territory will remain the same, and the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees.
d. Termination by you	FA: Section 16.1 ADA: Not Applicable	**FA**: You may not terminate the Franchise Agreement. **ADA**: Not Applicable
e. Termination by Franchisor without Cause	Not Applicable	Not Applicable
f. Termination by Franchisor with Cause	FA: Section 16.2 ADA: Section 7	**FA**: We may terminate the Franchise Agreement only if you default. If we terminate the

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		Franchise Agreement following a default, your interest in the franchise will terminate. **ADA**: You will be deemed in default under the ADA if you breach any of the terms of the ADA, including the failure to meet the Development Schedule, or the terms of any Franchise Agreement or any other agreements between you or your affiliates and us or our affiliates.
g. "Cause" Defined – Curable Defaults	FA: Section 16.2.2 ADA: Section 7(B)	**FA**: If a default arises from your failure to comply with a mandatory specification in the Franchise Agreement or Operations Manual, you can avoid termination of the Franchise Agreement if you cure the default within 30 days of receiving our notice of default, except for the defaults that require cure in a shorter time and non-curable defaults. If a default arises from your failure to maintain insurance, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of your failure to maintain insurance. If a default arises from your failure to make payments due to us, you can avoid termination of the Franchise Agreement if you cure the default within five days of receiving our notice of default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate. **ADA**: You shall have a 30-day cure period if you are in default of any term of the ADA.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
h. "Cause" Defined – Non-Curable Defaults	FA: Section 16.2.1 ADA: Section 7(B)	**FA**: We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you: fail to timely establish, equip and begin operations of the Franchised Business; fail to have your Owner Operator satisfactorily complete training; fail to maintain all required licenses and permits for more than five business days; made a material misrepresentation or omission in the application for the franchise; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party or the Franchised Business; after notice to cure, fail to refrain from activities, behavior or conduct likely to adversely affect either party or the Franchised Business; use the Operations Manual, trade secrets or other confidential information in an unauthorized manner; if required, fail to have your owners (and members of their immediate families and households), officers, directors, managers, and employees, and other individuals having access to trade secrets or other confidential information sign nondisclosure and non-competition agreements or, if requested, fail to provide us with copies of all signed nondisclosure and non-compete agreements; abandon the Franchised Business for three or more consecutive days; surrender or transfer control of the Franchised Business in an

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		unauthorized manner; fail to maintain the Franchised Business under the supervision of an Owner Operator following your death or disability; submit reports on two or more separate occasions understating any amounts due by more than 2%; are insolvent or make a general assignment for the benefit of creditors; misuse or make unauthorized use of the Marks; fail on two or more occasions within any 12 months to submit reports or records or to pay any fees due us or any affiliate; violate on two or more occasions any health, safety or other laws or operate the Franchised Business in a manner creating a health or safety hazard to customers, employees or the public; take any action reserved to us; fail to comply with applicable law after notice; repeatedly breach the Franchise Agreement or comply with specifications; or default under any other agreement with us (or an affiliate) so that we (or the affiliate) have the right to terminate the agreement. **ADA**: We have the right to terminate the ADA if (i) you become insolvent, (ii) a receiver of your property is appointed by a court of competent authority, (iii) you make a general assignment or other similar arrangement for the benefit of your creditors, (iv) a final judgment remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed), (v) execution is levied

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		against your business or property, (vi) suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed, (vii) you fail to meet the development obligations set forth in the Development Schedule, (viii) failure to start substantial construction of any of the Locations by the date established in Section 4.C (ix) failure to secure financing for the construction of any of the Locations by the date set forth in Section 4.C (x) you fail to comply with any other provision of this Agreement and do not correct the failure within 30 days after written notice of that failure is delivered to you, or (xi) we have delivered to you a notice of termination of a Franchise Agreement in accordance with its terms and conditions.
i. Franchisee's Obligations on Termination/Non-Renewal	FA: Section 17.1 ADA: Section 8	**FA and ADA**: If the Franchise Agreement is terminated or not renewed, you must: stop operating the Franchised Business; stop using any trade secrets, confidential information, the System and the Marks; cancel or assign to us any assumed names; pay all sums owed to us including damages and costs incurred in enforcing the Franchise Agreement; return the Operations Manual, trade secrets and all other confidential information; assign your telephone and facsimile numbers to us; comply with the covenants

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		not to compete and any other surviving provisions of the Franchise Agreement.
j. Assignment of Contract by Franchisor	FA: Section 18.1 ADA: Section 9(A)	**FA and ADA**: There are no restrictions on our right to assign our interest in the Franchise Agreement or Area Development Agreement.
k. "Transfer" by Franchisee – Definition	FA: Section 18.2 ADA: Section 9(B)	**FA**: "Transfer" includes transfer of an interest in the franchise, the Franchise Agreement or the Franchised Business' assets. **ADA**: "Transfer" means any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets, or of any interest in you.
l. Franchisor's Approval of Transfer by Franchisee	FA: Section 18.2 ADA: Section 9(B)	**FA and ADA**: You may not transfer your interest in any of the items listed in (k) above without our prior written consent.
m. Conditions for Franchisor Approval of Transfer	FA: Section 18.2 ADA: Section 9(E)	**FA**: We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective transferee meets our business and financial standards; the transferee and all persons owning any interest in

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		the transferee sign the then current Franchise Agreement; you provide us with a copy of all contracts and agreements related to the transfer; you or the transferee pay a transfer fee; the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Franchise Agreement; you have agreed to guarantee performance by the transferee, if requested by us; the transferee has obtained all necessary consents and approvals of third parties; you or all of your equity owners have signed a non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition attached to the Franchise Agreement; and the transferee has agreed that its Owner Operator will complete the initial training program before assuming management of the Franchised Business. **ADA**: You may only Transfer your rights and interests under this Agreement if you obtain our prior written consent and you transfer all of your rights and interests under all Franchise Agreements for Locations in the Development Territory and provided the transferee meets the conditions set forth in the ADA, including good moral standing and completion of the initial training; transfer fee is paid.
n. Franchisor's Right of First Refusal to Acquire Franchisee's Franchised Business	FA: Section 19 ADA: Sections 8(F) and 9(C)	**FA and ADA**: We may match an offer for your Franchised Business or an ownership interest you propose to sell.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
o. Franchisor's Option to Purchase Franchisee's Franchised Business	FA: Section 17.4 ADA: Section 8(F)	**FA**: Except as described in (n) above, we do not have the right to purchase your franchised business; however, during the 30-day period after the termination or expiration of the Franchise Agreement, we have the right to purchase any assets of the Franchised Business for book value. **ADA**: In the event of termination of the ADA, and provided that you have not developed at least 50% of the required Locations pursuant to the Development Schedule, we have the right to purchase all of your Locations at book value.
p. Death or disability of Franchisee	FA: Section 18.6 ADA: Section 9(D)	**FA**: After the death or incapacity of an owner of the franchise, his or her representative must transfer, subject to the terms of the Franchise Agreement, the individual's interest in the franchise within 180 days of death or incapacity or we may terminate the Franchise Agreement. **ADA**: After the death or incapacity of an owner of the developer, his or her representative must transfer, subject to the terms of the ADA, the individual's interest in the ADA within six months of death or incapacity.
q. Non-Competition Covenants During the Term of the Franchise	FA: Section 7.3 ADA: N/A	**FA**: We have the right to require you, your owners (and members of their families and households) and your officers, directors, managers, and employees to sign a nondisclosure and non-competition agreement, in a

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		form the same as or similar to the Nondisclosure and Non-Competition Agreement. Upon our request, you shall provide us with copies of all signed nondisclosure and non-competition agreements. These agreements shall remain on file at the Franchised Business and are subject to audit or review. We shall be a third-party beneficiary with the independent right to enforce covenants contained in the agreements.
r. Non-Competition Covenants After the Franchise is Terminated or Expires	FA: Section 17.2 ADA: N/A	**FA**: For two years after the termination or expiration of the Franchise Agreement, you may not participate in a business offering the same or substantially similar products within 25 miles of any other Business in the System; or soliciting or influencing any of our customers, employees, or business associates to compete with us or terminate their relationship with us.
s. Modification of the Agreement	FA: Sections 9.2, 22.7, and 22.8 ADA: Section 10(B) and 10(E)	**FA**: The Franchise Agreement can be modified only by written agreement between you and us. We may modify the Operations Manual without your consent if the modification does not materially alter your fundamental rights. **ADA**: The ADA can be modified only by written agreement between you and us.
t. Integration/Merger Clause	FA: Section 22.7 ADA: N/A	**FA**: Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document, the Operations Manual and/or Franchise

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		Agreement may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	FA: Section 23.9; Schedules 2 and 3 ADA: Section 10(F); Appendix E	**FA and ADA**: You must mediate claims against us.
v. Choice of Forum	FA: Section 23.2; Schedules 2 and 3 ADA: Section 10(F); Appendix E	**FA and ADA**: Any litigation or mediation must be pursued in Los Angeles County, California (subject to applicable state law).
w. Choice of Law	FA: Section 23.1; Schedules 2 and 3 ADA: Section 10(F); Appendix E	**FA and ADA**: Except as to claims governed by federal law, California law applies (subject to applicable state law).

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE PRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular franchised business or under particular circumstances.

The foregoing is a historic financial representation about the franchise system's existing outlets, as of the end of our last fiscal year. Specifically, this Item 19 relates to all franchisee-owned and affiliate-owned outlets that were open and operating as of December 31, 2023. It is expected that franchisees will act in all material respects as the outlets disclosed in this Item 19.

Background

During the calendar years ended December 31, 2023 and December 31, 2024, our Azusa Affiliated Entity (as defined below), which is listed in Item 1 of this Franchise Disclosure Document, operated a business similar to the Tru Bowl Business offered pursuant to this Franchise Disclosure Document. This business traded as "Tru Bowl" in Azusa, California. Our Azusa Affiliated Entity founded this business in August 2011, and operated the business from a single location through 2024. Commencing on February 17, 2021, our Whittier Affiliated Entity (as defined below), which is listed in Item 1 of this Franchise Disclosure Document, operated a business similar to the Tru Bowl Business offered pursuant to this Franchise Disclosure Document. This business traded as "Tru Bowl" in Whittier, California. Our Whittier Affiliated Entity founded this business in February 2021, and operated the business from a single location through the remainder of 2024. Those locations are defined as:

Location 1 is located at 1137 E. Alosta Avenue, Azusa, California191702. Location 1 opened in August 2011. Location 1 is representative of the Tru Bowl Business offered by way of this Franchise Disclosure Document.

Location 2 is located at 12824 Hadley Street, Whittier, California 90601. Location 2 opened in February 2021. Location 2 is representative of the Tru Bowl Business offered by way of this Franchise Disclosure Document.

The information contained in this Financial Performance Representation presents the results of our Azusa Affiliated Entity-owned Location 1 for the periods January 1, 2023 through December 31, 2024. The information contained in this Financial Performance Representation presents the results of our Whittier Affiliated Entity-owned Location 2 for the period January 1, 2023 through December 31, 2024.

In 2024, five franchised units operated a Tru Bowl Business and complied with the franchise system, for the entire 12-month period (the "Reporting Franchisee"). Financial data derived from the operation of the Reporting Franchisee is contained in Part II. The information contained in this Financial Performance Representation presents the results of our franchisee-owned locations for the periods January 1, 2024 through December 31, 2024. This Financial Performance Representation does not include the information for a single franchise unit, that was opened for all of calendar year 2024, as that franchisee did not comply with the franchise system.

Part I: Definitions

1. "Costs of Good Sold" means the aggregate of all food and non-food purchases, delivery fees, merchant account fees, restaurant supplies, and paper goods.

2. "Gross Revenue" means the aggregate of all revenue from the sale of services and products from all sources in connection with the Franchised Business, whether for check, cash, credit or otherwise including, without limitation, all proceeds from any business interruption insurance, but excluding (a) all refunds made in good faith, (b) any sales and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto, (c) the value of any allowance issued or granted to any customer of the Franchised Business that is credited by Franchisee in full or partial satisfaction of the price of any products and services offered in connection with the Franchised Business, and (d) any rebate received by Franchisee from a manufacturer or supplier.

3. "Net Income" means Gross Revenue minus Costs of Goods Sold minus Expenses, which is defined as the aggregate of supplies, advertising and promotion, automobile expenses, insurance expenses, office supplies, payroll expenses, professional fees, research and development, utilities, and corporate taxes.

Part II: 2024 Performance of Our Affiliated Entity-Owned Businesses

There were two (2) Affiliated Entity-owned Tru Bowl businesses open for the entire 2024 calendar year that did not change ownership. The following charts include data from our Affiliated Entity-owned businesses that were open for the entire 2024 calendar year.

Table 1 – Azusa Affiliated Entity-Owned Businesses – 2024

CALENDAR YEAR	GROSS REVENUE	COST OF GOODS SOLD	NET INCOME
2024	$769,009.77	$278,028.78	$76,776.29

Table 2 – Whittier Affiliated Entity-Owned Businesses – 2024

LOCATION 2			
CALENDAR YEAR	GROSS REVENUE	COST OF GOODS SOLD	NET INCOME
2024	$1,712,075.44	$695,649.52	$395,240.13

Table 3 – Additional Expenses for Franchised Restaurants

This table shows the additional expenses a Franchised Business would incur based on the Gross Sales of the Affiliate Restaurants identified in Table 1 and Table 2.

	Location 1	Location 2
Annual Royalty Fees (5%)	$37,166.27	$83,264.30
Annual Local Advertising Requirement (2%)	$14,866.51	$33,305.72
Brand Fund Requirement (1%)	$7,433.25	$16,652.86

Part III: 2024 Performance of Our Franchisee-Owned Businesses

There were five (5) Tru Bowl franchisee-owned businesses open for the entire 2024 calendar year that did not change ownership. The following charts include data from our franchised owned businesses that were open for the entire 2024 calendar year.

	High	Low	Average	Median	Outlets that Met or Exceeded Average	Percentage that Met or Exceeded Average
5 Locations	$945,075.89	$526,885.32	$657,812.32	$564,379.95	2	40%

Part IV: 2023 Performance of Our Affiliated Entity-Owned and Franchised Businesses

There were three (3) Tru Bowl businesses open for the entire 2023 calendar year that did not change ownership. The following charts include data from our franchised and Affiliated Entity-owned businesses that were open for the entire 2023 calendar year. This does not include the information for a single franchise unit, that was opened for all of calendar year 2023, as that franchisee did not comply with the franchise system. Of these three (3) businesses, one (1) was owned by franchisee, one (1) was owned by our Azusa Affiliated Entity, and one (1) was owned by our Whittier Affiliated Entity.

Table 1 – Azusa Affiliated Entity-Owned Businesses – 2023

CALENDAR YEAR	GROSS REVENUE	COST OF GOODS SOLD	NET INCOME
2023	$787,814.82	$291,308.33	$106,919.42

Table 2 – Whittier Affiliated Entity-Owned Businesses – 2023

LOCATION 2

CALENDAR YEAR	GROSS REVENUE	COST OF GOODS SOLD	NET INCOME
2023	$1,531,365.77	$607,822.42	$375,430.70

Table 3 – Franchised Businesses – 2023

CALENDAR YEAR	GROSS REVENUE
2023	$461,415.04

Table 4 – Additional Expenses for Franchised Restaurants

This table shows the additional expenses a Franchised Business would incur based on the Gross Sales of the Affiliate Restaurants identified in Table 1 and Table 2.

	Location 1	Location 2
Annual Royalty Fees (5%)	$39,390.74	$76,568.29
Annual Local Advertising Requirement (2%)	$15,756.30	$30,627.32
Brand Fund Requirement (1%)	$7,878.15	$15,313.66

Part V: Notes

1. Table 1 in Parts II and IV represent the results achieved by our Azusa Affiliated Entity in calendar years 2023 and 2024, respectively, at a single location.

2. Table 2 in Parts II and IV represent the results achieved by our Whittier Affiliated Entity in calendar years 2023 and 2024, respectively, at a single location.

3. Part III represents the results achieved by our five (5) franchisees that operated for the full 2024 calendar year.

4. Table 3 in Part IV represents the results achieved by the franchisee operating for the full 2023 calendar year that complied with system standards.

5. These results are unaudited.

6. These results represent sales of products and services similar to those that will be available to a franchisee to sell.

7. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a Business.

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

If you receive any other financial performance information or projections of your future income, other than in this Item 19, you should report it to the franchisor's management by contacting Dolores Quiroz Castrellon, 5565 Greenleaf Ave., Whittier, California 90601, 562-260-6760, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2022 TO 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	1	3	+2
	2023	3	7	+4
	2024	7	13	+6
Company-Owned*	2022	2	2	0
	2023	2	2	0
	2024	2	2	0
Total Outlets	2022	**3**	**5**	**+2**
	2023	**5**	**9**	**+4**
	2024	**9**	15	+6

*Company-Owned refers to outlets run by our Affiliate.

TABLE 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
FOR YEARS 2022 TO 2024

State	Year	Number of Transfers
California	2022	1
	2023	0
	2024	0
Total	2022	**1**
	2023	**0**
	2024	**0**

TABLE 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2022 TO 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Arizona	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	2	0	0	0	0	3
California	2022	1	2	0	0	0	0	3
	2023	3	4	0	0	0	1	6
	2024	6	6	1	0	0	1	10
Total	2022	**1**	**2**	**0**	**0**	**0**	**0**	**3**
	2023	**3**	**5**	**0**	**0**	**0**	**1**	**7**
	2024	**7**	**8**	**1**	**0**	**0**	**1**	**13**

TABLE 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2022 TO 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Sold to Franchisee	Ceased Operations – Other Reasons	Outlets at End of Year
California	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	0	0	0	0	0	0	0
Total	2022	**2**	**0**	**0**	**0**	**0**	**0**	**2**
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**
	2024	**0**	**0**	**0**	**0**	**0**	**0**	**0**

*Company-Owned refers to outlets run by our Affiliate.

TABLE 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Arizona	2	1	0
California	2	1	0
Illinois	1	1	0
Texas	1	1	0
Total	**6**	**4**	**0**

Exhibit F contains a list of the names of all current franchisees and the address and telephone number of each of their outlets.

Exhibit F also contains a list of the names, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the Issuance Date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

We are not aware of any trademark-specific franchisee organizations associated with the franchise system being offered.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit E are our audited financial statements dated December 31, 2022, December 31, 2023, and December 31, 2024. Our fiscal year ends on December 31.

ITEM 22. CONTRACTS

The following contracts are attached to this Disclosure Document:

Exhibit B FRANCHISE AGREEMENT
- Schedule 1-Unlimited Guaranty and Assumption of Obligations
- Schedule 2-Nondisclosure and Non-Competition Agreement
- Schedule 3-General Release
- Schedule 4-Collateral Assignment of Lease
- Schedule 5-Holders of Legal or Beneficial Interest in Franchisee; Officers; Directors
- Schedule 6-ACH Payment Agreement
- Schedule 7-State Addenda to the Franchise Agreement
- Schedule 8-SBA Addendum

Exhibit D AREA DEVELOPMENT AGREEMENT
- Appendix A-Development Territory
- Appendix B-Development Schedule
- Appendix C-Unlimited Guaranty and Assumption of Obligations
- Appendix D-List of Principals
- Appendix E-State Addenda to the Area Development Agreement

ITEM 23. RECEIPTS

Exhibit I contains our copy and your copy of the Disclosure Document Receipts.

EXHIBIT A TO THE DISCLOSURE DOCUMENT
LIST OF STATE ADMINISTRATORS/STATE AGENTS FOR SERVICE OF PROCESS

State	State Administrator	State Agent for Service of Process
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 www.dfpi.ca.gov (213) 576-7500 (866) 275-2677 (toll free) Ask.DFPI@dfpi.ca.gov	Commissioner of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 www.dfpi.ca.gov (213) 576-7500 (866) 275-2677 (toll free) Ask.DFPI@dfpi.ca.gov
Hawaii	Business Registration Division Department of Commerce and Consumer Affairs 355 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii, Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722
Illinois	Chief, Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
Indiana	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6531
Kentucky	Kentucky Attorney General 700 Capitol Avenue Frankfort, Kentucky 40601-3449 (502) 696-5300	
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021

		(410) 576-6360
Michigan	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section G. Mennen Williams Building 525 W. Ottowa Street, 1st Floor Lansing, Michigan 48913 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau P.O. Box 30054 6546 Mercantile Way Lansing, Michigan 48909
Minnesota	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 296-4026	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 296-4026
Nebraska	Nebraska Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2723 (402) 471-2171	Nebraska Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2723 (402) 471-2171
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St., 21st Floor New York, New York 10005 (212) 416-8222	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492
North Dakota	Securities Commissioner State Capitol, 5th Floor 600 East Boulevard Ave. Bismarck, North Dakota 58505 (701) 328-2910	Securities Commissioner 600 East Boulevard Ave. Bismarck, North Dakota 58505
Rhode Island	Department of Business Regulation Securities Division Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9585	Director of Department of Business Regulation, Securities Division John O. Pastore Complex, Building 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920
South Dakota	Department of Labor and Regulation Division of Insurance and Securities Regulation 124 S. Euclid Ave., Suite 104 Pierre, South Dakota 57501	Director of Department of Labor and Regulation Division of Securities 124 S. Euclid Ave., Suite 104 Pierre, South Dakota 57501

Texas	(605) 773-4823 Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769	
Utah	Department of Commerce Division of Consumer Protection 160 East 300 South Salt Lake City, Utah 84111-0804 (801) 530-6601	
Virginia	State Corporation Commission Division of Securities and Retail Franchising, 9th Floor 1300 E. Main Street Richmond, Virginia 23219 (804) 371-9051	Clerk, State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9051
Washington	Department of Financial Institutions Securities Division 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road, S.W. Tumwater, Washington 98501
Wisconsin	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703 (608) 266-8557	Wisconsin Department of Financial Institutions 345 West Washington Avenue Madison, WI 53703

EXHIBIT B TO THE DISCLOSURE DOCUMENT

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

TRU BOWL
FRANCHISE AGREEMENT

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TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

FRANCHISE AGREEMENT

This Franchise Agreement made this ______ day of ______________, 20___, is by and between TRU BOWL SUPERFOOD BAR FRANCHISE, LLC, a California limited liability company having its principal place of business at 5565 Greenleaf Ave., Whittier, California 90601 ("Franchisor," "we," "us," or "our") and __________________________________, an individual/partnership/corporation/limited liability company established in the State of ________________________ and whose principal address is ___________________ ____ ("Franchisee," "you," or "your").

RECITALS

WHEREAS, Franchisor has developed, and is in the process of further developing, a System identified by the service mark "Tru Bowl Superfood Bar" and relating to the establishment and operation of a fast-casual acai and smoothie café under a unique proprietary service system; and

WHEREAS, in addition to the service mark "Tru Bowl Superfood Bar" and certain other Marks, the distinguishing characteristics of the System include: uniform standards and procedures for efficient business operations; uniform methods of food preparation, procedures and strategies for marketing, advertising and promotion; customer service and development techniques; other strategies and techniques; and Trade Secrets and other Confidential Information; and the Operations Manual; and

WHEREAS, Franchisor grants to qualified persons and business entities the right to own and operate a Tru Bowl Business using the System and the Marks; and

WHEREAS, Franchisee desires to operate a Tru Bowl Business, has applied for the Franchise and such application has been approved by Franchisor in reliance upon all of the representations made herein and therein; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, operations and service and the necessity of operating the Franchised Business in strict conformity with Franchisor's System.

