



**Smoothie King Franchises, Inc.  
Franchise Disclosure Document**

**2025–2026**

**2025–2026**  
**FRANCHISE DISCLOSURE DOCUMENT**  
**FOR PROSPECTIVE FRANCHISEES**

Smoothie King Franchises, Inc.  
A Texas Corporation  
9797 Rombauer Road  
Coppell, Texas 75019  
(214) 935-8900  
Website: [www.smoothieking.com](http://www.smoothieking.com)  
Email: [franchise@smoothieking.com](mailto:franchise@smoothieking.com)



The franchise is for the establishment and operation of a Smoothie King® unit offering guests a variety of custom smoothies and smoothie bowls blended to support healthy and active lifestyles. Each proprietary blend is made with select whole fruits and organic vegetables without any artificial preservatives, flavors and colors. In 2025, Smoothie King® intends to introduce a selection of food items, potentially including egg-based breakfast options, avocado/peanut butter toasts, protein boxes and protein skewers. Smoothie King offers other nutritional drinks and general nutritional products under the name **Smoothie King®**. The Smoothie King mission is to inspire people to live a healthy and active lifestyle and to be an integral part of every health and fitness journey.

The total investment necessary to begin operation of a traditional Smoothie King® Business ranges from (i) for an end-cap or in-line location, \$346,350 to \$679,465, and (ii) for a free-standing drive-thru location, \$661,150 to \$1,277,650. This includes \$27,500 to \$32,500 that must be paid to us. Smoothie King also offers Area Development rights to develop multiple Smoothie King Businesses. If you sign an Area Development Agreement, you also must pay us a development fee of \$12,500 for each Smoothie King® franchise you commit to develop after the first franchise. You must develop a minimum of 3 Smoothie King® Businesses under the Area Development Agreement.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Smoothie King franchise sales office at 9797 Rombauer Road, Coppell, TX 75019, or (214) 935-8900.

The terms of your contract will govern your franchise relationship. Do not 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 (the “FTC”). You can contact the FTC at 1-877-FTC-HELP (1-877-382-4357) or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April \_\_, 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
<b>How much can I earn?</b>	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 Exhibits A and B.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Smoothie King business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a Smoothie King franchisee?</b>	Item 20 or Exhibits A and B lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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.

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## **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 J.

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

## Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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.

**NOTICE REQUIRED  
BY  
STATE OF MICHIGAN**

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

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

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

- (a) A prohibition 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, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

- (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
  - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
  - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
  - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless 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 the Michigan Department of Attorney General, G. Mennen Williams Building, 525 W. Ottawa Street, P.O. Box 30212, Lansing, MI 48909; telephone (517) 335-7622.

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**FRANCHISE DISCLOSURE DOCUMENT  
SMOOTHIE KING FRANCHISES, INC.**

**Item 1**

**THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

**The Franchisor:**

To simplify the language in this disclosure document “Smoothie King” or “we” or “us” or “our” means Smoothie King Franchises, Inc., the franchisor. “You” or “your” means the person(s) or entity who signs the Franchise Agreement, including all equity owners of a corporation, general partnership, limited partnership, limited liability company or other type of entity (“Entity”). The words “includes” and “including” mean “includes, but is not limited to” and “including, but not limited to,” and the terms following such words are intended to be examples and not an exhaustive list. If you are an Entity, certain provisions of Smoothie King’s Franchise Agreement and Area Development Agreement will also apply to some of your owners. This disclosure document will indicate when your owners are also covered by a particular provision.

The Smoothie King® concept and primary product were originated in 1973 by Stephen C. Kuhnau, Sr. Smoothie King is a Texas corporation that was originally incorporated in Louisiana on May 7, 1987, and redomesticated as a Texas corporation in 2018.

Smoothie King operates under its corporate name and under the service marks “SMOOTHIE KING®” and associated marks and logos. Smoothie King’s agent in this state for service of process, if applicable, is disclosed in Exhibit J. Except as described in this Item, Smoothie King has no predecessors, parents or affiliates.

Smoothie King offers you a franchise whose primary business is the sale of products under the name and service mark “SMOOTHIE KING®.” The type of business that you will operate is referred to in this disclosure document as a “Unit” or “Smoothie King Business.”

Smoothie King has been offering franchises since May 1988. Smoothie King does not currently operate any Smoothie King Businesses. Smoothie King has not offered franchises in any other lines of business. Smoothie King does not have any other business activities.

**Parent:**

SK USA Inc. is our parent company, and its principal business address is 9797 Rombauer Road, Suite 150, Coppell, Texas 75019.

**Affiliates:**

Smoothie King’s affiliate, S K Nutritional Formulas, L.L.C. (“SKN”), may own, develop, license and/or distribute SMOOTHIE KING® private label and other retail products which all Smoothie King units are required to sell. Smoothie King units must purchase these items from our designated third-party suppliers. SKN’s principal business address is 9797 Rombauer Road, Suite 150, Coppell, Texas 75019

Smoothie King’s affiliate, Smoothie King Co., Inc. (“SKCI”), currently owns and operates 59 Smoothie King Businesses under non-exclusive royalty-free licenses from Smoothie King. SKCI may own and operate more Smoothie King Businesses in the future.

Neither SKN nor SKCI has offered franchises for this or any other business.

### **The Franchise Opportunity:**

We grant Smoothie King® franchises to qualified candidates for the right to develop and operate a Smoothie King® Unit (each a “**Smoothie King Unit**” and collectively “**Smoothie King Units**”), which is a customer-driven business that sells a variety of premium, handcrafted smoothies and smoothie bowls made with select real fruit and organic vegetables, nutritional supplements blended fresh using proprietary recipes, and select nutritional food items. We refer to this business as the “**Franchised Business**” in this disclosure document. You must sign our standard Franchise Agreement (the “**Franchise Agreement**”) in the form attached as Exhibit “D” to this disclosure document for each Unit purchased. Units also offer consumers the benefit of nutritional retail merchandise, which includes vitamins, herbs, minerals, a myriad of supplements, and nutritious snack items, among many others. We may require you to offer additional new food and beverage items in the future.

Smoothie King developed and owns a proprietary system (“System”). If you enter into a Franchise Agreement with us, you will operate your Unit according to the System, including our methods, standards and specifications. This System includes specialized hands-on training, marketing and advertising support, volume buying power, business synergy and on-going support. We have developed a design package and have mandatory interior décor specifications (collectively the “Trade Dress”) for Smoothie King units. The Trade Dress is brand specific and is designed to ensure uniformity in the presentation of the System to guests.

Smoothie King also provides you with certain confidential information and methods for managing a Smoothie King Business. As our franchisee, you will use Smoothie King’s trademarks, logos, brand and overall developed intellectual property including “SMOOTHIE KING®,” the “CROWN” design and other product and service names and marks that Smoothie King may designate to identify the System. These names and marks are referred to in this disclosure document as “Proprietary Marks.”

Smoothie King offers franchises for “Traditional” and “Non-Traditional” locations. Traditional locations are Units that typically operate in strip centers, drive-thru locations or other commercial shopping centers with general public access from the street and are not typically located in an enclosed environment or Captive Facility. You receive a Protected Territory if you operate your Unit in a Traditional location.

Non-Traditional Units are typically located within another business or dependent upon one main business or organization as its primary trade generator, normally have limited access to the general public and a limited trade area, usually in relation to its primary trade generator (a “Captive Facility”). Examples of Non-Traditional locations include enclosed shopping malls, food courts, arenas, convention centers, airports, movie theaters, health clubs, hospitals and other health care facilities, university and college campuses, military bases, grocery stores and similar environments. Because of the factors described above, you will not receive a Protected Territory for a Non-Traditional location. The determination of what constitutes a Non-Traditional location and the decision to grant a Protected Territory is within Smoothie King’s sole discretion.

Smoothie King considers each site a Traditional location unless Smoothie King approves the location, in writing, as a Non-Traditional location. All references to Units include both Traditional and Non-Traditional locations, unless otherwise specified. You must sign our Franchise Agreement, attached as Exhibit D. If you will operate from a Non-Traditional location, you also must sign the Non-Traditional Location Addendum, attached as Exhibit E.

If you wish to have the right to open multiple Units in an area, you must enter into an area development agreement (the “Area Development Agreement”) with Smoothie King. Under the Area Development Agreement, you will receive the right to open a certain number of Units at Traditional locations over a defined period of time in a defined area, as Smoothie King determines in its sole discretion, on the basis of the market potential and the size of the designated area. The term of your Area Development Agreement generally will not be longer than 5 years and will require you to lease or purchase the approved location of the first Unit within 6 months from the effective date of your Area Development Agreement and open your first Unit within 12 months from the effective date of your Area Development Agreement and open each subsequent Unit within 6 to 12-month time periods after the first Unit. You must sign our then-current Franchise Agreement for each Unit to be developed under the Area Development Agreement, which may contain different terms and conditions than the Franchise Agreement attached to this disclosure document.

### **Market and Competition:**

The market for the products sold in a Smoothie King Business is the general public. Although the market for the nutritional products carried in the Unit is more developed, the market for smoothies and other blended products continues to develop and build on its growing recognition. The market may be affected by general economic conditions and is seasonal in most areas. The market is highly competitive, and you will be competing with other smoothie businesses, snack and juice bars, general food service establishments carrying smoothies, vitamin and supplement retailers and other similar blended products as an offering on their menus, national and local general nutrition businesses and health food businesses. National and local restaurants also develop smoothie drinks as additional menu items and national and local supermarkets and other retailers may carry some of the same or similar product lines. If the Unit is located in a strip center or local or regional shopping mall, you typically will compete with businesses offering competitive goods or services within the same center or mall. Additionally, you may find that there is competition for suitable locations. You may also encounter competition from other Smoothie King Units operated by us or other franchisees.

### **Government Regulation:**

You must comply with all local, state and federal laws and regulations applicable to the business operations of a Smoothie King Unit, including laws and regulations related to workers’ compensation, occupational health and safety, minimum wage, overtime, working conditions, discrimination, sexual harassment, tax, environmental protection, citizenship and/or immigration status (including laws requiring verification of status through the Department of Homeland Security’s E-Verify program), and reasonable accommodations for employees and guests with disabilities (including the Americans with Disabilities Act).

You must ensure that your computerized point-of-sale system (the “POS System”) or your credit card processing terminals (whichever are responsible for processing credit card transactions) are in compliance with the most current Payment Card Industry (PCI) standards. You also must comply with all standards, laws, rules, regulations, and policies relating to personal information, data privacy, and data protection, including all applicable state laws, and any privacy policies or data protection and breach response policies we periodically may establish.

Various federal agencies, including the U.S. Food and Drug Administration (“FDA”), U.S. Department of Agriculture, and Federal Trade Commission (“FTC”) have certain laws and regulations that apply directly to how you market, sell and label your vitamins, supplements, smoothies and smoothie bowls, and how you present nutritional information for your products. Food service, health and sanitation laws and regulations will also directly apply to the preparation of your smoothies, smoothie bowls and handling

of other food products. In addition, certain general laws will apply to a Smoothie King Business. For example, you must comply with laws and local ordinances concerning permits, occupational licensing and the construction and operation of a Unit. There may be other general laws that apply to a Smoothie King Business, and you should make inquiries to find out about these regulations.

## **Item 2**

### **BUSINESS EXPERIENCE**

Unless otherwise noted, all personnel listed below are based at our corporate headquarters in Coppell, Texas.

#### **Chairman of the Board and Chief Executive Officer: Sung-Wan Kim**

Sung-Wan Kim has been Smoothie King's Chairman of the Board since July 2012 and Chief Executive Officer since January 2013. In addition, Mr. Kim has been Director and Chief Executive Officer of SK USA, Inc. since its inception.

#### **Chief Operating Officer: Camille Hymes**

Ms. Hymes has been Smoothie King's Chief Operating Officer since June 2023. From February 2021 through June 2023, Camille served as Vice President, Public Affairs for Starbucks Coffee Company in Seattle, Washington. From February 2014 through February 2021, Camille held the position as Vice President, Regional Operations for Starbucks Coffee Company.

#### **Chief Development Officer: Chris Bremer**

Mr. Bremer has been Smoothie King's Chief Development Officer since July 2022. From December 2017 through June 2022, Chris served as Chief Development Officer for Nothing Bundt Cakes in Dallas, Texas.

#### **Chief Financial Officer: Gavin Felder**

Mr. Felder has been Smoothie King's Chief Financial Officer since May 2024. From November 2019 through May 2024, Gavin served as Chief Strategy Officer for Yum! Brands, Inc. in Dallas, Texas. From January 2014 through November 2019, Gavin was Chief Financial Officer for KFC Global, Yum! Brands, Inc. in Dallas, Texas.

#### **Chief Marketing Officer: Claudia Schaefer**

Ms. Schaefer has been Smoothie King's Chief Marketing Officer since January 2025. From September 2023 through December 2024, she worked as a self-employed consultant in Dallas, Texas. From August 2019 through August 2023, Ms. Schaefer was Chief Experience Officer for Caliber Collision in Lewisville, Texas.

#### **Vice President, Franchise Sales: Shawn Caric**

Based in North Huntingdon, Pennsylvania, Shawn Caric has been Smoothie King's Vice President of Franchise Sales since November 2021. From May 2021 through November 2021, Shawn was the Vice President of Franchise Development for Qdoba Restaurant Corp in San Diego, California. Between March 2010 through April 2021, Shawn held various roles at Dunkin' Brands, Inc. out of Canton, Massachusetts, most recently serving as Director, Retail Development.

**Chief Legal Officer and Corporate Secretary: Joshua Nicosia**

Joshua has been Smoothie King's Chief Legal Officer and Corporate Secretary since March 2021. From February 2019 to March 2021, Mr. Nicosia was the North American General Counsel for IWG, PLC in Dallas, Texas.

**Chief Information Officer: Jyoti Lynch**

Ms. Lynch has been Smoothie King's Chief Information Officer since October 2024. From May 2023 through October 2024, Ms. Lynch served as CTO for Red Robin based out of Denver, Colorado. From September 2019 through May 2023, Jyoti served as CIO for European Wax Center in Dallas, Texas.

**Sr. Vice-President of Operations: Matt Kafka**

Matt has been Smoothie King's Sr. Vice-President of Operations since December 2024. From June 2018 through December 2024, Matt services as Vice President of Operations, West Region and was our Interim Chief Operating Officer from February 2023 to June 2023.

**Vice President, Operation Services, Training, and Education: Katherine Meariman**

Katherine Meariman has been Smoothie King's Vice President, Operation Services, Training and Education, since January 2018.

**Director, Franchise Development: Steve Osler**

Steve Osler has been Smoothie King's Director, Franchise Development since June 2018.

**Director, Franchise Development: Chad Tramuta**

Based in Metairie, Louisiana, Chad Tramuta has been Smoothie King's Director, Franchise Development since February 2014.

**Director, Franchise Development: James DiOrio**

Based in Balmar, New Jersey, James DiOrio has been Smoothie King's Director, Franchise Development since March 2025. From December 2024 to February 2025, Mr. DiOrio was not employed. From October 2018 to November 2024 Mr. DiOrio was self-employed in Sicklerville, NJ as a multi-unit franchisee with Jersey Mike's.

**Vice President of Real Estate: Brian Olson**

Based in Bolingbrook, Illinois, Brian Olson has been Smoothie King's Vice President of Real Estate since May 2024. Prior to joining Smoothie King, Brian was Senior Director of Franchise Sales/Real Estate Development for CKE Restaurants, from June, 2021 to May, 2024. Brian was also Director of National Leasing for Highland Ventures in Glenview, Illinois from June, 2020 to June, 2021; and Director of Real Estate for Aspen Dental in Chicago, Illinois from October, 2019 to August, 2020.

**Director of Real Estate: Chris de Wolff**

Based in Atlanta, Georgia, Chris de Wolff has been Smoothie King's Director of Real Estate supporting the eastern US since July 2018.

## **Director of Real Estate: Andrea Witt**

Andrea Witt has been Smoothie King's Director of Real Estate since April 2017.

### **Item 3**

#### **LITIGATION**

*Smoothie King Franchises, Inc. v. Best Smoothie Inc. and Jean Victome, et al.*, Civil Action No. 1:21-CV-04402-WMR, U.S. District Court (Dist. Ct. N.D. Ga, filed October 22, 2021). We brought an action for violation of a consent judgment and unfair competition against the purchaser of a former franchisee's assets. We alleged that the purchaser was a continuation of the former franchisee's business and allege that the purchaser is using our proprietary materials and trade secrets (including recipes), Smoothie King® marks and trade dress. We sought damages and injunctive relief. A trial was held December 2 through December 6, 2024, and judgment was entered in our favor on February 28, 2025, granting a permanent injunction and monetary damages of \$373,796.72. The purchaser filed a notice of appeal on March 7, 2025, and said appeal is pending.

*Thomas O'Keefe, Kenneth, (Bret) Cunningham, Joseph Lewis, Brian Judge, Byounghoon (Paul) Ahn, Dione Heusel, Betsy Riggs, Chris Miller, And Thomas (Bradley) West v. Smoothie King Franchises, Inc. & SK USA, Inc.*, Civil Action No. 2:24-cv-2094, United States District Court for the Eastern District of Louisiana, filed August 26, 2024. Nine of our former employees who left the company in or before 2019 brought this action against us and our affiliate alleging that stock options that they were awarded during their employment are still in effect and that we have improperly determined that they are not in effect. They allege breach of contract, breach of the implied covenant of good faith and fair dealing, negligent misrepresentation, violation of Louisiana Civil Code Article 1953, and violation of the Louisiana Unfair Trade Practices Act. They request a declaratory judgment that their stock options remain in effect, and in the alternative money damages. Smoothie King filed an Answer to the complaint on February 25, 2025, denying all aforesaid allegations. A pre-trial scheduling Order has been entered and trial is currently scheduled for October 20, 2025.

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

### **Item 4**

#### **BANKRUPTCY**

No bankruptcies are required to be disclosed in this Item.

### **Item 5**

#### **INITIAL FEES**

#### **INITIAL FRANCHISE FEES—TRADITIONAL AND NON-TRADITIONAL LOCATIONS**

When you sign a Franchise Agreement, you must pay an initial franchise fee (the “**Initial Franchise Fee**”). For each Traditional Store, you must pay us an Initial Franchise Fee of \$30,000. For each Non-Traditional Store, you must pay us an Initial Franchise Fee of \$15,000.

The Initial Franchise Fee is due and payable immediately upon execution of the Franchise Agreement and is non-refundable under any circumstances.

If you are an existing franchisee in good standing and meet our qualifications, we may approve you to develop additional Units at a reduced Initial Franchise Fee equal to \$25,000.

Smoothie King is a member of the International Franchise Association's Vet Fran program. If you are an active member of the United States Armed Forces or if you have been honorably discharged from the United States Armed Forces, you will be eligible for a discount of 20% off the Initial Franchise Fee. This discount does not apply to a renewal fee.

Smoothie King also offers a first responders discount for law enforcement officers, firefighters, and emergency medical technicians who have at least 10 years of experience. Qualified first responders will be eligible for a discount of 20% off the Initial Franchise Fee. This discount does not apply to a renewal fee.

## **AREA DEVELOPMENT FEE**

You will pay a lump sum development fee when you sign an Area Development Agreement. The development fee is calculated at the rate of \$12,500 for each Unit that you are authorized to develop after the first franchise. For example, if you enter into an Area Development Agreement to establish your first Unit and an additional four Units, your development fee will be \$50,000. Development fees will be applied to the franchise fees for each Unit timely opened under your Area Development Agreement. The development fee is not refundable under any circumstances.

In addition to the development fee, you must sign a Franchise Agreement and pay the Initial Franchise Fee for your first Unit at the same time you sign the Area Development Agreement unless you are a current Smoothie King franchisee. If you are a current Smoothie King franchisee, you must sign a Franchise Agreement and pay the Initial Franchise Fee at least 6 months before your Unit is scheduled to open or before you sign the lease for the Unit, whichever occurs first. Under the Area Development Agreement, the Initial Franchise Fee for the first Unit is \$30,000 for new franchisees and \$25,000 for existing franchisees in good standing. The Initial Franchise Fee for the second Unit and each subsequent Unit is \$25,000 and is reduced by the pro-rated development fee as long as the Units are developed and opened according to your development schedule attached to your Area Development Agreement. Each Initial Franchise Fee under the Area Development Agreement is for a Traditional location; the right to develop Units under an Area Development Agreement does not include Non-Traditional locations unless specifically agreed upon in writing by Smoothie King. The Area Development Agreement automatically terminates on the date that the last Unit is scheduled to open.

Below is a summary of the fees due to us for 3 to 5 Units under an Area Development Agreement when all Units are opened timely. The full Initial Franchise Fee is due for Unit 1 upon signing the Area Development Agreement. For each subsequent Unit, \$12,500 of the Development Fee is applied to the Initial Franchise Fee if the Unit is opened timely:

	<b>3 Units</b>	<b>4 Units</b>	<b>5 Units</b>
Payment 1	\$55,000  (\$25,000 Development Fee plus \$30,000 Unit 1 Initial Franchise Fee)*	\$67,500  (\$37,500 Development Fee plus \$30,000 Unit 1 Initial Franchise Fee)*	\$80,000  (\$50,000 Development Fee plus \$30,000 Unit 1 Initial Franchise Fee)*
Payment 2	\$12,500	\$12,500	\$12,500



	(Balance of Unit 2 Initial Franchise Fee)	(Balance of Unit 2 Initial Franchise Fee)	(Balance of Unit 2 Initial Franchise Fee)
Payment 3	\$12,500 (Balance of Unit 3 Initial Franchise Fee)	\$12,500 (Balance of Unit 3 Initial Franchise Fee)	\$12,500 (Balance of Unit 3 Initial Franchise Fee)
Payment 4	N/A	\$12,500 (Balance of Unit 4 Initial Franchise Fee)	\$12,500 (Balance of Unit 4 Initial Franchise Fee)
Payment 5	N/A	N/A	\$12,500 (Balance of Unit 5 Initial Franchise Fee)
<b>Total</b>	\$80,000	\$105,000	\$130,000

\* Fee for first Unit reduced by \$5,000 for existing franchisees in good standing.

## OTHER INITIAL FEES BEFORE THE SMOOTHIE KING BUSINESS OPENS

In addition to the Initial Franchise Fee and, if applicable, the deposit described above, you must pay Smoothie King up to \$2,500 for design fees for your Unit premises. These fees are not refundable under any circumstances.

Up to two people may attend the initial training program at no charge. If you want more than two people to attend the initial training program, you must pay us up to \$1,500 per person. This fee is not refundable.

If you fail to open your Unit for business within 12 months from the date you sign the Franchise Agreement, Franchisor reserves the right to charge the minimum Operating Fee of \$500 per month. If you fail to open your Unit for business within 24 months after you sign the Franchise Agreement, your Franchise Agreement will terminate automatically.

**Item 6**

**OTHER FEES**

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Operating Fee	6% of Gross Sales <sup>1,2</sup> *Subject to a monthly minimum fee of \$500	Accounting paperwork due within 2 business days after the end of each month; payment due by the 16th of each month for the prior month's fees.	You must pay the Operating Fee by electronic funds transfer (Franchise Agreement, Section 3.5). Under prior franchise agreements, Smoothie King offered a discounted schedule for Operating Fees, which schedule may remain in effect for corresponding franchisees in the future, at our discretion. No minimum Operating Fee due during any period when you are paying Smoothie King an extension fee.
National Marketing Fee <sup>3</sup>	3% of monthly Gross Sales.  If there is no Regional Marketing Fund in the region where your Unit is located, you must spend 2% of monthly Gross Sales on local marketing and provide evidence thereof to us and if you fail to do so then your National Marketing Fee will be increased to 5%.  We have the right to increase the Fee to 5% of Gross Sales upon 60 days' notice.	The 16 <sup>th</sup> day of each month.	You must pay the National Marketing Fee by electronic funds transfer (Franchise Agreement, Section 3.5).
Regional Marketing Fee	If established in a region where the Unit is located, we will determine the amount of the Fee, not to exceed 2% of Gross Sales.  Non-Traditional Units do not contribute to a Regional Marketing Fund.	The last day of each month.	You must pay the Regional Marketing Fee by electronic funds transfer (Franchise Agreement, Section 3.5). Any contribution to the Regional Marketing Fund will be credited to your local marketing requirement.

Type of Fee	Amount	Due Date	Remarks
Local Marketing Requirement <sup>4</sup>	If there is no Regional Marketing Fund in the region where your Unit is located, you must spend 2% of annual Gross Sales on local marketing and provide evidence thereof to us and if you fail to do so then your National Marketing Fee will be increased to 5%.	As incurred.	We require you to spend 2% of annual Gross Sales on local marketing, but any contribution to a Regional Marketing Fund will be credited towards your local marketing requirement.
Grand Opening Advertising	Non-Traditional Unit: (i) \$7,500 for new Units, (ii) \$5,000 for relocated Units, and (iii) \$2,500 for transferred Units  Traditional Unit: (i) \$15,000 for new Units, (ii) \$10,000 for relocated Units, and (iii) \$5,000 for transferred Units	Paid to approved suppliers when expenses are incurred during the 4-week period before and within 3 months after the opening of your Unit. For transferred Units within 180 days of transfer date.	Paid to approved suppliers. You must submit to us a single report of all expenditures within 90 days of opening. If you fail to spend these amounts, we will collect the shortfall and deposit it into the National or applicable Regional Marketing Fund.
Interest on Late Payments	18% per annum or maximum rate allowed by law, if less than 18%. Plus \$50.00 late fee payment.	After the date payments are overdue.	
Training Fees <sup>5</sup> Franchise and Area Development Agreements	No charge for initial training programs for the first 2 trainees. Reasonable fee may be charged for additional trainees to attend, currently up to \$1,500 per additional person.	As incurred. Currently not charged.	You must pay us a reasonable fee for additional personnel to attend the initial training program, or other, training programs.
Remodel Costs	5 Years: Up to \$25,000 for materials	During the 5 <sup>th</sup> year after the open date of the Franchised Business.	These amounts are for materials only and are payable to third-party suppliers. Labor costs will vary based on where your Units are located.
Audit Fees	Audit discrepancies and reasonable actual costs of conducting audit.	After audit and audit costs if gross sales are understated by 2% or more.	

Type of Fee	Amount	Due Date	Remarks
Transfer Fees <sup>6</sup> Franchise Agreement	\$7,500–\$12,500 plus \$5,000 for Grand Opening Advertising	At transfer closing.	Transfer fees may be reduced under certain circumstances (e.g., we will consider a reduced fee for transfers to immediate family members).
Area Development Agreement	If required to permit a transfer under applicable law, for each undeveloped Unit under the Development Schedule, 10% to 20% of then-current Initial Franchise Fee		
Securities Offering Fee Franchise Agreement and Area Development Agreement	Not to exceed \$25,000	Upon your review of Securities Offering.	
Non-Compliance Fee	Currently, \$25 to \$500 per violation, plus third party expenses	As incurred	If you default under your Franchise Agreement, you must pay us a fee in consideration of expenses we incur in addressing the default.
Supplier Approval Fee	Actual costs of inspection and testing.	Upon inspection and testing of products.	Incurred if you desire to purchase any items from an unapproved supplier.
Legal Fees and Costs Franchise Agreement and Area Development Agreement	Reasonable expenses associated with enforcement of agreements.	Upon conclusion of legal proceedings.	
Design Documents for New and Relocated Units	Up to \$2,500 (non-refundable)	As incurred.	
NSF Checks or Draft	\$50 for first occurrence; \$75 for each occurrence thereafter.	As incurred.	We may change this fee on notice to reflect our additional costs.
Late Fee	\$50 per occurrence	As incurred	
Product and Service Purchases	Varies	As incurred.	
Extra Operational and Marketing Support: Franchise Agreement and Area Development Agreement	Reimbursement of reasonable actual expenses.	As incurred.	Includes visits to cure operational issues.
Technology Fee <sup>7</sup>	Reasonable monthly fee; currently \$200 per month.	The 23 <sup>rd</sup> day of each month.	We have the right to increase the Fee by the same percentage as actual costs increase by providing you with 60 days' notice.
Software and Security Fee	Currently, \$290 to \$350 per month.	The 23 <sup>rd</sup> day of each month.	This fee includes a license for our Proprietary Software and participation in our data security program. We may change this fee on notice, in order to reflect our additional costs.

Type of Fee	Amount	Due Date	Remarks
Relocation Fee	Up to \$2,500 (site package and plans may be an additional charge)	As incurred	
Renewal Fee	Currently, 1/2 of the current initial Franchise Fee; and \$775 renewal upgrade design fee (non-refundable)	Before we sign the renewal franchise agreement.	
Failure to Submit Monthly Profit and Loss Statements	\$500 per month	As incurred	If you fail to submit the required profit and loss statement in any month, you must pay us \$500 for each month that such monthly profit and loss statement is past due
Failure to Operate Minimum Hours and Days	\$200 per day	As incurred	

**General Comments:** All fees are payable to Smoothie King and apply to the Franchise Agreement. The fees are non-refundable. Occasionally, Smoothie King waives or reduces certain one-time fees. Otherwise, the fees are uniformly imposed unless otherwise noted. During the term of the Franchise Agreement, Smoothie King may offer optional services not currently contemplated for which Smoothie King may charge a fee. All fees apply to both Traditional and Non-Traditional locations unless otherwise noted.

**(1) Gross Sales:** Gross Sales is defined as the amount of sales of any and all products and services sold in, on, about, from, or from such other place on behalf of, the Unit, including, without limitation, concessions off premises, catering, or delivery sales, and subscription product sales, whether for cash or on a charge, credit or time basis, including the reasonable market value of any goods or services sold or traded in any barter or trade transaction, without reserve or deduction for inability or failure to collect, and including income of every kind and nature related to the Franchised Business. Gross Sales shall not include the amount of any excise or sales tax levied on retail sales and actually paid to appropriate governmental authorities. In computing Gross Sales, franchisees may deduct the amount of over rings, refunds, allowances, or discounts to guests provided that such amounts have been included in Gross Sales and provided that franchisees comply with the requirements, including time limits, established by Smoothie King, relating to reporting and taking credits against Gross Sales. Smoothie King reserves the right to include in Gross Sales all ancillary charges or fees, including delivery service fees, that a customer pays to franchisees or any third party in connection with the purchase of any products or services sold on behalf of the Unit. In the past, we have reduced or waived the royalty fee for certain locations.

**(2) Operating Fee:** Upon opening of your Unit, and no later than 12 months from the effective date of the franchise agreement, you must pay us an Operating Fee equal to the greater of \$500 each calendar month or 6% of monthly Gross Sales. If you fail to open the Unit by the end of the 12<sup>th</sup> month, Smoothie King may charge the minimum Operating Fee of \$500 per month. If you fail to open your Unit for business within 24 months after you sign the Franchise Agreement, your Franchise Agreement will terminate automatically.

**(3) National Marketing Fee:** You must pay us the National Marketing Fee, beginning on the date you open your Unit for business. The National Marketing Fee is currently 3% of monthly Gross Sales. We may increase the National Marketing Fee up to 5% of monthly Gross Sales with 60 days' notice.

**(4) Local Marketing Requirement:** If your Unit is located in a region without a Regional Marketing Fund, you must spend, on an annual basis, a minimum of 2% of annual Gross Sales on local advertising and marketing. Except for Non-Traditional locations, Smoothie King may require you to spend up to 2% of annual Gross Sales on local advertising and marketing, but any amounts you pay to a Regional Marketing Fund will be credited towards your local advertising and marketing requirements.

**(5) Training Fees:** You must pay all personal expenses you and/or your employees incur to attend training programs, including costs and expenses of transportation, lodging, meals, wages and employee benefits. Smoothie King reserves the right to charge reasonable fees for materials and participation in any training courses or seminars, but Smoothie King will not charge for the attendance of up to two (2) persons representing you at the initial franchise management training program.

**(6) Transfer Fee:** The amount of the transfer fee depends upon whether you are transferring your interest to a current Smoothie King Business manager, franchisee or developer and whether the transfer will require a new location for the Smoothie King Business. Transfer fees may be reduced under certain circumstances (e.g., we will consider a reduced fee for transfers to immediate family members).

**(7) Technology Fee:** For computer software support and other technical services provided by Smoothie King or its designee. We do not currently require digital menu boards, but we may in the future, and if we do then you may be required to pay a management fee in connection with the operation of the digital menu boards, and such management fee may be made part of the technology fee.

## Item 7

### ESTIMATED INITIAL INVESTMENT

#### YOUR ESTIMATED INITIAL INVESTMENT

#### END-CAP OR IN-LINE LOCATION

Type of Expenditures	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee <sup>1</sup>	\$25,000–\$30,000 (\$15,000 for a Non-Traditional location)	Lump sum	When the Franchise Agreement is signed.	Smoothie King
Three Months' Rental & Deposit <sup>2</sup>	\$5,000–\$25,000	As arranged.	As arranged.	Lessor
Technology Systems <sup>3</sup>	\$9,100 - \$12,215	As arranged.	As arranged.	Smoothie King and Approved Suppliers
Grand Opening Marketing <sup>4</sup>	New Unit: Minimum of \$15,000 for Traditional Units and \$7,500 for Non-Traditional Units	As arranged.	As arranged.	Paid to approved suppliers.
Travel and Training Expenses <sup>5</sup>	\$1,000–\$6,000	As arranged.	As arranged.	Suppliers of lodging and transportation.
Insurance <sup>6</sup> (First Year's Premium)	\$2,500–\$7,500	Lump sum in advance or installments.	Monthly, quarterly or yearly.	Insurance Company

Type of Expenditures	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Other Prepaid Expenses <sup>7</sup>	\$1,000–\$2,500	As arranged.	Lump sum.	Smoothie King, Suppliers, Government.
Start-Up Supplies, Inventory <sup>8</sup>	\$24,750 – 25,500	As arranged.	As arranged.	Approved Suppliers.
Furniture, Fixtures & Equipment, Millwork and Graphics <sup>9</sup>	\$98,000–\$159,000	As arranged.	As arranged.	Approved Suppliers
Architectural & Engineering Professional Services <sup>10</sup>	\$3,500–\$15,000	As arranged.	As arranged.	Approved Architects & Engineers
Signage <sup>11</sup>	\$5,000–\$14,000	As arranged.	As arranged.	Approved Suppliers
Leasehold Improvements <sup>12</sup>	\$150,000 - \$300,000	As arranged.	As arranged.	Suppliers
Legal, Accounting & Organizational Costs <sup>13</sup>	\$500–\$4,000	As arranged.	As arranged.	Government, Attorneys, Accountants.
Miscellaneous Costs <sup>14</sup>	\$1,000–\$5,000	As arranged.	As arranged.	Various Suppliers
Drive-Thru <sup>15</sup>	\$0–\$33,750	As arranged.	As arranged.	Various Suppliers.
Additional Funds—3 Months <sup>16</sup>	\$5,000–\$25,000	As arranged.	As arranged.	Suppliers/Line of Credit.
<b>TOTAL</b> <sup>17, 18, 19</sup>	<b>\$346,350–\$679,465</b>			

### **FREE-STANDING DRIVE-THRU LOCATION**

Type of Expenditures	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee <sup>1</sup>	\$25,000–\$30,000 (\$15,000 for a Non-Traditional location)	Lump sum.	When the Franchise Agreement is signed.	Smoothie King.
Three Months' Rental & Deposit <sup>2</sup>	\$5,000–\$30,000	As arranged.	As arranged.	Lessor.
Technology Systems <sup>3</sup>	\$12,000 - \$14,500	As arranged.	As arranged.	Smoothie King and Approved Suppliers.
Grand Opening Marketing <sup>4</sup>	New Unit: Minimum of \$15,000 for Traditional Units and Minimum \$7,500 for Non-Traditional Units	As arranged.	As arranged.	Paid to approved suppliers.
Travel and Training Expenses <sup>5</sup>	\$2,700–\$6,000	As arranged.	As arranged.	Suppliers of Lodging and Transportation.
Insurance <sup>6</sup> (First Year's Premium)	\$3,500–\$7,500	Lump sum in advance or installments.	Monthly, quarterly or yearly.	Insurance Company.

Type of Expenditures	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Other Prepaid Expenses <sup>7</sup>	\$14,700–\$29,400	As arranged.	Lump sum.	Smoothie King, Suppliers, Government.
Start-Up Supplies, Inventory <sup>8</sup>	\$24,750–\$25,500	As arranged.	As arranged.	Approved Suppliers.
Furniture, Fixtures & Equipment, Millwork and Graphics <sup>9</sup>	\$109,000–\$139,000	As arranged.	As arranged.	Approved Suppliers.
Architectural & Engineering Professional Services <sup>10</sup>	\$30,000–\$50,000	As arranged.	As arranged.	Approved Architects & Engineers.
Signage <sup>11</sup>	\$28,000–\$38,000	As arranged.	As arranged.	Approved Suppliers.
Leasehold Improvements <sup>12</sup>	\$350,000–\$825,000	As arranged.	As arranged.	Suppliers.
Legal, Accounting & Organizational Costs <sup>13</sup>	\$500–\$4,000	As arranged.	As arranged.	Government, Attorneys, Accountants.
Miscellaneous Costs <sup>14</sup>	\$1,000–\$5,000	As arranged.	As arranged.	Various Suppliers.
Drive-Thru <sup>15</sup>	\$25,000–\$33,750	As arranged.	As arranged.	Various Suppliers.
Additional Funds—3 Months <sup>16</sup>	\$15,000–\$25,000	As arranged.	As arranged.	Suppliers/Line of Credit.
<b>TOTAL</b> <sup>17, 18, 19</sup>	<b>\$661,150–\$1,277,650</b>			

NOTES:

**General Comments:** The above figures are estimates of the complete investment in establishing a Smoothie King Business, and it is possible to significantly exceed these costs in many of the areas listed above. Your actual investment will depend upon many different factors like labor, location, amount of space leased, existing leasehold conditions, amount of leasehold improvements, and your ability to efficiently manage and coordinate the construction and opening of the Unit. The amounts paid to Smoothie King are non-refundable unless otherwise stated. The refundability of amounts paid to third-parties depends upon your negotiations with these parties. The following notes are integral to the understanding of the financial commitment required to successfully establish and operate the Smoothie King Business. You should review the notes thoroughly. If you are interested in investing in a free-standing kiosk location, please see Note 19 below. If you are interested in investing in a free-standing drive-thru-only location, please see Note 20 below.

**(1) Initial Franchise Fee:** Your Initial Franchise Fee is \$30,000 for your first Unit. If you have One (1) Unit open and operating, and you desire to purchase more Units under new Franchise Agreements, you will pay an Initial Franchise Fee of \$25,000 for the second and all subsequent Units you purchase if you are in good standing and meet our qualifications. The Initial Franchise Fee for all Non-Traditional locations is \$15,000. See Item 1 for additional information on Non-Traditional locations.

We are a member of the International Franchise Association (“IFA”) and participate in the IFA’s Vet Fran program, which provides financial incentives to qualified veterans to help them acquire franchised businesses. If you are eligible for the Vet Fran discount, you receive a 20% discount off your Initial Franchise Fee. This discount does not apply to a franchise agreement renewal fee.



If you are eligible for the first responders discount, you receive a 20% discount off your Initial Franchise Fee. This discount does not apply to a franchise agreement renewal fee.

**(2) Three Months' Rental and Deposit:** Typical Traditional locations for Smoothie King Businesses are shopping centers within suburban shopping areas. Typically, you would lease an existing location in a strip center or other commercial shopping center and remodel the location to conform to the current design specifications of a Smoothie King Business. You may also lease the land and an existing facility and convert the facility to a Smoothie King Business or enter into a build-to-suit lease under which lease the landlord agrees to construct a structure which will be used for your Smoothie King Business and lease the land and the building back to you. You may also purchase the land and build the facility yourself. The cost of land may vary dramatically depending upon a multitude of factors and it varies by city and region. Smoothie King has not included costs for land acquisition or the construction of a free-standing building. You must perform a thorough investigation in your local area concerning land, site, leasehold and construction costs. These costs may vary significantly from location to location and are dependent upon factors like the general cost, location and availability of commercial real estate in your market area and the amount of space desired.

For a typical Unit, you likely will lease approximately 800 to 1,800 square feet of building space. Rental rates for this type of Unit may range from \$1,667 to \$10,000 per month (\$20,000 to \$120,000 per year), excluding additional charges, such as common area maintenance (CAM), insurance and taxes. The average rental for Units opened in calendar year 2024 was \$43,790 per year, excluding CAM. The low and high rent were \$20,100 and \$111,000 annually respectively, excluding CAM.

For a Unit at a Non-Traditional location, except for in-line mall locations, you will typically lease approximately 200 to 600 square feet (although certain locations, such as mall kiosk, food court or university settings may range from 100 to 500 square feet). Rental rates vary for a Non-Traditional location.

Rental costs vary considerably depending upon regional and local factors, market factors, and the type of lease you negotiate. The rate may be higher for regional mall sites or locations in high demand. Smoothie King estimates that the range given will cover a security deposit and three month's rent although, in certain situations, landlords may require a larger security deposit.

**(3) Technology Systems:** This amount includes the costs of telephone and data setup and installation, internal data lines, technology setup, installation of music system, computer equipment, and Point-of-Sale ("POS") system(s) installation and equipment.

**(4) Grand Opening Marketing:** You must submit to us a single report of all expenditures within 90 days of opening. For Traditional Units, if you fail to spend \$15,000 for new traditional Units, or \$10,000 for relocated Units during the 4-week period before and within 3 months after the opening of your Unit., we will collect the shortfall and deposit it into the National or applicable Regional Marketing Fund. For Non-Traditional Units, the grand opening marketing spend is \$7,500 for new Units, \$5,000 for relocated Units, or \$2,500 for transferred Units. For transferred Units, the grand opening marketing spend is \$5,000 within 180 days after the transfer date.

**(5) Training Expenses:** Smoothie King provides instructors and instructional materials, but you must arrange for transportation, lodging, and meals for yourself and for any costs incurred by your employees for in-person training or you must provide the necessary technology for virtual training. Typically, only one person attends training and there is no charge for up to two people to attend training, but if more than two people attend training, you must pay us a fee of up to \$1,500 per person. The estimate above assumes that one person attends the one-day orientation and the training program (currently up to 20 days) and includes meals and hotel rates at our recommended hotels. The low end assumes that the

individual attending training will drive to the site of the training program and will not incur airfare or car rental expenses in attending the training program. The high end reflects the airfare and car rental expenses that the individual will incur in attending training. The costs will depend on the distance you must travel and the type of accommodations. The costs do not include wages paid for employees attending training. You also are responsible for your employees' and your costs associated with on-location training before your Unit opens for business. The estimates also include \$200 to attend a ServSafe course locally.

**(6) Insurance:** You must obtain comprehensive general liability and provide coverage at a minimum for bodily injury, personal injury, advertising injury, property damage, and products liability including food borne illness injury, cyber/data breach, property insurance, including other types of insurance coverage as provided in your Franchise Agreement and lease, and as required by law. The estimate given in the chart is for the first year's premium for all policies currently required.

**(7) Other Prepaid Expenses:** These costs include installation charges and deposits for a business telephone line, utilities, occupational licensing, and health and other permits. The estimate for an end-cap or in-line location does not include any non-typical zoning or impact fees. Impact fees are, however, included in the estimate for a free-standing drive-thru location.

**(8) Start-Up Supplies, Inventory:** This is the estimated amount to cover an initial supply of smoothie ingredients, paper products, cleaning supplies and retail inventory for your Unit for at least two weeks to one month of business operations, depending upon your sales level. This amount also includes initial smallware and uniform needs. Smoothie King franchisees entering new markets will likely incur higher freight costs than franchisees in established markets, and may need additional storage space and higher levels of inventory.

**(9) Furniture, Fixtures & Equipment, Millwork and Graphics:** This amount includes the costs of all furniture, millwork, equipment, decorative ceiling elements, graphics/artwork, light fixtures, interior menu boards, stainless sinks, shelving, small rapid-cooking oven, and other miscellaneous items. The lowest total figure represents the purchase of used equipment, which may be approved by Franchisor in its sole and absolute discretion.

**(10) Architectural & Engineering Professional Services:** Smoothie King will provide proposed design documents for the space. Smoothie King does not warrant that the proposed design documents will comply with the Americans with Disabilities Act (ADA) or with other federal, state or local laws, rules and regulations, and you will need to engage appropriate professionals to review the proposed design documents for compliance with all applicable laws, rules and regulations. You will be required to obtain on the design documents the stamp of approval from a Smoothie King approved architect or engineer who is properly licensed in the jurisdiction of your location. The referenced amount includes estimated costs of all architectural and engineering services (including those of third parties) needed to localize the design documents into construction drawings as required by local code and governing authorities. The referenced amount for an end-cap or in-line location excludes any civil, structural, or landscaping professional services. Civil and landscaping estimates are, however, included in the referenced amount for a free-standing drive-thru location.

**(11) Signage:** This amount includes the costs of exterior building and monument panel signage. This amount only includes free-standing pylon signs in connection with a free-standing drive-thru location.

**(12) Leasehold Improvements:** For an inline or end cap location, this amount includes the costs to alter the existing interior space to the requirements of a Smoothie King Unit. We assume landlord provides the space vacant and broom clean at a minimum with utilities to space, roofing, storefront, exterior and demising walls, concrete floors, HVAC units and mains, and fire sprinklers (if required by local codes).

The high end of the estimate includes costs for a space delivered in shell condition without the floor, walls, electrical or HVAC provided. This amount excludes costs for major exterior improvements, materials testing, and zoning or impact fees. For a freestanding drive-thru location, the costs include all the costs for constructing the building only. It excludes all site work which we estimate will range between \$150,000 and \$300,000. We have not included site work in this amount due to the wide variance in costs, and many times a significant portion is included in what the landlord provides to you as a tenant.

**(13) Accounting Costs:** Smoothie King requires that you have monthly income statements compiled or reviewed for each store by a licensed certified public accountant ("CPA") in order to meet the monthly reporting requirements.

**(14) Miscellaneous Costs:** Smoothie King recommends that you budget an additional amount of cash to cover miscellaneous costs incurred with the opening of the Unit.

**(15) Drive-Thru Location:** Many Units may include a drive-thru window. The low end of the estimate assumes that your Unit will not include a drive-thru window. If your location has a drive-thru window, you should plan on incurring these estimated costs. The cost of the window, exterior menu boards, drive-thru canopy, drive-thru signage, headset system and timer, additional cabinetry, tablet and an additional POS terminal are all included in this number. We have not included costs to modify the building or the site in these additional costs.

**(16) Additional Funds:** This amount reflects the minimum amount of additional funds you will need for the first 3 months you operate a Smoothie King Business. However, we cannot guarantee that this amount will be sufficient. Additional working capital may be required if sales are low or fixed costs are high. This amount includes salaries and wages, payroll taxes, advertising, product purchases, line of credit, payment of royalties, uniforms, utility bills, ongoing professional fees, freight, and other miscellaneous administrative and operating expenses.

**(17) Total Investment:** Smoothie King relied on our many years of experience in this business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase a franchise. Calculation of this total investment figure does not include the Initial Franchise Fee for a Non-Traditional location.

**(18) Financing:** Smoothie King does not offer, either directly or indirectly, financing to you for any items.

**(19) Free-Standing Drive-Thru-Only Location / Site Work:** If, instead of a typical free-standing drive-thru location, you construct a free-standing drive-thru-only building, we estimate the total of all expenditures above to differ insignificantly and only due to a reduction in the level and amount of interior finishes to be completed. For this type of location, the space will typically range from approximately 630 to 1,000 square feet. The referenced amount for free-standing locations excludes site work, materials testing, zoning, and other impact fees, which can range between \$150,000 to \$300,000.

## **YOUR ESTIMATED INITIAL INVESTMENT – AREA DEVELOPMENT AGREEMENT**

We cannot estimate your initial investment under an Area Development Agreement, other than the Development Fee, which is described in Item 5. The amount of this fee will depend on the number of Units you agree to establish and operate in accordance with the Development Schedule. We do not offer separate financing for franchisees related to an Area Development Agreement.

## **Item 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

**Approved or Designated Suppliers and Specifications:** To maintain the reputation, goodwill, high standards, quality and uniformity of our System, there are certain products that you must purchase directly from our approved or designated suppliers, including branded products. You must purchase or lease all other goods and services under the specifications and guidelines issued by Smoothie King. Specifications may include minimum standards for building size, leasehold improvements, zoning, lease provisions, location criteria, qualifications of architects or contractors, security systems, signs, equipment, quality, quantity, delivery, performance, design, appearance, durability, style and other related restrictions. You must also use only the standard forms approved by Smoothie King and use and display sales, marketing, and promotional material provided in the manner and for the time periods designated by Smoothie King. You must ensure that all items and printed materials used in the Smoothie King Business bear the Proprietary Marks in the manner required by Smoothie King. Smoothie King considers these specifications to be of critical importance to the success of the System. These specifications are either (i) included in your design documents; (ii) listed in the Smoothie King confidential pre-opening, operations, marketing, and other manuals that Smoothie King makes available to all franchisees electronically (collectively, the “Manuals”); or (iii) otherwise provided to you in writing by Smoothie King. Any of these specifications may be revised by Smoothie King. If a supplier does not meet our specifications stated in your design documents, the Manuals, or as provided to you in other written materials, we may require you to stop using that supplier.

**Purchases from Smoothie King or Smoothie King Affiliates:** You must use Smoothie King’s Design & Construction department to prepare your preliminary space plan and design documents for your Unit premises. We typically charge \$2,000 for kiosk, in-line, and end-cap Units and \$2,500 for free-standing Units. You will incur additional costs (paid to third-parties) in completing construction drawings and specifications. You are also required to purchase from us or an approved supplier and use the Smoothie King Computer System, as further detailed in Item 11. Other than the design documents and Computer System, Smoothie King or its affiliates are currently not the only approved supplier of any products or services and you currently are not obligated to purchase any products, equipment, supplies or other items from Smoothie King or its affiliates. Smoothie King may, however, require you to purchase from us or our affiliates certain Smoothie King developed proprietary products in the future. You must purchase from designated or approved third-party suppliers certain retail items and various branded snacks, supplements and vitamins developed by or through Smoothie King.

**Purchases from Designated Suppliers:** You must purchase any furniture, fixtures, equipment, finishes, and materials from Smoothie King’s designated suppliers or vendors as detailed in your design documents, the Manuals, or otherwise in a writing provided to you from Smoothie King, including your build-out Unit package (i.e., cabinetry and equipment). In addition, we may require that you use a designated architect and/or general contractor for a site investigation report and the design and construction of your Unit, as well as a designated accountant to review your monthly financial statements. We may add other items that you must purchase from designated suppliers or their authorized distributors at any time in the future. We, an affiliate or a third-party vendor or supplier periodically may be the only designated or approved supplier for certain products.

You must purchase certain branded inventory products from Performance Food Group/Roma (“PFG/Roma”) or Smoothie King’s designated foodservice distributors. You must purchase your frozen fruits and vegetables, and certain proprietary and confidential mixes manufactured for Smoothie King, other Smoothie King ingredients and most logo items, paper products, certain cleaning supplies and private label from PFG/Roma or other approved vendors. PFG/Roma is Smoothie King’s current authorized national

distribution company, which allows for the distribution of uniform product lines throughout the system and the ability to obtain discounts on volume purchasing from manufacturer sources. Due to minimum purchasing requirements and volume discounts on some items, it will likely be to your benefit to purchase other approved products from PFG/Roma even though Smoothie King does not require you to do so. Smoothie King may change its authorized national distribution company if it deems it necessary to do so.

You must accept and participate in our Smoothie King Healthy Rewards mobile application and loyalty program. For e-mail marketing purposes, you must use our approved supplier in order to ensure consistent guest interactions and communications. You must participate in all catering and delivery services designated by us through our approved suppliers.

You are required to use all approved back-office, credit-card, debit cards, gift cards, electronic funds transfer and/or PCI-compliant systems or vendors that we designate from time to time. You must also accept all payment options specified by us, including non-cash systems (i.e. Google Pay or Apple Pay).

Except as noted above, neither Smoothie King nor persons affiliated with us are designated suppliers. Smoothie King reserves the right to designate specified suppliers whom franchisees can only purchase from in the future.