NOW, THEREFORE, Franchisor and Franchisee, intending to be legally bound, agree as follows:

1. DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

"**Affiliate**" means any business entity that controls, is controlled by, or is under common control with Franchisor;

"**Agreement**" means this agreement entitled "TRU BOWL SUPERFOOD BAR FRANCHISE, LLC Franchise Agreement" and all instruments supplemental hereto or in amendment or confirmation hereof;

"**Approved Supplier(s)**" has the meaning given to such term in Section 13.10;

"**Competitive Business**" means any business that offers a fast casual dining setting and serves acai bowls, juices and raw blends, or other similar dishes under any service system, or any other mass market restaurant experience, or other dining services that offer the same products as or similar to those provided by Tru Bowl businesses or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees; provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest;

"**Confidential Information**" means technical and non-technical information used in or related to the Tru Bowl Franchise and not commonly known by or available to the public, including, without limitation, Trade Secrets, methods and products, recipes, customer services techniques and other techniques and methodologies not generally known to the industry or public, and any other information identified or labeled as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

"**Effective Date**" means the date on which Franchisor and Franchisee fully execute this Agreement, thereby commencing its effectiveness and term;

"**Electronic Depository Transfer Account**" means an account established by Franchisee at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw any funds due Franchisor;

"**Franchise**" means the right granted to Franchisee by Franchisor to use the System and the Marks;

"**Franchise Fee**" has the meaning given to such term in Section 3.1;

"**Franchised Business**" or "**Business**" means the Tru Bowl Business to be established and operated by Franchisee pursuant to this Agreement;

"**Franchisee**" means the individual or entity defined as "Franchisee" in the introductory paragraph of this Agreement;

"**Franchisor**" means TRU BOWL SUPERFOOD BAR FRANCHISE, LLC, a California limited liability company;

"**Franchisor Indemnitees**" has the meaning given to such term in Section 21.3;

"**Gross Revenue**" means the aggregate of all revenue from the sale of services and products from all sources in connection with the Franchised Business, whether for check, cash, credit or otherwise including, without limitation, all proceeds from any business interruption insurance, but excluding (a) all refunds made in good faith, (b) any sales and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto, (c) the value of any allowance issued or granted to any customer of the Franchised Business that is credited by Franchisee in full or partial satisfaction of the price of any products and services offered in connection with the Franchised Business, and (d) any rebate received by Franchisee from a manufacturer or supplier;

"**Gross Revenue Reports**" has the meaning give to such term in Section 12.2;

"**Incapacity**" means the inability of Franchisee, or any holder of a legal or beneficial interest in Franchisee, to operate or oversee the operation of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation;

"**Internet**" means any one (1) or more local or global interactive communications media that is now available, or that may become available, including sites and domain names on the World Wide Web;

"**Marks**" means the service mark "Tru Bowl Superfood Bar" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with the Tru Bowl Business;

"**Operations Manual**" means the Tru Bowl Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor;

"**Royalty Fee**" has the meaning given to such term in Section 3.2.

"**System**" means the uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of a Tru Bowl Business; and

"**Trade Secrets**" means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, recipes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the operation of a Tru Bowl Business that is not commonly known by or available to the public and that information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

2. GRANT OF FRANCHISE; APPROVED FRANCHISED BUSINESS

2.1 Grant

Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained and subject to this Agreement, the right, license, and privilege to operate a Tru Bowl Business, and Franchisee hereby accepts a franchise under the terms and conditions set forth herein to operate a Business that has been assigned a protected territory as set forth in Section 2.4 (referred to as the "Territory"), along with the right to use solely in connection therewith the Franchisor's Names and Mark, Services, Products, its advertising and merchandising methods, and Franchisor's System, as they may be changed or improved and/or further developed from time to time, only at the accepted location of the Franchisee's Business as set forth in Section 2.2, and provided the Franchisee shall adhere to the terms and conditions hereof.

Except as provided in this Agreement, Franchisee shall be free to use the materials provided by Franchisor in the manner that Franchisee, in Franchisee's sole and absolute discretion, deems most appropriate for the operation of a Tru Bowl Franchise, provided that Franchisee shall not violate any applicable law, regulation or provision of this Agreement in exercising such discretion.

2.2 Franchised Business

The street address or geographical description of the area for the Franchised Business (the "Accepted Location") is:

____

____

____

2.3 Sub-Franchising/Agents

Franchisee shall not sublicense the use of the System or Marks to any person or entity. Except as permitted in Section 18, Franchisee shall not grant any person or entity the right to perform any part of Franchisee's rights or obligations licensed hereunder.

2.4 Territory; Rights Reserved to Franchisor

The territory which is hereby granted to Franchisee shall be ____________________________ (the "Territory"). Franchisee shall be prohibited from operating a franchise outside of the Territory without the prior written consent of Franchisor.

(a) The Territory shall be designated once the Franchisor has approved of the location for Franchisee's Business, as described in Section 5.1 below. Franchisee may not conduct business at any other location or locations other than the Accepted Location identified above; however, Franchisee may conduct business at off-site events (for example at transportation expos, travel expos, promotional events, charity events, etc.) to sell Services and/or Products as long as such events are within Franchisee's Territory or Franchisor has granted its permission for Franchisee to conduct business at an event outside of the Territory, as described in Section 2.4(e) below.

(b) The size of the Territory shall be the lesser of three (3) miles around the Accepted Location or a land area containing fifty thousand (50,000) people. The Territory is determined once a location is chosen and approved by us. The Territory is not dependent upon achievement of certain revenues, number of customers, customers Franchisee retains, market penetration or any other contingency.

(c) Franchisee shall not relocate a Tru Bowl Business that has been assigned a Territory, without the express prior written consent of Franchisor. During the term of this Agreement, Franchisor shall not establish, nor license another party or entity to establish, a Tru Bowl Business within the Territory. If Franchisee decides to open additional Businesses and buys the rights to additional Franchises, such sale and purchase to be at Franchisor's sole and absolute discretion, then those separate franchise agreement(s) will dictate the terms of the applicable territory (a separate Franchise Agreement is required for each additional Business).

(d) Franchisee cannot perform any Target Marketing in any other territory of any Tru Bowl franchisee, or of any business owned by Franchisor or one of its Affiliates. The term "Target Marketing" means a concerted effort by Franchisee to solicit customers or market products within another franchisee's territory or in any territory operated directly by the Franchisor or its Affiliates. Franchisor shall use commercially reasonable efforts to deal with any franchisee that violates this policy. Franchisee is prohibited from selling similar products and conducting similar services through any alternative channels of distribution (such as Websites as defined below) without Franchisor's written approval, which Franchisor is not required to provide.

(e) If Franchisee is asked by a third party to conduct business outside of the Territory (such as at expos, promotional events, charity events, etc.) in geographical areas in which there is an existing Tru Bowl Business operated by another franchisee, Franchisor, or Franchisor's Affiliate, Franchisee must immediately refer that request to the applicable Tru Bowl Business. If the other Business gives Franchisee permission to conduct business at the off-site event within the outside territory, then Franchisee may do so if, and only if, Franchisee immediately informs Franchisor of such permission in writing. If there is not a Tru Bowl Business located in the outside territory, then the franchisee must submit a request to Franchisor for permission to conduct business within the outside territory. However, Franchisee must be prepared to immediately cease conducting such events in that other geographical area when that unassigned area is purchased by a new Tru Bowl franchisee as applicable. Franchisor shall approve or deny Franchisee's request to conduct business at off-site events in other geographical areas not owned by other franchisees, Franchisor or its affiliates; which approval is in Franchisor's sole discretion, within three (3) days of Franchisee's written request.

(f) If Franchisee fails to: (i) refrain from Target Marketing, or (ii) refer businesses or off-site opportunities to other franchisees as described herein, Franchisor will have the right to terminate this Agreement immediately without fault, as described in Sections 16.2.1(u) and 16.2.1(v) of this Agreement. For any default of this Agreement which triggers Franchisor's ability to terminate, as an alternative to termination, Franchisor will have the right, in its sole discretion, to modify or completely eliminate any rights Franchisee may have with respect to the Territory, effective ten (10) days after delivery of written notice to Franchisee.

(g) Franchisee's rights in the Territory are solely as expressly set forth in this Section 2.4. Except as expressly provided in this Agreement, Franchisee has no right to exclude, control, or impose conditions on the location, operation, or other management of present or future Tru Bowl (or any other brand) Franchises or Franchisor-owned Businesses or distribution channels of any type, franchised or company-owned, regardless of their location or proximity to the Territory and whether the offer competing services which may affect Franchisee's operations. Franchisee does not have any rights with respect to other and/or related businesses, services, and/or products, in which Franchisor or any Franchisor-related persons or entities may be involved, now or in the future.

(h) Any territorial rights not expressly granted to the Franchisee are reserved to the Franchisor, whether or not such rights impact the Territory. Such rights reserved to the Franchisor in the Territory include but are not limited to the following:

(i) the right to advertise, market, and sell acai bowls, juices and raw blends, and other food related products and conduct similar services outside the Territory;

(ii) the right to advertise, offer, and sell acai bowls, juices and raw blends, and other food related products and conduct similar services via the internet via mobile app and/or other related venues, no matter where the customer is based;

(iii) the right to sell, offer, or distribute acai bowls, juices and raw blends, and other food related products or services to anyone from anywhere through any alternative or other channel of distribution, other than through local businesses providing such products under the Marks and System and on any terms and conditions Franchisor deems appropriate. Franchisor maintains this right whether or not the Marks or System used, and regardless of whether Franchisor is acting inside or outside the Territory;

(iv) the right to develop, manufacture, and/or distribute any services or products that have been branded with the Mark, or any separate brand of products or equipment through any outlet located anywhere (including, by way of illustration, discount warehouses, retail stores, online sales and/or similar venues). If Franchisor decides to develop and distribute products or conduct similar services within the Territory, Franchisee will receive no compensation from Franchisor for such sales, unless agreed otherwise by the parties in writing;

(v) own and/or operate ourselves or authorize others to own and/or operate (a) any business located outside the Territory as designated herein, whether or not using the Marks and/or System, (b) any business anywhere, whether using the Marks and /or System or not, which is not substantially similar to the business franchised to you under the Franchise Agreement, and/or (c) any business anywhere which does not use the Marks; and

(vi) acquire, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with businesses located anywhere, including arrangements in which we are acquired, and/or company-owned, franchised or other businesses (including your own Business) are converted to another format or we acquire a similar business which will be maintained under the System or otherwise. You will fully participate in any conversion related to any merger or acquisition, whether initiated by us or a third party, at your expense.

(i) Franchisee's Territory may be altered during the initial term, but only by: (i) mutual consent of the parties as demonstrated in a writing signed by both parties; (ii) at the time of transfer or renewal as a condition to transfer or renew; or (iii) for any default of this Agreement which triggers Franchisor's ability to terminate as described above.

3. FEES

3.1 Franchise Fee

Upon execution of this Agreement, Franchisee shall pay a fee ("Franchise Fee") to Franchisor of Thirty Thousand U.S. Dollars ($30,000.00). The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is non-refundable. The Franchise Fee is payment, in part, for expenses incurred by Franchisor in furnishing assistance and services to Franchisee as set forth in this Agreement and for costs incurred by Franchisor, including general sales and marketing expenses, training, legal, accounting and other professional fees.

3.2 Monthly Royalty Fee

For so long as this Agreement shall be in effect, Franchisee shall pay to Franchisor without offset, credit or deduction of any nature, a monthly fee ("Royalty Fee") as follows: (i) zero percent (0%) of Gross Revenue per month between months 1 and 3; (ii) five percent (5%) of Gross Revenue per month thereafter. The Royalty Fee is due on the tenth (10th) day of each month (for the prior month) and begins on the first (1st) month after the Business is open for operation and continues for the duration the term of this Agreement. If Franchisee opens the Business for operation on the twenty-fifth (25th) of the month or anytime thereafter until the twenty-fifth (25th) of the next month, then Franchisee's Business will be deemed opened for operation on the month immediately succeeding the month of the twenty-fifth (25th). As an example, if Franchisee opens the Business for operation on January 26th, then the business would be considered to have opened on February 1st as Franchisee's first month in operation, and Franchisee's Royalty payments would begin in March based on Franchisee's Gross Revenue for February. The Royalty Fee is uniform as to all persons and entities currently acquiring a Tru Bowl Franchise and is nonrefundable. If this Agreement is terminated, Franchisee understands and agrees that it is required to continue such Royalty payments to the Franchisor to be based upon the average Gross Revenue Franchisee has earned in the twelve (12) month period immediately preceding termination. The Franchisee will provide to Franchisor a Gross Revenue Report, as required by Section 12.2, for each month during the operation of the Business. If Franchisor requires Franchisee to pay Royalty Fees through electronic transfer as set forth in Section 3.4, such reports shall instead be submitted to Franchisor via facsimile transmission, e-mail or intranet system. You may not subordinate our right to our Monthly Royalty Fee to any third-party.

3.3 Taxes

Franchisee shall pay its own taxes as related to the Business. Notwithstanding the generality of the foregoing, if any state imposes a sales or other tax on the Royalty Fees, then Franchisor has the right to collect this tax from Franchisee.

3.4 Electronic Transfer

Franchisor shall require all Royalty Fees, amounts due for purchases by Franchisee from Franchisor and other amounts due to Franchisor to be paid through an Electronic Depository Transfer Account ("EDTA"). At Franchisor's request, Franchisee shall open and maintain an EDTA, and shall provide Franchisor with continuous access to such account for the purpose of making any payments due to Franchisor. Franchisee shall make deposits to the account sufficient to cover amounts owed to Franchisor prior to the date such amounts are due. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the EDTA. Once established, Franchisee shall not close the EDTA without Franchisor's written consent.

3.5 Interest

All Royalty Fees, amounts due from purchases by Franchisee from Franchisor and other amounts not received by Franchisor within five (5) days after the due date shall incur late fees at the rate of one and one-half percent (1.5%) per month (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower) from the date payment is due to the date payment is received in full by Franchisor. Franchisee shall pay Franchisor for all costs incurred by Franchisor in the collection of any unpaid and past due Royalty Fees or any other amounts due Franchisor, including reasonable accounting and legal fees. This Section shall not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee.

3.6 Application of Payments

Notwithstanding any designation by Franchisee, Franchisor shall have the right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, purchases from Franchisor or any other amount owed to Franchisor in any proportion or priority.

3.7 Operations Manual Replacement Fee

Franchisee agrees to pay to Franchisor the sum of Two Hundred Fifty Dollars ($250) if Franchisee loses or destroys the Operations Manual.

3.8 Maintenance and Refurbishing of Business

If, after Franchisor notifies Franchisee, and Franchisee does not undertake efforts to correct deficiencies in the appearance of the Franchised Business, the Franchisor can undertake the repairs and Franchisee must reimburse Franchisor.

3.9 Insufficient Funds Fee

Franchisee agrees to pay to Franchisor the amount of Seventy-Five Dollars ($75) if any payment Franchisee owes is rejected due to insufficient funds in Franchisee's Electronic Depository Transfer Account ("EDTA"), or if any other payment instrument Franchisee uses is rejected for insufficient funds.

3.10 POS System Fee

Franchisee agrees to pay $70 per month for each POS System directly to a provider, currently Square. Prices are determined by Square and are subject to change.

3.11 Management Fee

Franchisee agrees to pay Three Hundred Dollars ($300) per person, per day, plus other costs and expenses to Franchisor, when Franchisor or (a third party) manages Franchisee's Business after Franchisee's default or abandonment, or in the event of Franchisee's extended absence. Franchisee agrees to hold harmless Franchisor and its representatives for all actions occurring during the course of such temporary operation. Franchisee agrees to pay all of Franchisor's reasonable attorneys' fees and costs incurred as a consequence of Franchisor's exercise of its temporary management rights. Nothing contained herein shall prevent Franchisor from exercising any other right which Franchisor may have under this Agreement, including, without limitation, termination.

4. TERM AND RENEWAL

4.1 Initial Term

This Agreement shall be effective and binding for an initial term of seven (7) years from the Effective Date, unless sooner terminated pursuant to Section 16.2.

4.2 Successor Terms

Subject to Franchisee's compliance with the conditions below, Franchisee has the right to obtain a successor franchise at the expiration of the term of this Agreement by entering into a new franchise agreement with Franchisor for successive terms of seven (7) years each. To qualify for a successor franchise, each of the following pre-conditions shall have been fulfilled and remain true as of the last day of the term of this Agreement:

4.2.1 Franchisee has, during the entire term of this Agreement, fully complied with all material provisions of this Agreement;

4.2.2 Franchisee has, at its expense, made such capital expenditures as were necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchised Business reflects Franchisor's then-current standards and specifications;

4.2.3 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement;

4.2.4 Franchisee is not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor;

4.2.5 Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than nine (9) months nor more than twelve (12) months prior to the end of the term of this Agreement;

4.2.6 Franchisee has executed Franchisor's then-current form of Franchise Agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which Franchise Agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee; provided, however, that Franchisee shall not be required to pay the then-current Franchise Fee;

4.2.7 Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any training requirements;

4.2.8 Franchisee has executed a general release, in a form the same as or similar to the General Release attached as Schedule1, of any and all claims against Franchisor, any Affiliate and against their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), except to the extent prohibited by the laws of the state where the Franchised Business is located; and

4.2.9 Franchisee has paid the renewal fee equal to fifteen percent (15%) of the Franchise Fee enumerated in Section 3.1 herein.

5. FRANCHISED BUSINESS

5.1 Operation of Franchised Business; Site Selection

5.1.1 Franchisee shall operate the Franchised Business within the Territory from the Accepted Location described in Section 2.2. Franchisee shall manage and administer the Franchised

Business from the Accepted Location and shall maintain and store the books and records of the Franchised Business at its headquarters. Franchisee shall ensure that Franchisor is advised of the location of such books and records of the Franchised Business.

5.1.2 The location of the Franchised Business will be determined by the number of factors, including the population base, demographics of the surrounding area, traffic patterns, proximity to major roads, available parking, competition, availability of appropriate sites, customer demographics, adequate square footage, reasonable rent, or other conditions important to the successful operation of a Franchised Business as Franchisor deems appropriate. Not later than sixty (60) days after the date this Agreement is executed, Franchisee shall have located and submitted to Franchisor, for its review, all information Franchisor requires regarding the site Franchisee propose for the Franchised Business. Franchisor will have fifteen (15) days after it receives all required information and materials from Franchisee to approve or disapprove the proposed site as the location for the Franchised Business. If Franchisor does not provide its specific approval of a proposed site, the site is deemed not approved. Franchisor does not warrant or guarantee that Franchisee's Business will be successful at any site that Franchisor approves. Franchisor's approval only means that the site meets Franchisor's minimum requirements for a Franchised Business, subject to any deviation from Franchisor's standards as it may permit.

5.1.3 Franchisee shall sign the lease or otherwise secure the legal right to occupy the Accepted Location, meeting all Franchisor's stated specifications, within seventy-five (75) days of the effective date of this Agreement.

5.2 Failure to Develop Franchised Business

Franchisee shall develop the Franchised Business and be operational not later than one hundred eighty (180) days after the Effective Date of this Agreement. Should Franchisee fail to develop the Franchised Business, in accordance with the other provisions of this Section 5 and within one hundred eighty (180) days after this Effective Date, Franchisor may, in its discretion, provide an extension of this timeframe or Franchisor may terminate this Agreement and retain all fees paid to Franchisor by Franchisee. Time is of the essence.

5.3 Opening

Before opening the Franchised Business and commencing business, Franchisee must:

(a) fulfill all of the obligations of Franchisee pursuant to the other provisions of this Section 5;

(b) furnish Franchisor with copies of all insurance policies required by this Agreement, or by the lease, or such other evidence of insurance coverage and payment of premiums as Franchisor may request;

(c) complete initial training to the satisfaction of Franchisor;

(d) possess all required state, county, city, and local licenses and permits required for the operation of the Franchised Business;

(e) pay in full all amounts due to Franchisor;

(f) if Franchisee is a business entity, Franchisee has caused each of its stock certificates or other ownership interest certificates to be conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that such ownership interest is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and

(g) obtain Franchisor's permission and approval of an opening date; Franchisor shall not unreasonably withhold consent to open. Permission to open shall be based on Franchisor's determination that Franchisee is ready to open and satisfactorily prepared to operate.

6. PROPRIETARY MARKS

6.1 Ownership

Franchisee acknowledges and understands that Franchisor is the owner or the licensee of the owner of the Marks, and all references herein to Franchisor's right, title and interest in and to the Marks shall be deemed to include the owner's right, title and interest in and to the Marks. Franchisee's right to use the Marks is derived solely from this Agreement, is exclusive and is limited to the conduct of business by Franchisee pursuant to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created thereby, shall inure to the benefit of Franchisor. Franchisee shall not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks.

6.2 Limitations on Use

Franchisee shall not use any Mark or portion of any Mark as part of any business entity name. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised Business. Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee shall include on its storefront, letterhead, forms, cards and other such identification, as well as at the Accepted Location, a prominent notice stating that the Franchised Business is an "Independently Owned and Operated Tru Bowl Franchise".

6.3 Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor in writing of any infringement, claim of infringement, unfair competition, or challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks. Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge, or claim. However, Franchisee may communicate with Franchisee's counsel at Franchisee's expense. Franchisor is not required to take affirmative action when notified of these uses or claims. Franchisor has the sole right to control any administrative or judicial proceeding involving a trademark licensed by Franchisor. This Agreement does not require Franchisor to participate in Franchisee's defense or indemnify Franchisee for expenses or damages if Franchisee is a party to an administrative or judicial proceeding involving a trademark licensed by Franchisor to Franchisee or if the proceeding is resolved unfavorable to Franchisee. Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks.

6.4 Indemnification for Use of Marks

Franchisor is not required to participate in Franchisee's defense or indemnify Franchisee for expenses or damages if Franchisee is a party to an administrative or judicial proceeding involving a trademark. At Franchisor's option, Franchisor or its designee may defend and control the defense of any proceeding arising directly from Franchisee's use of any Mark.

6.5 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within ten (10) business days after notice to Franchisee by Franchisor and subject to the limitations in Section 10.2. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark.

6.6 Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchised Business, Franchisor reserves the right to inspect the Franchised Business at any time without advanced notice.

6.7 Franchisor's Sole Right to Domain Name

Franchisee understands and acknowledges that Franchisor is the sole owner of the domain name www.trubowl.com.Franchisee shall NOT advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Marks or the words "Tru Bowl Superfood Bar" or any variation thereof without Franchisor's written approval, which Franchisor is not required to provide. Franchisor is the sole owner of a right, title and interest in and to such domain names. Franchisor may grant Franchisee a page on its website, www.trubowl.com that will provide contact information and pricing for the Franchised Business.

7. TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION

7.1 Confidentiality of Trade Secrets and Other Confidential Information

Franchisee acknowledges that Franchisor shall disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Operations Manual, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee shall not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchised Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, managers and employees of Franchisee): (a) shall not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) shall maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) shall not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and (d) shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information. Franchisee shall enforce this Section as to its employees, agents and representatives and shall be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

7.2 Additional Developments

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation shall be due to Franchisee or its owners or employees therefor, and Franchisee hereby agrees to assign to Franchisor all right, title and interest in any intellectual property so developed. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

7.3 Exclusive Relationship

Franchisee acknowledges that Franchisor would be unable to protect the Trade Secrets and other Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among Tru Bowl franchisees if owners of Tru Bowl and members of their immediate families or households were permitted to hold an interest in or perform services for any Competitive Business. Therefore, during the term of this Agreement and for a two (2) year period following termination hereof, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee (or any member of their immediate families or households), nor any officer, director, or manager, either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership, corporation, limited liability company or other business entity, shall:

(a) Divert or attempt to divert any business or customer of the Franchised Business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or

(b) Own an interest in, manage, operate, or perform services for any Competitive Business within a twenty-five (25) mile radius from any Tru Bowl Business in the System.