**Purchases from Approved Suppliers:** You must purchase or lease selected inventory, supplies, and other products and materials required for the operation of your Smoothie King® Business consistent with specifications set by Smoothie King or solely from suppliers who demonstrate the ability to meet Smoothie King's reasonable standards and specifications. You must purchase your vitamin and supplement inventory, some paper goods, and other items from approved suppliers. You must also use an installation company approved by Smoothie King for the initial implementation of the Smoothie King POS System. If we don't name a designated architect or general contractor for a site investigation report and the design or construction of your Unit, then we may require that you use an architect or general contractor that we approve. All other items may be purchased or leased from suppliers whose products or services meet Smoothie King specifications, except for general office supplies and equipment and other general business items. Smoothie King negotiates purchase arrangements with approved suppliers for the benefit of the franchised and Smoothie King affiliate-owned Units. Smoothie King may receive contributions from select approved vendors and, at its sole discretion, direct some of those funds to advertising funds and conventions. Smoothie King plans on continuing to request that some suppliers contribute to our advertising funds, annual conventions and management costs to offset the associated costs of these activities. Aside from possible favorable price terms, you do not receive any material benefits from Smoothie King if you use designated or approved suppliers. However, purchasing or leasing from unapproved suppliers or using products that do not meet Smoothie King specifications is a default under your Franchise Agreement, in which case Smoothie King may terminate your Franchise Agreement or pursue other remedies available under the Franchise Agreement. A default under your Franchise Agreement may also be cause for Smoothie King not to renew your Franchise Agreement or disqualify you from opening additional franchises.

You should be aware that there may be price increases in any or all of the items you must purchase from suppliers and other third-parties. Costs of goods from PFG/Roma and other suppliers may fluctuate from month to month. Prices charged to you are determined by the volume of purchases, usage, vendor minimums, inventory turns, ingredient costs, market demand, freight and other similar factors. Cost of goods will vary by geographic area due to freight charges incurred as a result of stocking of products in multiple distribution centers. Franchisees entering new markets should be aware that freight costs may be higher than the costs Smoothie King franchisees incur in other markets, and you should adjust your cost projections accordingly.

**Compliance with Specifications:** If you desire to purchase any items from an unapproved supplier, you or the supplier must submit to Smoothie King a written request for approval in advance. Smoothie King will advise you within a reasonable time whether the items meet our specifications. A reasonable time for written approval from Smoothie King may range from 5 business days to 6 months, depending upon the amount of research, testing, cooperation from suppliers, and other factors involved in approving the items. Smoothie King's written approval will not be unreasonably withheld although there are certain products that you must purchase from us or our designated suppliers. Smoothie King may require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to Smoothie King or our designee for testing. Smoothie King may impose a charge not to exceed the actual costs of inspection and testing, which you or the supplier must pay. Smoothie King reserves the right to re-inspect the facilities and products of any previously approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Smoothie King's standards and specifications.

If you obtain services from third-party providers, Smoothie King will have the right to review the terms and conditions of your arrangements and require additional information about the business background and qualifications of the providers, including personal interviews with individuals providing the services. If any third-party obtains access to confidential information and intellectual property, Smoothie King may require, as a condition of approval of the provider, the signing of confidentiality and non-competition agreements in a form satisfactory to Smoothie King. Smoothie King may oppose any provider, upon written notice to you, who does not demonstrate the ability to comply with the standards established for the System and to meet the needs of Smoothie King franchisees promptly and reliably. Smoothie King considers the following general criteria in determining whether a supplier will be approved: (i) ability to produce or deliver the products, services, supplies or equipment in accordance with Smoothie King's standards and specifications for quality and uniformity; production and delivery capabilities and ability to meet supply commitments; (ii) integrity of ownership (to ensure that the supplier's association with Smoothie King would not be inconsistent with Smoothie King's image or damage Smoothie King's goodwill); (iii) financial stability; (iv) satisfaction of minimum standards of licensing, (v) insurance and regulatory requirements; and (vi) the negotiation of a mutually satisfactory agreement to protect Smoothie King's intellectual property. Smoothie King's criteria for specific types of suppliers are either made available to you in the Manuals or will be made available to you upon written request.

Smoothie King maintains a written list of approved supplies (generally identified by brand name) and suppliers, which is updated and provided to you on a regular basis. Smoothie King does not provide confidential specifications to you or suppliers, except on a limited basis. If a product, equipment or other item does not meet Smoothie King's specifications, Smoothie King will provide a written explanation within a reasonable amount of time, depending upon the testing involved as described above, as to why the product or equipment does not meet Smoothie King's specifications. Smoothie King establishes and modifies specifications and standards by periodically performing tests on its products and equipment in relation to new products and equipment.

Smoothie King and its affiliates receive rebates based on franchisees' required purchases of products and services. In the calendar year ended December 30, 2024, these rebates ranged from 1% to 14% of the purchase price of specific products.

In the calendar year ended December 30, 2024, Smoothie King received approximately \$13,821,635 in revenue from rebates. This amount represents approximately 22% of Smoothie King's total revenues of \$63,649,173 as reflected on its audited financial statements attached to this disclosure document.

Additionally, Smoothie King was entitled to receive rebates of approximately \$2,534,918 and \$69,909 but chose to direct those contributions to the National Marketing Fund and Smoothie King's affiliate, SKN, respectively. Those contributions Smoothie King directed to the National Marketing Fund and SKN are included in Smoothie King's other revenues of \$13,821,635.

Our officers currently do not own a material interest in any supplier.

We estimate that the purchase or lease of equipment, signs, fixtures, inventory, supplies and promotional materials which meet our specifications will represent approximately 80% to 100% of your total purchase in establishing your Smoothie King Business and approximately 20% to 35% of the cost to operate your Smoothie King Business. There are no product purchasing or distribution cooperatives currently in existence.

## **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.**

<b>Obligation</b>	<b>Section in Franchise Agreement and Area Development Agreement</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	Sections 1.2, 1.3, 1.4, 10.2, and 10.4 of Franchise Agreement; Sections 1.1 and 4.2, of Area Development Agreement	Items 6, 7, 11, and 12; Exhibit F
b. Pre-opening purchases/ leases	Sections 1.6, 9.4, 10.2, 10.3, 10.4, and 12.6 and Article XIII of Franchise Agreement; Section 5.2.1 of Area Development Agreement	Items 5, 6, 7, 8, 11, and 12;
c. Site development and other pre-opening requirements	Sections 1.2, 1.3, 1.4, 1.5, 1.6, 4.1, 9.2, 9.4, 10.2, and 12.7 and Attachments A of Franchise Agreement; Lease Rider Sections 1.1, 4.2, and 5.2 of Area Development Agreement	Items 6, 7, 11, and 12
d. Initial and ongoing training	Article IX of Franchise Agreement; Section 5.2.1 of Area Development Agreement	Items 6, 7, and 11
e. Opening	Sections 3.4, 10.3, and 12.7 of Franchise Agreement	Items 6, 7, 8, and 11
f. Fees and Payments	Articles III, XI, XII, and XVIII and Sections 2.2.8, 9.5, 15.7, 15.8 and 16.1.5 of Franchise Agreement; Articles II, V, VIII and XII of Area Development Agreement	Items 5, 6, 7, 8, and 11
g. Compliance with standards and policies/Operating Manual	Articles VI, VII, VIII, X, XI, XII, XIII, XVII, and XVIII of Franchise Agreement; Sections 3.1.1, 9.4.2 and 15.3 of Area Development Agreement	Items 8, 16, and 17

<b>Obligation</b>	<b>Section in Franchise Agreement and Area Development Agreement</b>	<b>Disclosure Document Item</b>
h. Trademarks and proprietary information	Articles VI, VII, VIII, XVI, XVII and Sections 10.1, and 14.1.7 of Franchise Agreement; Sections 1.2 and 1.4 and Article VII and XI of Area Development Agreement	Items 13 and 14
i. Restrictions on products/services offered	Section 10.3 of Franchise Agreement	Items 8 and 16
j. Warranty and guest service requirements	Section 10.3 of Franchise Agreement	N/A
k. Territorial development and sales quotas	Article I, and Attachment A to the Franchise Agreement and Area Development Agreement; Articles I, III, and IV of Area Development Agreement	Items 12 and 20;
l. Ongoing product/service purchases	Section 10.3 of Franchise Agreement	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Sections 2.2.5, 10.2, 10.3, and 15.6.3 of Franchise Agreement	Items 6, 7, 8, and 11
n. Insurance	Article XIII of Franchise Agreement	Item 7
o. Advertising	Article XII and Section 8.2 of Franchise Agreement; Section 5.2.2 of Area Development Agreement	Items 6, 7, and 11
p. Indemnification	Article XX and Sections 13.1.5, 15.8 , and 16.2 of Franchise Agreement; Attachment D and Lease Rider Article XIV of Area Development Agreement	Items 6 and 13
q. Franchisee's participation/management and staffing	Article IX and Section 10.3.10 of Franchise Agreement; Section 5.2.1 of Area Development Agreement	Item 15
r. Records and reports	Article XI and Sections 3.5, 5.1.4, 13.3, 14.1.5, and 14.4 of Franchise Agreement; Sections 5.2.2, 5.2.3 and 5.2.4 of Area Development Agreement	Items 6, 8, and 17
s. Inspections and audits	Sections 10.3.11, 11.4, 11.5, and 16.6 of Franchise Agreement; Sections 5.2.4 of Area Development Agreement	Items 6 and 11
t. Transfer	Article XV of Franchise Agreement; Article VIII of Area Development Agreement	Items 6 and 17
u. Renewal	Article II of Franchise Agreement	Items 6 and 17



<b>Obligation</b>	<b>Section in Franchise Agreement and Area Development Agreement</b>	<b>Disclosure Document Item</b>
v. Post-termination obligations	Article XVI of Franchise Agreement; Article X of Area Development Agreement	Item 17
w. Non-competition covenants	Article XVII of Franchise Agreement; Article XI of Area Development Agreement	Item 17
x. Dispute resolution	Articles XXV and XXVI of Franchise Agreement; Article XIX of Area Development Agreement	Item 17

### **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, Smoothie King is not required to provide you with any assistance.**

### **PRE-OPENING OBLIGATIONS**

Before you open a Smoothie King Business and as you begin development of your development area, Smoothie King will provide assistance with pre-opening obligations as stated below.

**Site Location Assistance and Approval:** Smoothie King will provide you with general site selection criteria and guidance in the selection of an acceptable site. You alone must locate an acceptable site for the Unit. Smoothie King may recommend a real estate broker, if Smoothie King knows a broker in your area. You are not required to accept Smoothie King’s recommendation, and you may contract with any real estate broker you choose. Smoothie King will evaluate and approve the location for the Unit if it meets Smoothie King’s site criteria (Franchise Agreement—Section 4.1.2; Area Development Agreement—Section 5.1.1).

**Review of Lease:** Smoothie King will review the lease for the location of the Unit to ensure that provisions Smoothie King requires are included in the lease and that the terms of the lease are acceptable to Smoothie King. You alone must negotiate the business and financial terms of your lease and should have a local real estate attorney represent you in the negotiation (Franchise Agreement—Section 4.1.2). The Smoothie King Lease Rider (Attachment F to the Franchise Agreement) is required as an addendum to your lease agreement.

**Plans and Specifications:** Once Smoothie King receives as-built drawings (usually provided by the landlord or his architect), Smoothie King will prepare design documents which include: equipment, furnishings, decor and signs identified with Smoothie King Businesses and approved suppliers and specifications for products and supplies (Franchise Agreement—Section 4.1.1; Area Development Agreement—Section 5.1.1). You must supply to Smoothie King a site plan of the center in which the Unit will be located, a floor plan of the leased space, elevations of the building (front, side, and rear), and other drawings and information we may require.

**Review of Final Site and Construction Plans:** You must submit your final localized architectural plans and a site investigation report to Smoothie King, who will review your final site plans and construction plans to ensure they comply with System construction standards and specifications (Franchise Agreement—Section 4.1.3; Area Development Agreement—Section 5.1.1).

**Manuals:** Smoothie King will provide electronic access to each of the Manuals (Franchise Agreement—Section 4.1.6). The table of contents of the Manuals is attached to this disclosure document as Exhibit G. The total number of electronic pages in the Manuals is estimated to be 858 pages.

**Training:** Smoothie King will train you and your manager to operate the Smoothie King Business (Franchise Agreement—Section 4.1.4). This training is described in detail later in this Item.

**Other Resources and Assistance:** Smoothie King will provide other resources and assistance as Smoothie King deems appropriate in opening the Unit, including assistance by Smoothie King's personnel or its agents (Franchise Agreement—Sections 4.1.8 and 4.1.9; Area Development Agreement—Section 5.1).

**Form of Franchise Agreement:** If you sign an Area Development Agreement, Smoothie King will provide you with Smoothie King's then-current franchise agreement for use by you in exercising your options under your Area Development Agreement (Area Development Agreement—Section 2.2).

## **OPENING/POST-OPENING OBLIGATIONS**

During the operation of the Smoothie King Business, Smoothie King will provide assistance with opening/post-opening obligations as stated below.

**On-Site Assistance:** Smoothie King will provide you with on-site assistance upon the opening of the Smoothie King Business for Units 1-3. During the opening of the Unit, Smoothie King will provide at least one Smoothie King representative to you at the Unit location to facilitate the opening of the Unit. The number of days of this on-site visit will vary, but a Smoothie King representative will normally be on-site up to 5 days (Franchise Agreement—Section 4.1.5).

**Marketing and Advertising Guidance and Approval:** Smoothie King will provide you with a Marketing Manual and periodically provide you with materials and advice to support your marketing and advertising efforts (Franchise Agreement—Sections 4.1.6 and 4.1.7). Smoothie King will also approve or disapprove all advertising and promotional materials you propose to use (Franchise Agreement—Section 12.4). Advertising is explained in more detail below.

**Consultation:** You may contact Smoothie King representatives on a periodic or as-needed basis to receive consultation and guidance concerning the operation of your Business (Franchise Agreement—Section 4.1.8). Smoothie King will also provide information to you about changes and modifications to the System and Manuals, advertising and marketing activities, and provide you with forms for required reports you must submit to Smoothie King. Smoothie King will periodically, as it considers necessary, inspect your supplies, merchandise, methods of service and merchandising and speak with you to ensure you are complying with your agreements, Manuals and the required standards established for the System (Franchise Agreement—Section 10.3).

**Advanced Training:** Smoothie King periodically will, as it deems necessary, provide you with advanced training in operating the Unit (Franchise Agreement—Section 4.1.4).

**New Products and Services:** Smoothie King will evaluate and consider for approval the products or services you submit for approval for use in the Unit (Franchise Agreement—Sections 10.3.5 and 10.3.6).

**Other Resources and Assistance:** Smoothie King will provide you with other resources and assistance, which may be in the form of newsletters, bulletins, brochures, digital manuals, and reports on Smoothie King’s policies, research, developments, and other resources and assistance as may be offered to all franchisees (Franchise Agreement—Section 4.1.9; Area Development Agreement—Section 5.1.1 (b)).

## **SITE SELECTION METHODS**

The franchise is granted for a specific location. Smoothie King will approve an area for you to search for a location. You must locate a site for your Unit that Smoothie King will consent to. Smoothie King’s consent will not be unreasonably withheld. Smoothie King will evaluate your proposed location(s) within 30 days after Smoothie King receives a fully completed site package, as described in the Manuals or as Smoothie King may otherwise provide in writing. Factors considered by Smoothie King in reviewing and accepting proposed sites include population density, demographics, visibility, size of the space, rent, available parking, traffic count and patterns, ease of access, economic and population growth trends, the market penetration of Smoothie King Businesses and proximity to other businesses, including other Smoothie King Businesses. Smoothie King also considers whether the lessor will agree to the Smoothie King permitted use language and other required lease provisions. If Smoothie King determines that the location is not acceptable at that time or is too close to another Smoothie King Business, Smoothie King will not consent to the proposed site and you must locate a new site for the Unit. If Smoothie King and you cannot agree on a site for the Unit, Smoothie King may terminate the Franchise Agreement.

Smoothie King considers all sites a Traditional location unless Smoothie King approves the location, in writing, as a Non-Traditional location. Traditional locations are not determined by size and may or may not carry a full line of Smoothie King products. Examples of these locations may include strip centers, store fronts, and other locations with street access or medium to high population density in the trade area.

In certain situations, Smoothie King may offer franchises for Non-Traditional locations. If permitted, you may establish a Unit in a Non-Traditional location. Non-Traditional Units are typically located within a Captive Facility. Examples of Non-Traditional locations include enclosed shopping malls, arenas, convention centers, airports, movie theaters, health clubs, hospitals, military bases, grocery stores and similar environments.

Non-Traditional locations are not determined by size, potential sales volume or whether you are sharing space with another concept and may or may not carry a full line of Smoothie King® products. Smoothie King has the sole and absolute discretion to determine whether to approve a Non-Traditional location.

The typical length of time between the signing of the Franchise Agreement or the first payment of any consideration for the franchise and the opening of a Smoothie King Business at Traditional and Non-Traditional locations are 6 to 12 months. Factors affecting this length of time include identification of a satisfactory site, lease negotiations, financing, zoning, building and other permits, construction delays (weather, labor, materials), and delivery and installation of equipment and signs. Problems or delays caused by any of these factors could delay the opening of the Unit.

Failure to (i) enter into a fully executed and binding lease or acquire property for the specific purpose of constructing a building for the Franchised Business within 9 months from the effective date of your Franchise Agreement, or (ii) open for business within 12 months from the effective date of your

Franchise Agreement each constitutes a default of the Franchise Agreement. (Franchise Agreement—Sections 1.4, 14.4.4 and 14.5).

Under our current policy, which we may change at any time, if you are a new franchisee and wish to open 2 total Units, you will be required to sign all such Franchise Agreements on the same date, and:

- For the second such Franchise Agreement, you will be in default if you fail to (i) enter into a fully executed and binding lease or acquire property for the specific purpose of constructing a building for the Franchised Business within 15 months from the effective date of such Franchise Agreement, or (ii) open for business within 24 months from the effective date of such Franchise Agreement.

If you enter into an Area Development Agreement, Smoothie King and you will have agreed to a Development Area and a Development Schedule which identify the number of Units you will develop, and the time frame and area in which the Units will be developed. In order to exercise your option to open an additional Unit under the Area Development Agreement, you must be in compliance with any Franchise Agreement and other agreements you have with Smoothie King and our subsidiaries and affiliates; any Units owned by you must be and have been operated in compliance with the Operations Manual; and you must execute each Franchise Agreement for an additional Unit at least 4 months before each particular Unit must be open and in operation under the Development Schedule or before the beginning of the site selection process, whichever occurs first. The Area Development Agreement automatically terminates on the date that the last Unit is scheduled to open according to the Development Schedule.

## **MANUALS**

The table of contents of all Manuals as of the issuance date of this disclosure document, is attached to this franchise disclosure document as Exhibit G. You must promptly comply with the Manuals, which describe Smoothie King's comprehensive operating system, including a standardized design, décor, equipment system, color scheme, style of signage, uniform standards, specifications and procedures of operation, quality and uniformity of product and services offered. The provisions of the Manuals are reasonable, necessary and essential to the image and success of all Smoothie King Businesses. The Manuals contain Smoothie King's mandatory operating standards as well as suggested "best practices," specifications and procedures for the operation of a Smoothie King Business. Changes in the standards, specifications and procedures may become necessary and you must comply with these modifications, revisions and additions to the Manuals.

## **TRAINING PROGRAMS**

The content of our training programs is described below.

<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On The Job Training</b>	<b>Location</b>
Orientation/Pre-Opening <sup>1</sup>	6	None	Smoothie King corporate office in Coppell, Texas, or another location we designate or virtual
Management Training <sup>2</sup>	60–80	80–120	Smoothie King corporate office in Coppell, Texas and Unit in Dallas, Texas, or another location we designate or virtual
Field Training <sup>3</sup>	8-16	20-120	Your Smoothie King Unit

**(1) Orientation and Pre-Opening:** You must attend Smoothie King’s orientation and pre-opening training program as soon as reasonably possible after signing your Franchise Agreement and before beginning site selection. This program is mandatory and held at Smoothie King’s corporate office in Coppell, Texas or another location we designate, or virtually, and is scheduled as needed. It is designed to introduce you to the System, provide you with instructions to access its online digital pre-opening Manual and educate you to efficiently manage your site selection, marketing and pre-opening activities (see Exhibit G). You may or may not be required to attend orientation and pre-opening training for Non-Traditional locations if you are an existing franchisee.

**(2) Initial Management Training:** You must attend and complete, to Smoothie King’s satisfaction, the initial management training program before you open a Unit or acquire an existing Unit. Smoothie King’s initial management training program is mandatory for all franchisees and managers and conducted approximately every 4-6 weeks, depending upon the number of attendees, at our corporate office in Coppell, Texas and a Unit in the Coppell, Texas area, virtually, or another location we designate. You must attend the program after you complete site selection and within a reasonable time before your scheduled opening date. All permits must be in place before attending training. The initial management training course is up to 20 days, averaging 8 hours per day plus additional homework assignments. Instructional materials will include online training modules, the Manuals and actual products, books, and equipment. You must attend and complete a ServSafe Food Protection Manager Certification Examination course or ServSafe Food Handler Certification course. You must attend and complete a ServSafe course provided by a reputable third-party supplier in your local area.

**(3) Field Training:** Smoothie King will send one Smoothie King representative to the Unit location, at no cost to you, for on-site training and assistance when you open the Unit, provided the Unit is your first, second or third Unit. The length of time the representative is on-site may vary, but it is expected to be up to 5 days. On-site training and assistance will include additional blending training, training of personnel, purchasing and inventory management, product promotion and merchandising,

bookkeeping and reporting management, analysis of sales and product mix and other matters necessary to the opening and operation of the Unit.

Smoothie King may require any of your principals or employees who become actively involved in managing the Unit to attend and satisfactorily complete the required training programs.

If you are a Developer, Smoothie King may require you or any of your principals or employees who are actively involved in developing the area for your Smoothie King Businesses to attend and satisfactorily complete the training programs Smoothie King designates as mandatory.

You must pay all costs and expenses you and your employees incur in attending training programs. This applies for both mandatory and optional training programs. Smoothie King currently provides most of the materials. Up to two people may attend the initial training program at no charge. If you want more than two people to attend the initial training program, you must pay us up to \$1,500 per person. There is currently no fee for any other mandatory or optional training program. Smoothie King may; however, charge a reasonable fee in the future for training courses offered after the Unit opens.

Katherine Meariman is Smoothie King's Vice President of Operation Services, Training, and Education. Ms. Meariman has been employed with Smoothie King since 1998 and has over 15 years of leadership experience and expertise in Operations, Marketing, Training & Administration. Other individuals in our Operations, Marketing and Purchasing/Distribution Departments may participate in training. We seek to ensure that all instructors will (i) have at least 1 year of experience in the subject that they teach and have been employed by Smoothie King for at least 6 months, or (ii) have at least 5 years' experience in the subject they teach.

Any training provided by Smoothie King to any of your employees will be limited to training or guiding the employees regarding the delivery of approved services to guests in a manner that reflects the guest and client service standards of the System. You are, and will remain, the sole employer of your employees during all training programs, and you are solely responsible for all employment decisions and actions related to your employees. You must ensure that your employees receive adequate training.

## **ADVERTISING**

**National Marketing Fund:** Smoothie King operates a national marketing and promotional fund ("National Marketing Fund") to advertise and promote Smoothie King Businesses. The National Marketing Fund was formerly known as the "System Fund." You will pay Smoothie King a "National Marketing Fee" based on a percentage of your monthly Gross Sales. If your Unit is located in a region with a Regional Marketing Fund, as described below, the National Marketing Fee currently is 3% of monthly Gross Sales. If there is no Regional Marketing Fund in the region where your Unit is located, you must spend 2% of monthly Gross Sales on local marketing and provide evidence thereof to us and if you fail to do so then your National Marketing Fee will be increased to 5%. Smoothie King may increase the National Marketing Fee to an amount not to exceed 5% of monthly Gross Sales upon 60 days' prior written notice to you. Smoothie King will deposit the National Marketing Fee in the National Marketing Fund. All franchisees must pay the National Marketing Fee. Company affiliate-owned Units, in lieu of contributing to the National Marketing Fund, are contributing 3% of monthly Gross Sales towards advertising for the Smoothie King Center located in New Orleans, Louisiana, with Smoothie King currently paying all other costs associated with naming rights to the Smoothie King Center. Certain franchisees or licensees under past versions of signed franchise or license agreements may pay a National Marketing Fee based on a different percentage of Gross Sales or may pay no amount. In addition, due to market conditions and location, certain franchisees or licensees with major food service organizations or atypical locations may be required to contribute a lesser or no amount to the National Marketing Fund. Smoothie King will at its sole discretion

determine whether a location will be exempted from the National Marketing Fund. Outside vendors and suppliers may contribute to the National Marketing Fund in exchange for promoting their products or using their services. These agreements are negotiated on an individual basis as the opportunity arises by Smoothie King or a representative of the National Marketing Fund (Franchise Agreement—Article XII).

Smoothie King currently maintains and administers the National Marketing Fund. Smoothie King will direct all advertising, promotional and marketing programs with sole discretion over the concepts, materials, and media used in the related programs and their placement allocation media purchases. Smoothie King has a National Franchise Advisory Council (“FAC”) made up of franchisees elected by the franchisee community. The FAC serves in advisory capacity only and may provide input on advertising programs and policies. Smoothie King has the power to form, dissolve or change the FAC at any time. Smoothie King has no other advertising council composed of franchisees. The National Marketing Fees collected are intended to maximize general public recognition and acceptance of the Proprietary Marks and the overall brand awareness of the Smoothie King name for the benefit of the System. In administering the National Marketing Fund, Smoothie King is not obligated to ensure that you or any particular franchisee benefits directly or on a prorated basis from expenditures by the National Marketing Fund. Smoothie King does not have to spend any amount on advertising in your area. Smoothie King will not use any of the National Marketing Fund primarily to advertise the sales of new franchises.

The National Marketing Fund will be used exclusively to meet costs of administering and preparing advertising, promotional and marketing activities. These costs may include creating, producing, placing, and conducting television, radio, internet, and print advertising campaigns; creating, producing, and distributing promotional materials for use in Smoothie King Businesses, such as signs and posters, direct mail, promotional brochures, and outdoor billboard advertising; marketing surveys and research; public relations activities; and employing advertising agencies and consultants. Smoothie King currently engages outside marketing, advertising and graphic design companies to perform and coordinate most of the marketing and advertising activities listed above for Smoothie King. In the year ended December 30, 2024 the National Marketing Fund was used as follows: media (38%); production (5%); point of purchase materials, including menu boards (9%); agency fees (9%); and other (39%).

All amounts you pay into the National Marketing Fund will be accounted for separately. Smoothie King will be reimbursed for reasonable administrative costs and overhead incurred in administering the National Marketing Fund. At your request, Smoothie King will provide you with an annual unaudited statement of the receipts and disbursements of the National Marketing Fund for the most recently completed calendar year. Smoothie King anticipates that all contributions to and earnings of the National Marketing Fund will be spent during the taxable year in which the contributions and earnings are received. If any amounts in any National Marketing Fund are not spent during the current year, they will remain in the National Marketing Fund for use in the following year.

**Regional Fund:** In most regions, Smoothie King operates a regional promotional and marketing fund (the “Regional Marketing Fund”). If your Unit is located in a region with a Regional Marketing Fund, you will pay to Smoothie King, for deposit in the Regional Marketing Fund, a “Regional Marketing Fee.” The Regional Marketing Fee is currently 2% of monthly Gross Sales. Smoothie King will determine the amount of the Regional Marketing Fee and reserves the right to increase such fee upon 60 days’ prior written notice, to an amount not exceeding 2% of your monthly Gross Sales. If your Unit is located in a region that does not currently have a Regional Marketing Fund and we create one in the future, you must participate. If there is no Regional Marketing Fund in the region where your Unit is located, you must spend 2% of monthly Gross Sales on local marketing and provide evidence thereof to us and if you fail to do so then your National Marketing Fee will be increased to 5%. In the future, we may create new Regional Marketing Funds or dissolve existing Regional Marketing Funds. Non-Traditional Units do not contribute to a Regional Marketing Fund.

Any contribution to the Regional Marketing Fund will be credited towards your local marketing requirement described below. As a result, we will not require you to spend more than 2% of Gross Sales on local or regional marketing, including the Regional Marketing Fund or approved local marketing efforts. Except as described below, all franchisees in each region generally will contribute the same percentage to the Regional Marketing Fund. Certain franchisees or licensees under past versions of signed franchise or license agreements may pay a different percentage of Gross Sales or no amount, and if a franchisee's Unit is located in a region without a Regional Marketing Fund, that franchisee will not pay a Regional Marketing Fee. In addition, due to conditions and location, certain franchisees or licensees with major food service organizations or atypical locations may be required to contribute a lesser or no amount to the Regional Marketing Fund. Smoothie King reserves the right to determine, in its sole discretion, whether a Unit will be exempted from the Regional Marketing Fund.

Smoothie King maintains and administers each Regional Marketing Fund, and will direct all advertising, promotional and marketing programs with sole discretion over the concepts, materials, and media used in the related programs and their placement allocation media purchases. In administering each Regional Marketing Fund, Smoothie King is not obligated to ensure that you or any particular franchisee benefits directly or on a prorated basis from expenditures by the Regional Marketing Fund. Smoothie King will not use any portion of the Regional Marketing Funds primarily to advertise the sales of new franchises.

Below is a list of all current Regional Marketing Funds, as of the effective date of this disclosure document, and how the Regional Marketing Fund contributions were spent in the year ended December 30, 2024:

Regional Marketing Fund	Percentage Spent on Media	Percentage Spent on Print, Influencers, sponsorships and Other Miscellaneous Expenses	Regional Marketing Fund	Percentage Spent on Media	Percentage Spent on Print, Influencers, sponsorships and Other Miscellaneous Expenses
Atlanta	65%	35%	Memphis	100%	0%
Albany	100%	0%	Miami Ft. Laud	90%	10%
			Michigan	100%	0%
		0%	Mid-Atlantic	100%	0%
			Midwest	100%	0%
			Nashville	100%	0%
			New York	72%	28%
Charlotte	70%	30%	New Orleans	87%	13%
			Northeast	99%	1%
Columbus	88%	12%	Philadelphia	91%	9%
Chicago	99%	1%	Prairie States	100%	0%
DC	67%	33%			
Florida	100%	0%			
DFW	87%	13%	South	67%	33%
Houston	90%	10%	South Central	100%	0%
			St. Louis	100%	0%
Kansas City	85%	15%	Tampa	91%	9%
			West	100%	0%
Jacksonville	75%	25%			

Effective December 31<sup>st</sup>, 2024, all remaining Regional Marketing Funds will be spent across the following 43 designated marketing areas:



Houston
Atlanta
DFW
New Orleans
Chicago
Tampa
St. Louis
Charlotte
Baton Rouge
New York
Miami
San Antonio
DC
Kansas City
Mobile
Memphis
Columbus
Philadelphia
Baltimore
Jacksonville
Nashville
Austin
Indianapolis
Orlando
Denver
Detroit
Birmingham
Greenville-Spartanburg-Asheville
Cincinnati
Louisville
Cleveland
Jackson
Tyler-Longview
Knoxville
Raleigh
Waco
Biloxi
Chattanooga
Lafayette
Phoenix
Wichita
Ft. Wayne
Shreveport

The Regional Marketing Fund will be used exclusively to cover costs of administering and preparing advertising, promotional and marketing activities for use in each designated region. These costs may include creating, producing, placing, and conducting television, radio, internet, and print advertising campaigns; creating, producing, and distributing promotional materials for use in Smoothie King Businesses, such as signs and posters, direct mail, promotional brochures, and outdoor billboard advertising; marketing surveys and research; public relations activities; and employing advertising agencies and consultants. Smoothie King engages outside marketing, advertising and graphic design companies to perform and coordinate most of the marketing and advertising activities listed above for Smoothie King.

All amounts you pay into a Regional Marketing Fund will be accounted for separately. Smoothie King will be reimbursed for reasonable administrative costs and overhead incurred in administering the Regional Marketing Fund. At your request, Smoothie King will provide you with an annual unaudited statement of the receipts and disbursements of the Regional Marketing Fund for the most recently completed calendar year. Smoothie King anticipates that all contributions to and earnings of the Regional Marketing Fund will be spent during the taxable year in which the contributions and earnings are received. If any amounts in the Regional Marketing Fund are not spent during the current year, they will remain in the Regional Marketing Fund for use in the following year.

**Local Marketing Cooperatives:** Smoothie King does not require you to participate in a local marketing cooperative.

**Local Advertising:** If you operate a Non-Traditional Unit, you must spend the grand opening expenditure of (i) \$7,500 for new Units between the four-week period before opening and within 3 months after opening the Unit, (ii) \$5,000 for relocated Units between the four-week period before opening and within 3 months after opening the Unit, and (iii) \$2,500 for transferred Units within 180 days after the closing date of the transfer of the Unit. If you operate a Traditional Unit, you must spend the grand opening expenditure of (i) \$15,000 for new Units between the four-week period before opening and within 3 months after opening the Unit, (ii) \$10,000 for relocated Units between the four-week period before opening and within 3 months after opening the Unit, and (iii) \$5,000 for transferred Units within 180 days after the closing date of the transfer of the Unit. We may elect to conduct the grand opening activities on your behalf provided that we give you notice thereof at least eight (8) weeks before the scheduled opening of the Unit (or in the case of a transfer at least one week before the scheduled closing of the transfer), in which case you must fully pay the applicable aforementioned expenditure to us at least four (4) weeks before the scheduled opening of the Unit (or in the case of a transfer within 90 days after closing of the transfer). If we do not elect to conduct the grand opening activities then you must pay the grand opening expenditure to approved suppliers. Within 90 days after your Unit opens, you must submit a single report with receipts showing the total grand opening expenditures incurred. If you fail to provide the required reports, you must pay to Smoothie King the difference between the required grand opening expenditure and the amount that you reported to Smoothie King. Smoothie King will deposit such amount into the Regional Marketing Fund for the area where the Unit is located, or to the National Marketing Fund if the Unit is not in an area covered by a Regional Marketing Fund. The grand opening expenditure will not be credited towards your local advertising and promotional activities described below.

In addition, if your Unit is located in a region that does not have a Regional Marketing Fund, you must spend a minimum of 2% of annual Gross Sales on local marketing activities. If your Unit is located in a region that has a Regional Marketing Fund, you are not required to spend additional amounts on local marketing activities. We may require you to spend up to 2% of annual Gross Sales on local marketing activities, although any amounts that you contribute to a Regional Marketing Fund will be credited to your local marketing requirement.

All advertising, promotional and marketing activities that you conduct in your local market area will be subject to the prior approval by Smoothie King. You must submit to Smoothie King all local advertising, promotional and marketing plans and samples of all local advertising materials not prepared or previously approved by Smoothie King. If you do not receive written disapproval within 15 business days after the date of receipt by Smoothie King, your plans and materials will be deemed approved. If any plans or materials previously approved by Smoothie King are later disapproved, you must discontinue their use promptly upon notice from Smoothie King.

## **COMPUTER SYSTEMS**

**Computer and POS System:** Smoothie King requires use of the Smoothie King POS System (the “Smoothie King POS System”). You will obtain both the hardware and proprietary software through our approved supplier. You will be required to sign an agreement with our designated vendor adopting the hardware and software terms of use contained in the Smoothie King master agreement. You may also be required to pay fees to third-party vendors for hardware technical support. You must use an installation company approved by Smoothie King for the initial POS implementation.

Smoothie King requires the use of certain brands, types, makes, and/or models of communications, computer systems, and hardware be used by the Franchised Business, including: (i) back office systems and the POS System, mobile devices, data, audio, video, and voice storage, retrieval, and transmission systems for use at the Franchised Business and between Smoothie King, its designee, and you; (ii) physical, electronic, and other security systems; (iii) printers or other peripheral devices; (iv) archival back-up systems; (v) speed of service measuring systems; and (vi) internet access mode (e.g. form of telecommunication connection) and speed (collectively, the “Computer System”). Smoothie King requires that you have an in-store business computer and printer. All software must meet the technical and security standards and specifications that we require for front of the house or back office software programs. You must conform to our technical and security standards which include software version updates, operating system updates, hardware upgrades, security broadband internet connectivity, and others. You may not install any software programs which are not approved by Smoothie King on your Unit’s Computer System, including the POS System. You must have commercial grade broadband/high speed internet access within your Unit with a minimum download speed of 25Mbps and upload speed of 10Mbps. You are responsible for maintaining all security standards associated with the Unit’s local network. You must participate in Smoothie King’s data security program which includes a managed firewall and 4G failover. Additional Network devices such as cabling, firewalls, switches and modems may be required. You will be required to use Smoothie King’s official payment card processor and gateway. You will be required to maintain POS network software updates, Windows operating system updates, Anti-Virus, Malware and any network device firmware. You must meet those standards defined by the Payment Card Industry's ("PCI") Security Standards Council which can be found via the following web address: [https://www.pcisecuritystandards.org/pci\\_security/maintaining\\_payment\\_security](https://www.pcisecuritystandards.org/pci_security/maintaining_payment_security). You must comply with the FTC's Fair and Accurate Transactions Act.

To process credit cards, you must be certified PCI compliant. To be certified compliant, you must submit a passing PCI Vulnerability Assessment Scan report along with a copy of the most recent version of SAQ (as required by PCI Council regulations) before opening your Unit and at the frequency required in the current version of the PCI DSS standards. Scans and tools to assist with filing of the SAQ are a part of the Smoothie King data security program in which you are required to participate. Smoothie King reserves the right to terminate your franchise agreement and/or suspend credit card processing at any Unit which does not comply with the current PCI compliance requirements. We estimate that the cost to set up and maintain your PCI compliant certification will be up to a \$100 monthly fee.

The Computer System will aid in collecting data, provide intelligent reporting and inventory control, aid in the communication between franchisees and us, and provide access to information. The Computer System has an up-front cost of approximately \$9,100 to \$19,000 for hardware and installation services. The proprietary software and data security program currently costs approximately \$290 to \$350 per month. In addition, we require that you pay a technology fee, which is currently \$200 per month. We do not currently require digital menu boards, but we may in the future, and if we do then you may be required to pay a management fee in connection with the operation of the digital menu boards, and such management fee may be made part of the technology fee. We will have unlimited independent access to your Unit systems data (Franchise Agreement – Section 10.3.14). We will provide you with specifications and initial training on your Computer System, but Smoothie King is not obligated to assist you in obtaining the items described in this paragraph. You may be required to pay for all future updates, licensing fees, supplements and modifications to the proprietary software and the Computer System. There are no contractual limitations on the cost or frequency of your obligation to update or upgrade any system. Smoothie King currently estimates that the annual cost of any optional or required maintenance, updating, upgrading or support contracts is less than \$2,000 per year but this amount may increase as software and computer hardware systems are updated, added or changed.

**Intranet:** You must participate in the Smoothie King® intranet system (“Intranet”). (Franchise Agreement—Section 10.3.13). Through the Intranet, you can access portions of our Manuals, training materials, corporate forms and news articles, as well as participate in discussion forums and training programs. Smoothie King doesn’t charge a fee for your participation in the Intranet. We will have independent access to the information and data that is electronically generated. We also reserve the right in the future to require you to install computerized management systems meeting our standards, as modified periodically in response to business, operations and marketing conditions.

**Restrictions on Franchisee’s Use of Electronic Media:** Smoothie King restricts your right to use all electronic media including the internet in operating your Unit. You cannot conduct business over the internet or create your own website with which to conduct business without Smoothie King’s express written consent. You must comply with Smoothie King’s policies and restrictions respecting the use of social media or related social networking applications in connection with the operation of your Unit.

**Smoothie King’s Obligations Under the Area Development Agreement:** If Smoothie King and you enter into an Area Development Agreement, Smoothie King and you will sign one Franchise Agreement at the time the Area Development Agreement is signed, unless you are an existing franchisee, in which case you will sign the first Franchise Agreement under the Area Development Agreement at least 4 months before your Unit is scheduled to open or before the beginning of the site selection process, whichever occurs first. Except as described above, Smoothie King’s obligations under the Franchise Agreement apply to Units developed under an Area Development Agreement. Each time Smoothie King and you sign another Franchise Agreement, Smoothie King’s obligations are activated for the new Unit to be established. Except as described above, Smoothie King does not have separate obligations under the Area Development Agreement.

## **Item 12**

### **TERRITORY**

**Area Development Agreement:** Smoothie King may award you the development rights to develop a certain number of Units in a designated geographical area ("Development Area") if you meet Smoothie King's qualifications to become an area developer. If you are awarded a Development Area, Smoothie King will not locate any company affiliate-owned Units or award a franchise to any person other

than you to locate a Unit in your Development Area for the term of your Area Development Agreement. Smoothie King may establish, operate or grant a franchise or license to others to operate Units under the System and Proprietary Marks at any Non-Traditional location within the Development Area at any time. Smoothie King may also license or sell, at both wholesale and retail, product or service lines that are being sold in Units under the same or similar Proprietary Marks or any other proprietary marks at any location or distribution point within and outside the Development Area, including through ghost kitchens or cloud kitchens at any time. (Area Development Agreement—Section 1.2).

The Development Area is described by a written description or map in an attachment to your Area Development Agreement and shows the metropolitan area, zip codes, cities, counties or other political subdivisions or market areas designated by physical boundaries like streets, highways or physical landforms, and is usually determined by density of population, demographics and number of projected trade areas available in the Development Area. The number of Units you must open in the Development Area is determined by the Development Schedule to which you and Smoothie King agree and is based on the density of population, demographics and number of projected trade areas available in your Development Area. “Trade Area” is generally defined as a geographic area with a population and business base that meets the demographic Trade Area guidelines for a Unit. A typical Trade Area guideline would be a commercial development which includes retail shopping centers having a minimum population of 20,000 within a 3-mile radius and a mix of residences and businesses. However, each Trade Area is different, and whether a location will be approved in a particular Trade Area depends upon the factors discussed in Item 11 under Site Selection Methods. You must investigate your prospective development area to confirm the number of projected trade areas available before signing your Area Development Agreement.

You must enter into new franchise agreements and open your designated number of Units at Traditional locations in your Development Area by the dates agreed upon in your development schedule (“Schedule”). Opening Units at Non-Traditional locations in your Development Area do not count towards fulfillment of your Schedule unless specially agreed upon in advance and in writing by Smoothie King. The fees for developing multiple Units are discussed in Item 5. You must also meet other conditions provided in your Area Development Agreement, including complying with all material terms and conditions of your Franchise Agreements and other agreements with Smoothie King; operating your other Units in compliance with the Smoothie King Confidential Operations Manual; notifying Smoothie King in writing of your desire to purchase an additional franchise and signing the then-current standard franchise agreement and other related documents; and paying the required franchise fee (see Item 17 and Area Development Agreement—Sections 3.1.1, 3.1.2 and 3.1.3). If you fail to have your designated Units open in the Development Area in accordance with the Schedule or fail to meet other conditions of your Area Development Agreement, Smoothie King may terminate your Area Development Agreement (see Item 17 and Area Development Agreement—Article IX). Your Area Development Agreement automatically terminates on the date that the last Unit is scheduled to open according to the Schedule.

Your Development Area is not dependent upon achievement of a certain sales volume, market penetration or other contingency or circumstances other than as described above.

You will not receive an exclusive territory under your Area Development Agreement. You may face competition from other franchisees, from Units that Smoothie King owns or from other channels of distribution or competitive brands that Smoothie King controls.

**Franchise Agreement:** You can operate a Unit only from a specified location we approve. Smoothie King may designate a general geographic area (“General Area”) solely to limit the area within which you may seek a site location for your Unit. Until you have secured a lease and a protected territory is designated, Smoothie King may establish franchised or company affiliate-owned Units at any time in your General Area that may compete with the Unit that you operate and may limit your ability to seek a site

in certain parts of your General Area. Smoothie King also may grant development rights to others that may limit you from seeking a site in all or any part of your General Area.

Once you have secured your lease for a Unit for a Traditional location, Smoothie King will designate a geographical area surrounding the Unit (the “Protected Territory”). Subject to the following, Smoothie King will not establish or operate a Unit, nor grant a franchise to any person other than to you to establish or operate a Unit in the Protected Territory.

The Protected Territory will be defined by identifiable boundaries and include a business, seasonal and/or residential population count of approximately 15,000 people, based upon our site selection data available at that time. The boundaries of the Protected Territory may be established, at our sole discretion, to match the population criteria, street or walk by traffic patterns and natural geographic features, such as bodies of water, interstate highways and other features that normally define guest trip patterns. The Protected Territory may include a business, seasonal and/or residential population count of less than 15,000 people where there is less than 15,000 people within a 2-mile natural trade area of the location, based upon the criteria above, such as in suburban, rural, or beach communities (Franchise Agreement—Sections 1.5 and 8.3.4).

Your Protected Territory is not an exclusive territory. We may operate or grant a franchise or license to others to operate Units at any Non-Traditional location. You may face competition from other franchisees, from outlets Smoothie King owns or from other channels of distribution or competitive brands that Smoothie King controls.

If you operate a Smoothie King from a Non-Traditional location, you will not receive a Protected Territory and will not have any protectable rights to an area or Protected Territory.

Smoothie King also may license or sell, at both wholesale and retail, product or service lines that are being sold in Units under the Proprietary Marks or other marks, at any location or through other channels of distribution, within or outside the Protected Territory, including through ghost kitchens and cloud kitchens, at any time (Franchise Agreement—Sections 1.5 and 8.3.4).

Smoothie King may locate a Unit, whether company affiliate-owned, franchised, licensed or otherwise at any location we deem appropriate if you do not receive a Protected Territory (Franchise Agreement Addendum for Non-Traditional Locations—Sections 1 and 3).

Smoothie King may establish, operate or grant a franchise or license to others to operate Units at any location outside of your Protected Territory. Smoothie King may license or sell, at both wholesale and retail, product or service lines that are being sold in Units, including the Unit you operate, under the same or similar Proprietary Marks or any other proprietary marks, at any location or distribution point within and outside your Protected Territory (Franchise Agreement—Section 8.3.4).

Upon renewal of your Franchise Agreement, however, Smoothie King has the option of redefining the boundaries of your Protected Territory, based on the criteria listed above (Franchise Agreement—Section 2.2.8).

You will not have a right of first refusal to purchase an additional franchise in any area. Smoothie King is not obligated to contact you before granting area development rights or a franchise in your General Area. If you desire to obtain expansion rights to an area, you should consider applying to Smoothie King for the development rights to that area and enter into an Area Development Agreement. To the extent Smoothie King may consider granting additional franchises, you will not be considered for any franchise opportunity unless you are in good standing under each of your other Smoothie King Franchise Agreements.

Relocation of the Unit requires the prior written consent by Smoothie King. Prior to providing such consent, you must submit to us the new proposed location and obtain our written acceptance of the relocation to the proposed location. The new proposed location must be within the Protected Territory. As a condition to any approval of the relocation, you must be in compliance with the Franchise Agreement and you must have the funds available to relocate the Smoothie King© Unit, construct a new Unit according to our then-current design standards and do so within a time period acceptable to us. You will be required to remove all signs, advertising materials, displays, and all other articles that contain the Proprietary Marks at the former location to effectively distinguish the former location from any other Smoothie King® business. We will have the right to (i) charge you a relocation fee of \$2,500, (ii) charge you the then-current design fee for the new location; (iii) require you to pay an agreed upon minimum royalty during the period in which the Unit is not in operation (if any), (iv) require you to sign our then-current form of franchise agreement and any other documents we may request, including a general release in favor of us; and (v) spend a minimum of \$10,000 in grand opening advertising when you relocate your Unit.

You may only offer products or services for retail sale from the premises of the Unit that you operate (Franchise Agreement—Section 10.3.4). You must obtain our prior approval for all advertising, promotional and marketing activities you conduct in your local market area and you cannot offer or sell products or services through alternative channels of distribution unless you receive our prior written consent. Smoothie King may require you to offer catering and delivery services through our designated provider.

There are no other restrictions in the Area Development or Franchise Agreement limiting activities of Smoothie King, you or other franchisees from advertising, marketing, soliciting sales or accepting orders within or outside your Protected Territory or in any other specified area or region. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory. You do not have the right to use other channels of distribution, such as the internet, catalog sales, telemarketing or other direct marketing, to make sales outside your Protected Territory.

Although Smoothie King has no other plans to do so, Smoothie King reserves the right to establish alternative or other channels of distribution, including the internet, within your Protected Territory using Smoothie King's trademarks or different trademarks without any compensation to you. Smoothie King also reserves the right to establish alternative or other channels of distribution; and operate or offer franchises in businesses that sell goods or services similar to or competitive with yours under different trade names or trademarks.

There is no minimum sales quota.

### **Item 13**

## **TRADEMARKS**

**Area Development Agreement:** The Area Development Agreement is not a franchise or license agreement and does not grant you any rights to use Smoothie King's Proprietary Marks.

**Franchise Agreement:** Smoothie King identifies the System by means of certain trade names, Trade Dress, service marks, trademarks, and logos ("Proprietary Marks"). Smoothie King grants you the right to operate the Unit under the name and mark "SMOOTHIE KING®." Smoothie King may designate other Proprietary Marks to be used in the System. The principal Proprietary Marks, which you may use,

are listed below. The following Proprietary Marks are registered on the principal register of the United States Patent and Trademark Office (“USPTO”):

MARK	REG. NO.	REG. DATE
SMOOTHIE KING	1840792	June 21, 1994
DESIGN (“CROWN”)	2364537	July 4, 2000
SMOOTHIE KING & SPLASH CROWN DESIGN	4642119	November 18, 2014

All required affidavits and renewal registrations have been filed for the Proprietary Marks listed. Smoothie King also claims common law rights to all of its Proprietary Marks on the basis that these marks have been used in interstate commerce.

There currently are no effective material determinations of the USPTO, Trademark Trial and Appeal Board, the trademark administrator of any state or court, any pending interference opposition or cancellation proceeding or any material litigation involving the Proprietary Marks listed in this Item which are relevant to their use in a Smoothie King Unit.

There currently are no agreements in effect which significantly limit the rights of Smoothie King to use or license the use of its Proprietary Marks in any manner material to a Smoothie King Business.

Smoothie King will defend and hold you harmless from any claims of trademark infringement for the use of the Proprietary Marks if you promptly give written notice to Smoothie King and tender the full defense of the claims against you to Smoothie King. Smoothie King shall have complete control of the legal action and may settle the claims at any time without providing notice to you. Smoothie King will bear all costs of your defense. Smoothie King has taken and will take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks. You must sign any documents deemed necessary by Smoothie King or its counsel to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability. You may not contest the validity or ownership of the Proprietary Marks. If litigation involving the Proprietary Marks is instituted or threatened against you, you must promptly notify Smoothie King and must cooperate fully with Smoothie King in defending or settling the litigation.

You cannot make any changes or substitutions to the Proprietary Marks or Trade Dress unless Smoothie King directs in writing. Smoothie King may modify or discontinue use of any Proprietary Mark or Trade Dress or use one or more additional or substitute trademarks or service marks. In such event, you will, at your expense, comply with such modification or substitution within a reasonable time after Smoothie King notifies you.

Smoothie King does not actually know of any superior prior rights or of any infringing uses that could materially affect your use or any Smoothie King franchisee’s use of the principal Proprietary Marks in any State.

#### **Item 14**

#### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

There are no patents that are material to the franchise. Smoothie King claims ownership of copyrights in the following Manuals on the Intranet under the Course Catalog: Team Member Fundamentals, Efficient Shift Management, Quarterly Promotions, Data Central, and other manuals. Smoothie King intends to claim ownership of copyright in any future manuals that are developed.



Copyright applications have not been filed for any of the Manuals. The information contained in the Manuals is confidential and proprietary and part of Smoothie King's intellectual property. There are no other copyrights that are material to the franchise.