7.4 Nondisclosure and Non-Competition Agreements with Certain Individuals

Franchisor has the right to require any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households), and any officer, director, manager or employee of Franchisee to execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Schedule 2, upon execution of this Agreement or prior to each such person's affiliation with Franchisee. Upon Franchisor's request, Franchisee shall provide Franchisor with copies of all nondisclosure and non-competition agreements signed pursuant to this Section. Such agreements shall remain on file at the business of Franchisee and are subject to audit or review as otherwise set forth herein. Franchisor shall be a third-party beneficiary with the independent right to enforce covenants contained in such agreements.

7.5 Reasonableness of Restrictions

Franchisee acknowledges that the restrictive covenants contained in this Section are essential elements of this Agreement, and that without their inclusion Franchisor would not have entered into this Agreement. Franchisee acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, the System and the Marks and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable.

8. TRAINING AND ASSISTANCE

8.1 Initial Training

Franchisor shall make an initial training program available to a total of Franchisee and up to one (1) of its employees, for a total of two (2) trainees. Approximately two (2) weeks prior to the scheduled opening of the Franchised Business, the designated persons must attend and successfully complete, to Franchisor's satisfaction, an initial training program pertaining to the operation and administration of the Franchised Business including, but not limited to, sales and marketing methods; financial controls; maintenance of quality standards; customer service techniques; record keeping; and reporting procedures and other operational issues. Franchisor shall conduct the initial training program at its headquarters or at another designated location. Franchisor shall not charge tuition or similar fees for initial training; however, all expenses incurred by Franchisee in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, shall be the sole responsibility of Franchisee. Franchisee shall be responsible for training its management and other employees. If Franchisee hires a new or replacement manager for the Franchised Business, Franchisee shall send such manager to Franchisor's training program, at Franchisee's expense, including payment of Franchisor's then-current training fee and the manager's expenses while attending Franchisor's training program.

8.2 Opening Assistance

In conjunction with the beginning of operation of the Franchised Business, Franchisor may send training personnel to Franchisee's location for two (2) days prior to, and up to three (3) days after, Franchisee's Grand Opening for the purpose of familiarizing Franchisee's staff with the Tru Bowl techniques and for the purpose of providing general assistance and guidance in connection with the opening of the Franchised Business. If Franchisee requests additional assistance with respect to the opening or continued operation of the Franchised Business, and should Franchisor deem it necessary and appropriate to comply with such request, Franchisee shall pay Franchisor's then-current standard rates, plus expenses, for such additional assistance.

8.3 Failure to Complete Initial Training Program

If Franchisor determines that the Franchisee is unable to satisfactorily complete the training program described above, Franchisor has the right to terminate this Agreement and retain all fees paid to Franchisor by Franchisee. If Franchisee is a business entity and the Manager fails to complete the initial training program to Franchisor's reasonable satisfaction, Franchisee may be permitted to select a substitute manager and such substitute manager must complete the initial training to Franchisor's satisfaction. Franchisee will be required to pay Franchisor's then-current rates for additional training or Three Hundred Dollars ($300) per day, per person, whichever is greater, as well as the substitute manager's expenses, for providing the substitute manager an initial training program at Franchisor's location, or Franchisor's then-current rates for additional training or Three Hundred Dollars ($300) per day, per person, whichever is greater, for training at Franchisee's location (plus hotel, air fare and other expenses incurred by Franchisor's trainer).

8.4 Ongoing Training

From time to time, Franchisor may provide and if it does, has the right to require that the Franchisee attends ongoing training programs or seminars during the term of this Agreement, at Franchisee's expense of Three Hundred Dollars ($300) per person, per day (plus expenses, including travel, lodging, meals and applicable wages) if ongoing training is at Franchisor's location, or Three Hundred Dollars ($300) per person, per day (plus hotel, air fare and other expenses incurred by Franchisor's trainer) if ongoing training is at Franchisee's location. Franchisor shall not require the Franchisee to attend more than two (2) sessions in any calendar year and these sessions shall not collectively exceed four (4) full days during any calendar year. In Franchisor's discretion, any ongoing training program may be provided via webinar.

8.5 Franchisee Meeting

Franchisor reserves the right, in its discretion and when Franchisor believes it is prudent to do so, to hold a meeting or convention of Tru Bowl franchisees, and Franchisor may state that attendance at the meeting is mandatory. Franchisee shall pay Franchisor's then-current fee for the franchisee meeting, and Franchisee will pay all travel and living expenses that Franchisee and its attendees incur while attending the franchisee meeting. Franchisor m ay designate the location of any franchisee meeting, such as a resort hotel, but Franchisor will not designate an unreasonably expensive site.

9. OPERATIONS MANUAL

9.1 Loan by Franchisor

While this Agreement is in effect, Franchisor shall lend to Franchisee one (1) copy of the Operations Manual or grant Franchisee access to an electronic copy of the Operations Manual. Franchisee shall conduct the Franchised Business in strict accordance with the provisions set forth in the Operations Manual. The Operations Manual may consist of one (1) or more separate manuals and other materials as designated by Franchisor and may be in written or electronic form. The Operations Manual shall, at all times, remain the sole property of Franchisor and shall promptly be returned to Franchisor upon expiration or termination of this Agreement.

9.2 Revisions

Franchisor has the right to add to or otherwise modify the Operations Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor; provided, however, that no such addition or modification shall materially alter Franchisee's fundamental status and rights under this Agreement. Franchisor may make such additions or modifications without prior notice to Franchisee. Franchisee shall immediately, upon notice, adopt any such changes and shall ensure that its copy of the Operations Manual is up-to-date at all times. If a dispute as to the contents of the Operations Manual arises, the terms of the master copy of the Operations Manual maintained by Franchisor at Franchisor's headquarters shall be controlling.

9.3 Confidentiality

The Operations Manual contains Trade Secrets and other Confidential Information of Franchisor and its contents shall be kept confidential by Franchisee both during the term of this Agreement and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee shall at all times ensure that its copy of the Operations Manual is available at the Franchised Business in a current and up-to-date manner. If the Operations Manual is in paper form or stored on computer-readable media, Franchisee shall maintain the Operations Manual in a secure manner at the Franchised Business; if the Operations Manual is in electronic form, Franchisee shall maintain the Operations Manual in a password-protected file. Franchisee shall only grant authorized personnel, as defined in the Operations Manual, access to the Operations Manual or any key, combination, or passwords needed for access to the Operations Manual. Franchisee shall not disclose, duplicate, or otherwise use any portion of the Operations Manual in an unauthorized manner.

10. FRANCHISE SYSTEM

10.1 Uniformity

Franchisee shall strictly comply and shall cause the Franchised Business and its employees to strictly comply with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Operations Manual or other communications supplied to Franchisee by Franchisor. To this end, you must use all vendors and third-party platforms were require, and offer all products that are on our menu offering.

10.2 Modification of the System

Franchisee recognizes that from time to time, Franchisor may introduce, as part of the System, other methods or technology which require certain System modifications including, without limitation, the adoption and use of modified or substitute Marks, new computer hardware and software, equipment or signs. Franchisee agrees to make all required upgrades and modifications at its expense as may be required by Franchisor; provided, however, that Franchisee shall not be required to make any expenditures during the first year of the initial term, nor any expenditures which are unreasonably disproportionate to Franchisee's initial investment to establish the Franchised Business during the initial term. If such additional investment is required to be made in the last year of the initial term, Franchisee may avoid making the investment by providing notice of intent not to renew this Agreement unless the investment is in connection with a modification to the System required by law or court order. Franchisee acknowledges that any required expenditures for changes or upgrades to the System shall be in addition to expenditures for repairs and maintenance as required in Section 13.2 of this Agreement.

Notwithstanding the foregoing, Franchisee shall be required to make any and all improvements or modifications whenever such are required by law, regulation, agency decision or court order.

Notwithstanding the foregoing, in the event Franchisor notifies Franchisee of any additions, alterations, repairs and replacements required to be made to the Franchised Business or the Accepted Location and Franchisee fails to make such additions, alterations, repairs and replacements within the timeframe required by Franchisor, Franchisor shall have the right, without liability for trespass or tort, to enter the Premises and make the additions, alterations, repairs and replacements, and Franchisee agrees to promptly reimburse Franchisor for its expenses in so acting.

10.3 Refurbishment of the Equipment

Every fifth (5th) year after execution of this Agreement, Franchisee, at Franchisor's discretion and upon Franchisor's request, may be required to expend a minimum of Ten Thousand Dollars ($10,000.00) for purposes of updating Franchisee's equipment. Franchisor shall provide Franchisee with specifications and assistance in such refurbishment. The obligations described herein are exclusive of the obligations described in Section 10.2.

10.4 Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular Tru Bowl Business. Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance hereunder.

10.5 Artificial Intelligence

You will not, without our written consent, utilize any generative artificial intelligence software, tools, or technologies, including natural language processing, deep learning algorithms, or machine learning models ("Generative AI") directly or indirectly in the operation of the Franchised Business, including without limitation, in advertising, promotion, or marketing of the Franchised Business, communications with customers, business planning, analysis or optimization, or in any social media. You acknowledge and agree not to upload or share any Confidential Information (including any inputs of information containing trade secrets, sensitive confidential information, or personal information) with any unapproved third-party platforms, including Generative AI, except as authorized in writing by us. In addition, you shall prohibit your employees from using any Confidential Information in Generative AI. In the event you utilize any Generative AI, with or without prior approval from us, you shall comply with all laws applicable to such use, including without limitation, all trademark, copyright, and biometric laws, and shall not infringe upon or use intellectual property of a third party without appropriate authorization and attribution.

11. ADVERTISING AND PROMOTIONAL ACTIVITIES

11.1 Local Advertising

11.1.1 Franchisee shall be required to spend each month an amount equal to at least two percent (2%) of Gross Revenue from the previous month for local advertising for the Franchised Business (such advertising to be approved by Franchisor prior to use thereof, and in a manner we may direct from time to time, including on advertising with Yelp). Franchisee shall continuously and consistently promote the Franchised Business. Every month, Franchisee shall participate in a variety of marketing and promotions such as door mailings, public relations, online or mobile advertisement, or any other form of marketing within the immediate locality surrounding the Franchised Business, as well as direct sales support when requested by Franchisor.

11.1.2 Franchisor shall oversee all local advertising/marketing programs, with sole control over creative concepts, materials, and media used in such programs, and the placement and allocation thereof. Franchisor does not warrant that any particular franchisee will benefit directly or pro rata from expenditures by its local advertising program. Franchisor does not warrant the success or effectiveness of any particular advertising/marketing program.

11.1.3 All advertising and promotion by Franchisee in any medium shall be conducted in a professional manner and shall conform to Franchisor's standards and requirements as set forth in the Operations Manual or otherwise. Franchisee shall obtain Franchisor's approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by Franchisor or previously approved by Franchisor during the twelve (12) months prior to their proposed use. Franchisee shall submit such unapproved plans and materials to Franchisor, and Franchisor shall have fifteen (15) days to notify Franchisee of Franchisor's approval or disapproval of such plans or materials. If Franchisor does not provide its specific approval of the proposed plans or materials within this fifteen (15) day period, the proposed plans or materials are deemed to be not approved. Any plans and materials that Franchisee submits to Franchisor for its review will become Franchisor's property and there will be no restriction on Franchisor's use or dissemination of such plans and materials. Franchisor reserves the right to require Franchisee to include certain language on all advertising to be used locally by Franchisee, including, but not limited to, "Franchises Available" and reference to Franchisor's telephone number and/or website.

11.2 Grand Opening Advertising

Franchisee shall spend a minimum of Five Thousand Dollars ($5,000) on grand opening advertising in its local region at least sixty (60) days prior to its Grand Opening. Such grand opening advertising shall be conducted pursuant to Franchisor's guidelines.

11.3 Internet Advertising

Franchisee restricted from establishing a presence on, or marketing on the Internet without Franchisor's written consent. Franchisee is restricted from responding to any type of online review unless Franchisee obtains Franchisor's prior written consent. Franchisor has an Internet website at the uniform resource locator www.trubowl.com that provides information about the System and about Tru Bowl Businesses. Franchisor may provide Franchisee with a page on Franchisor's website, where Franchisor will have contact information and pricing for Franchisee's Business. All information posted on Tru Bowl website or any linked webpages must be approved by Franchisor before it is posted. Franchisor retains the sole right to market on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. Franchisee may be requested to provide content for Franchisor's Internet marketing and Franchisee shall follow Franchisor's intranet and Internet usage rules, policies and requirements. Franchisor retains the sole right to use the Marks on the Internet, including on websites, as domain names, directory addresses, search terms and meta-tags, social media pages and in connection with linking, marketing, co-branding and other arrangements.

Franchisor retains the sole right to approve any linking to, or other use of, the Tru Bowl website. Franchisee is not permitted to use a domain name containing "Tru Bowl" in the URL.

Any websites or other modes of electronic commerce that Franchisor establishes or maintains, including any mobile applications ("apps") that Franchisor may introduce, may — in addition to advertising and promoting the products, programs or services available at Tru Bowl Businesses — also be devoted in part to offering Tru Bowl franchises for sale and be used by Franchisor to exploit the electronic commerce rights which it alone reserves.

Franchisee is not permitted to promote its Business or use any of the Marks in any manner on any social or networking websites or on the Internet without Franchisor's prior written consent. Franchisor will control all social media initiatives. Franchisee shall comply with Franchisor's System standards regarding the use of social media in the Franchised Business's operation, including prohibitions on Franchisee's and the Franchised Business's employees posting or blogging comments about the Business or the System, other than on a website established or authorized by Franchisor ("social media" includes personal blogs, common social networks like Facebook and Yelp, professional networks like LinkedIn, live-blogging tools like Twitter, TikTok, Instagram, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). Franchisor will provide access to branded social media pages/handles/assets, and Franchisee shall update these regularly. Franchisor reserves the right to conduct collective/national campaigns via local social media on Franchisee's behalf.

Franchisor alone, will be, and will at all times remain, the sole owner of the copyrights to all material which appears on any website Franchisor establishes and maintains.

11.4 Advisory Council

Franchisor may, in its discretion, form an advisory council to work with Franchisor to improve the System, the products offered by Tru Bowl Businesses, advertising, and any other matters that Franchisor deems appropriate. If an advisory council is formed, it will act solely in an advisory capacity, and will not have decision making authority. Franchisor will have the right to form, change, merge or dissolve any advisory council. Franchisor may develop by-laws for any advisory council.

If formed, an advisory council will be comprised of Franchisor's representatives and franchisee representatives. Franchisee representatives may be selected by Franchisor or may be elected by other franchisees in the System. If Franchisee participates on an advisory council, Franchisee shall pay any expenses it incurs related to its participation, such as travel and living expenses to attend council meetings.

11.5 Brand Fund

You shall pay to Franchisor a fee (presently 1%, but not to exceed 2% of Gross Revenue) to contribute to the expense of regional advertising, marketing and promotion undertaken by Tru Bowl for the benefit of the System in accordance with the manual or as otherwise stated in writing from time-to-time.

12. ACCOUNTING, RECORDS, AND REPORTING OBLIGATIONS

12.1 Records

During the term of this Agreement, Franchisee shall maintain full, complete, and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor in the

Operations Manual or otherwise in writing. Franchisee shall utilize an accounting software such as Quickbooks.com (or other Franchisor approved accounting software) to manage its books. Franchisee shall retain during the term of this Agreement, and for three (3) years thereafter, all books and records related to the Franchised Business including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, deposit receipts, cash receipts and disbursement journals, general ledgers, and any other financial records designated by Franchisor or required by law.

12.2 Gross Revenue Reports

Franchisee shall maintain an accurate record of Gross Revenue and shall deliver to Franchisor electronically a signed and verified statement of Gross Revenue ("Gross Revenue Report") for the preceding calendar month not later than the close of business on the fifth (5th) day of each month in a form that Franchisor approves or provides in the Operations Manual.

12.3 Financial Statements

In addition to the Gross Revenue Report, Franchisee shall supply to Franchisor on or before the fifth (5th) day of each month, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding month and the fiscal year-to-date. Franchisee shall, at its expense, submit to Franchisor within ninety (90) days after the end of each calendar year, an income statement for the calendar year just ended and a balance sheet as of the last day of the calendar year. Such financial statements shall be prepared in accordance with generally accepted accounting principles, applied on a consistent basis. If required by Franchisor, such financial statements shall be reviewed or audited by a certified public accountant. Franchisee shall submit to Franchisor such other periodic reports in the manner and at the time specified in the Operations Manual or otherwise in writing.

12.4 Other Reports

Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Operations Manual. Franchisor shall have the right to release financial and operational information relating to the Franchised Business to Franchisor's lenders or prospective lenders. Franchisor shall also have the right to release financial and operational information relating to the Franchised Business in its Franchise Disclosure Document. Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement.

12.5 Computer Equipment

Franchisor reserves the right to require Franchisee to purchase, install and use computer equipment consisting of hardware and software in accordance with Franchisor's specifications. Franchisor shall have full access to all of Franchisee's computer, data and systems and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement. Franchisee acknowledges and understands that Franchisor's ability to independently access information on Franchisee's computer system as described herein does not mitigate or relieve Franchisee of its responsibility to provide the Gross Revenue Report and other financial information required herein.

Franchisor has a right to, and Franchisee is required to provide Franchisor with, independent access to the information that will be generated or stored in Franchisee's computer systems, which includes, but is not limited to, customer, transaction, and operational information. Franchisor has the right, with or without prior notice to Franchisee, to review Franchisee's business operations, in person, by mail, or electronically, and to inspect Franchisee's operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through the Franchised Business.

12.6 Right to Inspect

Franchisor or its designee has the right, during normal business hours without notice, to examine, copy, and audit the books, records and tax returns of Franchisee. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus interest as set forth in Section 3.5. Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees) if such inspection discloses an underpayment or understatement of two percent (2%) or more. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

12.7 Release of Records

At Franchisor's request Franchisee shall authorize Franchisor and/or its direct third party(s), including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised Business including, but not limited to, records evidencing Gross Revenue, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor.

13. STANDARDS OF OPERATION

13.1 Authorized Products, Services, and Suppliers

13.1.1 Franchisee acknowledges that the reputation and goodwill of the System is based in large part on offering high quality products and services to its customers. Accordingly, Franchisee shall provide or offer for sale or use at the Franchised Business only those products and services, with the greatest diligence and care by Franchisee, that Franchisor approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards. If required by Franchisor, any such products or services shall be purchased only from Franchisor or a supplier designated by Franchisor. Franchisee shall NOT offer for sale, sell or provide through the Franchised Business or from the Franchised Business any products or services that Franchisor has not approved. Furthermore, Franchisee must offer for sale all services and products currently offered by Franchisor or which will be offered by the Franchisor in the future.

13.1.2 Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences. Franchisor has the right to give its consent to one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors set forth in Section 10.4 and shall not create any rights in Franchisee to provide the same products or services.

13.1.3 Franchisee understands and acknowledges that Franchisor may periodically receive payments from approved suppliers, such as in the form of rebates, based on such approved suppliers' sales of products and services to its franchisees. Franchisor reserves the right to direct that any supplier rebates, refunds, advertising allowances or other consideration payable or paid as a result of Franchisee's purchases of non-proprietary goods, services or equipment be paid to Franchisor or any affiliate that Franchisor may designate. If Franchisor does so, then Franchisee hereby acknowledges that it will not assert any interest in such monies.

13.1.4 Franchisor shall provide Franchisee, in the Operations Manual or other written or electronic form, with a list of specifications and, if required, a list of Approved Suppliers for some or all of the supplies, furniture, fixtures, inventory, equipment and other approved or specified items and services, and Franchisor may from time to time issue revisions to such list. If Franchisor or an Affiliate is an Approved Supplier, Franchisee shall execute a standard form purchase or supply agreement for the items to be supplied by Franchisor or its Affiliate. If Franchisee desires to utilize any products, services or new technology that Franchisor has not approved (for products and services that require supplier approval), Franchisee shall first send Franchisor sufficient information, specifications and samples for Franchisor to determine whether the service or product complies with its standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisee shall bear all expenses incurred by Franchisor in connection with determining whether it shall approve an item, service or supplier, not to exceed One Thousand Dollars ($1,000.00). Franchisor will decide within a reasonable time (usually thirty [30] days) after receiving the required information whether Franchisee may purchase or lease such items or services or from such supplier. Approval of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Nothing in this Section shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications that Franchisor deems confidential. Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria. Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor.

13.2 Appearance and Condition of the Franchised Business

Franchisee shall maintain the service equipment, Premises and signage of the Franchised Business in "like new" condition, and shall repair or replace service equipment, the Accepted Location and signage as necessary to comply with the health and safety standards and specifications of Franchisor and any applicable laws or regulations. The expense of such maintenance shall be borne by Franchisee and shall be in addition to any required System modifications, as described in Section 10.2. Franchisor shall have the right at any time, without notice to Franchisee, to inspect the Accepted Location to ensure compliance with Franchisor's specifications.

Notwithstanding the foregoing, in the event Franchisor notifies Franchisee of any maintenance required to be made to the Franchised Business or the Premises and Franchisee fails to conduct such maintenance within the timeframe required by Franchisor, Franchisor shall have the right, without liability for trespass or tort, to enter the Premises and provide any required maintenance, and Franchisee agrees to promptly reimburse Franchisor for its expenses in so acting.

13.3 Ownership and Management

The Franchised Business shall, at all times, be under the direct supervision of Franchisee or its approved, fully trained manager. Franchisee and/or its manager shall devote sufficient efforts to the management of the day-to-day operation of the Franchised Business, but not less than forty (40) hours per week, not including vacation, sick leave and similar absences. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its manager. Franchisee shall not engage in any business or other activities that will conflict with its obligations under this Agreement.

13.4 Days of Operation

Franchisee shall keep the Franchised Business open for business during normal business hours on the days specified in the Operations Manual, subject to applicable law and/or the terms of the lease for the Accepted Location.

13.5 Contributions and Donations

In order to protect the Marks, Franchisee must obtain Franchisor's prior written consent before making any contributions or donations of items, services or funds to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any organization). Franchisor may withhold any such consent in its sole and absolute discretion.

13.6 Licenses and Permits; Compliance with Laws

Franchisee shall secure and maintain in force all required operational licenses and permits necessary for the operation of the Franchised Business, and shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised Business. Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations with regard to the operation of the Franchised Business.

Franchisee and its owners agree to comply, and to assist Franchisor to the fullest extent possible in its efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, Franchisee and its owners certify, represent, and warrant that none of its or their property or interests is subject to being blocked under, and that Franchisee and its owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Franchisee or its owners, or any blocking of Franchisee's or its owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

13.7 Notification of Proceedings

Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised Business, and of the issuance of any order, writ, injunction, judgment, award or decree which may affect the operation or financial condition of the Franchised Business not more than five (5) days after notice of such commencement or issuance.

Franchisee shall deliver to Franchisor not more than five (5) days after Franchisee's receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation.

13.8 Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created and licenses granted hereby. Therefore, Franchisee shall endeavor to maintain high standards of quality and service in the operation of the Franchised Business, including operating in strict compliance with all applicable rules and regulations. Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised Business. The Franchised Business shall in all dealings with its customers, vendors and the general public, adhere to the highest standards of honesty, fair dealing and ethical conduct. If Franchisor deems that Franchisee did not fairly handle a customer complaint or has operated outside of applicable rules and regulations, Franchisor has the right to intervene and satisfy the customer. Franchisor has the right to terminate this Agreement for violation of this Section. Franchisee shall reimburse Franchisor for all costs incurred by Franchisor in servicing a customer of the Franchised Business pursuant to this Section.