The Manuals and other materials Smoothie King possess contain Smoothie King's confidential information and intellectual property. This information includes recipes, ingredients or proprietary products, formulas, guest and supplier lists, product specifications and other information, knowledge, methods, techniques, marketing and promotional techniques, know-how, and systems and knowledge of and experience in the operation and franchising of Smoothie King Units. You may not use Smoothie King's confidential information and intellectual property in an unauthorized manner either during or after the term of the Franchise or Area Development Agreement and must prevent its disclosure to others. For example, you may not duplicate any part of the recipe information or any Manuals, remove them from the Unit location or fail to return them to Smoothie King when the term of your Franchise Agreement is over. Information or techniques developed by you or your employees under the System or the operation of the Unit is deemed a part of Smoothie King's confidential information and intellectual property protected under your Agreement. You must obtain and file signed confidentiality agreements from all of your employees or agents who may have access to confidential information and intellectual property in a form satisfactory to Smoothie King.

There are currently no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. There are no agreements currently in effect, which significantly limit Smoothie King's right to use or authorize others to use the copyrighted materials. There are no infringing uses known to Smoothie King that could materially affect the use of the copyrighted materials in any state. Smoothie King is not required by any agreement to protect or defend copyrights or confidential information and intellectual property, although it intends to do so when it is in Smoothie King's best interests. Smoothie King may control any litigation that it participates in. You should notify Smoothie King of any claims or infringing uses of the copyrights or unauthorized use of confidential information. Smoothie King may modify the Manuals at any time. Smoothie King may require you to discontinue use of the information contained in the Manuals at any time as long as we provide you with alternative information or techniques if this information is critical to the Unit operations.

### **Item 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

**Participation in Business:** As a Smoothie King franchisee, you do not have to conduct on-premises supervision or personally participate in the direct operation of the Unit. Smoothie King recommends; however, that you are actively involved in the operation of the Unit, as personal participation may enhance the likelihood of operating successfully. The Unit that you develop and operate must at all times be under the direct, full-time, on-location supervision of you or a trained and competent employee acting as a full-time manager. If you (or your affiliates) operate 4 or more Units, then you also must have a district manager that oversees the operation of your Units. If you are a business entity, Smoothie King does not require that your manager(s) have an ownership interest in the business entity

Both the Unit manager and district manager (if applicable) must have satisfactorily completed Smoothie King's initial management training program. If at any time any manager changes, you must notify Smoothie King and designate a replacement manager within 30 days and have a designated interim manager during that time. Any managers must sign a confidentiality agreement to maintain the confidentiality of all confidential information and may have to sign a non-compete agreement.

## **Personal Guaranty**

**General Policy:** If you are a business entity, each individual holding, directly or indirectly through one or more entities, 10% or greater of your ownership interests must personally guarantee your obligations under your Franchise Agreement or Area Development Agreement. If you have personally signed the Franchise or Area Development Agreement and wish to transfer your agreement to a business entity, you must enter into a personal guaranty regardless of your ownership interest in the business entity. A personal guaranty is attached to the Franchise Agreement as Attachment C.

**Limited Guaranty Exception:** Under our current policy, which we may change at any time, if you commit to developing 5 or more Units under the standard schedule for an Area Development Agreement, each individual required to enter into a guaranty may qualify, in lieu of the standard personal guaranty, for a limited guaranty equal to: (i) for up to 5 Units, \$250,000; (ii) for 6 to 10 Units, \$500,000; (iii) for 11 to 15 Units, \$750,000; and (iv) for 16 or more Units, an amount at the discretion of Smoothie King's Chief Business Development Officer; provided that either:

- You are a business entity with a total net worth in excess of \$5,000,000; or
- Such individual guarantor has (a) an individual net worth, or joint net worth with his/her spouse, excluding personal residence and retirement accounts, in excess of \$1,000,000; and (b) joint annual income with his/her spouse in excess of \$300,000 in each of the 2 most recent calendar years, provided that such individual and his/her spouse have a reasonable expectation of reaching the same joint income level in the current calendar year.

If an individual guarantor qualifies for a limited guaranty in accordance with this policy, then:

- Such individual guarantor must acquire, carry, and maintain (in addition to the standard insurance requirements) an umbrella insurance policy with minimum coverage of \$5,000,000; provided that (a) such policy includes Smoothie King named as an additional insured by endorsement and requires 30 days' prior notice of cancellation or modification to Smoothie King, and (b) the limited guaranty will automatically convert to an unlimited personal guaranty in the event that such policy is cancelled for any reason; and
- Such limited guaranty shall (a) exclude amounts due for attorneys' fees and related costs, any unauthorized use of Smoothie King's trademarks and other intellectual property, any breach of confidentiality or non-competition obligations, and any other non-monetary obligations; and (b) automatically increase in the guaranty amounts set forth in this Item 15 when you (or one of your affiliates) execute, pursuant to your Area Development Agreement, the sixth (6<sup>th</sup>) franchise agreement, the 11th franchise agreement, and/or the 16th franchise agreement, as applicable.

## **Item 16**

### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell only those goods and services that Smoothie King has approved.

You must offer all goods and services at retail that Smoothie King designates as required for all franchisees, including new products or services that Smoothie King develops in the future. There are no limits on Smoothie King's right to change the types of goods and services or add new products or services. You may not offer or sell any other products or services without Smoothie King's prior written consent.

You must follow all guidelines required by the laws of the state in which your Unit is located and as required by Smoothie King in the Manuals or otherwise. You must discontinue offering any products or services, whether or not previously authorized by Smoothie King, promptly upon written notice from Smoothie King. You must provide for equipment or other items reasonably necessary to support new products or services introduced to enhance the value of the System. You are not restricted as to guests to whom you may offer goods and services.

All Smoothie King Businesses must offer Smoothie King's proprietary line as designated in the Manuals or in other writings. Smoothie King designates the retail product lines and brands making up your initial inventory upon opening a Unit. In order to ensure that we have a more consistent product offering and guest experience, Smoothie King has developed a core inventory list of items. The core inventory consists of approximately 50 particular branded retail products. Beyond the core inventory, you may carry additional approved products. Units that do not have a retail area (e.g. drive thru Units and some Non-Traditional Units) are exempt from this requirement.

Smoothie King may periodically make suggestions to you regarding your pricing policies. You may decide whether or not to follow these suggestions. Smoothie King also has the right to establish minimum and maximum prices to be charged by you for the products and services you offer at the Franchised Business, but any exercise of that right will be specifically set forth in writing. You must honor all minimum and maximum prices Smoothie King establishes in accordance with this Section. Additionally, you must honor and offer all coupons, discounts, gift cards or gift certificates, or similar promotions Smoothie King designates. You may not offer coupons, discounts, gift cards or gift certificates, loyalty programs, mobile applications, online ordering capabilities or similar promotions that are not part of a system-wide promotion or program without Smoothie King's prior written approval. In addition, Smoothie King has the right to periodically establish minimum advertised prices for the products and services you offer at the Franchised Business. You must participate in Smoothie King's loyalty program, currently the Healthy Rewards program, and Smoothie King's gift card program.

## **Item 17**

### **RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

#### **THE FRANCHISE RELATIONSHIP**

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

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
a. Length of the franchise term.	Section 2.1	Traditional location—10 years. Non-Traditional location—10 years under addendum or less at your election if your lease term is less than 10 years.
b. Renewal or extension of the term.	Section 2.2	You may renew your agreement for 1 additional term of 10 years.

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
c. Requirements for you to renew or extend	Section 2.2	You must have a good record of compliance with the requirements of all Smoothie King Manuals and be in compliance with the Franchise Agreement; satisfy all monetary obligations to Smoothie King; give written notice; provide a current lease that shows evidence that franchisee has right to remain in premises; commit to upgrade your Unit pursuant to Smoothie King's plans and specifications; sign a General Release and sign a new Franchise Agreement (which may contain materially different terms and conditions than your original Franchise Agreement) and pay the renewal fee.
d. Termination by you	Not Applicable.	You may terminate the franchise agreement under any grounds permitted by state law.
e. Termination by Smoothie King without cause.	Not Applicable.	Smoothie King cannot terminate your franchise agreement without cause.
f. Termination by Smoothie King with cause.	Article XIV	Smoothie King can terminate your franchise agreement only if you default.

Provision	Section in Franchise or Other Agreement	Summary
g. “Cause” defined—curable defaults	Sections 14.2, 14.3, 14.4 and 14.5	You have 24 hours to cure: failure to allow Smoothie King to inspect your Business; violation of any law, regulation, order or system standard relating to health, sanitation or safety; or failure to maintain the required insurance; You have 10 days to cure non-payment of fees to Smoothie King or undisputed amounts owed to vendors, including taxing authorities and failing to observe mandatory standards, recipes, ingredients or procedures; You have 30 days to cure: failure to submit reports; failure to attend and complete the initial management training program to Smoothie King’s satisfaction; failure to open the Unit for business within 12 months (subject to our current policy for new franchisees who wish to open 2 or 3 Units as described in Item 11); if you do not comply with the Franchise Agreement obligations or carry out its terms in good faith, and all other defaults; You have 60 days to cure failure to have a lease in place or to have acquired property within 9 months (subject to our current policy for new franchisees who wish to open 2 or 3 Units as described in Item 11).
h. “Cause” defined—non-curable defaults	Section 14.1	Non-curable defaults: insolvency, general assignment to creditors or file petition in bankruptcy; convicted of felony or liable in civil claim for practice that may have an adverse effect on the System; fail to comply with covenants not to compete; unauthorized disclosure of Manuals or confidential information; knowingly maintain false books or records or makes any material misrepresentation or omission related to the Franchise Agreement; abandonment of Unit; commit act that impairs goodwill or may become prejudicial of Proprietary Marks; failure to obtain Smoothie King’s required consent and other non-curable breach; violation of immigration laws or loss of immigration status to operate Business; repeated defaults even if cured; failure to open your Unit within 24 months after you sign the Franchise Agreement; 2 or more defaults in 18 month period under any other agreement with us or our affiliates (except for operational defaults, which only applies if you fail to meet certain engagement metrics).

Provision	Section in Franchise or Other Agreement	Summary
i. Your obligations on termination/non-renewal	Article XVI	Obligations include immediately ceasing to operate the Unit; discontinue use of Proprietary Marks and Proprietary Software; cancel any assumed or fictitious name; return Manuals, other materials and confidential information and intellectual property; assign telephone numbers if requested; payment of amounts due; assign lease if requested; de-identify the Franchised Business; allow Smoothie King to purchase Unit assets at cost; maintain confidentiality of information (also see r. below). Termination of a Franchise Agreement may constitute a default under the terms of an Area Development Agreement between you and Smoothie King.
j. Assignment of contract by Smoothie King	Section 15.10	No restriction on Smoothie King's right to assign.
k. "Transfer" by you-definition	Section 15.1	Includes transfer of Franchise Agreement, assets or ownership interest.
l. Smoothie King's approval of transfer by franchisee	Section 15.5	You must obtain Smoothie King's consent to all transfers, except a transfer to an heir or beneficiary after your death or mental incapacity. Smoothie King will not unreasonably withhold approval as long as certain conditions are satisfied.
m. Conditions for Smoothie King approval of transfer	Article XV	You may transfer your interest to a corporation or other legal entity if you retain ownership of a majority of the total voting power. You may transfer to a third party if: Smoothie King does not exercise its right of first refusal; the transferee qualifies; all of your monetary and other obligations are satisfied; you are in compliance with your Franchise Agreement; the transferee enters into a personal guaranty; you sign a release; you and the proposed transferee have complied with provisions regarding confidentiality and non-competition; the transfer fee is paid; transferee enters into a new Franchise Agreement, remodels the premises and completes training. If you are a business entity, your principals may transfer part of their ownership interest if they retain over 50% of the total voting power if prior notice is given, Smoothie King approves and confidentiality and non-compete agreements are obtained.
n. Smoothie King's right of first refusal to acquire the Unit.	Section 15.4	Smoothie King can match any offer for the Unit.

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
o. Smoothie King's option to purchase the Unit.	Sections 16.2 and 16.3	Smoothie King may exercise its option to purchase your assets at fair market value within 30 days after the Franchise Agreement expires or is terminated. Also, Smoothie King may purchase any proprietary product you may have at fair market value.
p. Your death or disability.	Section 15.3	Your estate must transfer your interest to your heirs or beneficiaries, or a third party approved by Smoothie King within 6 months.
q. Non-competition covenants during the term of the franchise.	Article XVII	No involvement in similar business anywhere; cannot divert business to a competitor.
r. Non-competition covenants after the franchise is terminated or expires.	Article XVII	No involvement in similar business for 2 years within a 5 mile radius of the Unit location or any other franchisee or Smoothie King company affiliate-owned Business; cannot compete with or solicit guests of Smoothie King® or other franchisees; cannot divert business to customer or competitor.
s. Modification of the Agreement	Article XXIII	No modifications generally but standards, specifications, Manuals, products and services, Proprietary Marks and other items specified in the Franchise Agreement are subject to change.
t. Integration/merger clause	Section 23.1	Only the terms of your Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Not Applicable	
v. Choice of Forum	Section 25.5	All disputes, claims and controversies will be brought in the Federal District Court for the Northern District of Texas or in state court in the judicial district in which Smoothie King has its principal place of business. (Subject to state law)
w. Choice of Law	Section 25.7	Texas law applies (subject to federal and state law and to Smoothie King's rights under federal trademark law).

<b>Provision</b>	<b>Section in Area Development Agreement</b>	<b>Summary</b>
a. Term of the Area Development Agreement	Section 4.1	From signing of Area Development Agreement until the date the last Unit is scheduled to open, which may range from 12 months to 5 years depending upon the number of Units to be developed and the market area. An Area Development Agreement will automatically terminate 1 year after the last Unit is scheduled to open according to the Development Schedule.
b. Renewal or extension of the term	None	N/A
c. Requirements for you to renew or extend	None	N/A
d. Termination by you	None	You may terminate the Area Development Agreement under any grounds permitted by state law.
e. Termination by Smoothie King without cause	None	N/A
f. Termination by Smoothie King with cause	Article IX	Smoothie King can terminate only if you default under the Area Development Agreement or a Franchise Agreement.
g. “Cause” defined—defaults which can be cured	Sections 9.3 and 9.4	You have 60 days to cure a failure to meet development schedule. You have 30 days to cure: failure to submit reports; failure to maintain mandatory System standards and procedures; conducts any business under a mark confusingly similar to the Proprietary Marks; a default in any other franchise or development agreement; failure to obtain execution of confidentiality and non-compete agreements; failure to comply with any other obligations of the Area Development Agreement or carry out its terms in good faith; 2 or more defaults in 18 month period under any other agreement with us or our affiliates (except for operational defaults, which only applies if you fail to meet certain engagement metrics).



<b>Provision</b>	<b>Section in Area Development Agreement</b>	<b>Summary</b>
h. "Cause" defined— defaults which cannot be cured	Sections 9.1 and 9.2	Non-curable defaults: file petition in bankruptcy or other proceedings are begun to foreclose on assets; convicted of felony or liable in civil claim for practice that may have an adverse effect on the System; fail to comply with covenants not to compete; unauthorized disclosure of Manuals or confidential information; makes a material misrepresentation or omission related to the Area Development Agreement; repeated defaults even if cured; commit act that impairs goodwill or may become prejudicial of Proprietary Marks; failure to obtain Smoothie King's required consent and other non-curable breach.
i. Your obligations on termination/non-renewal	Article X	Obligations include: return all printed Manuals, other materials and confidential information; payment of amounts due; maintain confidentiality of information (also see r. below). Termination of the Area Development Agreement does not affect the rights under any Franchise Agreement in effect at the time of termination.
j. Assignment of contract by Smoothie King	Section 8.10	No restriction on Smoothie King's right to assign.
k. "Transfer" by you— definition	Section 8.1	Includes transfer of contract, assets or ownership interest.
l. Smoothie King's approval of transfer by developer	Section 8.5	You may not transfer, subject to state law, except a transfer to an heir or beneficiary after your death or mental incapacity.

Provision	Section in Area Development Agreement	Summary
m. Conditions for Smoothie King approval of transfer	Article VIII	<p>You may transfer your interest to a legal entity as long as you retain ownership of a majority of the total voting power</p> <p>If we are required to allow a transfer under state law, we may condition the approval of such transfer on any of the following: Smoothie King does not exercise its right of first refusal; the transferee qualifies; all of your obligations are satisfied; you are in compliance with your Area Development Agreement; the transferee enters into a personal guaranty; you sign a release; the transfer fee is paid (see Item 6); transferee enters into a new area development agreement; and transferee completes training. If you are a business entity, your principals may transfer part of their ownership interest if they retain over 50% of the total voting power if prior notice is given, Smoothie King approves and confidentiality and non-compete agreements are obtained. The purchase price from a transferee must not exceed 125% of the development fees charged to Developer by Smoothie King. We reserve the right to require resubmittal of all transfer applications if a transfer is not fully completed within 6 months of our approval of such transfer.</p>
n. Smoothie King's right of first refusal to acquire developer	Article 8.4	Smoothie King can match any offer for developer.
o. Smoothie King's option to purchase your Business	None	Not Applicable
p. Your death or disability	Section 8.3	Your estate must transfer your interest to your heirs or beneficiaries, or a third party approved by Smoothie King within 6 months.
q. Non-competition covenants during the term of the franchise	Article XI	No involvement in similar business anywhere; cannot divert business to a competitor.
r. Non-competition covenants after the franchise is terminated or expires	Article XI	No involvement in similar business for 2 years within development area ("Development Area") and/or a reasonable market area extending from the Development Area or the market area of any other franchisee or Smoothie King company-owned Business; no competing with or soliciting guests of Smoothie King or other franchisees; cannot divert business to customer or competitor.
s. Modification of the Agreement	Article XVII	No modifications generally but standards, specifications, assistance and other items specified in the Area Development Agreement are subject to change (see Items 8, 9, and 16).

<b>Provision</b>	<b>Section in Area Development Agreement</b>	<b>Summary</b>
t. Integration/ merger clause	Article XVII	Only the terms of your Franchise, Area Development and other Agreements attached to this offering circular and signed by you are binding (subject to state law). Any other promises may not be enforceable. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	None	N/A
v. Choice of Forum	Section 19.2	Litigation must be in United States District Court for the Northern District of Texas or the state court in the judicial district where Smoothie King has its principal place of business (subject to applicable state law).
w. Choice of Law	Section 19.1	Texas law applies (subject to Smoothie King's rights under federal trademark law) (subject to applicable state law).

### **Item 18**

#### **PUBLIC FIGURES**

Smoothie King does not use any public figure to promote its franchise.

### **Item 19**

#### **FINANCIAL PERFORMANCE REPRESENTATION**

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

Under Section A below, Smoothie King has provided unaudited statements of average annual Unit Net Sales as of December 30, 2024, December 25, 2023, and December 26, 2022. Under Section B below, Smoothie King has provided information on the average annual Net Sales percentage increase for Units comparing the 2024 and 2023 fiscal years, 2023 and 2022 fiscal years, the 2022 and 2021 fiscal years, the 2021 and 2020 fiscal years, the 2020 and 2019 fiscal years, the 2019 and 2018 fiscal years, the 2018 and the 2017 fiscal years. As defined in Item 1, a "Unit" is a Smoothie King® business.

All Units offer substantially the same products and services to the public. New franchisees will receive substantially the same services as those offered to existing franchisees. Smoothie King obtained these historical financial results from the information submitted by our franchisees. Neither Smoothie King

nor an independent certified public accountant has independently audited or verified the information. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

**A. Statement of Average Net Sales for 2024, 2023, and 2022**

The tables below provide information on average Net Sales of Units during the 12-month periods starting December 26, 2023 and ending December 30, 2024, December 27, 2022 and ending December 25, 2023, and December 28, 2021 and ending December 26, 2022. The term “Net Sales” is defined as all products and services sold in or from the Unit, including off premises catering and delivery, but excluding excise or sales taxes, as well as returns, allowances and discounts.

The data below is a representation of average Net Sales for Units broken into nine segments: top 10%, top 25%, top 50%, top 75%, bottom 10%, bottom 25%, bottom 50%, bottom 75% and total/all. Net Sales information is provided on Units open for the consecutive 13-month period ending on December 30, 2024, December 25, 2023, and on December 26, 2022, including those units closed for a period of less than eight weeks for remodeling purposes. Units presented exclude those Units not scheduled to be open daily throughout the period (excluding holidays), such as Units within office buildings that close for the weekend and Units on college campuses that close for the summer period.

As of December 30, 2024, there were 1,149 Units operated by franchisees and 52 Units operated by Smoothie King. Of the 1,201 Units, 1,060 Units operated by franchisees and 48 Units operated by Smoothie King had been open during the 13-month period ending December 30, 2024, meaning Units opened prior to November 28, 2023. The 1,201 Units do not include 35 Units that permanently closed during the reporting period. Of those 1,060 franchised Units, 34 Units were excluded since (i) they were not scheduled to be open daily during the reporting period, (ii) they were temporarily closed for more than an 8-week period during the reporting period, (iii) they did not use the POS system required by Smoothie King, or (iv) they sold non-Smoothie King approved items pursuant to prior versions of the franchise agreement (2 Units). Of the 1,026 franchised Units referenced in the below table, all reported sufficient financial performance information to be included in this financial performance representation. The information below does not include information from Units operated by Smoothie King.

**Table 19-1 Average Net Sales of USA Units**

**December 26, 2023 to December 30, 2024**

	<b>Top 10%</b>	<b>Top 25%</b>	<b>Top 50%</b>	<b>Top 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	103	257	513	770	1,026
<b>Average Net Sales</b>	\$1,098,142	\$954,577	\$826,987	\$740,355	\$659,567
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	35 / 34%	100 / 39%	210 / 41%	313 / 41%	454 / 44%
<b>Median Net Sales</b>	\$1,057,495	\$917,658	\$780,528	\$695,068	\$627,145
<b>Range of Net Sales (high)</b>	\$1,748,945	\$1,748,945	\$1,748,945	\$1,748,945	\$1,748,945
<b>Range of Net Sales (low)</b>	\$946,767	\$780,528	\$627,430	\$505,990	\$176,668
	<b>Bottom 10%</b>	<b>Bottom 25%</b>	<b>Bottom 50%</b>	<b>Bottom 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	103	257	513	770	1,026
<b>Average Net Sales</b>	\$350,245	\$416,921	\$492,148	\$561,260	\$659,567
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	66 / 64%	146 / 57%	279 / 54%	409 / 53%	454 / 44%
<b>Median Net Sales</b>	\$365,111	\$433,739	\$505,990	\$569,659	\$627,145
<b>Range of Net Sales (high)</b>	\$408,929	\$505,990	\$626,860	\$780,528	\$1,748,945
<b>Range of Net Sales (low)</b>	\$176,668	\$176,668	\$176,668	\$176,668	\$176,668

Notes:

- Each of the columns identified as “Top 10%,” “Top 25%,” “Top 50%,” “Top 75%,” “Bottom 10%,” “Bottom 25%,” “Bottom 50%” and “Bottom 75%” refer to the respective percentage of the number of total Units ranked by the Net Sales in a descending order. The column identified as “TOTAL (ALL)” refers to all Units open during the entire 13-month period beginning on December 26, 2023 and ending December 30, 2024.

2. The “Number of Units in Category” refers to the number of Units within the respective category.
3. The “Average Net Sales of Category” refers to the average Net Sales of all Units within the category. The average is computed by the sum of all the Net Sales divided by the number of Units in the category.

As of December 25, 2023, there were 1093 Units operated by franchisees and 59 Units operated by Smoothie King. Of the 1152 Units, 1009 Units operated by franchisees and 58 Units operated by Smoothie King had been open during the 13-month period ending December 25, 2023, meaning Units opened prior to November 29, 2022. The 1152 Units do not include 32 Units that permanently closed during the reporting period. Of those 1009 franchised Units, 39 Units were excluded since (i) they were not scheduled to be open daily during the reporting period, (ii) they were temporarily closed for more than an 8-week period during the reporting period, (iii) they did not use the POS system required by Smoothie King, or (iv) they sold non-Smoothie King approved items pursuant to prior versions of the franchise agreement (2 Units). Of the 970 franchised Units referenced in the below table, all reported sufficient financial performance information to be included in this financial performance representation. The information below does not include information from Units operated by Smoothie King.

**Table 19-2 Average Net Sales of USA Units**

**December 27, 2022 to December 25, 2023**

	<b>Top 10%</b>	<b>Top 25%</b>	<b>Top 50%</b>	<b>Top 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	97	243	485	728	970
<b>Average Net Sales</b>	\$1,102,762	\$959,794	\$830,191	\$742,278	\$661,316
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	36/37%	92/38%	203/42%	292/40%	430/44%
<b>Median Net Sales</b>	\$1,060,141	\$915,507	\$788,063	\$699,626	\$633,218
<b>Range of Net Sales (high)</b>	\$1,658,160	\$1,658,160	\$1,658,160	\$1,658,160	\$1,658,160
<b>Range of Net Sales (low)</b>	\$948,902	\$788,063	\$634,110	\$503,776	\$195,681
	<b>Bottom 10%</b>	<b>Bottom 25%</b>	<b>Bottom 50%</b>	<b>Bottom 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	97	243	485	728	970
<b>Average Net Sales</b>	\$352,711	\$418,113	\$492,440	\$561,860	\$661,316
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	57/59%	136/56%	263/54%	372/51%	430/44%
<b>Median Net Sales</b>	\$367,345	\$431,145	\$503,776	\$565,588	\$633,218
<b>Range of Net Sales (high)</b>	\$411,706	\$503,776	\$632,325	\$788,063	\$1,658,160
<b>Range of Net Sales (low)</b>	\$195,681	\$195,681	\$195,681	\$195,681	\$195,681

Notes:

- Each of the columns identified as “Top 10%,” “Top 25%,” “Top 50%,” “Top 75%,” “Bottom 10%,” “Bottom 25%,” “Bottom 50%” and “Bottom 75%” refer to the respective percentage of the number of total Units ranked by the Net Sales in a descending order. The column identified as “TOTAL (ALL)” refers to all Units open during the entire 13-month period beginning on December 27, 2022 and ending December 25, 2023.
- The “Number of Units in Category” refers to the number of Units within the respective category.
- The “Average Net Sales of Category” refers to the average Net Sales of all Units within the category. The average is computed by the sum of all the Net Sales divided by the number of Units in the category.

As of December 26, 2022, there were 1048 Units operated by franchisees and 55 Units operated by Smoothie King. Of the 1103 Units, 966 Units operated by franchisees and 54 Units operated by Smoothie King had been open during the 13-month period ending December 26, 2022, meaning Units opened prior to December 1, 2021. The 1103 Units do not include 25 Units that permanently closed

during the reporting period. Of those 966 franchised Units, 42 Units were excluded since (i) they were not scheduled to be open daily during the reporting period, (ii) they were temporarily closed for more than an 8-week period during the reporting period, (iii) they did not use the POS system required by Smoothie King, or (iv) they sold non-Smoothie King approved items pursuant to prior versions of the franchise agreement (2 Units). Of the 924 franchised Units referenced in the below table, all reported sufficient financial performance information to be included in this financial performance representation. The information below does not include information from Units operated by Smoothie King.

**Table 19-3 Average Net Sales of USA Units  
December 28, 2021 to December 26, 2022**

	<b>Top 10%</b>	<b>Top 25%</b>	<b>Top 50%</b>	<b>Top 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	92	231	462	693	924
<b>Average Net Sales</b>	\$994,932	\$862,839	\$743,386	\$664,777	\$590,935
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	32/35%	82/35%	194/42%	277/40%	405/44%
<b>Median Net Sales</b>	\$962,845	\$820,733	\$706,588	\$617,222	\$561,251
<b>Range of Net Sales (high)</b>	\$1,471,207	\$1,471,207	\$1,471,207	\$1,471,207	\$1,471,207
<b>Range of Net Sales (low)</b>	\$850,841	\$706,588	\$561,351	\$451,786	\$169,008
	<b>Bottom 10%</b>	<b>Bottom 25%</b>	<b>Bottom 50%</b>	<b>Bottom 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	92	231	462	693	924
<b>Average Net Sales</b>	\$308,499	\$369,408	\$438,484	\$500,300	\$590,935
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	54/59%	130/56%	253/55%	363/52%	405/44%
<b>Median Net Sales</b>	\$319,962	\$381,704	\$451,646	\$511,202	\$561,251
<b>Range of Net Sales (high)</b>	\$362,831	\$451,506	\$561,152	\$706,588	\$1,471,207
<b>Range of Net Sales (low)</b>	\$169,008	\$169,008	\$169,008	\$169,008	\$169,008

Notes:

- Each of the columns identified as “Top 10%,” “Top 25%,” “Top 50%,” “Top 75%,” “Bottom 10%,” “Bottom 25%,” “Bottom 50%” and “Bottom 75%” refer to the respective percentage of the number of total Units ranked by the Net Sales in a descending order. The column identified as “TOTAL (ALL)” refers to all Units open during the entire 13-month period beginning on December 1, 2021 and ending December 26, 2022.



5. The “Number of Units in Category” refers to the number of Units within the respective category.
6. The “Average Net Sales of Category” refers to the average Net Sales of all Units within the category. The average is computed by the sum of all the Net Sales divided by the number of Units in the category.

As of December 27, 2021, there were 995 Units operated by franchisees and 56 Units operated by Smoothie King. Of the 1051 Units, 921 Units operated by franchisees and 52 Units operated by Smoothie King had been open during the 13-month period ending December 27, 2021, meaning Units opened prior to December 1, 2020. The 1051 Units do not include 28 Units that permanently closed during the reporting period. Of those 921 franchised Units, 41 Units were excluded since (i) they were not scheduled to be open daily during the reporting period, (ii) they were temporarily closed for more than an 8-week period during the reporting period, (iii) they did not use the POS system required by Smoothie King, or (iv) they sold non-Smoothie King approved items pursuant to prior versions of the franchise agreement (2 Units). Of the 880 franchised Units referenced in the below table, all reported sufficient financial performance information to be included in this financial performance representation. The information below does not include information from Units operated by Smoothie King.

**Table 19-3 Average Net Sales of USA Units**  
**December 29, 2020 to December 27, 2021**

	<b>Top 10%</b>	<b>Top 25%</b>	<b>Top 50%</b>	<b>Top 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	88	220	440	660	880
<b>Average Net Sales</b>	\$1,062,545	\$907,346	\$775,979	\$689,233	\$609,753
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	36/41%	84/38%	176/40%	266/40%	377/43%
<b>Median Net Sales</b>	\$1,014,225	\$855,618	\$730,050	\$643,696	\$573,269
<b>Range of Net Sales (high)</b>	\$1,605,120	\$1,605,120	\$1,605,120	\$1,605,120	\$1,605,120
<b>Range of Net Sales (low)</b>	\$896,948	\$730,074	\$573,792	\$461,013	\$156,243
	<b>Bottom 10%</b>	<b>Bottom 25%</b>	<b>Bottom 50%</b>	<b>Bottom 75%</b>	<b>TOTAL (ALL)</b>
<b>Number of Units in Category</b>	88	220	440	660	880
<b>Average Net Sales</b>	\$304,367	\$371,310	\$443,526	\$510,555	\$609,753
<b>Number and Percent that Met or Exceeded the Average Net Sales in Category</b>	50/57%	124/56%	247/56%	339/51%	377/43%
<b>Median Net Sales</b>	\$313,983	\$385,209	\$460,896	\$514,148	\$573,269
<b>Range of Net Sales (high)</b>	\$363,472	\$460,778	\$572,747	\$730,026	\$1,605,120
<b>Range of Net Sales (low)</b>	\$156,243	\$156,243	\$156,243	\$156,243	\$156,243

Notes:

1. Each of the columns identified as “Top 10%,” “Top 25%,” “Top 50%,” “Top 75%,” “Bottom 10%,” “Bottom 25%,” “Bottom 50%” and “Bottom 75%” refer to the respective percentage of

the number of total Units ranked by the Net Sales in a descending order. The column identified as “TOTAL (ALL)” refers to all Units open during the entire 13-month period beginning on December 1, 2020 and ending December 27, 2021.

2. The “Number of Units in Category” refers to the number of Units within the respective category.
3. The “Average Net Sales of Category” refers to the average Net Sales of all Units within the category. The average is computed by the sum of all the Net Sales divided by the number of Units in the category.

#### **B. Statement of Average and Median Annual Net Sales Percentage Increase for Units**

Table 19-4 below includes the average and median Net Sales percentage increase for franchised Units based on a comparison of Net Sales for franchised Units open for a comparable period in both years. Partial years are included in the calculation; for example, if a Unit was opened on October 1, 2018, there would be three months of sales from both years included in the 2019-versus-2018 comparison. The information disclosed includes only franchised Units scheduled to be open daily during the reporting period or were closed for less than an 8-week period during each reporting period. Of the total number of Units listed for each comparison year in the below table, all reported sufficient financial performance information to be included in this financial performance representation. The information below does not include information from Units operated by Smoothie King.

**Table 19-4 Average Unit Net Sales Percentage Increase**

<b>Comparison Period</b>	<b>Number of Units</b>	<b>Average Percentage (Same-Store Sales) Increase</b>	<b>Number/Percentage of Units that Met or Exceeded Average Percentage Increase</b>	<b>Median Percentage Increase</b>
Fiscal Years 2024 v 2023	1,026	0.00%	519/51%	0.09%
Fiscal Years 2023 v 2022	970	11.64%	488/50%	11.69%
Fiscal Years 2022 v 2021	924	-3.23%	496/54%	-2.25%
Fiscal Years 2021 v 2020	880	16.34%	441/50%	16.36%
Fiscal Years 2020 v 2019	827	2.46%	415/50%	2.61%
Fiscal Years 2019 v 2018	806	1.43%	408/51%	1.56%
Fiscal Years 2018 v 2017	738	0.36%	342/46%	0.45%
Fiscal Years 2017 v 2016	660	1.23%	331/50%	1.29%
Fiscal Years 2016 v 2015	585	9.38%	275/47%	8.73%

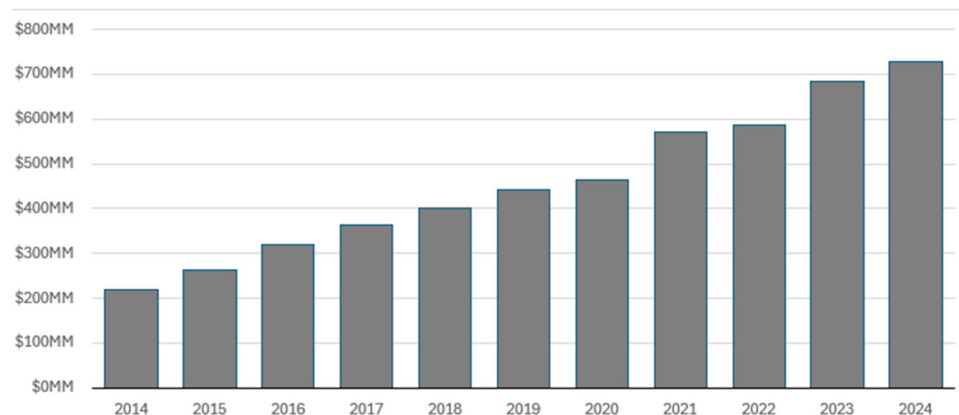
Notes:

1. “Fiscal Years” refer to the fiscal years for each applicable comparison. From 2015 through 2018, fiscal years refer to calendar years. In 2019, Smoothie King changed its method of fiscal reporting from a calendar year to a 5-4-4 fiscal reporting.

### C. Smoothie King Franchise System Sales for Fiscal Years 2014 to 2024

The information provided in the table below is based on the aggregate Net Sales (“System-wide Sales”) reported to us from all Smoothie King franchised Units that were operational for any part of the fiscal year, even as little as one week, of each fiscal year from 2014 through 2024.

	System-wide Sales (Franchised stores only)	Change Year-over-year	# of Franchised stores at year end
2024	\$728,192,033	6.2%	1,149
2023	\$685,474,397	16.8%	1,093
2022	\$586,896,419	2.9%	1,048
2021	\$570,269,903	23.0%	995
2020	\$463,543,920	4.8%	968
2019	\$442,411,697	10.2%	931
2018	\$401,380,546	10.7%	871
2017	\$362,671,232	13.5%	787
2016	\$319,640,336	21.6%	717
2015	\$262,764,946	19.7%	633
2014	\$219,574,944	18.4%	590



**Some outlets have achieved these results. Your individual results may differ. There is no assurance that you'll sell as much.**

Other than what is included in this Item 19, we do not make any financial performance representations about a franchisee's future financial performance or the past financial performance of company affiliate-owned or franchised Units. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing Unit; however, we may provide you with the actual records of that Unit. If you receive any other financial performance information or projections of your future revenue and/or income, you should report it to the franchisor's

management by contacting Smoothie King’s Chief Development Officer, Chris Bremer, at 9797 Rombauer Road, Suite 150, Coppell, TX 75019, (214) 935-8900, the Federal Trade Commission, and the appropriate state regulatory agencies.

## Item 20

### OUTLETS AND FRANCHISEE INFORMATION

**TABLE NUMBER 1**  
**Systemwide Unit Summary**  
**For Years 2022 to 2024**

Unit Type	Year	Units at the Start of the Year	Units at the End of the Year	Net Change
<b>Franchised</b>	2022	995	1048	+53
	2023	1048	1093	+45
	2024	1093	1149	+56
<b>Company Affiliate Owned</b>	2022	56	55	-1
	2023	55	59	+4
	2024	59	52	-7
<b>Total Units</b>	2022	1051	1103	+52
	2023	1103	1152	+49
	2024	1152	1201	+49

**TABLE NUMBER 2**  
**Transfers of Units From Franchisee to New Owners (Other than the Franchisor)**  
**For Years 2021 to 2023**

State	Year	Number of Transfers
<b>Alabama</b>	2022	0
	2023	2
	2024	12
<b>Arkansas</b>	2024	2
<b>Colorado</b>	2022	2
	2023	0
	2024	0
<b>District of Columbia</b>	2024	1
<b>Florida</b>	2022	12
	2023	5
	2024	9
<b>Georgia</b>	2022	8
	2023	10
	2024	12

State	Year	Number of Transfers
Illinois	2022	1
	2023	6
	2024	12
Indiana	2022	1
	2023	0
	2024	4
Kansas	2022	0
	2023	0
	2024	0
Louisiana	2022	3
	2023	5
	2024	3
Maryland	2022	4
	2023	9
	2024	6
Mississippi	2022	1
	2023	0
	2024	1
Missouri	2022	3
	2023	4
	2024	4
New Jersey	2022	1
	2023	1
	2024	0
New York	2023	1
	2024	1
North Carolina	2022	3
	2023	3
	2024	0
Ohio	2022	1
	2023	4
	2024	5
Oklahoma	2023	3
	2024	0
Pennsylvania	2022	1
	2023	1
	2024	1
South Carolina	2022	1
	2023	8
	2024	0
Tennessee	2022	3
	2023	1

State	Year	Number of Transfers
	2024	5

Texas	2022	27
	2023	17
	2024	30
Virginia	2023	5
	2024	0
Wisconsin	2022	0
	2023	1
	2024	0
TOTAL	2022	72
	2023	86
	2024	108

**TABLE NUMBER 3**  
**Status of Franchised Units**  
**For Years 2022 to 2024<sup>(1)(2)</sup>**

State	Year	Units at the Start of the Year	Units Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Units at the End of the Year
Alabama	2022	27	3	0	0	0	0	30
	2023	30	1	0	0	0	2	29
	2024	29	0	0	0	0	0	29
Arizona	2022	9	1	0	0	0	0	10
	2023	10	0	0	0	0	1	9
	2024	9	1	0	0	0	0	10
Arkansas	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	1	6
	2024	6	0	0	0	0	0	6
Colorado	2022	8	0	0	0	0	0	8
	2023	8	5	0	0	0	0	13
	2024	13	4	0	0	0	0	17
Connecticut	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	1	4
	2024	4	0	0	0	0	0	4
Delaware	2024	0	2	0	0	0	0	2
District of Columbia	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Florida	2022	109	6	1	0	0	0	114
	2023	114	5	0	0	3	4	112
	2024	112	12	0	0	0	3	121
Georgia	2022	91	4	0	0	0	1	94
	2023	94	9	0	0	0	1	102
	2024	102	10	0	0	0	0	112
Illinois	2022	42	6	0	0	0	1	47
	2023	47	4	0	0	0	1	50
	2024	50	5	0	0	0	1	54

State	Year	Units at the Start of the Year	Units Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Units at the End of the Year
Indiana	2022	18	4	0	0	0	0	22
	2023	22	2	0	0	0	0	24
	2024	24	6	0	0	0	0	30

Iowa	2022	3	2	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Kansas	2022	10	0	0	0	0	0	10
	2023	10	1	0	0	0	0	11
	2024	11	1	0	0	0	0	12
Kentucky	2022	8	1	0	0	0	1	9
	2023	9	0	0	0	0	1	8
	2024	8	2	0	0	0	0	10
Louisiana	2022	105	3	0	0	0	4	104
	2023	104	2	0	0	0	2	104
	2024	104	2	0	0	0	3	103
Maryland	2022	31	3	1	0	0	2	31
	2023	31	3	1	0	0	0	33
	2024	33	2	0	0	0	0	35
Massachusetts	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Michigan	2022	14	0	0	0	0	1	13
	2023	13	2	0	0	0	0	15
	2024	15	1	0	0	0	0	16
Mississippi	2022	26	0	0	0	0	0	26
	2023	26	0	0	0	0	2	24
	2024	24	1	0	0	0	1	24
Missouri	2022	45	2	0	0	0	2	45
	2023	45	6	0	0	0	1	50
	2024	50	1	0	0	0	0	51
Nebraska	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Nevada	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
New Hampshire	2024	1	0	0	0	0	0	1
New Jersey	2022	20	2	1	0	0	0	21
	2023	21	2	0	0	0	2	21
	2024	21	2	0	0	0	4	19
New Mexico	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New York	2022	8	4	0	0	0	0	12
	2023	12	5	0	0	0	0	17
	2024	17	1	0	0	0	0	18
North Carolina	2022	49	1	0	0	0	1	49
	2023	49	0	0	0	0	0	49
	2024	49	2	0	0	0	3	48
Ohio	2022	29	3	0	0	0	1	31

	2023	31	4	0	0	0	1	34
	2024	34	2	0	0	0	1	35
<b>Oklahoma</b>	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	2	0	0	0	0	7
<b>Pennsylvania</b>	2022	11	4	0	0	0	0	15
	2023	15	1	0	0	0	1	15
	2024	15	1	0	0	0	0	16

<b>South Carolina</b>	2022	20	2	0	0	0	0	22
	2023	22	3	0	0	0	0	25
	2024	25	0	0	0	0	2	23
<b>South Dakota</b>	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
<b>Tennessee</b>	2022	36	2	0	0	0	1	38
	2023	38	2	0	0	0	0	40
	2024	40	3	0	0	0	0	43
<b>Texas</b>	2022	233	18	0	0	0	5	246
	2023	246	20	3	0	0	4	259
	2024	259	20	6	0	0	6	267
<b>Virginia</b>	2022	11	2	0	0	0	1	12
	2023	12	0	0	0	1	2	9
	2024	9	0	0	0	0	0	9
<b>West Virginia</b>	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
<b>Wisconsin</b>	2022	2	1	0	0	0	1	2
	2023	2	1	0	0	0	0	3
	2024	3	1	0	0	0	0	4
<b>TOTAL</b>	2022	995	76	3	0	0	20	1048
	2023	1048	80	4	0	4	27	1093
	2024	1094	85	6	0	1	24	1149

(1) 2022 numbers are as of December 26<sup>th</sup>, 2023 numbers are as of December 25<sup>th</sup>, and 2024 numbers are as of December 30<sup>th</sup>.

(2) The total number of Businesses operating at year end includes Non-Traditional locations ("NT's"). There were 48 NT locations operating in 2022, 47 NT locations operating in 2023 and 44 locations operating in 2024.

(3) For 2024, four (4) Units in Florida and one (1) Unit in Louisiana listed under "Units Opened" are Units that had been Company Affiliate-Owned Units and were sold to existing Smoothie King® franchisees during 2024.

**TABLE NUMBER 4**  
**Status of Company Affiliate-Owned Units**  
**For Years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Units at the Start of the Year</b>	<b>Units Opened</b>	<b>Units Reacquired From Franchisees</b>	<b>Units Closed</b>	<b>Units Sold to Franchisees</b>	<b>Units at the End of the Year</b>
<b>District of Columbia</b>	2022	3	0	0	0	0	3
	2023	3	0	0	0	0	3
	2024	3	1	0	1	0	3



State	Year	Units at the Start of the Year	Units Opened	Units Reacquired From Franchisees	Units Closed	Units Sold to Franchisees	Units at the End of the Year
Florida	2022	13	0	0	0	0	13
	2023	13	0	0	0	0	13
	2024	13	0	0	1	4	8
Kansas	2022	4	1	0	0	0	5
	2023	5	0	0	0	0	5
	2024	5	1	0	0	0	6
Louisiana	2022	4	0	0	0	0	4
	2023	4	0	0	0	0	4
	2024	4	0	0	0	1	3

Tennessee	2022	11	0	0	2	0	9
	2023	9	0	0	0	0	9
	2024	9	0	0	1	0	8
Texas	2022	20	0	0	0	0	20
	2023	20	0	0	0	0	20
	2024	20	1	0	1	0	19
Virginia	2022	1	0	0	0	0	1
	2023	1	1	1	0	0	3
	2024	3	0	0	1	0	2
TOTAL	2022	56	1	0	2	0	55
	2023	55	1	4	1	0	59
	2024	59	3	0	5	5	52

**TABLE NUMBER 5**

**Projected Openings  
As of December 30, 2024**

State	Franchise Agreements Signed But Unit Not Opened	Projected New Franchised Units in the Next Fiscal Year	Projected New Company Affiliate-Owned Units in the Current Fiscal Year
Alabama	6	4	0
Arizona	3	1	0
Arkansas	2	1	0
California	0	0	0
Colorado	6	4	0
Connecticut	0	0	0
Delaware	1	1	0
District of Columbia	0	0	0
Florida	29	8	0
Georgia	23	8	0

State	Franchise Agreements Signed But Unit Not Opened	Projected New Franchised Units in the Next Fiscal Year	Projected New Company Affiliate-Owned Units in the Current Fiscal Year
Illinois	15	5	0
Indiana	19	11	0
Iowa	1	0	0
Kansas	1	1	0
Kentucky	5	1	0
Louisiana	7	3	0
Maryland	4	1	0
Massachusetts	3	1	0
Michigan	4	1	0
Minnesota	2	1	0
Mississippi	2	1	0
Missouri	5	1	0
Nebraska	1	1	0
Nevada	4	4	0
New Hampshire	0	0	0
New Jersey	4	2	0
New Mexico	0	0	0
New York	6	3	0
North Carolina	6	1	0
Ohio	10	5	0
Oklahoma	0	0	0
Pennsylvania	2	0	0
South Carolina	3	3	0
South Dakota	0	0	0
Tennessee	9	4	0
Texas	54	24	3
Utah	1	0	0
Virginia	2	0	0
West Virginia	0	0	0
Wisconsin	1	1	0
<b>TOTAL</b>	241	102	3

The names, addresses and telephone numbers of all Smoothie King® franchisees as of December 30, 2024, are attached to this disclosure document as Exhibit A. In addition, you will find in Exhibit B the names, city, state and business telephone numbers (or, if unknown, home telephone number) of each Smoothie King® franchisee or developer whose franchise or development agreement has, between December 25, 2023, and December 30, 2024, been terminated, cancelled, not renewed, or who has, during the same time period, otherwise voluntarily or involuntarily ceased to do business, or who has not communicated with us within 10 weeks of the date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, some franchisees have signed confidentiality agreements with Smoothie King. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Smoothie King System. You may wish to speak with current and former franchisees but be aware that not all franchisees will be able to communicate with you.

As described in Item 11, we have a Franchise Advisory Council.

## **Item 21**

### **FINANCIAL STATEMENTS**

Smoothie King's audited financial statements for the period ending December 30, 2024, December 25, 2023, and December 26, 2022, are attached to this disclosure document as Exhibit C, together with the related auditors' report.

## **Item 22**

### **CONTRACTS**

The following agreements are attached as exhibits to this disclosure document.

Exhibit D	Form of Franchise Agreement
	Attachment A: Protected Territory
	Attachment B: Commencement Date
	Attachment C: Automatic Bank Draft
	Attachment D: Guaranty Agreement
	Attachment E: Gift Card Participation Agreement
	Attachment F: Lease Rider
Exhibit E	Franchise Agreement Addendum—Non-Traditional Location
Exhibit F	Area Development Agreement
Exhibit H	Form Release of Claims
Exhibit I	State Specific Addenda

## **Item 23**

### **RECEIPTS**

Two copies of an acknowledgment of your receipt of this disclosure document are included at the end of this disclosure document (Exhibit K). You should keep one copy as your file copy and return the second to us.