13.9 Uniforms

Franchisee shall abide by all uniform and dress code requirements stated in the Operations Manual or otherwise. Uniforms must be purchased from an Approved Supplier, if such is designated, or if none, then a supplier who meets Franchisor's specifications and quality standards for uniforms.

13.10 Credit Cards

Franchisee shall, at its expense, lease or purchase the necessary equipment and/or software through approved vendors and shall have arrangements in place with Visa, MasterCard, American Express and such other credit card issuers as Franchisor may designate, from time to time, to enable the Franchised Business to accept such methods of payment from its customers.

13.11 E-Mail

Franchisee shall, at all times and at Franchisee's expense, maintain an e-mail address and account for communicating with Franchisor. Franchisee may change its e-mail address by giving written notice of such change of address to Franchisor. Alternatively, and at Franchisor's election, Franchisor may set up an email address for Franchisee's benefit, using Franchisor's information, methods, and trade name. Franchisor may in the future charge a maintenance fee, which fee shall be communicated contemporaneous of Franchisor's initiation of the alternative e-mail as mentioned in this section. If Franchisor sets up an email address for Franchisee's benefit, Franchisee must use that email address for all Franchisor-related correspondence, and must be used for all vendor agreements, third-party delivery services, and the like.

13.12 Best Efforts

Franchisee shall use its best efforts to promote and increase the sales and recognition of services offered through the Franchised Business. Franchisee shall require all of Franchisee's employees, managers, officers, agents and representatives to make a good faith effort to enhance and improve the System and the sales of all products and services provided as part of the System.

13.13 Access to Data

Franchisee acknowledges and agrees to provide Franchisor access to its POS System, YELP and Google logins, all third-party delivery platforms (such as, but not limited to, Doordash, Grubhub, and Uber Eats), and all camera systems installed in the Franchised Business.

14. FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

14.1 General Advice and Guidance

Franchisor shall be available to render advice, discuss problems, and offer general guidance to Franchisee by telephone and/or electronic correspondence, with respect to planning and operating the Franchised Business. Franchisor shall not charge for this service. Franchisee acknowledges and agrees that Franchisor shall not be held liable for such advice; any decisions made by Franchisee, whether on its own accord or through suggestion from Franchisor is Franchisee's sole and absolute responsibility.

14.2 Periodic Visits

Franchisor or its representative may make periodic visits, which may be announced or unannounced, to the Franchised Business for the purposes of consultation, assistance and guidance with respect to various aspects of the operation and management of the Franchised Business. Franchisor and its representatives who visit the Franchised Business may prepare, for the benefit of both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchised Business. A copy of any such written report may be provided to Franchisee. Franchisee shall implement any required changes or improvements as required by Franchisor with time being of the essence.

14.3 Pricing

Where permitted by applicable law, Franchisor may provide Franchisee written notice regarding the maximum prices which Franchisee must charge its customers for menu items, products and services provided or sold under the System. Any such notice, if given at all, will be binding on Franchisee and Franchisee agrees to comply with Franchisor's pricing guidelines. Nothing contained herein shall be deemed a representation by Franchisor that if Franchisee follows such guidelines Franchisee will, in fact, generate a profit. Franchisee is obligated to inform Franchisor of all prices charged for products sold by Franchisee and to inform Franchisor of any modifications of Franchisee's prices. Franchisor may exercise rights with respect to pricing programs and products to the fullest extent permitted by then-applicable law. These rights may include (without limitation) establishing the maximum retail prices which Franchisee may charge customers for the programs or products offered and sold at the Franchised Business; recommending retail prices; advertising specific retail prices for some or all programs, products or sold by the Franchised Business, which prices Franchisee agrees to observe (sometimes known as "price point advertising campaigns"); engaging in advertising, promotional and related programs which Franchisee must participate in and which may directly or indirectly impact Franchisee's retail prices (such as "buy one, get one free"); and otherwise mandating, directly or indirectly, the maximum retail prices which the Franchised Business may charge the public for the programs, products and services it offers. Franchisor may engage in any such activity at any time throughout the term of this Agreement. Further, Franchisor may engage in such activity only in certain geographic areas (towns, cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. Franchisee acknowledges and agrees that any maximum prices Franchisor establishes or suggests may or may not optimize the revenues or profitability of the Franchised Business. Franchisee entirely waives any and all claims related to Franchisor's establishment of prices charged at the Franchised Business.

15. INSURANCE

15.1 Types and Amounts of Coverage

At its sole expense, Franchisee shall procure within ten (10) days of the Effective Date, and maintain in full force and effect during the term of this Agreement, the types of insurance listed below, and/or as required by law in their territory/city(s) of operation. All policies (except any workers' compensation insurance) shall expressly name Franchisor as an additional insured or loss payee and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure the following insurance:

General Liability Insurance	$1,000,000	Per Occurrence
	$2,000,000	In the Aggregate
Business Property Insurance	Business Property including any Alterations and Additions insured to 100% of the total replacement cost values	Must include Windstorm and Hail coverage
Business Income/Extra Expense	Actual Loss Sustained for 12 months	
Valuable Papers and Records	$2,500	Per Occurrence
Comprehensive Crime and Employee Dishonesty Insurance	$25,000	Per Occurrence
Money and Securities	$2,500/Inside $5,000/Outside	
Flood Insurance	Limit adequate to insure building and property	

15.2 Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards, or other relevant changes in circumstances. Upon notice from Franchisor of any change in the insurance requirements, Franchisee shall immediately comply with any such change.

15.3 Carrier Standards

Such policies shall be written by an insurance company licensed in the state in which Franchisee operates and having at least an "A" Rating Classification as indicated in the latest issue of A.M. Best's Key Rating Guide. Although A.M. Best groups "A" and "A-" in the same classification, Franchisor demands an "A" rating.

15.4 Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 21.3. Upon issuance of a policy and renewal of said policy, Franchisee shall provide to Franchisor, certificates of insurance showing compliance with the foregoing requirements within fifteen (15) days of Franchisee's receipt of such certificates. Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days' prior written notice to Franchisor and shall reflect proof of payment of premiums.

15.5 Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, shall be payable by Franchisee immediately upon notice.

16. DEFAULT AND TERMINATION

16.1 Termination by Franchisee

Under no circumstances may Franchisee terminate this Agreement.

16.2 Termination by Franchisor

16.2.1 Franchisor has the right to terminate this Agreement, without any opportunity to cure by Franchisee, if Franchisee:

(a) fails to timely establish, equip, and commence operations of the Franchised Business pursuant to Section 5;

(b) fails to have its Owner Operator satisfactorily complete any training program pursuant to Section 8;

(c) fails to maintain all required licenses and permits for a period exceeding five (5) business days;

(d) has made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into this Agreement;

(e) is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee, or the Franchised Business;

(f) after notice to cure, fails to refrain from activities, behavior, or conduct likely to adversely affect the reputation of Franchisor, Franchisee, or the Franchised Business;

(g) discloses, duplicates, or otherwise uses in an unauthorized manner any portion of the Operations Manual, Trade Secrets, or any other Confidential Information;

(h) if required by Franchisor, fails to have any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households), and any officer, director, manager or employee, execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Schedule 2, upon execution of this Agreement or prior to each such person's affiliation with Franchisee or fails to provide Franchisor with copies of all nondisclosure and non-competition agreements signed pursuant to Section 7.4 if requested by Franchisor, or has violated Section 7.3 (Exclusive Relationship);

(i) abandons, fails, or refuses to actively operate the Franchised Business for three (3) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved by Franchisor), or, if first approved by Franchisor, fails to promptly relocate the Franchised Business or any other event rendering the Accepted Location unusable;

(j) surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in the Franchise of a deceased or incapacitated owner thereof as herein required;

(k) fails to maintain the Franchised Business under the primary supervision of an approved manager during the one hundred and eighty (180) days following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 18.6;

(l) submits to Franchisor on two (2) or more separate occasions at any time during the term of this Agreement any reports or other data, information or supporting records that understate any Royalty Fee or any other fees owed to Franchisor by more than two percent (2%) for any accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

(m) becomes insolvent, meaning unable to pay bills as they become due in the ordinary course of business; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed); if execution is levied against Franchisee's business or property; if a suit to foreclose any lien or mortgage against its Franchised Business, and/or the Premises, or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed;

(n) misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

(o) fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, amounts due for purchases from Franchisor and any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

(p) violates on two (2) or more occasions any health or safety law, ordinance or regulation, or operates the Franchised Business in a manner that presents a health or safety hazard to its customers, employees, or the public;

(q) engages in any activity exclusively reserved to Franchisor;

(r) fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance;

(s) breaches this Agreement three (3) times in any twelve (12) month period and/or fails three (3) times in any twelve (12) month period to comply with mandatory specifications, customer service standards, or operating procedures prescribed in the Operations Manual, whether or not previous breaches or failures are cured;

(t) defaults under any other agreement between Franchisor (or any Affiliate) and Franchisee, such that Franchisor or its Affiliate, as the case may be, has the right to terminate such agreement or such agreement automatically terminates;

(u) performs Targeted Marketing in any geographic location outside of the Territory, whether or not such geographic location falls within another franchisee's territory or the territory of any other Franchisor-controlled business; or

(v) fails to refer business opportunities or offers received by third parties, if such business opportunities or offers would take place in any geographic location which falls under the territory of other franchisees, Franchisor's associated businesses, or which are directly controlled by the Franchisor.

16.2.2 Except as otherwise provided in Section 16.2.1, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination stating the nature of the default; provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and shall continue to make all reasonable efforts to cure until a cure is effected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period:

(a) within five (5) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor;

(b) within ten (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 15 of this Agreement; or

(c) within thirty (30) days of receiving notice of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard, or operating procedure prescribed in the Operations Manual or otherwise prescribed in writing.

16.2.3 For any default of this Agreement which triggers Franchisor's ability to terminate, Franchisor may as an alternative to termination, and at its sole and absolute discretion, modify or completely eliminate any rights Franchisee may have with respect to the Territory, effective ten (10) days after delivery of written notice to Franchisee.

16.3 Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

16.4 Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to Section 16.2.2, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any products or services for which Franchisor is an Approved Supplier to Franchisee and/or suspension of Franchisee's location page on Franchisor's website, until such time as Franchisee corrects the breach.

16.5 Right of Franchisor to Operate Franchised Business

Following the delivery of a notice of termination pursuant to Section 16.2.2, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume the operation of the Franchised Business until such time as Franchisee corrects the breach. Franchisor may charge a management fee as stated in the Operations Manual from time to time, currently equal to Three Hundred Dollars ($300) per day, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business. In the event of Franchisor's exercise of its rights hereunder, Franchisee agrees to hold harmless Franchisor and its representatives for all actions occurring during the course of such temporary operation. Franchisee agrees to pay all of Franchisor's reasonable attorneys' fees and costs incurred as a consequence of its exercise of the rights described herein.

16.6 Cross Defaults, Non-Exclusive Remedies, etc.

Any default by Franchisee (or any person/company affiliated with Franchisee) under this Agreement may be regarded as a default under any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any affiliate of Franchisee). Any default by Franchisee (or any person/company affiliated with Franchisee) under any other agreement, including, but not limited to, an area development agreement, any lease and/or sublease, between Franchisor (or any affiliate of Franchisor) and Franchisee (or any person/company affiliated with Franchisee), and any default by Franchisee (or any person/company affiliated with Franchisee) under any obligation to Franchisor (or any affiliate of Franchisor) may be regarded as a default under this Agreement. Any default by Franchisee (or any person/company affiliated with Franchisee) under any lease, sublease, loan agreement, security interest or otherwise, whether with Franchisor, any affiliate of Franchisor and/or any third party may be regarded as a default under this Agreement and/or any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any affiliate of Franchisee).

In each of the foregoing cases, Franchisor (and any affiliate of Franchisor) will have all remedies allowed at law, including termination of Franchisee's rights (and/or those of any person/company affiliated with Franchisee) and Franchisor's (and/or Franchisor's affiliates') obligations. No right or remedy which Franchisor may have (including termination) is exclusive of any other right or remedy provided under law or equity and Franchisor may pursue any rights and/or remedies available.

17. RIGHTS AND DUTIES UPON EXPIRATION OR TERMINATION

17.1 Actions to be Taken

Except as otherwise provided herein, upon termination or expiration, this Agreement and all rights granted hereunder to Franchisee shall terminate and Franchisee shall:

(a) immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;

(b) cease to use the Trade Secrets or other Confidential Information, the System and the Marks, including, without limitation, all slogans, symbols, logos, advertising materials, stationery, forms, and any other items which display or are associated with the Marks;

(c) take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city, or county authorities which contains the name "Tru Bowl" or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;

(d) pay all sums owing to Franchisor and any Affiliate. In the event of termination for any default of Franchisee, such sums shall include, but not be limited to, all damages, costs, and expenses, including reasonable attorneys' fees, with respect to litigation, arbitration, appellate, or bankruptcy proceedings, unpaid Royalty Fees, loss of future Royalty Fee payments incurred by Franchisor as a result of any early termination of this Agreement, and any other amounts due to Franchisor or any Affiliate;

(e) pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

(f) immediately return to Franchisor the Operations Manual, Trade Secrets, and all other Confidential Information, including records, files, instructions, brochures, agreements, disclosure statements, and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business (all of which are acknowledged to be Franchisor's property);

(g) assign all telephone listings and numbers for the Franchised Business to Franchisor and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks in any regular, classified or other telephone directory listing and shall authorize transfer of same to or at the direction of Franchisor. In addition, Franchisee shall assign to Franchisor all Internet listings, domain names, Internet accounts, advertising on the Internet or world wide web, websites, listings with search engines, email addresses or any other similar listing or usage related to the Franchised Business. Franchisee hereby appoints Franchisor as Franchisee's true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignments. This power of attorney shall survive the expiration or termination of this Agreement; and

(h) comply with all other applicable provisions of this Agreement.

17.2 Post-Termination Covenant Not to Compete

17.2.1 Franchisee acknowledges that the restrictive covenants contained in this Section are fair and reasonable and are justifiably required for purposes including, but not limited to, the following:

(a) to protect the Trade Secrets and other Confidential Information of Franchisor;

(b) to induce Franchisor to grant a Franchise to Franchisee; and

(c) to protect Franchisor against its costs in training Franchisee and its officers, directors, managers, and Owner Operators.

17.2.2 Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, or manager of Franchisee, shall, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly:

(a) offer Competitive Business services located or operating (a) at or within a twenty-five (25) mile radius of the Franchised Business, or (b) within a twenty-five (25) mile radius of any other Tru Bowl Business in existence at the time of termination or expiration, or (c) any other business owned or operated by the Franchisor in existence at the time of termination or expansion;

(b) solicit or otherwise attempt to induce or influence any customer or other business associate of Franchisor to terminate or modify his, her or its business relationship with Franchisor or to compete against Franchisor; or

(c) In furtherance of this Section, Franchisor has the right to require certain individuals to execute standard form nondisclosure or non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Schedule 2.

17.3 Unfair Competition

If Franchisee operates any other business, Franchisee shall not use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, that is likely to cause confusion, mistake or deception, or that is likely to dilute Franchisor's rights in the Marks. Franchisee shall not utilize any designation of origin, description or representation that falsely suggests or represents an association or connection with Franchisor. This Section is not intended as an approval of Franchisee's right to operate other businesses and in no way is it intended to contradict Sections 17.1 or 17.2. Franchisee shall make such modifications or alterations to the Franchised Business (including changing telephone and facsimile numbers) immediately upon termination or expiration of this Agreement as may be necessary to prevent any association between Franchisor or the System and any business subsequently operated by Franchisee or others at the Franchised Business. Franchisee shall make such specific additional changes to the Franchised Business as Franchisor may reasonably request for that purpose including, without limitation, removal of all physical and structural features identifying or distinctive to the System. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the Franchised Business for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee shall pay upon demand.

17.4 Franchisor's Option to Purchase Certain Business Assets

Franchisor has the right (but not the obligation), for a period of thirty (30) days after termination or expiration of this Agreement, to purchase any or all assets of the Franchised Business including improvements, vehicles, equipment, supplies and inventory. The purchase price shall be equal to the assets' book value. If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against the purchase price.

17.5 Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect subsequent to and notwithstanding their expiration or termination and until satisfied or by their nature expire.

18. TRANSFERABILITY OF INTEREST

18.1 Transfer by Franchisor

This Agreement and all rights and duties hereunder are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor hereunder and Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement.

18.2 Transfer by Franchisee to a Third Party

The rights and duties of Franchisee as set forth in this Agreement, and the Franchise herein granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or collective skill and financial ability. Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the assets of the Franchised Business or any part or all of the ownership interest in Franchisee without the prior written approval of Franchisor. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. If Franchisee is in compliance with this Agreement, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

(a) Franchisee has complied with the requirements set forth in Section 19;

(b) all obligations owed to Franchisor, and all other outstanding obligations relating to the Franchised Business, are fully paid and satisfied;

(c) Franchisee (and any transferring owners, if Franchisee is a business entity) has executed a general release, in a form the same as or similar to the General Release attached as Schedule 1, of any and all claims against Franchisor, including its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Agreement or to the transfer of Franchisee's interest herein or to the transfer of

Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;

(d) the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

(e) the transferee and, if Franchisor requires, all persons owning any interest in the transferee, have executed the then-current franchise agreement for new franchisees, which may be substantially different from this Agreement, including a different Royalty Fee rate and other material provisions, and the franchise agreement then executed shall be for the term specified in such agreement;

(f) the transferee has executed a general release, in a form the same as or similar to the General Release attached as Schedule 1, of any and all claims against Franchisor and its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Franchisee;

(g) Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise;

(h) At the time of transfer, Franchisee, or the transferee, has paid to Franchisor a transfer fee in the amount of the greater of thirty percent (30%) of the Franchise Fee set forth in Section 3.1 or ten percent (10%) of the sale price if the Franchise is being sold, transferred, or assigned to a third party;

(i) the transferee, or all holders of a legal or beneficial interest in the transferee, has agreed to be personally bound jointly and severally by all provisions of this Agreement for the remainder of its term by executing a personal guaranty in such form as prepared by Franchisor;

(j) Franchisee has agreed to be bound to the obligations of the new franchise agreement and to guarantee the full performance thereof by the transferee, if required by Franchisor;

(k) the transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;

(l) Franchisee has, and if Franchisee is an entity, all of the holders of a legal and beneficial interest in Franchisee have executed and delivered to Franchisor a nondisclosure and non-competition agreement in a form satisfactory to Franchisor and in substance the same as the nondisclosure and non-competition covenants contained in Sections 7 and 17; and

(m) the transferee agrees that its Owner Operator shall complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 8.1 prior to assuming the management of the day-to-day operation of the Franchised Business.

18.3 Transfer to a Controlled Entity

18.3.1 If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

(a) the Controlled Entity is newly organized and its charter or articles of formation provides that its activities are confined exclusively to the operation of the Franchised Business;

(b) Franchisee or all holders of a legal or beneficial interest in Franchisee own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;

(c) all obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied; provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a transfer fee as required pursuant to Section 18.2(h);

(d) the Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised Business. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;

(e) all holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement;

(f) each stock certificate or other ownership interest certificate of the Controlled Entity has conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and

(g) copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number, and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption.

18.3.2 The term of the transferred franchise shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights.

18.3.3 Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised Business, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.

18.4 Franchisor's Disclosure to Transferee

Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto. Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchised Business by an intended transferee identified by Franchisee.

18.5 For-Sale Advertising

Franchisee shall NOT, without prior written consent of Franchisor, place in, on or upon the area of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted hereunder.

18.6 Transfer by Death or Incapacity

Upon the death or Incapacity of Franchisee (if Franchisee is an individual) or any holder of a legal or beneficial interest in Franchisee (if Franchisee is a business entity), the appropriate representative of such person (whether administrator, personal representative or trustee) shall, within a reasonable time not exceeding one hundred eighty (180) days following such event, transfer such individual's interest in the Franchised Business or in Franchisee to a third party approved by Franchisor. During such one hundred eighty (180) day period, the Franchised Business must remain at all times under the primary management of an Owner Operator who otherwise meets Franchisor's management qualifications.

Following such a death or Incapacity of such person as described in this Section 18.6, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by Franchisor. Franchisor shall be given access to the Franchised Business, even if located within Franchisee's or its Owner Operator's principal residence and shall not be held liable for trespass or any related tort. Franchisor may charge a management fee as stated in the Operations Manual from time to time, currently equal to Three Hundred Dollars ($300) per person per day plus other costs and expenses, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business. In the event of Franchisor's exercise of its rights hereunder, Franchisee agrees to hold harmless Franchisor and its representatives for all actions occurring during the course of such temporary operation. Franchisee agrees to pay all of Franchisor's reasonable attorneys' fees and costs incurred as a consequence of its exercise of the rights described herein.

19. RIGHT OF FIRST REFUSAL

19.1 Submission of Offer

If Franchisee, or any of its owners, proposes to sell or otherwise transfer (including a transfer by death or Incapacity pursuant to Section 18.6) the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder, Franchisee shall obtain and deliver a bona fide, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials, to Franchisor, except with regards to a sale or transfer to a family member. The offer must apply only to an approved sale of the assets or interests listed above and may not include any other property or rights of Franchisee or any of its owners.

19.2 Franchisor's Right to Purchase

Franchisor shall, for thirty (30) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer. Franchisor's credit shall be deemed at least equal to the credit of any proposed buyer. After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor shall have up to sixty (60) days to close the purchase. Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal.

19.3 Non-Exercise of Right of First Refusal

If Franchisor does not exercise its right of first refusal within thirty (30) days from the date of delivery of all such documents, the offer or proposal may be accepted by Franchisee or any of its owners, subject to Franchisor's prior written approval as required by Section 18.2. Should the sale fail to close within one hundred twenty (120) days after the offer is delivered to Franchisor, Franchisor's right of first refusal shall renew and be implemented in accordance with this Section.

19.4 Sales or Transfers to Family Excepted

If Franchisee proposes to sell or otherwise transfer the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder to a member of Franchisee's (or its owners') family, then the terms and conditions of this Section shall be inapplicable. Nothing in this Section 19.4 shall be construed to relieve Franchisee from full compliance with the terms and conditions of Section 18.2 prior to a sale or transfer to family pursuant to this Section.

20. BENEFICIAL OWNERS OF FRANCHISEE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individual(s) identified in Schedule 6 is/are the sole holder(s) of a legal or beneficial interest (in the stated percentages) of Franchisee.

21. RELATIONSHIP AND INDEMNIFICATION

21.1 No Fiduciary Relationship

21.1.1 The parties acknowledge and agree that Franchisee shall be an independent contractor and this Agreement does not create a fiduciary relationship between them, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose. Franchisee understands and agrees that it is and will be an independent contractor under this Agreement. Nothing in this Agreement may be interpreted as creating a partnership, joint venture, agency, employment or fiduciary relationship of any kind. Franchisee's employees are not Franchisor's employees. Neither Franchisee nor any of its employees whose compensation Franchisee pays may in any way, directly or by implication, shall be considered Franchisor's employee for any purpose, regardless of inclusion in mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. Franchisor will not have the power to hire or terminate the employment of Franchisee's employees. Franchisee expressly agrees, and will never claim otherwise, that Franchisor's authority under this Agreement to determine that certain of Franchisee's employees are qualified to perform certain tasks for the Franchised Business does not directly or indirectly vest in Franchisor the power to influence the employment terms of any such employee.

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

21.2 Independent Contractor

21.2.1 During the term of this Agreement, Franchisee shall hold itself out to the public as an independent contractor conducting its Business operations pursuant to the rights granted by Franchisor. Franchisee agrees to take such action as shall be reasonably necessary to that end, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Accepted Location established for the purposes hereunder or on any delivery vehicle and on all letterhead, business cards, forms, and as further described in the Operations Manual. Franchisor reserves the right to specify in writing the content and form of such notice.

21.2.2 Franchisee acknowledges and agrees that any training Franchisor provides for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems and operations of a Tru Bowl Business and in no fashion reflects any employment relationship between Franchisor and such employees. If it is ever asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agrees to assist Franchisor in defending said allegation, appearing at any venue requested by Franchisor to testify on Franchisor's behalf; participating in depositions or other appearances; or preparing affidavits rejecting any assertion that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees.

21.3 Franchisee is the Sole and Exclusive Employer of Its Employees

Franchisee hereby irrevocably affirms, attests and covenants its understanding that its employees are employed exclusively by Franchisee and in no fashion are any such employee employed, jointly employed or co-employed by Franchisor. Franchisee further affirms and attests that each of its employees is under Franchisee's exclusive dominion and control and never under Franchisor's direct or indirect control in any fashion whatsoever. Franchisee alone hires each of its employees; sets their schedules; establishes their compensation rates; and pays all salaries, benefits and employment-related liabilities (such as workers' compensation insurance premiums/payroll taxes/Social Security contributions/unemployment insurance premiums). Franchisee alone has the ability to discipline or terminate its employees to the exclusion of Franchisor, and Franchisee acknowledges that Franchisor has no such authority or ability. Franchisee further attests and affirms that any minimum staffing requirements established by Franchisor are solely for the purpose of ensuring that the Franchised Business is at all times staffed at those levels necessary to operate the Franchised Business in conformity with the System and the products, services, standards of quality and efficiency, and other Tru Bowl brand attributes known to and desired by the consuming public and associated with the Marks. Franchisee affirms, warrants and understands that it may staff the Franchised Business with as many employees as Franchisee desires at any time so long as Franchisor's minimal staffing levels are achieved. Franchisee also affirms and attests that any recommendations Franchisee may receive from Franchisor regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist Franchisee to efficiently operate the Franchised Business, and that Franchisee is entirely free to disregard Franchisor's recommendations regarding such employee compensation. Moreover, Franchisee affirms and attests that any training provided by Franchisor for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems and operations of a Tru Bowl Business and in no fashion reflects any employment relationship between Franchisor and such employees. Finally, should it ever be asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agrees to assist Franchisor in defending said allegation, including (if necessary) appearing at any venue requested by Franchisor to testify on Franchisor's behalf (and, as may be necessary, Franchisee submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees). To the extent Franchisor is the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of Franchisee, should any such appearance by Franchisee be required or requested by Franchisor, Franchisor will recompense Franchisee the reasonable costs associated with Franchisee's appearing at any such venue.

21.4 Indemnification

Franchisee shall hold harmless and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including reasonable attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon Franchisee's (a) ownership or operation of the Franchised Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate); (d) defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the Franchised Business; or (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information. The obligations of this Section 21.4 shall expressly survive the termination of this Agreement.

21.5 Right to Retain Counsel

Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation, or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor's exercise of its rights under this Section causes any of Franchisee's insurers to refuse to pay a third-party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee. Franchise agrees to not be a party to class action suit against Franchisor or any of its Affiliates under any circumstances.

21.6 Franchisee is Not Authorized

Franchisee understands and agrees that nothing in this Agreement authorizes Franchisee or any of its owners to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in the name of Franchisor or the Marks, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of Franchisee or any of its owners or any claim or judgment arising therefrom.

22. GENERAL CONDITIONS AND PROVISIONS

22.1 No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

22.2 Injunctive Relief

As any breach by Franchisee of any of the restrictions contained in Sections 6, 7, and 17 would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, without the necessity of posting security or bond and Franchisee shall be responsible for Franchisor's reasonable attorneys' fees incurred in pursuing the same. Franchisor's right to seek injunctive relief will not affect the parties' waiver of jury trial and covenant to mediate all disputes in accordance with Section 23. Franchisor's rights herein shall include pursuing injunctive relief through arbitration or in a state or federal court.

22.3 Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by Registered Mail, return receipt requested. Either party may change its address by a written notice sent in accordance with this Section 22.3. All notices, payments and reports required by this Agreement shall be sent to Franchisor at the following address, or at such other address as Franchisor may provide:

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
Attn.: . Dolores Quiroz-Castrellon
5565 Greenleaf Ave.
Whittier, California 90601

Notices to Franchisees shall be sent to:

____
____
____
____

22.4 Cost of Enforcement or Defense

If Franchisor or Franchisee is required to enforce this Agreement in a judicial or arbitration proceeding, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and attorneys' fees, in connection with such proceeding.

22.5 Unlimited Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee of five percent (5%) or greater shall be required to execute, as of the date of this Agreement, the Unlimited Guaranty and Assumption of Obligations attached as Schedule 1, through which such holders agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

22.6 Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

22.7 Entire Agreement

This Agreement, its schedules and the documents referred to herein shall be construed together and constitute the entire, full and complete agreement between Franchisor and Franchisee concerning the subject matter hereof and shall supersede all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Franchisor in the Disclosure Document that was furnished to Franchisee by Franchisor. No other representation, oral or otherwise, has induced Franchisee to execute this Agreement, and there are no representations (other than those within Franchisor's Disclosure Document), inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect with respect to the matters set forth in or contemplated by this Agreement or otherwise. No amendment, change, or variance from this Agreement shall be binding on either party unless executed in writing by both parties.

22.8 Severability and Modification

Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

Notwithstanding the above, each of the covenants contained in Sections 7 and 17 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Trade Secrets or other Confidential Information or on competition to the maximum extent provided or permitted by law.

22.9 Construction

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

22.10 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay; provided, however, that “force majeure” shall not include Franchisee’s lack of financing. This clause shall not result in an extension of the term of this Agreement.

22.11 Timing

Time is of the essence. Except as set forth in Section 22.10, failure to perform any act within the time required or permitted by this Agreement shall be a material breach.

22.12 Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to an Affiliate. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor’s right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee’s past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

22.13 Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

22.14 Third Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

22.15 Multiple Originals

Both parties will execute multiple copies of this Agreement, and each executed copy will be deemed an original.

23. DISPUTE RESOLUTION

23.1 Choice of Law

This Agreement is effective upon its acceptance in California by Franchisor's authorized officer. Except as to claims governed by federal law, California law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties ("Claims"). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

23.2 Jurisdiction and Venue

Franchisee and Franchisor agree that venue and jurisdiction for any Claims, except those required to be submitted to mediation, shall be proper solely in the state and federal court nearest to Franchisor's corporate headquarters, presently located in Los Angeles County, California.

23.3 Jury Waiver

In any trial between any of the parties as to any Claims, Franchisee and Franchisor agree to waive their rights to a jury trial and instead have such action tried by a judge.

23.4 Class Action Waiver

Franchisee agrees to bring any Claims, if at all, individually and Franchisee shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against Franchisor.

23.5 Limitation of Damages

Franchisee and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees as provided in Section 22.4. Franchisee waives and disclaims any right to consequential damages in any action or claim against Franchisor concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Franchisor concerning this Agreement, Franchisee's contract damages shall not exceed and shall be limited to refund of Franchisee's Franchise Fee and Royalty Fees.

23.6 Limitation of Actions

Franchisee agrees to bring any Claims against Franchisor, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

23.7 Prior Notice of Claims

As a condition precedent to commencing an action for a Claim, Franchisee shall notify Franchisor within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

23.8 Internal Dispute Resolution

Franchisee shall first bring any Claim to our CEO, after providing notice as set forth in Section 23.7 above. Franchisee shall exhaust this internal dispute resolution procedure before Franchisee may bring its Claim before a third party.

23.9 Mediation

Before Franchisee may bring any Claim against Franchisor, Franchisee agrees to try for a period of sixty (60) days to mediate such claim before a mutually agreed to mediator in the city or county where Franchisor's headquarters are located. If Franchisor and Franchisee cannot mutually agree on a mediator, Franchisee and Franchisor agree to use the mediation services of the American Arbitration Association ("AAA"), and split any AAA and mediator fees equally.

23.10 Waiver of Bond

Franchisee agrees that if Franchisor is forced to bring suit to enforce any provision of this Agreement, Franchisee shall waive any requirement that Franchisor post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

23.11 Attorney Fees

If Franchisor is the substantially prevailing party as to any Claims, Franchisee agrees to reimburse Franchisor's costs and attorney fees incurred in pursuing or defending the Claims.

23.12 Third Party Beneficiaries

Franchisor's officers, directors, members, shareholders, agents, and employees are express third party beneficiaries of the terms of the Dispute Resolution provisions contained herein.

24. ACKNOWLEDGMENTS

24.1 Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that it has received, read and understands this Agreement and Franchisor's Franchise Disclosure Document; and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee represents and acknowledges that it has received Franchisor's Franchise Disclosure Document required by the Trade Regulation Rule of the Federal Trade Commission, together with a copy of all proposed agreements relating to the sale of the franchise, at least fourteen (14) calendar days prior to the date on which this Agreement was executed. or at least fourteen (14) calendar days before the payment by Franchisee to Franchisor, or any of Franchisor's Affiliates, of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement

24.2 Consultation by Franchisee

Franchisee represents that it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Agreement, the business franchised hereby and the prospects for that business. Franchisee represents that it has either consulted with such advisors or has deliberately declined to do so.

24.3 True and Accurate Information

Franchisee represents that all information set forth in any and all applications, financial statements, and submissions to Franchisor is true, complete, and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness, and accuracy of such information.

24.4 Risk

Franchisee represents that it has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like any other business, an investment in a Tru Bowl Business involves business risks and that the success of the venture is dependent, among other factors, upon the business abilities and efforts of Franchisee. Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential success of the business venture contemplated hereby.

24.5 No Guarantee of Success

Franchisee represents and acknowledges that it has not received or relied on any guarantee, express or implied, as to the revenues, profits or likelihood of success of the Franchised Business. Franchisee represents and acknowledges that there have been no representations by Franchisor's officers, directors, employees or agents that are not contained in, or are inconsistent with, the statements made in the Franchise Disclosure Document or this Agreement.

24.6 No Violation of Other Agreements

Franchisee represents that its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party.

IN WITNESS WHEREOF the parties hereto, intending to be legally bound hereby have duly executed this Agreement.

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC	**FRANCHISEE:**
Signature: ______________________	Signature: ______________________
Print Name: ______________________	Print Name: ______________________
Title: ______________________	Title: ______________________
Signature: ______________________	Signature: ______________________
Print Name: ______________________	Print Name: ______________________
Title: ______________________	Title: ______________________

SCHEDULE 1 TO THE FRANCHISE AGREEMENT
UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ________ _______ , by ____ ____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement dated _____________ ("Agreement") by TRU BOWL SUPERFOOD BAR FRANCHISE, LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that ______________________________("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement. Each of the undersigned shall be personally bound by, and personally liable for, Franchisee's breach of any provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or engaging in specific activities, such as those contemplated by Sections 6, 7, and 17 of the Agreement. Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (d) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (a) its direct and immediate liability under this Guaranty shall be joint and several; (b) it shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (c) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person or entity; and (d) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to 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 shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement.

This Guaranty represents the entire agreement and understanding of these parties concerning the subject matter hereof, and supersedes all other prior agreements, understandings, negotiations and discussions, representations, warranties, commitments, proposals, offers and contracts concerning the subject matter hereof, whether oral or written.

<u>Successors and Assigns; Death of Guarantor</u>. This Guaranty shall be binding upon Guarantor and his or her heirs, executors, administrators, successors and assigns and shall inure to the benefit of Franchisor and its successors, endorsees, transferees and assigns. Without limiting any other provision hereof, Guarantor expressly agrees that Guarantor's death shall not serve as a revocation of or otherwise affect the guaranty made hereunder and that Guarantor's estate and heirs shall continue to be liable hereunder with respect to any Guaranteed Obligations created or arising after Guarantor's death.

The validity, interpretation and enforcement of this Guaranty and any dispute arising out of the relationship between Guarantor and Franchisor, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of California (without giving effect to principles of conflicts of law).

Dispute Resolution. Each of the undersigned agrees to be bound by the Dispute Resolution provisions found in Section 23 of any Franchise Agreement between the parties as if set forth here and as being equally applicable to this Guaranty and the dealings of the parties hereunder.

IN WITNESS WHEREOF, this Guaranty has been entered into the day and year first before written.

PERSONAL GUARANTOR	**PERSONAL GUARANTOR**
______________________________	______________________________
Personally and Individually (Printed Name)	Personally and Individually (Printed Name)
______________________________	______________________________
Personally and Individually (Signature)	Personally and Individually (Signature)
HOME ADDRESS	HOME ADDRESS
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
TELEPHONE NO.: _______________	TELEPHONE NO.: _______________
PERCENTAGE OF OWNERSHIP IN FRANCHISEE: __________%	PERCENTAGE OF OWNERSHIP IN FRANCHISEE: __________ %
PERSONAL GUARANTOR	**PERSONAL GUARANTOR**
______________________________	______________________________
Personally and Individually (Printed Name)	Personally and Individually (Printed Name)
______________________________	______________________________
Personally and Individually (Signature)	Personally and Individually (Signature)
HOME ADDRESS	HOME ADDRESS
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
TELEPHONE NO.: _______________	TELEPHONE NO.: _______________
PERCENTAGE OF OWNERSHIP IN FRANCHISEE: __________%	PERCENTAGE OF OWNERSHIP IN FRANCHISEE: __________ %
PERSONAL GUARANTOR	**PERSONAL GUARANTOR**
______________________________	______________________________

Personally and Individually (Printed Name)	Personally and Individually (Printed Name)
______________________________	______________________________
Personally and Individually (Signature)	Personally and Individually (Signature)
HOME ADDRESS	HOME ADDRESS
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
TELEPHONE NO.: ______________	TELEPHONE NO.: ______________
PERCENTAGE OF OWNERSHIP IN FRANCHISEE: __________%	PERCENTAGE OF OWNERSHIP IN FRANCHISEE: __________ %

SCHEDULE 2 TO THE FRANCHISE AGREEMENT
NONDISCLOSURE AND NON-COMPETITION AGREEMENT

This "Agreement" made as of the _____ day of ______________, 20____, is by and between____, ("Franchisee," "we," "us," or "our") and ____ ("Individual," "you," or "your").

W I T N E S S E T H:

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated ________________, 20__ ("Franchise Agreement") by and between Franchisee and the Franchisor, TRU BOWL SUPERFOOD BAR FRANCHISE, LLC ("Company"); and

WHEREAS, Franchisee desires Individual to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement prior to providing Individual access to said Trade Secrets and other Confidential Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such information to compete against Company, Franchisee or any other franchisee of Company in any business (i) that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) acai bowls, juices and raw blends, and other fast casual food related products and services the same as or similar to those provided by Franchisee or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisee, or Company, any affiliate of Company or Company's other franchisees (hereinafter, "Competitive Business"); provided, however, that the term "Competitive Business" shall not apply to any business operated by Franchisee under a Franchise Agreement with Company.

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

1. Trade Secrets and Confidential Information

Individual understands Franchisee possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, recipes compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Tru Bowl Business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "Confidential Information" means technical and non-technical information used in or related to the Tru Bowl Business that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the Operations Manual and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisee shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of Individual; (ii) Individual can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by Company or Franchisee as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisee's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisee to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisee has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) Individual's obligations under paragraph 2(a) of this Agreement shall continue in effect after termination of Individual's relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to communicate Individual's obligations under this Agreement to any future customer or employer to the extent deemed necessary by Franchisee for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Tru Bowl Business.

3. Non-Competition

a) During the term of Individual's relationship with Franchisee and for a period of two (2) years after the expiration or termination of Individual's relationship with Franchisee, regardless of the cause of expiration or termination, Individual shall not, directly or indirectly, divert or attempt to divert any business or customer of Franchisee or the Company to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's service mark "Tru Bowl Superfood Bar" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the Company designates to be used in connection with the Tru Bowl Business or the Company's uniform standards, methods, procedures and specifications for the establishment and operation of a Tru Bowl business.

b) During the term of Individual's relationship with Franchisee and for a period of two (2) years thereafter, regardless of the cause of termination, Individual shall not, directly or indirectly, offer Competitive Business services anywhere within a twenty five (25) mile radius of any Tru Bowl location without the express written consent of Franchisee and the Company.

c) During the term of Individual's relationship with Franchisee and for a period of two (2) years thereafter, regardless of the cause of termination, Individual shall not, directly or indirectly, solicit or otherwise attempt to induce or influence any employee or other business associate of Franchisee, Company or any other Tru Bowl Business to compete against, or terminate or modify his, her or its employment or business relationship with, Franchisee, Company or any other Tru Bowl Business.

4. Reasonableness of Restrictions

Individual acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisee, Company, and Company's Trade Secrets and other Confidential Information, the Company's business system, network of franchises and trade and service marks, and Individual waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Individual shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. Relief for Breaches of Confidentiality, Non-Solicitation, and Non-Competition

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisee and Company immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, Franchisee and/or Company shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisee and Company may have at law or in equity.

6. Dispute Resolution

a) **Choice of Law.** Except as to claims governed by federal law, California law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties ("Claims"). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

b) **Jurisdiction and Venue.** Franchisee and Individual agree that venue and jurisdiction for any Claims, except those required to be submitted to mediation, shall be proper solely in the state and federal court nearest to Franchisee's corporate headquarters.

c) **Jury Waiver.** In any trial between any of the parties as to any Claims, Franchisee and Individual agree to waive their rights to a jury trial and instead have such action tried by a judge.

d) **Class Action Waiver.** Individual agrees to bring any Claims, if at all, individually and Individual shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against Franchisee or Company.

e) **Punitive Damages Waiver.** As to any Claims, Franchisee and Individual agree to waive their rights, if any, to seek or recover punitive damages.

f) **Limitation of Actions.** Individual agrees to bring any Claims against Franchisee, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

g) **Prior Notice of Claims.** As a condition precedent to commencing an action for a Claim, Individual must notify Franchisee within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

h) **Internal Dispute Resolution.** Individual must first bring any Claim to Franchisee's CEO, after providing notice as set forth in Section 6(g) above. Individual must exhaust this internal dispute resolution procedure before Individual may bring your Claim before a third party.

i) **Mediation.** Before Individual may bring any Claim against Franchisee, Individual agrees to try for a period of sixty (60) days to mediate such claim before a mutually agreed to mediator in the city or county where Franchisee's headquarters are located. If Individual and Franchisee cannot mutually agree on a mediator, Individual and Franchisee agree to use the mediation services of the American Arbitration Association ("AAA"), and split any AAA and mediator fees equally.

j) **Waiver of Bond.** Individual agrees that if Franchisee is forced to bring suit to enforce any provision of this Agreement, Individual shall waive any requirement that Franchisee post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

k) **Attorney Fees.** If Franchisee is the substantially prevailing party as to any Claims, Individual agrees to reimburse Franchisee's costs and attorney fees incurred in pursuing or defending the Claims.

7. Miscellaneous

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisee. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns. Company is an intended third-party beneficiary of this Agreement with the independent right to enforce the confidentiality and non-competition provisions contained herein.

c) The failure of either party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

d) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

e) This Agreement may be modified or amended only by a written instrument duly executed by Individual and Franchisee, and approved by Company.

f) The existence of any claim or cause of action Individual might have against Franchisee or Company will not constitute a defense to the enforcement by Franchisee or Company of this Agreement.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY IS A THIRD-PARTY BENEFICIARY TO THIS AGREEMENT AND THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, all being done in duplicate originals with one (1) original being delivered to each party as of the day and year first above written.

FRANCHISEE:

By: ______________________________________

Its: ______________________________________

INDIVIDUAL:

Signature: ________________________________

Name Printed: _____________________________

SCHEDULE 3 TO THE FRANCHISE AGREEMENT
GENERAL RELEASE

THIS GENERAL RELEASE is made and given on this _____ day of __________________, 20_____ by ____ ("RELEASOR"), an individual/corporation/ limited liability company/partnership with a principal address of ______________________________________, in consideration of:

________ the execution by TRU BOWL SUPERFOOD BAR FRANCHISE, LLC, a California limited liability company ("RELEASEE"), of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise") granted to RELEASOR by RELEASEE pursuant to that certain Franchise Agreement (the "Franchise Agreement") between RELEASOR and RELEASEE; or

________ RELEASEE'S consent to RELEASOR'S assignment of its rights and duties under the Franchise Agreement; or

________ RELEASEE'S consent to RELEASOR'S assumption of rights and duties under the Franchise Agreement; or

and other good and valuable consideration, the adequacy of which is hereby acknowledged, and accordingly RELEASOR hereby releases and discharges RELEASEE, RELEASEE's officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), and RELEASEE's successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, that RELEASOR and RELEASOR's heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE arising out of or related to the Franchise or the Franchise Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances.

This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE.

IN WITNESS WHEREOF, RELEASOR has executed this General Release as of the date first above written.

RELEASOR: ____
(type/print name)

By: ____

Name: ____

Title: ____
(or, if an individual)

Signed: ____

Name printed: ____

SCHEDULE 4
COLLATERAL ASSIGNMENT OF LEASE

LEASE ADDENDUM

Option to Assume Lease ____________________________________

1. If _________________________ ("Tenant") defaults under the Lease dated ____________________ ("Lease"), by and between __________________________________ ("Landlord") and Tenant for the premises located at ____ (the "Premises"), or if TRU BOWL SUPERFOOD BAR FRANCHISE, LLC ("Franchisor") terminates the Tenant's franchise agreement covering the Premises, Landlord and Tenant acknowledge and agree that Franchisor will have the option to assume the Lease pursuant to Paragraph 3 below.

2. Landlord agrees to give Franchisor written notice specifying all default(s) of Tenant under the Lease. Franchisor agrees to give written notice to Landlord if Franchisor terminates Tenant's franchise agreement and, in such notice, will request that Landlord provide Franchisor with a copy of the Lease and specify any of the Tenant's defaults thereunder. All notices will be by nationally recognized overnight courier (with tracking capability).

3. Franchisor (or one of its real estate affiliates) may, within 30 days from (i) receipt of notice from Landlord that Tenant has defaulted under the Lease and failed to cure such default(s) as required or permitted by the terms of the Lease, or (ii) sending of notice to Landlord that has terminated Tenant's franchise agreement covering the Premises, notify Landlord of Franchisor's decision to assume the Lease. If Franchisor exercises its right to assume the Lease by sending Landlord the required notice as provided in the prior sentence, (i) Landlord will deliver possession of the Premises to Franchisor; and (ii) Franchisor will, immediately upon such delivery, cure all of Tenant's monetary defaults under the Lease and execute an agreement pursuant to which Franchisor agrees to assume all of Tenant's rights and obligations under the Lease, subject to the next paragraph.