**EXHIBIT A**

**LIST OF**  
**SMOOTHIE KING FRANCHISEES**

Owner First Name	Owner Last Name	Street Address	City	State / Province	Zip	Center Phone
Landon	Grantland	1260 US Highway 72 E, Suite 1	Athens	Alabama	35611	(256) 206-8226
Christopher	Moore	1499 S. College St.	Auburn	Alabama	36830	(334) 887-1882
Layton	Huskey	2311 Bent Creek Rd., Suite 100	Auburn	Alabama	36830	(334) 209-6540
Ankit	Patel	707 Richard Arrington Blvd S, Suite 105	Birmingham	Alabama	35233	(205) 502-2639
Ankit	Patel	1926 28th Ave. South	Birmingham	Alabama	35209	(205) 703-8876
Shannah	Stamm	28841 US Highway 98	Daphne	Alabama	36526	(251) 626-5464
Brandi	Ackerman	9475 Hwy 90 Suite A	Daphne	Alabama	36526	(251) 802-5060
Chris	Brenan	1368 Westgate Parkway	Dothan	Alabama	36303	(334) 479-0009
Chris	Brenan	103 Apple Ave., Suite 3	Dothan	Alabama	36305	(334) 446-5684
Shannah	Stamm	199 Baldwin Square Ste 101	Fairhope	Alabama	36532	(251) 929-3804
Benjamin	Hurst	1754 S McKenzie Street	Foley	Alabama	36535	(251) 970-1233
Ankit	Patel	420 Greensprings Hwy	Homewood	Alabama	35209	(205) 945-7775
Ankit	Patel	2000 RiverChase Galleria	Hoover	Alabama	35244	(205) 444-4798
Ankit	Patel	1539 Montgomery Hwy - Suite 113	Hoover	Alabama	35216	(205) 761-1001
Craig	Fiddler	6290 University Drive	Huntsville	Alabama	35806	(256) 217-1933
Craig	Fiddler	8000 Madison Blvd. Suite 108D	Madison	Alabama	35758	(256) 325-3422
Ed	Fusaiotti	310-B S. University Blvd.	Mobile	Alabama	36609	(251) 341-0605
Ed	Fusaiotti	2029 Airport Blvd, Suite D	Mobile	Alabama	36606	(251) 479-5464
Alex	Bowen	3057 Dauphin St	Mobile	Alabama	36606	(251) 287-2023
Brandi	Ackerman	2370 Hillcrest Road, Suite A	Mobile	Alabama	36695	(251) 378-8529
Brandi	Ackerman	720 Schillinger Road S	Mobile	Alabama	36695	(251) 633-9033
Essence	Phenix	7026 East Chase Pkwy	Montgomery	Alabama	36117	(334) 356-5621
Benjamin	Hurst	24824 Canal Road	Orange Beach	Alabama	36561	(251) 223-4892
John	Clancy	108 Spring Branch Dr	Oxford	Alabama	36203	(256) 403-6707
Roderick	Broughton	1097 Industrial Pkwy	Saraland	Alabama	36571	(251) 675-9003
Ankit	Patel	442 Main Street - Suite 109	Trussville	Alabama	35173	(205) 508-3427
Blair	Fowler	6513 AL Hwv 69	Tuscaloosa	Alabama	35405	(205) 710-4157
Blair	Fowler	912 Veterans Memorial Pkwy	Tuscaloosa	Alabama	35404	(205) 764-9977
Ankit	Patel	3065 Healthy Way Suite 144	Vestavia	Alabama	35243	(205) 502-7752
Karen	Lowe	5482 S. Power Rd, Suite 102	Gilbert	Arizona	85295	(480) 716-0100
Anthony	Pitts	1940 S Val Vista Drive Suite 102	Mesa	Arizona	85204	(480) 307-8004

Bill	Colaianne	1815 S. Crimson Rd.	Mesa	Arizona	85209	(480) 361-0696
Nikhil	Chokshi	21001 N. Tatum Ste. 78-1600	Phoenix	Arizona	85050	(480) 502-7962
Robert Byron	Cooper	5549 E. Indian School Rd. Suite 101	Phoenix	Arizona	85018	(480) 859-6000
Robert Byron	Cooper	2833 North Central Ave	Phoenix	Arizona	85004	(602) 218-6655
Wayne	Carlson	20008 S. Ellsworth Rd #104	Queen Creek	Arizona	85142	(480) 550-7298
Bill	Colaianne	3820 W. River Rd.	Tucson	Arizona	85741	(520) 797-6547
Bill	Colaianne	5720 E. Broadway Blvd.	Tucson	Arizona	85711	(520) 372-2677
Bill	Colaianne	1070 E. Tucson Marketplace Blvd, Ste 100	Tucson	Arizona	85713	(520) 623-3576
Thuc	Tran	3410 SE J St. Suite #4	Bentonville	Arkansas	72712	(479) 268-6300
Thuc	Tran	637 E. Joyce Blvd, Suite 116	Fayetteville	Arkansas	72703	(479) 287-4040
Bradley	Walker	2215A East Highland Drive	Jonesboro	Arkansas	72401	(870) 333-1498
Bradley	Walker	13924 Cantrell Rd	Little Rock	Arkansas	72223	(501) 420-1096
Thuc	Tran	2090 W. Pleasant Grove Road	Rogers	Arkansas	72758	(479) 633-8992
Thuc	Tran	237 W SUNSET AVE	Springdale	Arkansas	72762	(479) 231-3763
Randolph	Robinson	22651 E Aurora Pkwy Unit A7	Aurora	Colorado	80016	(303) 736-8780
Jeremi	Turner	2225 Prairie Center Pkwy Ste B	Brighton	Colorado	80601	(303) 862-7339
Chelsea	Graham	1341 New Beale St. Unit 130	Castle Rock	Colorado	80108	(720) 592-1970
Thomas M.	Holgate Sr.	15735 E Arapahoe Road - Suite 3	Centennial	Colorado	80016	(720) 638-8274
Thomas M.	Holgate Sr.	11280 S Twenty Mile Rd Suite #106	Colorado	Colorado	80134	(303) 284-5962
Consenida	Anderson	1801 E Cheyenne Mountain	Colorado Springs	Colorado	80906	(719) 226-5028
Consenida	Anderson	5607 Barnes road, Suite 140	Colorado Springs	Colorado	80917	(719) 203-6650
Consenida	Anderson	1358 Interquest Parkway, Suite 170	Colorado Springs	Colorado	80921	(719) 505-7025
Brayan	Sarmiento Mejia	6210 Leetsdale Dr	Denver	Colorado	80246	(303) 997-6902
Joshua	Martin	9165 Northfield Blvd. Suite 125	Denver	Colorado	80238	(720) 441-0020
Rob	Holubar	1729 South College Ave	Fort Collins	Colorado	80525	(970) 682-2383
Rob	Holubar	2860 E. Harmony Rd.	Fort Collins	Colorado	80528	(970) 797-2107
Consenida	Anderson	6875 Mesa Ridge Pkwy	Fountain	Colorado	80817	(719) 309-6509
Brayan	Sarmiento Mejia	1154 S Colorado Blvd	Glendale	Colorado	80246	(720) 749-3139
Chelsea	Graham	1100 Sgt. Jon Stiles Drive, Suite 101	Highlands Ranch	Colorado	80129	(720) 379-3073
Manuel	Aguilar	1020 Ken Pratt Blvd, Suite D	Longmont	Colorado	80501	(720) 680-0105
Stephen	Wyatt	14452 Orchard Pkwy, Suite 100	Westminster	Colorado	80023	(720) 872-3089
Kevin	Glazier	847 West Main St	Branford	Connecticut	06405	(203) 208-4098

Neel	Patel	3117 A. Berlin Turnpike	Newington	Connecticut	06111	(860) 785-8260
Kevin	Glazier	894 North Colony Road	Wallingford	Connecticut	06492	(203) 265-2586
Kevin	Glazier	106 Boston Post Rd	Waterford	Connecticut	06385	(860) 574-9382
Krushhi	Patel	143 Grove Lane	Newark	Delaware	19711	(302) 318-6779
Chaitesh	Sheth	2651 Pulaski Hwy	Newark	Delaware	19702	(302) 294-6550
Taesoo	Lee	1300 Pennsylvania Ave.	Washington	District of Columbia	20004	(202) 216-0699
Thomas	Hughes	703 7th Street NW	Washington	District of Columbia	20001	(202) 525-5721
Nina	Michael	2350 Washington Place, Suite 109N, NE	Washington	District of Columbia	20018	(202) 847-0776
Nina	Michael	77 H STREET NW Ste C	Washington	District of Columbia	20001	(202) 450-1775
Thaer	Maswadi	3309 E. Semoran Blvd - Suite 1007	Apopka	Florida	32703	(407) 951-5090
Doug	Livingings	1313 W. Boynton Beach Blvd. R7	Boynton Beach	Florida	33426	(561) 810-5748
Lorraine	Pater	3543 53rd Ave. W.	Bradenton	Florida	34210	(941) 758-1000
Christopher	Thomas	11161 E State Road 70	Bradenton	Florida	34202	(941) 727-9242
Lorraine	Pater	3816 Manatee Ave. W	Bradenton	Florida	34209	(941) 747-5464
Lorraine	Pater	5426 Lockwood Ridge Rd.	Bradenton	Florida	34203	(941) 896-4491
Omar	Mansour	2020 W. Brandon Blvd	Brandon	Florida	33511	(813) 654-5222
Fausto	Faraldo	1806 Del Prado Blvd	Cape Coral	Florida	33990	(239) 673-8164
Ravi	Murjani	2532 State Road 580	Clearwater	Florida	33761	(727) 799-5464
John	Clancy	2612 US Hwy 27, Suite 900	Clermont	Florida	34711	(352) 989-5501
Naveed	Dossani	8783 Stirling Road	Cooper City	Florida	33328	(954) 908-5756
Shawna	Norris	1280 Stanford Dr.	Coral Gables	Florida	33146	(305) 284-6258
Naveed	Dossani	2562 N. University Dr.	Coral Springs	Florida	33065	(954) 906-8559
Naveed	Dossani	6225 West Sample Road	Coral Springs	Florida	33067	(954) 688-9359
Chris	Brenan	2221 S. Ferdon Blvd	Crestview	Florida	32536	(850) 605-4500
Gisele	Dennis	6555 Nova Drive, #314	Davie	Florida	33317	(954) 236-8020
Naveed	Dossani	4424 Weston Road, Bay 424	Davie	Florida	33331	(754) 336-6500
Naveed	Dossani	3501 SW Davie Rd	Davie	Florida	33314	(954) 303-9853
Kris	Risch	1808 W Int'l Speedway Blvd, Ste 701	Daytona Beach	Florida	32114	(386) 253-1004
Neslihan	Paydas	3632 W. Hillsboro Blvd.	Deerfield Beach	Florida	33442	(954) 531-0453
Doug	Livingings	792 S. Federal Hwy	Deerfield Beach	Florida	33441	(954) 637-4864
Mark	Chaet	2441 S. Woodland Blvd., Suite 107	Deland	Florida	32720	(386) 873-4013
Richard	Hart	1255 Airport Rd.	Destin	Florida	32541	(850) 654-7114

Tony	De La Maza	9690 NW 41st St	Doral	Florida	33178	(305) 406-3710
Tony	De La Maza	7850 NW 25th Street	Doral	Florida	33122	(305) 597-6407
Jason	Luther	550 DURBIN PAVILION DRIVE, SUITE G107	Durbin Park	Florida	32259	(904) 342-5346
Jason	Luther	1581 county road 220 ste 130	Fleming Island	Florida	32003	(904) 375-0898
Nasser	Naura	4464 Fowler Street	Fort Myers	Florida	33907	(239) 275-6749
Nasser	Naura	8595 College Pkwy	Fort Myers	Florida	33919	(239) 466-1368
Maanas	Bhatt	3321 SW Archer Rd., Suite 20	Gainesville	Florida	32608	(352) 505-5454
Maanas	Bhatt	2231 NW 13th Street Ste 30	Gainesville	Florida	32609	(352) 505-6765
Carl	Hoover	1600 SW Archer Rd	Gainesville	Florida	32610-3003	(352) 379-5580
Naveed	Dossani	3899 Jog Road	Greenacres	Florida	33467	(561) 508-2537
Tony	De La Maza	681 W. 49th Street	Hialeah	Florida	33012	(305) 822-2836
Rafael	Leyva	3334 NE 7th Street	Homestead	Florida	33033	(786) 404-3588
Jason	Luther	1661 Riverside Avenue	Jacksonville	Florida	32204	(904) 354-5145
Jason	Luther	13770 Beach Blvd.	Jacksonville	Florida	32224	(904) 821-1771
Jason	Luther	4624 Town Crossing Dr. Suite 119	Jacksonville	Florida	32246	(904) 996-2889
Jason	Luther	9901 San Jose Blvd	Jacksonville	Florida	32202	(904) 292-4469
Jason	Luther	13457 Atlantic Blvd. Suite 1	Jacksonville	Florida	32225	(904) 221-1299
Sean	Biggs	790 Skymarks Drive	Jacksonville	Florida	32218	(904) 527-8329
Jason	Luther	6025 Butler Point Road, Suite 105	Jacksonville	Florida	32256	(904) 374-5482
Jason	Luther	1020 S. Third St.	Jacksonville Beach	Florida	32250	(904) 246-6336
John	Clancy	3639 N.W. Federal Hwy	Jensen Beach	Florida	34957	(772) 692-9045
Heather	Hill	4652 W US Hwy 90	Lake City	Florida	32024	(386) 243-8078
John	Clancy	14009 Narcoossee Rd	Lake Nona	Florida	32832	(407) 930-1766
John	Hutto	3423 S. Florida Ave.	Lakeland	Florida	33803	(863) 647-9602
Christopher	Thomas	10801 Starkey Road #23	Largo	Florida	33777	(727) 954-6857
Naveed	Dossani	7850 West Commercial Blvd.	Lauderhill	Florida	33351	(954) 314-7530
Tammy	Peavy	1408 N. Dale Mabry Hwy Ste. 114	Lutz	Florida	33548	(813) 949-9627
Richard	Hart	330 Mary Ester Blvd., Suite C	Mary Esther	Florida	32569	(850) 374-8487
Damaris	Pearah	2447 N. Wickham Rd. Suite 142	Melbourne	Florida	32935	(321) 242-7555
Keshav	Patel	6637 S. Dixie Hwy.	Miami	Florida	33143	(305) 640-8425
Naveed	Dossani	14473 S. Dixie Hwy	Miami	Florida	33176	(305) 378-4843



Tony	De La Maza	12520 SW 88th ST	Miami	Florida	33186	(305) 598-7004
Errol	Arzola	14200 S.W. 8th Street Unit 102	Miami	Florida	33184	(305) 223-2632
Alzur (Joel)	Valdes	13730 SW 56th Street	Miami	Florida	33175	(305) 388-1111
Keshav	Patel	10701 SW 72nd St	Miami	Florida	33176	(305) 456-6980
Fausto	Faraldo	1557 SW 107th Ave	Miami	Florida	33174	(305) 221-5152
Tony	De La Maza	16327 SW 88th Street	Miami	Florida	33196	(305) 386-1017
John	Clancy	18355 NW 57TH AVE	Miami	Florida	33055	(305) 621-2000
Tony	De La Maza	11399 South Dixie Hwy	Miami	Florida	33156	(305) 234-3447
Fausto	Faraldo	9231 West Flagler Street	Miami	Florida	33174	(305) 221-5154
Lissage	Monbrun	19817 NW 2nd Ave	Miami Gardens	Florida	33169	(305) 974-5579
Fausto	Faraldo	15366 N. W. 79 Ct	Miami Lakes	Florida	33016	(954) 980-2376
Anthony	Tome	12503 Miramar Parkway	Miramar	Florida	33027	(954) 251-2699
Troy	Gleason	130 Scenic Gulf Drive, Suite 1	Miramar Beach	Florida	32550	(850) 837-1456
Rafael	Garcia	19810 Village Center Drive, Ste 160A	Miromar Lakes	Florida	33913	(239) 800-4903
Rafael	Garcia	1514 Immokalee Rd., Suite 108	Naples	Florida	34110-1454	(239) 631-8040
Richard	Hart	8187 Navarre Pkwy	Navarre	Florida	32566	850-710-7144
Troy	Gleason	1098 John Sims Parkway	Niceville	Florida	32578	(850) 279-6655
Daniel	Iannettone	974 North Miami Beach Blvd	North Miami Beach	Florida	33162	(305) 705-3360
Justin	Specht	2708 SW College Road	Ocala	Florida	34474	(352) 624-4001
John	Clancy	10945 W Colonial Drive	Ocoee	Florida	34761	(407) 573-2460
Ravi	Murjani	16224 State Road 54	Odessa	Florida	33556	(813) 926-5464
Rishil	Patel	661 Blanding Blvd Ste 504	Orange Park	Florida	32073	904-375-0102
Omar	Mansour	12140 Collegiate Way, #100	Orlando	Florida	32817	(407) 381-2900
Adam	Lichter	UCF, Student Union, Pegasus Circle	Orlando	Florida	32816	(407) 882-0201
Adam	Lichter	4000 Central Florida Blvd. (UCF Campus)	Orlando	Florida	32816	(407) 882-0202
Frank	Ballero	4952 Hwy 90	Pace	Florida	32571	(850) 781-1100
John	Clancy	5615 State Hwy 100 E., Unit 200	Palm Coast	Florida	32164	(386) 313-6513
Vimal	Talati	801 Pier Park Drive Suite 120	Panama City Beach	Florida	32413	(850) 234-3124
Anthony	Tome	15819 Pines Blvd	Pembroke Pines	Florida	33027	(954) 342-9143
Danny	Johnson	1630 Airport Blvd., #220	Pensacola	Florida	32504	(850) 473-8888
Danny	Johnson	1791 E. Nine Mile Rd	Pensacola	Florida	32514	(850) 465-3866
Christopher	Thomas	5031 Park Rd	Pinellas Park	Florida	33781	(727) 289-6213

Michael	Derrick	234 W. Alexander Street - Unit #101	Plant City	Florida	33563	(813) 590-1217
Gisele	Dennis	3 North State Road 7	Plantation	Florida	33317	(954) 584-5161
Naveed	Dossani	815 N. Nob Hill Rd.	Plantation	Florida	33324	(954) 577-0944
Naveed	Dossani	11925 Southern Blvd	Royal Palm Beach	Florida	33411	(561) 355-0692
Mark	Chaet	1629 Rinehart Road	Sanford	Florida	32771	(321) 363-1053
Lorraine	Pater	3800 S. Tamiami Trail	Sarasota	Florida	34239	(941) 955-9100
Christopher	Thomas	8442 Lockwood Ridge Road	Sarasota	Florida	34243	(941) 351-9242
Terry	Pridemore	6322 S. Tamiami Trail	Sarasota	Florida	34231	(941) 217-5511
Timothy	Lea	5816 Bee Ridge Rd	Sarasota	Florida	34233	(941) 210-3361
Lorraine	Pater	5325 Fruitville Rd.	Sarasota	Florida	34232	(941) 341-9154
John	Clancy	7180 University Parkway, Unit 108	Sarasota	Florida	34240	(941) 355-9695
David	Thompson	11290 Park Blvd	Seminole	Florida	33772	(727) 202-8116
Ravi	Murjani	2097 Mariner Blvd	Spring Hill	Florida	34609	(352) 725-5464
Kris	Risch	1835 U.S.-1 South, Suite 113	St. Augustine	Florida	32086	(904) 825-6770
David	Thompson	1474 66th. St. North	St. Petersburg	Florida	33710	(727) 345-3500
Christopher	Thomas	1335 4th Street N.	St. Petersburg	Florida	33701	(727) 803-6841
Christopher	Thomas	10334 Roosevelt Blvd. N	St. Petersburg	Florida	33716	(727) 217-9222
Mudassar	Ismail	12558 W. Sunrise Blvd	Sunrise	Florida	33323	(754) 219-1100
Clay	Koenig	1603 West Tennessee Street	Tallahassee	Florida	32304	(850) 597-9780
Clay	Koenig	2320 Capital Circle NE Bldng 200 ste 201	Tallahassee	Florida	32308	(850) 391-1122
Clay	Koenig	2530 N. Monroe Street	Tallahassee	Florida	32303	(850) 354-8292
Naveed	Dossani	4265 W. Commercial Blvd.	Tamarac	Florida	33319	(954) 835-5807
Bryan	Cavey	15788 N. Dale Mabry Hwy.	Tampa	Florida	33618	(813) 963-5581
Justin	Clark	2205 W. Swann Avenue	Tampa	Florida	33606	(813) 250-3888
Brad	Matherne	4424 W. Kennedy Ave.	Tampa	Florida	33609	(813) 341-6659
Jennifer	Eckel	7873 Gunn Highway	Tampa	Florida	33626	(813) 926-0700
Christopher	Thomas	3694 Gandy Blvd	Tampa	Florida	33611	(813) 831-0103
Austin	Craven	17501 Preserve Walk Lane	Tampa	Florida	33647	(813) 979-1000
Ravi	Murjani	40545 US Hwy 19 North Suite F	Tarpon Springs	Florida	34689	(727) 938-5464
Austin	Craven	5207 E. Fowler Ave.	Temple Terrace	Florida	33617	(813) 985-3888
Brandon	Baldwin	10720 SR54	Trinity	Florida	34655	(727) 372-1432
Shane	Burden	3429 Lithia Pinecrest Road	Valrico	Florida	33596	(813) 438-5069

Terry	Pridemore	1554 US 41 Bypass S	Venice	Florida	34293	(941) 492-3225
Anand	Patel	1029 Bruce B Downs Boulevard	Wesley Chapel	Florida	33544-9257	(813) 994-9606
Andre	Williamson	463725 State Road 200, Suite 2	Yulee	Florida	32097	(904) 605-4500
Viet	Le	2280 Houze Road	Alpharetta	Georgia	30004	(678) 694-8166
Viet	Le	5530 Windward Parkway, Suite 320	Alpharetta	Georgia	30004	(770) 663-8900
Darshit	Thakker	3450 Old Milton Parkway	Alpharetta	Georgia	30005	(678) 297-7555
Nathan	Sonke	1591 South Lumpkin St.	Athens	Georgia	30605	(706) 613-2600
Furkan	Karabekmez	1270 West Paces Ferry Road NW	Atlanta	Georgia	30324	(404) 495-3600
Furkan	Karabekmez	3330 Piedmont Rd NE 23B	Atlanta	Georgia	30305	(404) 855-5065
Christopher	Lund	1572 Piedmont Ave. NE	Atlanta	Georgia	30324	(404) 685-3520
Christopher	Lund	2068 Hendersen Mill Road	Atlanta	Georgia	30345	(404) 343-4639
Christopher	Lund	60 Luckie, Suite 136	Atlanta	Georgia	30303	(404) 223-0770
Furkan	Karabekmez	2022 Powers Ferry Road	Atlanta	Georgia	30339	(678) 503-8812
Carla	Desormot-Saintil	1000 Northside Dr. NW	Atlanta	Georgia	30318	(404) 228-7230
Shelton	Cook	1221 Caroline Street, Suite 120	Atlanta	Georgia	30307	(404) 581-9181
Ron	Anglin	2484 Briarcliff Rd Suite 40	Atlanta	Georgia	30329	(404) 228-0624
Philip	Jones	6175 Old National Hwy, Suite 410	Atlanta	Georgia	30349	(678) 489-5643
Phalon	Clowers	3680 Cascade Road SW, Suite A1	Atlanta	Georgia	30331	(678) 705-2213
Michelle	Booker	4400 Ashford Dunwoody Rd, Space 2355	Atlanta	Georgia	30346	(770) 280-0187
Santonio	Gleaton	3489 Chamblee Tucker Road - Suite D	Atlanta	Georgia	30341	(470) 359-6242
Ankit	Patel	566 Ponce de Leon Ave Suite 400	Atlanta	Georgia	30308	(404) 549-9401
Philip	Jones	State Farm Arena, One State Farm Drive	Atlanta	Georgia	30303	N/A
Christopher	Lund	3912 Buford Highway	Atlanta	Georgia	30329	(404) 636-9317
Kevin	Suh	1145 Agerton Lane	Augusta	Georgia	30909	(706) 736-3687
Antwon	Wade	814 Cabela Drive - Suite 104	Augusta	Georgia	30909	(706) 869-3296
Ankitkumar	Patel	2480 East-West Connector	Austell	Georgia	30106	(770) 439-5464
Joseph	Brumbelow	770 Hwy 96	Bonaire	Georgia	31005	(478) 287-6263
Benjamin	Mathews	10 Altama Village Dr.	Brunswick	Georgia	31525	(912) 342-7275
Viet	Le	3276 Buford Hwy., Suite 102	Buford	Georgia	30519	(770) 271-8006
Viet	Le	2590 Hamilton Mill Road	Buford	Georgia	30519	(470) 238-3326
Philip	Jones	6124 Hickory Flat Hwy	Canton	Georgia	30115	(770) 213-4053
Nikhil	Patel	1670 South US Hwy. 27, Suite 100	Carrollton	Georgia	30117	(678) 664-1274

Anilkumar	Patel	409 E Main Street	Cartersville	Georgia	30121	(470) 315-4265
James	Farmer	5513 Peachtree Blvd.	Chamblee	Georgia	30341	(770) 559-9648
Greg	Thomas	5555 Whittlesey Blvd., Suite 1180	Columbus	Georgia	31909	(706) 494-8770
Greg	Thomas	3025 Macon Road	Columbus	Georgia	31906	(404) 299-9978
Greg	Thomas	1625 Manchester Expressway	Columbus	Georgia	31904	(706) 221-3021
Michelle	Booker	2239 GA. Highway 20	Conyers	Georgia	30013	(770) 761-5855
Shelton	Cook	4131 Hwy 278	Covington	Georgia	30014	(770) 728-1464
Viet	Le	405 Peachtree Pkwy	Cumming	Georgia	30041	(770) 205-0991
Viet	Le	1175 Buford Hwy Ste. 200	Cumming	Georgia	30041	(470) 239-8542
Viet	Le	837 Hwy 400, Suite 110	Dawsonville	Georgia	30534	(706) 203-1119
Ron	Anglin	4920 Flat Shoals Parkway	Decatur	Georgia	30034	(770) 322-8771
Philip	Jones	2555 Wesley Chapel Rd	Decatur	Georgia	30035	(404) 963-2184
Ankit	Patel	1496 Church Street - Suite D	Decatur	Georgia	30030	(470) 851-1844
Nikhil	Patel	9488 Highway 5	Douglasville	Georgia	30135	(678) 426-7066
Furkan	Karabekmez	1630 Pleasant Hill	Duluth	Georgia	30096	(770) 935-8500
Margaret	Adams	6575 Sugarloaf Parkway, Suite 405	Duluth	Georgia	30097	(678) 373-1663
Greg	Thomas	5561 Chamblee Dunwoody Road	Dunwoody	Georgia	30338	(770) 698-0999
Phalon	Clowers	3515 Camp Creek Pkwy	East Point	Georgia	30344	(404) 349-1000
Kilsoo	Suh	3002 Allen Drive	Evans	Georgia	30809	(706) 288-2133
Cody	Pope	4237-2 Washington Rd.	Evans	Georgia	30809	(706) 349-0050
Felicia	Elibert	185 New Hope Rd.	Fayetteville	Georgia	30214	(770) 460-0866
Himanshu	Patel	886 Battlefield Pkwy	Fort Oglethorpe	Georgia	30742	(706) 419-8586
Furkan	Karabekmez	890 Dawsonville Hwy., Suite E	Gainesville	Georgia	30501	(770) 532-9100
Rodney	Myers	4986 Steiner Way, Suite 3	Grovetown	Georgia	30813	(706) 869-5858
Patsy	Jones	11274 Tara Blvd - Suite 120	Hampton	Georgia	30228	(770) 629-4082
Philip	Jones	876 Virginia Ave	Hapeville	Georgia	30354	(404) 763-0690
Nikhil	Patel	5077 Jimmy Lee Smith Pkwy	Hiram	Georgia	30141	(678) 540-3534
Phalon	Clowers	8465 Holcomb Bridge Road, Suite 690	Johns Creek	Georgia	30022	(770) 733-1950
Melodee	Rhodes	8101 Tara Blvd	Jonesboro	Georgia	30236	(470) 615-7837
Ankit	Patel	2615 George Busbee Pkwy.	Kennesaw	Georgia	30144	(770) 528-6050
Ankit	Patel	1550 Crater Lake Dr. Suite 120	Kennesaw	Georgia	30152	(678) 529-6819
Ankit	Patel	3103 Cobb Parkway NW, Suite 119	Kennesaw	Georgia	30152	(770) 627-2427