4. If Franchisor exercises its right to assume the Lease pursuant to Paragraph 3 above, Landlord agrees that Franchisor (i) may, without Landlord's consent, sublet the Premises to or assign the Lease to, an approved franchisee of Franchisor, provided in either instance that Franchisor remains liable for the payment of rent and the performance of Tenant's duties under the Lease, (ii) may assign, without recourse, its rights under the Lease upon receiving Landlord's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed, and subject to the terms of the Lease, (iii) will not be bound by the terms of any amendment to the Lease executed by Tenant without obtaining Franchisor's prior written approval, (iv) will not be subject to any provision of the Lease that requires Tenant to continuously operate a business in the Premises during any period that the Premises is closed for remodeling or while Franchisor is seeking to obtain and train a new franchisee, provided however, that such period of closure will not exceed 60 days in each instance; and (v) may, if it subleases the Premises to a franchisee as provided above, retain all rent or other consideration payable under such sublease.

5. If Franchisor exercises its right to assume the Lease pursuant to Paragraph 3 above, within 10 days after written demand, Tenant agrees to assign all of its right, title and interest in the Lease to Franchisor and, if Tenant does not do so, Tenant appoints Franchisor as its agent to execute all documents that may be necessary for Franchisor to take assignment of the Lease. Notwithstanding anything to the contrary contained herein Tenant shall remain liable to Landlord for all of its obligations under the Lease and to Franchisor for all amounts that Franchisor pays to Landlord to cure Tenant's defaults under the Lease, including interest, reasonable collection costs and de-identification costs (the parties acknowledging that Franchisor may enter the Premises without being guilty of trespass or tort to de-identify the Premises). Franchisor may assign this Option and its rights hereunder to any affiliate, subsidiary, parent, successor or assign of Franchisor provided the conditions herein as to assignment are met. The assignee must be an approved licensed franchisee of Franchisor. This Option may be signed in any number of counterparts by facsimile or otherwise, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. A facsimile signature may be used for any purpose in lieu of an original signature.

LANDLORD:	TENANT:
By: _______________________________	By:_______________________________
Name: _____________________________	Name: _____________________________
Title: ______________________________	Title: ______________________________
Date: ______________________________	Date: ______________________________

FRANCHISOR:

By: _______________________________

Name: _____________________________

Title: ______________________________

Date: ______________________________

SCHEDULE 5 TO THE FRANCHISE AGREEMENT
HOLDERS OF LEGAL OR BENEFICIAL INTEREST
IN FRANCHISEE; OFFICERS; DIRECTORS

Holders of Legal or Beneficial Interest:

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Officers and Directors:

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

Name: ______________________________
Position/Title: _________________________
Home Address: ________________________
____
____
Telephone No.: ________________________
E-mail address: ________________________
Percentage of ownership: _____%

SCHEDULE 6 TO THE FRANCHISE AGREEMENT
ACH PAYMENT AGREEMENT

ACCOUNT NAME: ____

CUSTOMER NUMBER: ____

FRANCHISE NAME: ____

AUTHORIZATION AGREEMENT FOR ACH Payments

(I/we) do hereby authorize TRU BOWL SUPERFOOD BAR FRANCHISE, LLC, hereinafter named the "Franchisor", to initiate (debit or credit) entries to (my/our) (Checking Account / Savings Account) as indicated and named below as the depository financial institution, hereafter named FINANCIAL INSTITUTION pursuant to the terms of the Franchise Agreement by and between us and the Franchisor.

(I/we) acknowledge that the origination of ACH transactions to my (my/our) account must comply with the provisions of U.S. law. Furthermore, if any such debit(s) should be returned NSF, (I/we) authorize the Franchisor to collect such debit(s) by electronic debit and subsequently collect a returned debit NSF fee of $75.00 per item by electronic debit from my account identified below. In the event all funds and interests are not received by Franchisor within 15 days from presentment and intended withdrawal from our account by Franchisor, then we will be deemed in default of the Franchise Agreement. We further agree to pay all reasonable costs of collection including but not limited to reasonable attorney's fees and court costs incurred by Franchisor. I am a duly authorized check signer on the financial institution account identified below and authorize all of the above as evidenced by my signature below.

CHECK (ACH) INFORMATION ROUTING NUMBER: ____________________________________
ACCOUNT NUMBER: ____
DEPOSITORY NAME: ____
BRANCH:

____
CITY: ______________________________ STATE: ______________ZIP: _________

COMPANY NAME: ____
FIRST NAME/LAST NAME: ______________________________
BILLING ADDRESS: ____
CITY_______________________________STATE_______________ZIP__________
PHONE NUMBER: ____
CUSTOMER NUMBER: ____
SIGNATURE ON FILE: ____
PHONE OR EMAIL APPROVAL AUTHORIZATION NUMBER: ___________________________

FRANCHISEE:

____
By: _________________________
Name:_________________________
Title: ________________________
Date: ________________________

SCHEDULE 7 TO THE FRANCHISE AGREEMENT
STATE ADDENDA TO THE FRANCHISE AGREEMENT

CALIFORNIA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

The following provision is added to the end of Section 3.1 of the Franchise Agreement:

Notwithstanding the foregoing, or any other provision of the Agreement, all initial fees will be deferred until after our initial obligations to you are complete.

The following provision is added to the end of Section 3.2 of the Franchise Agreement:

Notwithstanding the foregoing, or any other provision of the Agreement, all initial fees will be deferred until after our initial obligations to you are complete.

Section 16.2 is deleted and in its place are substituted the following:

16.2.1 Termination by Us Without Right to Cure. We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

(a) The franchisee or the business to which the franchise relates has been judicially determined to be insolvent, all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or the franchisee admits his or her inability to pay his or her debts as they come due;

(b) The franchisee abandons the franchise by failing to operate the business for five consecutive days during which the franchisee is required to operate the business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for the franchisor to conclude that the franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the franchisee's control;

(c) The franchisor and franchisee agree in writing to terminate the franchise;

(d) The franchisee makes any material misrepresentations relating to the acquisition of the franchise business or the franchisee engages in conduct which reflects materially and unfavorably upon the operation and reputation of the franchise business or system;

(e) The franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state, or local law or regulation, including, but not limited to, all health, safety, building, and labor laws or regulations applicable to the operation of the franchise;

(f) The franchisee, after curing any failure in accordance with Section 16.2.2 engages in the same noncompliance whether or not such noncompliance is corrected after notice;

(g) The franchisee breaches the franchise agreement three or more times in a 12-month period, whether or not corrected after notice;

(h) The franchised business or business premises of the franchise are seized, taken over, or foreclosed by a government official in the exercise of his or her duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, provided that a final judgment against the franchisee remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by the franchise agreement or upon any property used in the franchised business, and it is not discharged within five days of such levy;

(i) The franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(j) The area development agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

(k) The franchisee fails to pay any franchise fees or other amounts due to the franchisor or its affiliate within five days after receiving written notice that such fees are overdue; or

(l) The franchisor makes a reasonable determination that continued operation of the franchise by the franchisee will result in an imminent danger to public health or safety.

16.2.2 Termination by Us with Opportunity to Cure. We may terminate this Agreement, after sending you notice and a 60 day opportunity to cure, for any other breach of this Agreement.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:___________________________	By:___________________________
Date:___________________________	Date:___________________________

ILLINOIS ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Illinois law governs the Franchise Agreement.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Franchisee rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

5. Payment of the Initial Franchise Fees and Development Fees will be deferred until Franchisor has met its initial obligations to the franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to the Franchisor's financial condition.

6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

MARYLAND ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

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

2. A general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

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

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

MINNESOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

  Also, a court will determine if a bond is required.

Any Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

NORTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. You are not required to sign a general release upon renewal of the franchise agreement.

2. The franchise agreement is amended to also provide as follows:

> "Covenants not to compete are generally considered unenforceable in the State of North Dakota."

3. The provisions concerning choice of law, jurisdiction and venue, jury waiver, and waiver of punitive damages are hereby deleted and in their place is substituted the following language:

> "You agree to bring any claim against us, including our present and former employees, agents, and affiliates, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association."

4. North Dakota law governs any cause of action arising out of the franchise agreement.

5. Any requirement in the Franchise Agreement that requires you to pay all costs and expenses incurred by us in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

RHODE ISLAND ADDENDUM TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the franchise agreement contains any provisions that conflict with the Rhode Island Franchise Investment Act, the provisions of this Addendum shall prevail to the extent of such conflict.

2. Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Any provision in the franchise agreement requiring the application of the laws of a state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

4. The Rhode Island Franchise Investment Act stipulates that you cannot release or waive any rights granted under this Act. Any provision of this franchise agreement, which constitutes a waiver of rights granted under the Act, is superseded.

5. You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

SOUTH DAKOTA ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. The Franchise Agreement is clarified to also indicate that 50% of the initial franchise fee and 50% of royalties are deemed paid for the use of our Marks and 50% are deemed paid for our training, support, and franchise system.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

WASHINGTON ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

The state of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal rights of your franchise. There may also be court decisions that may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

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

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

The undersigned does hereby acknowledge receipt of this addendum.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:_____________________________	By:_____________________________
Date:___________________________	Date:___________________________

WISCONSIN ADDENDUM
TO THE FRANCHISE AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the Franchise Agreement contains any provision that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

2. The Franchise Agreement is amended to also include the following language:

   With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

SCHEDULE 8 TO THE FRANCHISE AGREEMENT
SBA ADDENDUM TO THE FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE[1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on ________________, 20____, by and between ____ ("Franchisor"), located at ____, and ____ ("Franchisee"), located at ____.

Franchisor and Franchisee entered into a Franchise Agreement on _______________, 20___, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

renewals) for fair market value.

COVENANTS

- If the Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 -3733.

Authorized Representative of FRANCHISOR:

By: ________________________________

Print Name: _________________________

Title:________________________________

Authorized Representative of FRANCHISEE:

By: ________________________________

Print Name: _________________________
Title:________________________________
Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements

EXHIBIT C TO THE FRANCHISE DISCLOSURE DOCUMENT

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

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TRU BOWL

Operations Manual

[5565 Greenleaf Ave]
Whittier, CA 90601]
[562-273-2229]

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EXHIBIT D TO THE DISCLOSURE DOCUMENT
AREA DEVELOPMENT AGREEMENT

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

TRU BOWL
AREA DEVELOPMENT AGREEMENT

____
Developer

____
Effective Date

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (this "Agreement") is made this day of________________, 20__ by and between **TRU BOWL SUPERFOOD BAR FRANCHISE, LLC**, a California limited liability company with its principal business located at 5565 Greenleaf Ave., Whittier, California 90601 ("we" or "us") and_____________________________, a(n) ___________________________ ______ ___________________whose principal business address is ("developer" or "you"). If the developer is a corporation, partnership or limited liability company, certain provisions of the Agreement also apply to your owners and will be noted.

RECITALS

A. We have developed a unique system for operating a fast casual restaurant offering customizable acai bowls, juices and raw blends, and other healthy food using certain standards and specifications;

B. Many of the services and products are prepared and undertaken according to specified procedures or made with proprietary formulas, techniques and mixes;

C. We own the rights to the USPTO Mark "Tru Bowl Superfood Bar" and other trademarks used in connection with the Operation of a Tru Bowl Business;

D. You desire to develop and operate several Tru Bowl locations and we, in reliance on your representations, have approved your franchise application to do so in accordance with this Agreement.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

DEFINITIONS

1. For purposes of this Agreement, the terms below have the following definitions:

A. "Locations" means the Tru Bowl locations you develop and operate pursuant to this Agreement.

B. "Products" means the specific services and products set forth in our franchise information packet, or as we may modify, add, or change them from time to time.

C. "Principal Owner" means any person who directly or indirectly owns a ten percent (10%) or greater interest in the developer when the developer is a corporation, limited liability company, a partnership, or a similar entity. However, if we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns less than a ten percent (10%) interest in the developer, that person or entity may, in our sole discretion, be considered a Principal Owner for all purposes under this Agreement, including, but not limited to, the execution of the personal guaranty referenced in Section 10.J below. In addition, if the developer is a partnership entity, then each general partner is a Principal Owner, regardless of the percentage ownership interest. If the developer is one or more individuals, each individual is a Principal Owner of the developer. You must have at least one Principal Owner.

D. "System" means the Tru Bowl System, which consists of distinctive products and services prepared according to special and confidential processes and formulas with unique preparation, service and delivery procedures and techniques, offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials and using certain distinctive types of facilities, equipment, supplies, business techniques, methods and procedures together with sales promotion programs, all of which we may modify and change from time to time.

E. "Trademarks" means the "Tru Bowl Superfood Bar" Trademark and Service Mark that is registered or applied for registration with the United States Patent and Trademark Office and the trademarks, service marks and trade names set forth in each Franchise Agreement, as we may modify and change from time to time, and the trade dress and other commercial symbols used in the Locations. Trade dress includes the designs, color schemes and image we authorize you to use in the operation of the Locations from time to time.

GRANT OF DEVELOPMENT RIGHTS

2. The following provisions control with respect to the rights granted hereunder:

A. We grant to you, under the terms and conditions of this Agreement, the right to develop and operate NUMBER (#) Tru Bowl locations (each a "Location", and collectively, the "Locations") within the territory described on Appendix A ("Development Territory").

B. You are bound by the Development Schedule set forth in Appendix B ("Development Schedule"). Time is of the essence for the development of each Location in accordance with the Development Schedule. Each Location must be developed and operated pursuant to a separate Franchise Agreement that you enter into with us pursuant to Section 4.B below.

C. If you are in compliance with the Development Schedule set forth on Appendix B, we will not develop or operate or grant anyone else a franchise to develop and operate a Tru Bowl Business in the Development Territory prior to the earlier of (i) the expiration or termination of this Agreement; (ii) the date on which you must execute the Franchise Agreement for your last Location pursuant to the terms of the Development Schedule or (iii) the date on which the Territory for your final Location under this Agreement is determined, except (a) for the Special Sites defined in Section 2.D below; (b) in the event that the Development Territory covers more than one city, county or designated market area, the protection for each particular city, county or designated market area shall expire upon the earliest of (1) any of the foregoing events or (2) the date when the Territory for your final Location to be developed in such city, county or designated market area under this Agreement is determined; or (c) as otherwise provided in this Agreement.

Notwithstanding anything in this Agreement, upon the earliest occurrence of any of the foregoing events (i) the Development Territory shall expire and (ii) we will be entitled to develop and operate, or to franchise others to develop and operate, Tru Bowl Locations in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been executed between us and you and that has not been terminated. At the time you execute your final Franchise Agreement under the Development Schedule, you must have an Accepted Location for your final Location.

D. The rights granted under this Agreement are limited to the right to develop and operate Locations located in the Development Territory, and do not include (i) any right to sell products and services identified by the Trademarks at any location or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), other than at Locations within the Development Territory, (ii) any right to sell products and services identified by the Trademarks to any person or entity for resale or further distribution, or (iii) any right to exclude, control or impose conditions on our development or operation of franchised, company or affiliate owned Locations at any time or at any location outside of the Development Territory. You may not use "Tru Bowl Superfood Bar", any part thereof, or any of the other Trademarks as part of the name of your corporation, partnership, limited liability company or other similar entity.

You acknowledge and agree that (i) we and our affiliates have the right to operate or franchise within the Development Territory one or more facilities selling all or some of the products, using the Trademarks or any other trademarks, service marks or trade names, without compensation to any franchisee, provided however, that such facilities shall not be mobile facilities but rather from a fixed location if it is confined to your Development Territory; (ii) we and our affiliates have the right outside of the Development Territory to grant other franchises or operate company or affiliate owned Tru Bowl Locations and offer, sell or distribute any products or services associated with the System (now or in the future) under the Trademarks or any other trademarks, service marks or trade names or through any distribution channel or method, all without compensation to any developer; and (iii) we and our affiliates have the right to operate and franchise others to operate Locations or any other business within and outside the Development Territory under trademarks other than the Tru Bowl Trademarks, without compensation to any developer, except that our operation of, or association or affiliation with, Locations (through franchising or otherwise) in the Development Territory that compete with Tru Bowl Locations in the service oriented Location segment will only occur through some form of merger or acquisition with an existing Location chain.

In addition, we and our affiliates have the right to offer, sell or distribute, within the Development Territory, any Products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names through any distribution channels or methods, without compensation to any developer. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce).

Further, you acknowledge that certain locations within the Development Territory are by their nature unique and separate in character from sites generally developed as Tru Bowl Locations. As a result, you agree that the following locations ("Special Sites") are excluded from the Development Territory and we have the right, subject to our then-current Special Sites Impact Policy, to develop or franchise such locations: (1) military bases; (2) public transportation facilities; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events.

E. This Agreement is not a Franchise Agreement and you have no right to use in any manner the Trademarks by virtue of this Agreement. You have no right under this Agreement to sublicense or sub-franchise others to operate a business or Location or use the System or the Trademarks.

DEVELOPMENT FEE

3. You must pay a Development Fee as described below:

A. As consideration for the rights granted in this Agreement, you must pay us a "Development Fee" equal to one hundred percent (100%) of the Initial Franchise Fee for the first (1st) Location, plus a deposit of fifty percent (50%) of the Initial Franchise Fee for each additional Location to be developed hereunder. The Initial Franchise Fee payable for each Location developed hereunder shall be Thirty Thousand Dollars ($30,000).

The Development Fee is consideration for this Agreement and not consideration for any Franchise Agreement, is fully earned by us upon execution of this Agreement and is non-refundable. For the first Location to be developed hereunder, we will apply a portion of the Development Fee to pay the Initial Franchise Fee for this Location in full. For each additional Location to be developed hereunder, we will apply a *pro rata* portion of the Development Fee toward the Initial Franchise Fee due for such Location, and the balance of the Initial Franchise Fee (or Seven Thousand Five Hundred Dollars ($7,500)) is payable upon execution of the Franchise Agreement for that Location. We expect that you will execute the Franchise Agreement for the first Location contemporaneously with your execution of this Agreement.

B. You must submit to us a separate application for each Location to be established by you within the Development Territory as further described in Section 4. Upon our approval of the site you propose for your Location, a separate Franchise Agreement must be executed for each such Location, at which time the balance of the Initial Franchise Fee for that Location is due and owing, as described above. Such payment represents the balance of the appropriate Initial Franchise Fee, as described above in Section 3.A. Upon the execution of each Franchise Agreement, the terms and conditions of the Franchise Agreement control the establishment and operation of such Location.

DEVELOPMENT SCHEDULE

4. The following provisions control with respect to your development rights and obligations:

A. You are bound by and strictly must follow the Development Schedule. By the dates set forth under the Development Schedule, you must enter into Franchise Agreements with us pursuant to this Agreement for the number of Locations described under the Development Schedule. You also must comply with the Development Schedule requirements regarding (i) the Location type to be developed and the opening date for each Location and (ii) the cumulative number of Locations to be open and continuously operating for business in the Development Territory. If you fail to either execute a Franchise Agreement or to open a Location according to the dates set forth in the Development Schedule, we, in our sole discretion, may (i) require that you hire a franchise development expert with recognized experience in developing franchises in a similar line of business to ours or (ii) immediately terminate this Agreement pursuant to Section 7.B.

B. You may not develop a Location unless (i) at least forty-five (45) days, but no more than sixty (60) days, prior to the date set forth in the Development Schedule for the execution of each Franchise Agreement, you send us a notice (a) requiring that we send you our then current disclosure documents, (b) confirming your intention to develop the particular Location and (c) sending us all information necessary to complete the Franchise Agreement for the particular Location and (ii) all of the following conditions have been met (these conditions apply to each Location to be developed in the Development Territory):

1. Your Submission of Proposed Site. You must find a proposed site for the Location which you reasonably believe to conform to our site selection criteria, as modified by us from time to time, and submit to us a complete site report (containing such demographic, commercial, and other information and photographs as we may reasonably require) for such site.

2. Our Approval of Proposed Site. You must receive our written approval of your proposed site. We agree not to unreasonably withhold approval of a proposed site. Prior to granting our approval of a site, you must have the site evaluated by the proprietary site evaluator software that has been developed by MapQuest or any similar mapping software. In approving or disapproving any proposed site, we will consider such matters as we deem material, including demographic characteristics of the proposed site, traffic patterns, competition, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics (including the purchase or lease obligations for the proposed site) and the size of premises, appearance and other physical characteristics. Our approval of a proposed site, however, does not in any way constitute a guaranty by us as to the success of the Location.

3. Your Submission of Information. You must furnish to us, at least thirty (30) days prior to the earliest of (i) the date set forth in the Development Schedule by which you must execute a Franchise Agreement or (ii) the actual date in which the Franchise Agreement would be executed, a franchise application for the proposed Location, financial statements and other information regarding you, the operation of any of your other Locations within the Development Territory and the development and operation of the proposed Location (including, without limitation, investment and financing plans for the proposed Location) as we may reasonably require.

4. Your Compliance with Our Then-Current Standards for Franchisees. You must receive written confirmation from us that you meet our then-current standards for franchisees, including financial capability criteria for the development of a new Location. You acknowledge and agree that this requirement is necessary to ensure the proper development and operation of your Locations and preserve and enhance the reputation and goodwill of all Tru Bowl Locations and the goodwill of the Trademarks. Our confirmation that you meet our then-current standards for the development of a new Location, however, does not in any way constitute a guaranty by us as to your success.

5. Good Standing. You must not be in default of this Agreement, any Franchise Agreement entered into pursuant to this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates. You also must have satisfied, on a timely basis, all monetary and material obligations under the Franchise Agreements for all existing Locations.

6. Execution of Franchise Agreement. You and we must enter into our then-current form of Franchise Agreement for the proposed Location. You understand that we may modify the then-current form of Franchise Agreement from time to time and that it may be different than the current form of Franchise Agreement, including different fees and obligations. You understand and agree that any and all Franchise Agreements will be construed and exist independently of this Agreement. The continued existence of each Franchise Agreement will be determined by the terms and conditions of such Franchise Agreement. Except as specifically set forth in this Agreement, the establishment and operation of each Location must be in accordance with the terms of the applicable Franchise Agreement.

C. You must begin substantial construction of each of the Locations at least one hundred fifty (150) days before the deadline to open each of the Locations if the Location will be in a free-standing location or at least one hundred twenty (120) days before the deadline to open the Location if the Location will be in a non-free standing location. In addition, on or before the deadlines to start construction you must submit to us executed copies of any loan documents and/or any other document that proves that you have secured adequate financing to complete the construction of the Location by the date you are obligated to have that Location open and in operation. In the event that you fail to comply with any of these obligations, we will have the right to terminate this Agreement without opportunity to cure pursuant to subparagraph 7.B.

D. You acknowledge that you have conducted an independent investigation of the prospects for the establishment of Locations within the Development Territory and recognize that the business venture contemplated by this Agreement involves business and economic risks and that your financial and business success will be primarily dependent upon the personal efforts of you and your management and employees. We expressly disclaim the making of, and you acknowledge that you have not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential Gross Revenue, profits, earnings or the financial success of the Locations you develop within the Development Territory.

E. You recognize and acknowledge that this Agreement requires you to open Locations in the future pursuant to the Development Schedule. You further acknowledge that the estimated expenses and investment requirements set forth in the Franchise Disclosure Document and Franchise Agreement are only estimates and are subject to increase over time, and that future Locations likely will involve different initial investment and operating capital requirements than those stated in the Franchise Disclosure Document or Franchise Agreement provided to you prior to the execution of this Agreement. You are obligated to execute all the Franchise Agreements and open all the Locations on the dates set forth on the Development Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of your prior Locations, or (iii) any other circumstances, financial or otherwise. The foregoing shall not be interpreted as imposing any obligation upon us to execute the Franchise Agreements under this Agreement if you have not complied with each and every condition necessary to develop the Locations.

TERM

5. Unless sooner terminated in accordance with Section 7 of this Agreement, the term of this Agreement and all rights granted to you will expire on the date that your last Tru Bowl Location is opened under the Development Schedule.

YOUR DUTIES

6. You must perform the following obligations:

A. You must comply with all of the terms and conditions of each Franchise Agreement, including the operating requirements specified in each Franchise Agreement.

B. You and your owners, officers, directors, shareholders, partners, members and managers (if any) acknowledge that your entire knowledge of the operation of a Tru Bowl Location and the System, including the knowledge or know-how regarding the specifications, standards and operating procedures of the services and activities, is derived from information we disclose to you and that certain information is proprietary, confidential and constitutes our trade secrets. The term “trade secrets” refers to the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the business that is valuable and secret in the sense that it is not generally known to our competitors and any proprietary information contained in the manuals or otherwise communicated to you in writing, verbally or through the internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of the Locations. You and your owners, officers, directors, shareholders, partners, members and managers (if any), jointly and severally, agree that at all times during and after the term of this Agreement, you will maintain the absolute confidentiality of all such proprietary information and will not disclose, copy, reproduce, sell or use any such information in any other business or in any manner not specifically authorized or approved in advance in writing by us. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from the individuals identified in the first sentence of this paragraph and other key employees.

C. You must comply with all requirements of federal, state, and local laws, rules, and regulations.

D. You understand and acknowledge that you are strictly prohibited from making either a public or a private offering of your securities.

E. If neither you, your Principal Owner, nor any other person in your organization possesses, in our judgment, adequate experience and skills to allow you to locate, obtain, and develop prime locations in the Development Territory to allow you to meet your development obligations under this Agreement, we can require that you hire or engage a person with those necessary skills.

DEFAULT AND TERMINATION

7. The following provisions apply with respect to default and termination:

A. The rights and territorial protection granted to you in this Agreement have been granted in reliance on your representations and warranties, and strictly on the conditions set forth in Sections 2, 4 and 6 of this Agreement, including the condition that you comply strictly with the Development Schedule.

B. You will be deemed in default under this Agreement if you breach any of the terms of this Agreement, including the failure to meet the Development Schedule, or the terms of any Franchise Agreement or any other agreements between you or your affiliates and us or our affiliates. All rights granted in this Agreement immediately terminate upon written notice without opportunity to cure if: (i) you become insolvent, meaning unable to pay bills as they become due in the ordinary course of business, (ii) a receiver of your property is appointed by a court of competent authority, (iii) you make a general assignment or other similar arrangement for the benefit of your creditors, (iv) a final judgment remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed), (v) execution is levied against your business or property, (vi) suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed, (vii) you fail to meet the development obligations set forth in the Development Schedule attached as Appendix B, (viii) you fail to start substantial construction of any of the Locations by the date established in Section 4.C, (ix) you fail to secure financing for the construction of any of the Locations by the date set forth in Section 4.C, (x) you fail to comply with any other provision of this Agreement and do not correct the failure within thirty (30) days after written notice of that failure is delivered to you, or (xi) we have delivered to you a notice of termination of a Franchise Agreement in accordance with its terms and conditions.

C. Alternatively, and at our discretion, in the event that you fail to meet the Development Schedule, we may elect to modify the Development Schedule and reduce the number of Locations granted to you therein to a schedule which we believe, in our sole and absolute discretion, which you are more capable of managing.

RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION

8. Upon termination or expiration of this Agreement, all rights granted to you will automatically terminate, and:

A. All remaining rights granted to you to develop Locations under this Agreement will automatically be revoked and will be null and void. You will not be entitled to any refund of any fees. You will have no right to develop or operate any business for which a Franchise Agreement has not been executed by us. We will be entitled to develop and operate, or to franchise others to develop and operate, Tru Bowl Locations in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been executed between us and you and that has not been terminated.

B. You must immediately cease to operate your business under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former developer of ours.

C. You must take such action as may be necessary to cancel or assign to us or our designee, at our option, any assumed name or equivalent registration that contains the name or any of the words "Tru Bowl Superfood Bar" or any other Trademark of ours, and you must furnish us with evidence satisfactory to us of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

D. You must assign to us or our designee all your right, title, and interest in and to your telephone numbers and must notify the telephone company and all listing agencies of the termination or expiration of your right to use any telephone number in any regular, classified or other telephone directory listing associated with the Trademarks and to authorize transfer of same at our direction. In addition, you shall assign to us all Internet listings, domain names, Internet accounts, advertising on the Internet or world wide web, websites, listings with search engines, email addresses or any other similar listing or usage related to the business. You hereby appoint us as your true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignments. This power of attorney shall survive the expiration or termination of this Agreement.

E. You must, within thirty (30) days of the termination or expiration, pay all sums owing to us and our affiliates, including the balance of the Initial Franchise Fees that we would have received had you developed all of the Locations set forth in the Development Schedule. In addition to the Initial Franchise Fees for undeveloped Locations, you agree to pay as fair and reasonable liquidated damages (but not as a penalty) an amount equal to Ten Thousand Dollars ($10,000.00) for each undeveloped Location. You agree that this amount is for lost revenues from Royalty Fees and other amounts payable to us, including the fact that you were holding the development rights for those Locations and precluding the development of certain Locations in the Development Territory, and that it would be difficult to calculate with certainty the amount of damage we will incur. Notwithstanding your agreement, if a court determines that this liquidated damages payment is unenforceable, then we may pursue all other available remedies, including consequential damages.

All unpaid amounts will bear interest at the rate of eighteen percent (18%) per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual. In the event of termination for any default by you, the sums due will include all damages, costs, and expenses, including reasonable attorneys' fees and expenses, incurred by us as a result of the default. You also must pay to us all damages, costs, and expenses, including reasonable attorneys' fees and expenses that we incur subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement.

F. If this Agreement is terminated solely for your failure to meet the Development Schedule and for no other reason whatsoever, and you have opened at least fifty percent (50% of the total number of Locations provided for in the Development Schedule, you may continue to operate those existing Locations under the terms of the separate Franchise Agreement for each Location. On the other hand, if this Agreement is terminated under any other circumstance, we have the option to purchase from you at book value all the assets used in the Locations that have been developed prior to the termination of this Agreement. Assets include leasehold improvements, equipment, automobiles/trucks/vans, furniture, fixtures, signs, inventory, and transferable licenses and permits for the Locations.

We have the unrestricted right to assign this option to purchase. We or our assignee will be entitled to all customary warranties and representations given by the seller of a business including, without limitation, representations and warranties as to (i) ownership, condition and title to assets; (ii) liens and encumbrances relating to the assets; and (iii) validity of contracts and liabilities, inuring to us or affecting the assets, contingent or otherwise. The purchase price for the assets of the Locations will be determined in accordance with the post-termination purchase option provision in the individual Franchise Agreement for each Location (with the purchase price to include the value of any goodwill of the business attributable to your operation of the Location if you are in compliance with the terms and conditions of the Franchise Agreement for that Location). The purchase price must be paid in cash at the closing of the purchase, which must take place no later than ninety (90) days after your receipt of notice of exercise of this option to purchase, at which time you must deliver instruments transferring to us or our assignee: (i) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us or our assignee), with all sales and other transfer taxes paid by you; and (ii) all licenses and permits of the Locations that may be assigned or transferred. If you cannot deliver clear title to all of the purchased assets, or in the event there are other unresolved issues, the closing of the sale will be accomplished through an escrow. We have the right to set off against and reduce the purchase price by any and all amounts owed by you to us, and the amount of any encumbrances or liens against the assets or any obligations assumed by us. You and each holder of an interest in you must indemnify us and our affiliates against all liabilities not so assumed. You must maintain in force all insurance policies required pursuant to the applicable Franchise Agreement until the closing on the sale.

G. All of our and your obligations that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire.

TRANSFER

9. The following provisions govern any transfer:

A. We have the right to transfer all or any part of our rights or obligations under this Agreement to any person or legal entity.

B. This Agreement is entered into by us with specific reliance upon your personal experience, skills and managerial and financial qualifications. Consequently, this Agreement, and your rights and obligations under it, are and will remain personal to you. You may only Transfer your rights and interests under this Agreement if you obtain our prior written consent and you transfer all of your rights and interests under all Franchise Agreements for Locations in the Development Territory. Accordingly, the assignment terms and conditions of the Franchise Agreements shall apply to any Transfer of your rights and interests under this Agreement. As used in this Agreement, the term "Transfer" means any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets, or of any interest in you.

C. OUR RIGHT OF FIRST REFUSAL. If developer (or its owners) shall at any time determine to sell, assign or transfer for consideration this Agreement (or an interest therein) or an ownership interest in developer, or all or substantially all of the assets of developer, developer (or its owners) shall obtain a bona fide, executed written offer and earnest money deposit from a responsible and fully disclosed prospective purchaser and submit an exact copy of such offer to us. However, if the offeror proposes to buy any other property or rights, other than rights under Franchise Agreements executed pursuant hereto, from developer or any of its affiliated entities (or their respective owners) such proposal must be under a separate, contemporaneous offer. The price and terms of purchase offered to developer (or its owners) for the interest in this Agreement and Franchise Agreements or developer (or any affiliated entities) shall reflect the bona fide price offered therefore and shall not reflect any value for any other property or rights. We shall have the right, exercisable by written notice delivered to developer or its owners within fifteen (15) days from the date of delivery of an exact copy of such offer to us, to purchase this Agreement (or such interest in this Agreement) or such ownership interest in developer or such assets for the price and on the terms and conditions contained in such offer, provided that we may substitute cash for any form of payment proposed in such offer, our credit shall be deemed equal to the credit of any proposed purchaser and we shall have not less than fifteen (15) days to prepare for closing. If we do not exercise our right of first refusal, developer (or its owners) may complete the sale to such purchaser pursuant to and on the terms of such offer, subject to our approval, provided, however, that if the sale to such purchaser is not completed within one hundred eighty (180) days after delivery of such offer to us, or if there is a material change in the terms of the sale, we shall again have the right of first refusal provided herein.

D. YOUR DEATH OR PERMANENT DISABILITY. Upon the death or permanent disability of developer or an owner of developer, the executor, administrator, conservator or other personal representative of such person shall transfer his interest within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, to a third party approved by us. Such transfer, including, without limitation, transfer by devise or inheritance, shall be subject to all the terms and conditions for assignments and transfers contained in Section and, unless transferred by gift, devise or inheritance, subject to the terms of Section 9(C) hereof. Failure to dispose of such interest within said period of time shall constitute a breach of this Agreement.

E. CONDITIONS FOR APPROVAL OF TRANSFER. If developer (or, if developer is a corporation or partnership, its shareholders or partners) is in full compliance with this Agreement and all Franchise Agreements, we shall not unreasonably withhold our approval of a transfer that meets all the applicable requirements of this Section 9(E). The proposed transferee and its owners must be individuals of good moral character and otherwise meet our then applicable standards for developers of Locations. A transfer of this Agreement may be made only in connection with the transfer to the same transferee of all interests of developer (and all of its affiliated entities) in every Location developed pursuant to this Agreement. If the transfer is of the development rights granted under this Agreement or a controlling interest in developer, or is one of a series of transfers which in the aggregate constitute the transfer of the development rights granted under this Agreement or a controlling interest in developer, all of the following conditions must be met prior to or concurrently with the effective date of the transfer:

(1) the transferee must have sufficient business experience, aptitude and financial resources to operate developer's business and develop the Development Territory;

(2) Developer must pay us and our affiliates all amounts owed to us or our affiliates which are then due and unpaid and submit all required reports and statements which have not yet been submitted;

(3) the transferee must agree to be bound by and expressly assume all of the terms and conditions of this Agreement for the remainder of its term;

(4) Developer (and its owners) must execute general releases of any and all claims against us, our affiliates, officers, directors, employees and agents;

(5) all Franchise Agreements between us and Developer or any affiliated entity must be transferred to the transferee of this Agreement (or the transferee of a controlling interest in developer);

(6) Developer or the transferee must pay us a transfer fee in an amount equal to the Company's out-of-pocket expenses, which shall not exceed Fifteen Thousand Dollars ($15,000.00), relating to review and approval of the proposed transfer; and this transfer fee shall be in addition to any and all transfer fees paid in connection with the transfers of Franchise Agreements in conjunction with this transfer;

(7) the transferee and/or its personnel must agree to complete our training program to our satisfaction, for which the transferee must pay to the Company its then-current training fee; and

(8) We shall not have exercised its right of first refusal pursuant to Section 9C hereof. If the proposed transfer is to or among owners of developer who have executed the attached form of Owner's Guaranty and Assumption of Developer's Obligations, none of the above requirements shall apply, and it should only require notice to the Company. Subparagraph (8) shall not apply to transfers by gift, bequest or inheritance. In connection with any assignment permitted under this Section 9E, developer shall provide us with all documents to be executed by developer and the proposed assignee or transferee at least thirty (30) days prior to execution.

MISCELLANEOUS

10. The parties agree to the following provisions:

A. You agree to indemnify, defend, and hold us, our affiliates and our officers, directors, shareholders and employees harmless from and against any and all claims, losses, damages and liabilities, however caused, arising directly or indirectly from, as a result of, or in connection with, the development, use and operation of your Locations, as well as the costs, including attorneys' fees, of defending against them ("Franchise Claims"). Franchise Claims include, but are not limited to, those arising from any death, personal injury or property damage (whether caused wholly or in part through our or our affiliate's active or passive negligence), latent or other defects in any Location, or your employment practices. In the event a Franchise Claim is made against us or our affiliates, we reserve the right in our sole judgment to select our own legal counsel to represent our interests, at your cost.

B. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses.

C. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. This Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement constitutes the sole agreement between the parties with respect to the entire subject matter of this Agreement and embodies all prior agreements and negotiations with respect to the business. You acknowledge and agree that you have not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of your business. There are no representations or warranties of any kind, express or implied, except as contained in this Agreement.

D. Except as otherwise provided in this Agreement, any notice, demand or communication provided for must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid, and if such notice is a notice of default or of termination, by registered or certified mail, and addressed as follows:

1. If to us, addressed to TRU BOWL SUPERFOOD BAR FRANCHISE, LLC, Attn.: Dolores Quiroz at 5565 Greenleaf Ave., Whittier, California 90601;

2. If to you, addressed to you at the last address we have on file for you;

Or, in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this subparagraph.

E. Any modification, consent, approval, authorization or waiver granted in this Agreement required to be effective by signature will be valid only if in writing executed by the Principal Owner or, if on behalf of us, in writing executed by our President or one of our authorized Vice Presidents.

F. Applicable Law. You agree to be bound by the Dispute Resolution provisions found in Section 23 of any Franchise Agreement between the parties as if set forth here and as being equally applicable to this Agreement and the dealings of the parties hereunder.

G. If you are a corporation, partnership, limited liability company or partnership or other legal entity, all of your Principal Owners must execute the form of undertaking and guarantee at the end of this Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner must execute the form of undertaking and guarantee at the end of this Agreement.

H. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

I. In the event of any failure of performance of this Agreement according to its terms by any party due to force majeure will not be deemed a breach of this Agreement. For purposes of this Agreement, "force majeure" shall mean acts of God, State or governmental action, riots, disturbance, war, strikes, lockouts, slowdowns, prolonged shortage of energy supplies or any raw material, epidemics, fire, flood, hurricane, typhoon, earthquake, lightning and explosion or other similar event or condition, not existing as of the date of signature of this Agreement, not reasonably foreseeable as of such date and not reasonably within the control of any party hereto, which prevents in whole or in material part the performance by one of the parties hereto of its obligations hereunder. "Force majeure" shall specifically exclude your lack of financing.

IN WITNESS WHEREOF, the parties have executed the foregoing Agreement as of the dates written below.

Franchisor
TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

By: ______________________________
Name: ____________________________
Title: _____________________________
Date: _____________________________

By: ______________________________
Name: ____________________________
Title: _____________________________
Date: _____________________________

Developer

____
By: ______________________________
Name: ____________________________
Title: _____________________________
Date: _____________________________

Guarantors

By: ______________________________
Name: ____________________________
Date: _____________________________

By: ______________________________
Name: ____________________________
Date: _____________________________

By: ______________________________
Name: ____________________________
Date: _____________________________

APPENDIX A

DEVELOPMENT TERRITORY

Your Development Territory shall consist of the area ____
____
____.

APPENDIX B

DEVELOPMENT SCHEDULE

Unit Number	Date by Which Franchise Agreement Must be Signed	Opening Date	Cumulative Number of Units Operating in Development Territory by the Date in the Preceding Column
1			
2			
3			
4			

APPENDIX C TO AREA DEVELOPMENT AGREEMENT

OWNER'S GUARANTY AND ASSUMPTION OF DEVELOPER'S OBLIGATIONS

As an inducement to TRU BOWL SUPERFOOD BAR FRANCHISE, LLC, a California limited liability company ("Company") to execute TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's Area Development Agreement between Company and ___________________________ ("Developer" or "You") dated ______________________, 20__ (the "Agreement"), the undersigned, jointly and severally, hereby unconditionally guarantee to Company and Company's successors and assigns that all of Developer's monetary and other obligations under the Agreement will be punctually paid and performed.

Upon demand by the Company, the undersigned each hereby jointly and severally agree to immediately make each payment required of Developer under the Agreement and waive any right to require the Company to: (a) proceed against Developer for any payment required under the Agreement; (b) proceed against or exhaust any security from Developer; (c) pursue or exhaust any remedy, including any legal or equitable relief, against Developer; or (d) give notice of demand for payment by Developer. Without affecting the obligations of the undersigned under this Guarantee, the Company may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Developer, or settle, adjust, or compromise any claims against Developer, and the undersigned each hereby jointly and severally waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Agreement.

The undersigned each hereby jointly and severally agree to defend, indemnify and hold Company, Company's affiliates, and their respective officers, directors, employees, and agents harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorney's fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Developer to perform any obligation of Developer under the Agreement, any amendment thereto, or any other agreement executed by Developer referred to therein.

The undersigned each hereby jointly and severally acknowledge and expressly agree to be individually bound by all of the covenants contained in the Agreement, and acknowledge and agree that this Guarantee does not grant the undersigned any right to use the "Tru Bowl" marks or system.

This Guarantee shall terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Agreement shall remain in force according to their terms.

Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee, but only for obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

If the Company is required to enforce this Guarantee in a judicial or mediation proceeding, and prevails in such proceeding, the Company shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', mediators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If the Company is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guarantee, the undersigned shall reimburse the Company for any of the above-listed costs and expenses the Company incurs.

Dispute Resolution. You agree to be bound by the Dispute Resolution provisions found in Section 23 of any Franchise Agreement between the parties as if set forth here and as being equally applicable to this Guaranty and the dealings of the parties hereunder.

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

Guarantors

By: ______________________________
Name: ____________________________
Date: _____________________________

By: ______________________________
Name: ____________________________
Date: _____________________________

By: ______________________________
Name: ____________________________
Date: _____________________________

APPENDIX D TO THE AREA DEVELOPMENT AGREEMENT

LIST OF PRINCIPALS

Holders of Legal or Beneficial Interest:

Name: ______________________________

Position/Title: ______________________________

Home Address: ______________________________

____

____

Telephone No.: ______________________________

E-mail Address: ______________________________

Percentage of Ownership: ___________%

Name: ______________________________

Position/Title: ______________________________

Home Address: ______________________________

____

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Telephone No.: ______________________________

E-mail Address: ______________________________

Percentage of Ownership: ___________%

Name: ______________________________

Position/Title: ______________________________

Home Address: ______________________________

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Telephone No.: ______________________________

Name: ______________________________

Position/Title: ______________________________

Home Address: ______________________________

____

____

Telephone No.: ______________________________

E-mail Address: ______________________________

Percentage of Ownership: ___________%

Name: ______________________________

Position/Title: ______________________________

Home Address: ______________________________

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____

Telephone No.: ______________________________

E-mail Address: ______________________________

Percentage of Ownership: ___________%

Name: ______________________________

Position/Title: ______________________________

Home Address: ______________________________

____

____

Telephone No.: ______________________________

E-mail Address: ____________________________

Percentage of Ownership: ___________%

E-mail Address: ____________________________

Percentage of Ownership: ___________%

Officers and Directors:

Name: ____________________________________

Position/Title: ______________________________

Home Address: ____________________________

____

____

Telephone No.: ____________________________

E-mail Address: ____________________________

Name: ____________________________________

Position/Title: ______________________________

Home Address: ____________________________

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Telephone No.: ____________________________

E-mail Address: ____________________________

Name: ____________________________________

Position/Title: ______________________________

Home Address: ____________________________

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Telephone No.: ____________________________

E-mail Address: ____________________________

Name: ____________________________________

Position/Title: ______________________________

Home Address: ____________________________

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Telephone No.: ____________________________

E-mail Address: ____________________________

APPENDIX E TO THE AREA DEVELOPMENT AGREEMENT

STATE ADDENDA TO THE AREA DEVELOPMENT AGREEMENT

CALIFORNIA ADDENDUM
TO THE AREA DEVELOPMENT AGREEMENT

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

Section 3 – Franchise Fee. Fee Deferral. Notwithstanding Section 3, or any other provision of the Agreement, all fees will be deferred until after Tru Bowl Superfood Bar Franchise, LLC's initial obligations to Franchisee are complete.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:____________________________
Date:____________________________	Date:____________________________

ILLINOIS ADDENDUM
TO THE AREA DEVELOPMENT AGREEMENT

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Payment of the Initial Franchise Fees and Development Fees will be deferred until Franchisor has met its initial obligations to the franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to the Franchisor's financial condition.

No statement, questionnaire or acknowledgement signed or agreed to by a franchise in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:_____________________________	By:___________________________
Date:_____________________________	Date:____________________________

EXHIBIT E TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2024

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

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Independent Auditor's Report

To the Members
TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
Whittier, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying balance sheets of TRU BOWL SUPERFOOD BAR FRANCHISE, LLC as of December 31, 2024, and 2023 and the related statements of operations, members' equity (deficit) and cash flows for the years ended December 31, 2024, 2023, and 2022, and the notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TRU BOWL SUPERFOOD BAR FRANCHISE, LLC as of December 31, 2024, and 2023, and the results of their operations and their cash flows for the years ended December 31, 2024, 2023, and 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's ability to continue as a going concern for a reasonable period of time.

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

Reese CPA LLC

Ft. Collins, Colorado
April 16, 2025

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
BALANCE SHEETS

	AS OF DECEMBER 31,	
	2024	2023
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 178,013	$ 168,923
Accounts receivable	89,500	65,500
Deferred commission costs, current	2,200	2,414
TOTAL CURRENT ASSETS	269,713	236,837
NON-CURRENT ASSETS		
Deferred franchise costs, less current portion	9,539	11,953
TOTAL ASSETS	$ 279,252	$ 248,790
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES		
Non-refundable deferred franchise sales, current	$ 56,000	$ 43,428
TOTAL CURRENT LIABILITIES	56,000	43,428
NON-CURRENT LIABILITIES		
Non-refundable deferred franchie sales, less current portion	262,185	223,512
TOTAL LIABILITIES	318,185	266,940
MEMBERS' (DEFICIT)	(38,933)	(18,150)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 279,252	$ 248,790

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
STATEMENTS OF OPERATIONS

	YEARS ENDED DECEMBER 31,		
	2024	2023	2022
REVENUES			
Royalties	$ 70,235	$ 18,526	$ 16,736
Franchise fees	88,006	28,846	15,358
Other revenues	5,757	-	-
TOTAL REVENUES	163,998	47,372	32,094
OPERATING EXPENSES			
Franchise-related costs	31,953	9,138	58,207
Advertising and promotion	19,411	12,735	2,500
Professional fees	14,278	7,275	10,540
General and administrative	11,299	1,030	4,025
TOTAL OPERATING EXPENSES	76,941	30,178	75,272
OPERATING INCOME (LOSS)	87,057	17,194	(43,178)
OTHER INCOME (EXPENSE)	2,983	741	-
NET INCOME (LOSS)	$ 90,040	$ 17,935	$ (43,178)

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
STATEMENTS OF CHANGES IN MEMBERS' (DEFICIT)
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

		Total Members' (Deficit)
BALANCE, DECEMBER 31, 2021	**$**	**(1,404)**
Member contributions		46,088
Member distributions		(20,591)
Net (loss)		(43,178)
BALANCE, DECEMBER 31, 2022		**(19,085)**
Member distributions		(17,000)
Net income (loss)		17,935
BALANCE, DECEMBER 31, 2023	**$**	**(18,150)**
Member distributions		(110,823)
Net income (loss)		90,040
BALANCE, DECEMBER 31, 2024	**$**	**(38,933)**

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
STATEMENTS OF CASH FLOWS

	YEARS ENDED DECEMBER 31,		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss)	$ 90,040	$ 17,935	$ (43,178)
Adjustments to reconcile net (loss) to net cash provided by operating activities:			
Non-cash member contributions	-	-	45,000
Recognition of deferred commission costs	5,628	1,826	707
Recognition of non-refundable deferred franchise sales	(84,755)	(28,846)	(15,358)
Changes in assets and liabilities			
Accounts receivable	(24,000)	(61,250)	(4,250)
Deferred commission costs	(3,000)	(5,500)	(11,400)
Deferred franchise revenue	136,000	180,500	123,500
Net cash provided by operating activities	119,913	104,665	95,021
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash (used in) provided by investing activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Member contributions	-	-	1,088
Member distributions	(110,823)	(17,000)	(20,591)
Net cash (used) by financing activities	(110,823)	(17,000)	(19,503)
NET (DECREASE) IN CASH	9,090	87,665	75,518
CASH, BEGINNING	168,923	81,258	5,740
CASH, ENDING	$ 178,013	$ 168,923	$ 81,258
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	$ -	$ -	$ -
Cash paid for taxes	$ 1,400	$ 900	$ 3,773

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC ("Company") was formed on October 23, 2018, (Inception) in the State of California as a limited liability company. The Company grants franchises to qualified persons to own and operate fast-casual acai and superfood bars under the trademark and trade name TRU BOWL SUPERFOOD BAR

Affiliates

The Company's CEO has operated one business of the type being franchised under DDSZ Inc. d/b/a Thirsteas Fresh Juice and Boba Teas. In March 2016, our CEO established our Affiliate, City Dweller's, LLC. This Affiliate currently operates the business. Our Affiliate does not engage in any other line of business, has not offered franchises in this line or any other line of business, and does not offer products or services to franchisees.

A summary of significant accounting policies follows:

Use of Estimates

Preparation of the Company's financial statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2024, and 2023.

Accounts Receivable

The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any allowance for doubtful accounts as of December 31, 2024, and 2023 and did not charge-off any accounts receivable for the years ended December 31, 2024, 2023, and 2022.

Deferred Commission Costs

Deferred commission costs consist of commissions paid on the sale of a franchise by the Company. They are capitalized as an incremental cost of the franchise agreement and are recognized as an expense over the life of the franchise agreement under the guidance of ASC 340-40, "Other Assets and Deferred Costs - Contracts with Customers".

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers." The Company's revenue mainly consists of franchise fees, royalties, and marketing revenues.

Each franchise agreement is comprised of several performance obligations. The Company has concluded that these items represent a single performance obligation and recognize the initial franchise fees over the term of the contract, which is currently seven years from the effective date of the franchise agreement.

When a franchisee purchases a franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are based on percentage of gross sales as defined in the franchise agreement. These revenues will be used to continue the development of the Company's brand, the franchise system and provide on-going support for the Company's franchisees. The royalties are billed monthly and are recognized as revenue when earned.

Income Taxes

The members of the Company have elected to be taxed as a Partnership under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of its members and no provisions for federal or state taxes have been recorded on the accompanying balance sheet.

The Company adopted ASC 740-10-25-6 "Accounting for Uncertainty in Income Taxes", that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements or that would affect the Company's members. The Company's evaluation was performed for the years ended December 31, 2024, 2023, and 2022, for U.S. Federal Income Tax and for the State of California Income Tax.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2024, 2023, and 2022, was $19,411. $12,375, and $2,500.

Fair Value of Financial Instruments

For the Company's financial instruments consist of cash and cash equivalents, the carrying amounts approximate fair value due to their short maturities.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Pronouncements

The Company has adopted all recently issued Accounting Standards Updates ("ASU"). The adoption of the recently issued ASUs, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the Company.

NOTE 2 – CONTRACT BALANCES

The Company recorded an asset for costs not yet expensed and a liability for unearned revenue associated with the performance obligation of the Company's franchise agreements. The account balances and activity as reported at December 31 are as follows:

	2024	2023
Deferred Commission Costs		
Balance Beginning of Year	$ 14,368	$ 10,693
Deferral of commission costs	3,000	5,500
Recognition of commission costs	(5,629)	(1,825)
Balance at End of Year	$ 11,739	$ 14,368
Deferred Franchise Revenue:		
Balance Beginning of Year	$ 266,940	$ 115,286
Deferral of deferred revenue	136,000	180,500
Recognition of deferred revenue	(84,756)	(28,846)
Balance at End of Year	$ 318,184	$ 266,940

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years ended December 31, 2024, 2023, and 2022, is as follows:

	2024	2023	2022
Performance obligations satisfied at a point in time	$ 75,992	$ 32,014	$ 16,736
Performance obligations satisfied by the passage of time	88,006	15,358	15,358
Total revenues	$ 163,998	$ 47,372	$ 32,094

NOTE 2 – CONTRACT BALANCES (CONTINUED)

Estimated Recognition of Deferred Franchise Costs and Revenues

Estimated expenses and revenues to be recognized in future periods related to deferred franchise costs and revenues as reported at December 31, 2024, are as follows:

	Deferred Commissions	Non-refundable Franchise Fees
Year ending December 31:		
2025	$ 2,200	$ 56,000
2026	2,200	56,000
2027	2,200	56,000
2028	2,200	56,000
2029	2,200	49,786
Thereafter	739	44,399
	$ 11,739	$ 318,184

NOTE 3 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 4 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through April 16, 2025, the date on which the financial statements were available to be issued.

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2022

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC

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Independent Auditor's Report

To the Members
TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
Whittier, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying balance sheets of TRU BOWL SUPERFOOD BAR FRANCHISE, LLC as of December 31, 2022, and 2021 and the related statements of operations, members' equity (deficit) and cash flows for the years ended December 31, 2022, and 2021, and the notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TRU BOWL SUPERFOOD BAR FRANCHISE, LLC as of December 31, 2022, and 2021, and the results of their operations and their cash flows for the years ended December 31, 2022, and 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TRU BOWL SUPERFOOD BAR FRANCHISE, LLC's ability to continue as a going concern for a reasonable period of time.

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

Restatement of Deferred Revenue

As discussed in Note 2 to the financial statements, the balance of deferred revenue as of January 1, 2021, has been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Reese CPA LLC

Ft. Collins, Colorado
May 11, 2023

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
BALANCE SHEETS
AS OF DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 81,258	$ 5,740
Accounts receivable	4,250	-
Deferred commission costs, current	1,629	-
TOTAL CURRENT ASSETS	87,137	5,740
NON-CURRENT ASSETS		
Deferred franchise costs, less current portion	9,064	-
TOTAL ASSETS	$ 96,201	$ 5,740
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES		
Non-refundable deferred franchise sales, current	$ 17,643	$ 1,428
TOTAL CURRENT LIABILITIES	17,643	1,428
NON-CURRENT LIABILITIES		
Non-refundable deferred franchie sales, less current portion	97,643	5,716
TOTAL LIABILITIES	115,286	7,144
MEMBERS' (DEFICIT)	(19,085)	(1,404)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 96,201	$ 5,740

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
REVENUES		
Royalties	$ 16,736	$ 1,662
Franchise fees	15,358	1,428
TOTAL REVENUES	32,094	3,090
OPERATING EXPENSES		
Franchise-related costs	58,207	5,000
Professional fees	10,540	3,000
General and administrative	4,025	910
Advertising and promotion	2,500	-
TOTAL OPERATING EXPENSES	75,272	8,910
OPERATING (LOSS)	(43,178)	(5,820)
OTHER INCOME (EXPENSE)	-	-
NET (LOSS)	$ (43,178)	$ (5,820)

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
STATEMENTS OF CHANGES IN MEMBERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	Total Members' Equity (Deficit)
BALANCE, DECEMBER 31, 2020	**$ 10,845**
Restatement of deferred revenue liability - Note 2	(6,429)
Net (loss)	(5,820)
BALANCE, DECEMBER 31, 2021	**(1,404)**
Member contributions	46,088
Member distributions	(20,591)
Net (loss)	(43,178)
BALANCE, DECEMBER 31, 2022	**$ (19,085)**

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		2021	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss)	$	(43,178)	$	(5,820)
Adjustments to reconcile net (loss) to net cash provided by operating activities:				
Non-cash member contributions		45,000		-
Recognition of deferred commission costs		707		-
Recognition of non-refundable deferred franchise sales		(15,358)		(1,428)
Changes in assets and liabilities				
Accounts receivable		(4,250)		-
Deferred commission costs		(11,400)		-
Deferred franchise revenue		123,500		-
Net cash provided by operating activities		95,021		(7,248)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net cash (used in) provided by investing activities		-		-
CASH FLOWS FROM FINANCING ACTIVITIES				
Member contributions		1,088		-
Member distributions		(20,591)		-
Net cash (used in) provided by financing activities		(19,503)		-
NET (DECREASE) IN CASH		75,518		(7,248)
CASH, BEGINNING		5,740		12,988
CASH, ENDING	$	81,258	$	5,740
SUPPLEMENTAL DISCLOSURES				
Cash paid for interest	$	-	$	-
Cash paid for taxes	$	3,773	$	800
SCHEDULE OF NON-CASH ACTIVITIES				
OPERATING ACTIVITIES				
Members' equity	$	-	$	(6,429)
Deferred revenue - Note 2	$	-	$	6,429

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

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

TRU BOWL SUPERFOOD BAR FRANCHISE, LLC ("Company") was formed on October 23, 2018, (Inception) in the State of California as a limited liability company. The Company grants franchises to qualified persons to own and operate fast-casual acai and superfood bars under the trademark and trade name TRU BOWL SUPERFOOD BAR

Affiliates

The Company's CEO has operated one business of the type being franchised under DDSZ Inc. d/b/a Thirsteas Fresh Juice and Boba Teas. In March 2016, our CEO established our Affiliate, City Dweller's, LLC. This Affiliate currently operates the business. Our Affiliate does not engage in any other line of business, has not offered franchises in this line or any other line of business, and does not offer products or services to franchisees.

Location Information

The following table summarizes the number of locations open and operating for the year ended December 31, 2021:

	2022	2021
Locations in operation, beginning	2	2
Locations opened	5	-
Locations terminated or closed	(1)	-
Locations in operation, ending	6	2
Franchised Locations	5	1
Affiliate owned Locations	1	1

A summary of significant accounting policies follows:

Use of Estimates

Preparation of the Company's financial statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2022, and 2021.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any allowance for doubtful accounts as of December 31, 2022, and 2021 and did not charge-off any accounts receivable for the years ended December 31, 2022, and 2021.

Deferred Commission Costs

Deferred commission costs consist of commissions paid on the sale of a franchise by the Company. They are capitalized as an incremental cost of the franchise agreement and are recognized as an expense over the life of the franchise agreement under the guidance of ASC 340-40, "Other Assets and Deferred Costs - Contracts with Customers".

Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers." The Company's revenue mainly consists of franchise fees, royalties, and marketing revenues.

Each franchise agreement is comprised of several performance obligations. The Company has concluded that these items represent a single performance obligation and recognize the initial franchise fees over the term of the contract which is currently seven years from the effective date of the franchise agreement.

When a franchisee purchases a franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are based on percentage of gross sales as defined in the franchise agreement. These revenues will be used to continue the development of the Company's brand, the franchise system and provide on-going support for the Company's franchisees. The royalties are billed monthly and are recognized as revenue when earned.

Income Taxes

The members of the Company have elected to be taxed as a Partnership under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of its members and no provisions for federal or state taxes have been recorded on the accompanying balance sheet.

The Company adopted ASC 740-10-25-6 "Accounting for Uncertainty in Income Taxes", that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (continued)

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements or that would affect the Company's members. The Company's evaluation was performed for the years ended December 31, 2022, and 2021, for U.S. Federal Income Tax and for the State of California Income Tax.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2022, and 2021, was $2,500, and $0.

Fair Value of Financial Instruments

For the Company's financial instruments consist of cash and cash equivalents, the carrying amounts approximate fair value due to their short maturities.

Recently Issued Accounting Pronouncements

The Company has adopted all recently issued Accounting Standards Updates ("ASU"). The adoption of the recently issued ASUs, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the Company.

NOTE 2 – RESTATEMENT OF DEFERRED REVENUE

The beginning balance of the deferred revenue liability reported in the attached balance sheet was not stated in accordance with the most common interpretation of the revenue recognition standard ASC 606 – "Contracts with Customers" under generally accepted accounting standards. The beginning balance of the deferred revenue liability was adjusted to recognize that the revenue from initial franchise fees will be recognized over the term of the franchise agreement. As of January 1, 2021, the deferred revenue liability balance was increased from the prior reported balance by $6,429 and member's equity decreased by $6,429.

NOTE 3 – CONTRACT BALANCES

The Company recorded an asset for costs not yet expensed and a liability for unearned revenue associated with the performance obligation of the Company's franchise agreements. The account balances and activity as reported at December 31 are as follows:

	December 31, 2022	December 31, 2021
Deferred Commission Costs		
Balance Beginning of Year	$ -	$ -
Deferral of commission costs	11,400	-
Recognition of commission costs	(707)	-
Balance at End of Year	$ 10,693	$ -
Deferred Franchise Revenue:		
Balance Beginning of Year	$ 7,144	$ 8,572
Deferral of deferred revenue	123,500	
Recognition of deferred revenue	(15,358)	(1,428)
Balance at End of Year	$ 115,286	$ 7,144

Estimated Recognition of Deferred Franchise Costs and Revenues

Estimated expenses and revenues to be recognized in future periods related to deferred franchise costs and revenues as reported at December 31, 2022, are as follows:

	Franchise Acquisition Costs	Non-refundable Franchise Fees
Year ending December 31:		
2023	$ 1,629	$ 17,643
2024	1,629	17,643
2025	1,629	17,643
2026	1,629	17,643
2027	1,629	17,643
Thereafter	2,550	31,929
	$ 10,693	$ 120,143

NOTE 3 – CONTRACT BALANCES (CONTINUED)

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years ended December 31, 2022, and 2021, is as follows:

	2022	2021
Performance obligations satisfied at a point in time	$ 16,736	$ 1,662
Performance obligations satisfied through the passage of time	15,358	1,428
Total revenues	$ 32,094	$ 3,090

NOTE 4 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 5 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through May 11, 2023, the date on which the financial statements were available to be issued.

EXHIBIT F TO THE DISCLOSURE DOCUMENT
LIST OF CURRENT AND FORMER FRANCHISEES

The following is a list of the names of all current franchisees and the address and telephone number of each of their outlets:

Justin & Lida Cheng 300 E. Pacific Coast Highway Huntington Beach, California 92647 Tel: 562-480-5071		David & Cyndi Schoenecker 147 S. Highley Road, Suite 103 Gilbert, Arizona 85296 Tel: 480-252-4199
Lucy & Erwin Manalo 1820 E. Route 66 Glendora, California 91741 Tel: 626-552-2092		Nicholas Bohorquez & Rochelle Lopez 6250 E. Pacific Coast Highway Long Beach, California 90803 Tel: 323-376-4883
Brian & Dasha Hunter 1475 N. Montebello Boulevard Montebello, California 90640 Tel: 310-242-3524		Ingly & Hong Taing 2233 Balboa Avenue, Suite 109 Newport Beach, California 92663 Tel: 727-348-5550
Nicholas Bohorquez & Rochelle Lopez 6614 Carnelian Street Rancho Cucamonga, California 91701 Tel: 323-376-4883		

The following is a list of the names, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the Issuance Date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Justin & Lida Cheng
17425 Beach Boulevard
Huntington Beach, California 92647
Tel: 562-480-5071

EXHIBIT G TO THE DISCLOSURE DOCUMENT
STATE ADDENDA TO THE DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

The "Risk Factors" on the second page of the Disclosure Document are amended to also include the following:

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 FRANCHISE DISCLOSURE DOCUMENT.

Any interest rate charged to a California franchisee shall comply with the California Constitution. The interest rate shall not exceed either (a) 10% annually or (b) 5% annually plus the prevailing interest rate charged to banks by the Federal Reserve Bank of San Francisco, whichever is higher.

The following is added to Item 1 of the FDD:

Franchisees located in California are required to comply with all applicable California labor laws, including labor laws that may apply to certain fast food restaurant industry employees. (Please note that this is only applicable to restaurants that are part of a restaurant chain of at least 60 establishments nationwide.) Specifically, California franchisees operating certain fast food restaurants must comply with Part 4.5.5 (commencing with Section 1474) of Division 2 of the California Labor Code (codifying Assembly Bill No. 1228) which established the California Fast Food Council ("CFFC") which has the authority to increase the hourly minimum wage subject to certain limitations, and to set forth requirements, limitations, and procedures for adopting and reviewing fast food restaurant health, safety, and employment standards in California.

Item 3 of the Disclosure Document is amended by adding the following paragraph:

Neither we nor 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 these persons from membership in this association or exchange.

Item 5 of the Disclosure is amended by adding the following paragraph:

All of your initial franchise fees will be deferred until our initial obligations are complete.

The following is added to Item 7 of the FDD:

Compliance with the bill law may increase your expenses (including increased wages) and the amount of your initial investment. You may review the Department of Industrial Relations website at Fast Food Minimum Wage Frequently Asked Questions (ca.gov) for further information and consult with an attorney specializing in labor law in determining any additional costs.

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

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

<u>The following is added to Item 19 of the FDD:</u>

The financial performance representation figures do not reflect the costs of sales or operating expenses (including labor expenses), which are subject to Part 4.5.5 [commencing with Section 1474] of Division 2 of the California Labor Code that created the CFFC which may increase minimum wages annually, subject to certain limitations) that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. The best source of cost and expense data may be from franchisees and former franchisees, some of whom may be listed in Item 20.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF CORPORATIONS BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

YOU MUST SIGN A GENERAL RELEASE OF CLAIM IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CODE §§31000 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).

Our website is located at www.trubowl.com.

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

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

The Department of Financial Protection and Innovation requires that we defer the collection of all initial fees from California franchisees until we have completed all our pre-opening obligations and you are open for business. For California franchisees who sign an area development agreement, the payment of the development and initial fees attributable to a specific unit is deferred until that unit is open.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

HAWAII ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Hawaii Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHSIOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813

ILLINOIS ADDENDUM
TO THE DISCLOSURE DOCUMENT

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Payment of the Initial Franchise Fees and Development Fees will be deferred until Franchisor has met its initial obligations to the franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to the Franchisor's financial condition.

No statement, questionnaire or acknowledgement signed or agreed to by a franchise in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	TRU BOWL SUPERFOOD BAR FRANCHISE, LLC
By:____________________________	By:__________________________
Date:____________________________	Date:___________________________

MARYLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.b. is modified to also provide, "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17.u. is modified to also provide, "A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

3. Item 17.v. is modified to also provide, "Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

MINNESOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

NEW YORK ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

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

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

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

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

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**":

However, no assignment will be made except to an assignee who, in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

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

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the North Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Restrictive Covenants: To the extent that covenants not to compete apply to periods after the term of the franchise agreement, they are generally unenforceable under North Dakota law.

Applicable Laws: North Dakota law will govern the franchise agreement.

Waiver of Trial by Jury: Any waiver of a trial by jury will not apply to North Dakota Franchises.

Waiver of Exemplary & Punitive Damages: Any waiver of punitive damages will not apply to North Dakota Franchisees.

General Release: Any requirement that the franchisee sign a general release upon renewal of the franchise agreement does not apply to franchise agreements covered under North Dakota law.

Enforcement of Agreement: Any requirement in the Franchise Agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

RHODE ISLAND ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17.m. of the Disclosure Document is revised to provide:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

Item 17.w. of the Disclosure Document is revised to provide:

> Rhode Island law applies.

VIRGINIA ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document is amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.

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

WISCONSIN ADDENDUM
TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Wisconsin Fair Dealership Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 is modified to also provide,

   If the franchise agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

   With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

EXHIBIT H TO THE DISCLOSURE DOCUMENT
RECEIPT

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	May 21, 2024
Hawaii	N/A
Illinois	N/A
Indiana	N/A
Maryland	N/A
Michigan	N/A
Minnesota	N/A
New York	N/A
North Dakota	N/A
Rhode Island	N/A
South Dakota	N/A
Washington	N/A
Wisconsin	N/A

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT I TO THE DISCLOSURE DOCUMENT
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 TRU BOWL SUPERFOOD BAR FRANCHISE, 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.

Iowa requires that we give you this Disclosure Document at the earlier of the first personal meeting or 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.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If TRU BOWL SUPERFOOD BAR FRANCHISE, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in Exhibit A.

The following is the name, principal business address, and telephone number of the franchise seller offering the franchise:

X Dolores Quiroz, 5565 Greenleaf Ave., Whittier, California 90601; 562-260-6760.

Date of Issuance: April 20, 2025
Our Agents for Service of Process are listed in Exhibit A.

I have received a Franchise Disclosure Document dated April 20, 2025 including the following exhibits on the date listed below:

A. LIST OF STATE ADMINISTRATORS/STATE AGENTS FOR SERVICE OF PROCESS
B. FRANCHISE AGREEMENT
   Schedule 1-Unlimited Guaranty and Assumption of Obligations
   Schedule 2-Nondisclosure and Non-Competition Agreement
   Schedule 3-General Release
   Schedule 4-Collateral Assignment of Lease
   Schedule 5-Holders of Legal or Beneficial Interest in Franchisee; Officers; Directors
   Schedule 6-ACH Payment Agreement
   Schedule 7-State Addenda to the Franchise Agreement
   Schedule 8-SBA Addendum
C. OPERATIONS MANUAL TABLE OF CONTENTS
D. AREA DEVELOPMENT AGREEMENT
   Appendix A-Development Territory

Appendix B-Development Schedule
Appendix C-Unlimited Guaranty and Assumption of Obligations
Appendix D-List of Principals
Appendix E-State Addenda to the Area Development Agreement

E. FINANCIAL STATEMENTS
F. LIST OF CURRENT AND FORMER FRANCHISEES
G. STATE ADDENDA TO THE DISCLOSURE DOCUMENT
H. STATE EFFECTIVE DATES
I. RECEIPTS

Please sign and print your name below, date, and return one copy of this receipt to TRU BOWL SUPERFOOD BAR FRANCHISE, LLC and keep the other for your records.

____
Date of Receipt

____
Print Name

____
Signature
(individually or as an officer, member, or partner of)

____
a [STATE of Incorporation]
[Corporation/LLC/Partnership]

RECEIPT

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If TRU BOWL SUPERFOOD BAR FRANCHISE, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in Exhibit A.

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Date of Receipt

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Print Name

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Signature
(individually or as an officer, member, or partner of)

____
a [STATE of Incorporation]
[Corporation/LLC/Partnership]