Robert L.	Moore, Jr.	1510 Lafayette Parkway, Suite A3	LaGrange	Georgia	30241	(706) 416-2077
Greg	Thomas	3375 Sugarloaf Pkwy, Suite 106	Lawrenceville	Georgia	30044	(770) 885-8069
Melodee	Rhodes	900 Duluth Hwy STE 800	Lawrenceville	Georgia	30043	(770) 685-1933
Ron	Anglin	4747 Stone Mountain Hwy	Lilburn	Georgia	30047	(770) 736-9334
Furkan	Karabekmez	639 Thornton Rd., #101	Lithia Springs	Georgia	30122	(678) 426-8250
Ron	Anglin	3054 Panola Road	Lithonia	Georgia	30038	(678) 518-8400
Tawana	McGhee	8200 Mall Parkway - Suite 225	Lithonia	Georgia	30038	(678) 526-8100
Roman	Rodriguez	4799 Atlanta Hwy, Ste 540	Loganville	Georgia	30052	(770) 466-6217
Ron	Anglin	2735 Loganville Hwy	Loganville	Georgia	30052	(678) 226-2569
Robert L.	Moore, Jr.	1025 Veterans Memorial Hwy SE, Bldg 710	Mableton	Georgia	30126	(678) 742-8816
Shelton	Cook	4875 Floyd Rd., Suite 303	Mableton	Georgia	30126	(678) 653-8647
Joseph	Brumbelow	600 New St. Suite B	Macon	Georgia	31201	(478) 812-8898
Ankit	Patel	5080 Riverside Drive, Suite 332	Macon	Georgia	31210	(478) 474-0408
Ankit	Patel	2525 Shallowford Rd. #600	Marietta	Georgia	30066	(678) 445-1287
Ankit	Patel	1271 Johnson Ferry Rd	Marietta	Georgia	30068	(770) 485-8851
Ankit	Patel	280 Cobb Parkway S, Suite C	Marietta	Georgia	30060	(678) 310-0895
Nikhil	Patel	1721 Powder Springs Road	Marietta	Georgia	30064	(678) 540-3090
Patsy	Jones	1415 Hwy 20 W	McDonough	Georgia	30253	(678) 782-5300
Patsy	Jones	2009 Jonesboro Rd	McDonough	Georgia	30253	(678) 814-4066
Joseph	Brumbelow	119 N. Wayne Street, Suite D	Milledgeville	Georgia	31061	(478) 295-1234
Melanie	Render	1986 W Spring Street - Unit A11	Monroe	Georgia	30655	(678) 635-7288
Antonio	Ray	6681 Jonesboro Rd.	Morrow	Georgia	30260	(770) 961-7944
Robert L.	Moore, Jr.	85 Marketplace Dr. Suite A	Newnan	Georgia	30265	(470) 414-1699
Robert L.	Moore, Jr.	311 Bullsboro Dr	Newnan	Georgia	30263	(770) 755-6293
Darran	Johnson	1740 Indian Trail Road Suite 100	Norcross	Georgia	30093	(770) 806-0266
Furkan	Karabekmez	3219 Holcomb Bridge Rd.	Peachtree Corners	Georgia	30092	(770) 696-4420
Robert L.	Moore, Jr.	2707 West Hwy. 54	Peachtree City	Georgia	30269	(770) 487-7650
Bryant	Thorpe	155 Traders Way, Suite 200	Pooler	Georgia	31322	(912) 348-2950
Patsy	Jones	6513 Ga 85	Riverdale	Georgia	30274	(678) 489-6049
Jarrold	Johnson	832 Turner McCall Blvd	Rome	Georgia	30161	(706) 314-9471
Phalon	Clowers	1530 Old Alabama Road, Suite 180	Roswell	Georgia	30076	(470) 719-9907
Benjamin	Mathews	28 Market Street	Saint Simons Island	Georgia	31522	(912) 434-6444

Michelle	Booker	6309 Roswell Road, Suite IG	Sandy Springs	Georgia	30328	(404) 843-8191
Furkan	Karabekmez	8725 Roswell Road	Sandy Springs	Georgia	30350	(770) 587-9444
Bryant	Thorpe	8108 Abercorn St., Suite 130	Savannah	Georgia	31406	(912) 961-0634
Bryant	Thorpe	4827 B. Waters Ave	Savannah	Georgia	31405	(912) 354-3755
Mukesh	Korat	4317 Ogeechee Road Suite 104	Savannah	Georgia	31405	(912) 999-6526
Christopher	Lund	2930 South Cobb Dr	Smyrna	Georgia	30080	(678) 239-2150
Nikhil	Patel	4624 Camp Highland Road	Smyrna	Georgia	30082	(770) 726-7325
Greg	Thomas	2007 Scenic Highway	Snellville	Georgia	30078	(470) 395-6246
Emmett Lee	Barnes	357 Brampton Ave.	Statesboro	Georgia	30458	(912) 623-2399
Patsy	Jones	600 Eagles Landing Pkwy, Suite 634	Stockbridge	Georgia	30281	(678) 272-2820
Patsy	Jones	3525 HWY 138 SE	Stockbridge	Georgia	30281	(770) 703-6147
Umair	Ali	5965 Cumming Hwy - Suite 360	Sugar Hill	Georgia	30518	(470) 589-1180
Furkan	Karabekmez	3429 Lawrenceville Suwanee Road Ste. D	Suwanee	Georgia	30024	(470) 326-5567
Greg	Thomas	14949 US Highway 19 S, Suite A	Thomasville	Georgia	31792	(229) 236-2577
Anthony	Yartel	364 Mirror Lake Blvd - Suite 402	Villa Rica	Georgia	30180	(770) 783-9881
Joseph (Joey)	Brumbelow	4088 Watson Boulevard, Suite 100	Warner Robbins	Georgia	31093	(478) 333-1318
Jalaj	Mehta	372 Exchange Blvd	Winder	Georgia	30620	(770) 307-0040
Ankit	Patel	2045 Towne Lake Pkwy., #100	Woodstock	Georgia	30189	(678) 445-0092
Ankit	Patel	9040 Hwy 92, Ste 150	Woodstock	Georgia	30189	(678) 503-8391
Nathan	Davis	317 Homer Adam Parkway, Suite L	Alton	Illinois	62002	(618) 433-8322
Janette	Wiggs	660 Carlyle Ave.	Belleville	Illinois	62221	(618) 641-9028
Amit	Patel	1890 Crystal Parkway Ste 100	Belvidere	Illinois	61008	(815) 975-9407
Feras	Alausud	7170 Cermak Rd	Berwyn	Illinois	60402	(708) 637-4576
Brent	Fletcher	2205 East Oakland Ave.	Bloomington	Illinois	61701	(309) 662-0865
Brent	Fletcher	2109 N. Veterans Pkwy	Bloomington	Illinois	61704	(309) 585-2568
Amit	Patel	217 N. Weber Rd.	Bolingbrook	Illinois	60490	(630) 754-7474
Brian	Ziegler	1279 E. Main Street	Carbondale	Illinois	62901	(618) 549-0719
Krishna	Patel	1912a Round Barn Rd.	Champaign	Illinois	61821	(217) 351-0800
Krishna	Patel	1904 S. Neil Street, Suite 101	CHampaign	Illinois	61820	(217) 607-2627
Nina	Madonia	United Terminal 1 Gate B-6	Chicago	Illinois	60666	(773) 894-3546
Winderl	Stoudamire	3479 N. Broadway	Chicago	Illinois	60657	(773) 687-9543
Parth	Patel	678 West 14th Street	Chicago Heights	Illinois	60411	(708) 996-4855

Parth	Patel	9940 S. Ridgeland Ave.	Chicago Ridge	Illinois	60415	(708) 581-4191
Nathan	Davis	1104 Collinsville Crossing Blvd	Collinsville	Illinois	62234	(618) 855-8248
Parth	Patel	1701 North Larkin Ave - 800D	Crest Hill	Illinois	60403	(779) 206-2129
Parth	Patel	13200 Cicero Ave	Crestwood	Illinois	60418	(708) 925-0574
Amit	Patel	1015 W Lincoln Hwy	DeKalb	Illinois	60115	(815) 517-1595
Amit	Patel	1014 Ogden Ave.	Downers Grove	Illinois	60515	(630) 395-9380
Clint	Gilbert	426 Riverside Drive	East Peoria	Illinois	61611	(309) 694-6100
Nathan	Davis	1501 Troy Rd.	Edwardsville	Illinois	62025	(618) 692-5552
Krishna	Patel	1601 Ford Ave.	Effingham	Illinois	62401	(217) 342-3401
Iyas	Abuhasna	2847 W. 95th St.	Evergreen Park	Illinois	60805	(708) 907-3966
Christopher	Luebbers	6208 Route 159	Fairview Heights	Illinois	62208	(618) 726-7795
Umair	Nazir	339 E. Army Trail Road	Glendale Heights	Illinois	60139	(224) 353-6576
Janette	Wiggs	3401 Nameoki Rd	Granite City	Illinois	62040	(618) 501-1438
Vipul	Soni	7460 N. Barrington Rd.	Hanover Park	Illinois	60103	(630) 823-8067
Iyas	Abuhasna	17715 S Halsted St	Homewood	Illinois	60430	(708) 991-2652
Parth	Patel	2054 W Jefferson St	Joliet	Illinois	60435	(815) 714-2549
Vipul	Soni	16447 W. 159th St.	Lockport	Illinois	60441	(815) 524-4006
Amit	Patel	150 E Roosevelt Road	Lombard	Illinois	60148	(630) 317-7146
Brian	Ziegler	1001 Main St.	Marion	Illinois	62959	(618) 944-4550
Brian	Griffith	19200 S. LaGrange Rd, Suite B	Mokena	Illinois	60448	(708) 478-6724
Sonal	Patel	104 W. Rand Rd.	Mt. Prospect	Illinois	60056	(224) 735-2525
Amit	Patel	22 E. Chicago Ave, Suite 118	Naperville	Illinois	60540	(630) 946-6804
Amit	Patel	2728 W 75th St, Unit 120	Naperville	Illinois	60564	(630) 470-9249
Amit	Patel	643 E. Lincoln Highway	New Lenox	Illinois	60451	(815) 320-3662
Derek S.	Scott	1016 Lake St	Oak Park	Illinois	60301	(708) 972-1016
Christopher	Luebbers	1128 Merchants Way, Suite 300	O'Fallon	Illinois	62269	(618) 589-9112
Iyas	Abuhasna	15619 S La Grange Rd	Orland Park	Illinois	60462	(708) 966-2862
Vipul	Soni	1660 North Rand Road	Palatine	Illinois	60074	(847) 907-9050
Clint	Gilbert	5117 W. Holiday Drive	Peoria	Illinois	61615	13096431787
Parth	Patel	13511 S Route 59 Suite 105	Plainfield	Illinois	60544	(815) 556-8804
Yonas	Hagos	7060 Burroughs Ave - Suite A	Plano	Illinois	60545	(331) 808-4756
William	Duke	4435 Broadway	Quincy	Illinois	62305	(217) 214-5464

Joel	Peck	6274 E State St	Rockford	Illinois	61108	(815) 977-5302
Parth	Patel	910 Brook Forest Ave	Shorewood	Illinois	60404	(815) 267-6979
Jarryd	Loyd	3612 Touhy Ave	Skokie	Illinois	60076	(224) 251-8523
Vimal	Patel	4319 Yucan Dr	Springfield	Illinois	62711	(217) 679-4590
Vimal	Patel	605 West Jefferson	Springfield	Illinois	62702	(217) 670-1962
Parth	Patel	6801 W 159th St	Tinley Park	Illinois	60477	(708) 263-0094
Amit	Patel	6160 S Cass Ave, Unit D	Westmont	Illinois	60559	(331) 777-5273
Krishna	Patel	846 Edward Lane	Yorkville	Illinois	60560	(630) 385-2004
Amit	Patel	9769 E. US HWY 36	Avon	Indiana	46123	(317) 426-2690
Amit	Patel	921 S College Mall Rd	Bloomington	Indiana	47404	(812) 668-2761
Jim	Brooks	1366 S. Rangeline Rd	Carmel	Indiana	46032	(317) 688-7997
Amit	Patel	2760 E. 146th St.	Carmel	Indiana	46033	(317) 343-4915
Parth	Patel	301 Indian Boundary Rd	Chesterton	Indiana	46304	(219) 250-2256
Morgan	Barnes	1225 Veterans Pkwy Suite 500	Clarksville	Indiana	47129	(812) 924-7147
Amit	Patel	1663 N. National Road	Columbus	Indiana	47201	(990) 220-7123
Parth	Patel	850 N Superior Drive	Crown Point	Indiana	46307	(219) 333-2951
Jim	Brooks	8270 E. 96th Street	Fishers	Indiana	46037	(317) 849-5464
Jim	Brooks	8890 E. 116th St., Suite 110	Fishers	Indiana	46038	(317) 572-5410
Holli	Ruble	603 Coliseum Blvd. E	Fort Wayne	Indiana	46805-1215	(260) 444-3048
Holli	Ruble	1824 West Dupond Rd, Suite G	Fort Wayne	Indiana	46818	(260) 755-2943
Holli	Ruble	5625 West Jefferson Blvd	Fort Wayne	Indiana	46804	(260) 387-6922
Holli	Ruble	10074 Diebold Rd.	Fort Wayne	Indiana	46825	(260) 387-7617
Lauren	Jester	7410 Gumwood Rd Ste. J-1	Granger	Indiana	46530	(574) 318-4790
Amit	Patel	625 S SR 135 Suite A	Greenwood	Indiana	46142	(317) 680-9303
Ralph	Wallmeier	9940 Pendleton Pike, Suite A	Indianapolis	Indiana	46236	(317) 932-0411
Michael	Penn	7411 North Keystone Ave	Indianapolis	Indiana	46240	(317) 734-3697
Morgan	Barnes	3546 E 10th St	Jeffersonville	Indiana	47130	(812) 590-1679
Amit	Patel	2825 S. Washington Street	Kokomo	Indiana	46902	(765) 626-6202
Parth	Patel	151 NewPorte Blvd	LaPorte	Indiana	46350	(219) 575-7067
Parth	Patel	8170 Mississippi St.	Merrillville	Indiana	46410	(219) 648-2080
Parth	Patel	4357 Franklin St	Michigan	Indiana	46360	(219) 243-7043
Lauren	Jester	2405 Grape Road	Mishawaka	Indiana	46545	(574) 855-2174



Parth	Patel	8138 Calumet Ave	Munster	Indiana	46321	(219) 513-9880
Debbie	McIlvoy	4214 Charlestown Rd #1	New Albany	Indiana	47150	(812) 945-5464
Parth	Patel	5894 US-6	Portage	Indiana	46368	(219) 841-9297
Parth	Patel	25-B Indianapolis Blvd.	Schereville	Indiana	46375	(219) 440-7467
Krissy	Florkiewicz	8235 Wicker Ave.	St. John	Indiana	46373	(219) 558-2233
Ralph	Wallmeier	3300 E. Dr. 32, Unit A	Westfield	Indiana	46074	(317) 934-0043
Amit	Patel	6704 Whitestown Pkwy	Zionsville	Indiana	46077	(317) 769-0384
Geoff	Jensen	1875 N. Ankeny Blvd, Suite 100	Ankeny	Iowa	50023	(515) 964-3926
Eric	Strackbein	2439 53rd Avenue	Bettendorf	Iowa	52722	(563) 232-1005
Eric	Strackbein	3500 Dodge St. #130	Dubuque	Iowa	52003	(563) 237-8800
Geoff	Jensen	1145 Alice's Road	Waukee	Iowa	50263	(515) 987-0262
Geoff	Jensen	5545 Mills Civic Pkwy, Suite 105	West Des Moines	Iowa	50266	(515) 223-1710
Beth	Wittenberg	127 Oil Hill Road	El Dorado	Kansas	67042	(316) 323-1670
Brandon	Nichols	565 Wakarusa Dr.	Lawrence	Kansas	66049	(785) 424-7755
Brandon	Nichols	11707 South Roe Ave., #B	Leawood	Kansas	66221	(913) 491-6218
Terry	Langton	12214 W 95th Street	Lenexa	Kansas	66215	(913) 261-9334
Terry	Langton	1228 West Loop	Manhattan	Kansas	66502	(785) 712-2111
Danny	Spini	6600 Johnson Dr	Mission	Kansas	66202	(913) 384-8948
Brandon	Nichols	18575 W. 151st St.	Olathe	Kansas	66062	(913) 747-9700
Brandon	Nichols	11932 S. Strang Line Road	Olathe	Kansas	66062	(913) 453-0943
Brandon	Nichols	12050 W. 135th St.	Overland Park	Kansas	66221	(913) 897-2525
Brandon	Nichols	13440 Metcalf Ave.	Overland Park	Kansas	66213	(913) 851-8444
Terry	Langton	12106-B Shawnee Mission Parkwa	Shawnee	Kansas	66216	(913) 268-5464
Ryan	Christopher	22018 W 66th St	Shawnee	Kansas	66226	(913) 745-5499
Andy	Smith	2435 Nashville Road, Suite 110	Bowling Green	Kentucky	42104	(270) 842-4257
Andy	Smith	2730 Scottsville Rd. Suite C	Bowling Green	Kentucky	42104	(270) 467-0250
Alexandra	Kavi	99 Michigan Ave	Ft. Campbell	Kentucky	42223	(270) 640-8383
Nick	Patel	100 Ikebana Path Suite C	Georgetown	Kentucky	40324	(502) 370-4228
Rit	Patel	2901 Richamond Road	Lexington	Kentucky	40509	(859) 303-4899
Hunter	Tigert	1504 Bardstown Rd.	Louisville	Kentucky	40205	(502) 454-5494
Hunter	Tigert	3925 Shelbyville Road	Louisville	Kentucky	40207	(502) 893-4228
John	Clancy	5210 S Dixie Hwy	Louisville	Kentucky	40216	(502) 365-3217

Hunter	Tigert	10512 Fischer Park Dr. Ste# 10512	Louisville	Kentucky	40241	(502) 384-6097
John	Clancy	96 Carothers Road	Newport	Kentucky	41071	(859) 261-3200
Wendy	Marcantel	4611 Jackson Street Suite C	Alexandria	Louisiana	71303	(318) 448-1520
Roger	Wilder	3851 S. Sherwood Forest Blvd.	Baton Rouge	Louisiana	70816	(225) 291-5464
Roger	Wilder	9634 Airline Hwy., Suite F-1C	Baton Rouge	Louisiana	70815	(225) 926-9104
Roger	Wilder	10050 Burbank Drive	Baton Rouge	Louisiana	70810	(225) 364-2768
Roger	Wilder	14455 Wax Rd., Suite AA	Baton Rouge	Louisiana	70818	(225) 262-4422
Sean	Cangelosi	4965 Government Street	Baton Rouge	Louisiana	70806	(225) 927-5080
Sean	Cangelosi	100 Student Recreation Complex	Baton Rouge	Louisiana	70803	(225) 578-7199
Roger	Wilder	10825 Florida Blvd. Suite A	Baton Rouge	Louisiana	70815	(225) 275-6202
Roger	Wilder	14110 Coursey Blvd	Baton Rouge	Louisiana	70817	(225) 751-4040
Roger	Wilder	6556 Siegan Lane, Suite A	Baton Rouge	Louisiana	70809	(225) 615-7793
Sean	Cangelosi	3676 Harding Blvd	Baton Rouge	Louisiana	70807	(225) 355-5464
Roger	Wilder	18107 Highland Market Drive	Baton Rouge	Louisiana	70810	(225) 478-1287
Sean	Cangelosi	636 Arlington Creek Center Blvd.	Baton Rouge	Louisiana	70820	(225) 227-2850
Sean	Cangelosi	LSU Student Union	Baton Rouge	Louisiana	70803	(225) 578-5772
Sean	Cangelosi	3627 Perkins Road, Suite B	Baton Rouge	Louisiana	70808	(225) 256-4463
Sean	Cangelosi	5000 Hennessy Blvd	Baton Rouge	Louisiana	70806	(225) 831-9323
Phi	Linh Ellis	8160 Hwy. 23	Belle Chasse	Louisiana	70037	(504) 393-1604
Bradley	Walker	4970 Barksdale Blvd	Bossier City	Louisiana	71112	(318) 747-7795
Eric	Gibbs	2949 E. Texas St., Suite 100	Bossier City	Louisiana	71111	(318) 584-7023
Heather	Knight Billeaud	113 St. Nazaire Rd.	Broussard	Louisiana	70518	(337) 839-9373
David	Magri	3344 Paris Rd.	Chalmette	Louisiana	70043	(504) 277-6195
Frank	Nuccio	1412 N Hwy 190	Covington	Louisiana	70433	(985) 809-9722
Frank	Nuccio	70456 Hwy. 21, Suite 2	Covington	Louisiana	70433	(985) 875-7793
Robbie	Bankston	71331 Hwy 1077	Covington	Louisiana	70433	(985) 327-7886
Roger	Wilder	121 South Range Ave., Suite B	Denham Springs	Louisiana	70726	(225) 667-5322
Roger	Wilder	27342 Juban Road, Suite 101	Denham Springs	Louisiana	70726	(225) 998-1324
Adolph	Grimes	12519 Airline Highway, Ste I	Destrehan	Louisiana	70047	(985) 725-0008
Alexandra	Kavi	2275 Louisiana Ave	Fort Polk	Louisiana	71459	(337) 537-1500
Sean	Cangelosi	13011 HWY 73 Suite B	Geismar	Louisiana	70734	(225) 673-9143
Roger	Wilder	320 W. Highway 30	Gonzales	Louisiana	70737	(225) 644-0155

Roger	Wilder	1618 N. Airline Hwy	Gonzales	Louisiana	70737	(225) 644-8539
Brett	Lawson	91 Westbank Expressway	Gretna	Louisiana	70053	(504) 365-5464
Matthew	Montgomery	1910 SW Rail Road Ave	Hammond	Louisiana	70403	(985) 542-1699
Matthew	Montgomery	2705 W. Thomas Street	Hammond	Louisiana	70403	(985) 956-7274
Ann Marie	Solomon	303 Union Ave. (SLU)	Hammond	Louisiana	70433	(985) 549-2286
Robert	Israel	913 S. Clearview Pkwy., Suite B	Harahan	Louisiana	70123	(504) 734-1442
Sean	Cangelosi	1650 Manhattan Blvd.	Harvey	Louisiana	70058	(504) 227-9205
Sean	Cangelosi	1052 W Tunnel Blvd	Houma	Louisiana	70364	(985) 851-3313
Sean	Cangelosi	1246 Grand Caillou Rd	Houma	Louisiana	70363	(985) 873-5414
Sean	Cangelosi	1925 Martin Luther King Blvd.	Houma	Louisiana	70360	(985) 360-3189
Sean	Cangelosi	4041 Williams Blvd., Ste. 4-A	Kenner	Louisiana	70065	(504) 305-3980
Steve	Shields	327 West Esplanade	Kenner	Louisiana	70065	(504) 468-5952
Paul	Kelly	MSY Airport - 900 Airline Drive	Kenner	Louisiana	70062	(800) 577-4200
Heather	Knight Billeaud	4307 Ambassador Caffery	Lafayette	Louisiana	70508	(337) 993-9963
Sodexo		ULL Student Union, 620 McKinley St	Lafayette	Louisiana	70504	(504) 214-6816
Sodexo		ULL Bourgeois Hall, 225 Cajundome Blvd.	Lafayette	Louisiana	70504	(337) 482-6179
Donald	Lacoste	4300 Ryan St.	Lake Charles	Louisiana	70605	(337) 478-4080
Tyronne	Astugue	1506 West Airline Hwy	LaPlace	Louisiana	70068	(985) 651-2947
Sean	Cangelosi	12531 Hwy 90, Unit C	Luling	Louisiana	70070	(985) 331-5135
Matthew	Montgomery	1830 North Causeway Approach	Mandeville	Louisiana	70471	(985) 626-9159
Robbie	Bankston	2100 Florida St	Mandeville	Louisiana	70448	(985) 624-5556
Frank	Nuccio	68244 Hwy. 59	Mandeville	Louisiana	70471	(985) 892-7432
Kerry	Nichols	1991-B Barataria Blvd.	Marrero	Louisiana	70072	(504) 349-0900
Steve	Shields	7215 Veterans Memorial Blvd.	Metairie	Louisiana	70003	(504) 457-4456
Steve	Shields	4539 Veterans Blvd.	Metairie	Louisiana	70006	(504) 457-3233
Eric	Solsky	1431 Veterans Blvd.	Metairie	Louisiana	70005	(504) 834-1818
Eric	Grush	2222 Clearview Pkwy., Ste. G	Metairie	Louisiana	70001	(504) 454-8002
Adolph	Grimes	5803 Airline Drive	Metairie	Louisiana	70003	(504) 734-3994
Eric	Grush	3301 Veterans Blvd., Suite 78-G	Metairie	Louisiana	70002	(504) 838-8344
Rose	Kuhnau	3515 Veterans Memorial Blvd.	Metairie	Louisiana	70002	(504) 885-8444
Joe	Gallo	2701 Airline Drive, ste. N	Metairie	Louisiana	70001	(504) 837-4020
Bradley	Walker	1404 N. 18th St	Monroe	Louisiana	71201	(318) 387-0037

Sean	Cangelosi	1141 Victor II Blvd	Morgan City	Louisiana	70380	(985) 380-3157
Nick	Tamporello	1355 Sam Houston Jones Pkwy	Moss Bluff	Louisiana	70611	(337) 905-4131
Lee	Waskom	810 University Pkwy	Natchitoches	Louisiana	71457	(318) 238-5464
Sean	Cangelosi	718 Lewis St. South	New Iberia	Louisiana	70560	(337) 321-9588
Alex	Bowen	6600 Franklin Ave., #A-11	New Orleans	Louisiana	70122	(504) 288-5863
Selby	Evans	5300 Tchoupitoulas St., #D-4	New Orleans	Louisiana	70115	(504) 895-4340
Eric	Solsky	6221 S. Claiborne Ave.	New Orleans	Louisiana	70125	(504) 866-3555
Chandra	Gettys	3865 General DeGaulle Dr. Ste. B	New Orleans	Louisiana	70114	(504) 362-9995
Wardell	Bourgeois	8050 Crowder Blvd.	New Orleans	Louisiana	70127	(504) 245-1133
Rose	Kuhnau	1905 St. Charles Avenue	New Orleans	Louisiana	70130	(504) 523-2030
Rob	Heidingsfelder	Loyola University 6363 St. Charles Avenue	New Orleans	Louisiana	70118	(504) 865-2127
Khalil	Jatala	1515 Poydras Street Building	New Orleans	Louisiana	70112	(504) 309-8311
Robert	Israel	224 N. Carrollton Ave	New Orleans	Louisiana	70119	(504) 486-0330
Rose	Kuhnau	111-A Robert E. Lee Blvd	New Orleans	Louisiana	70124	(504) 286-1471
Eric	Grush	601 Poydras St, Suite D	New Orleans	Louisiana	70130	(504) 523-7348
Matthew	Montgomery	1501 Elysian Fields Avenue	New Orleans	Louisiana	70117	(504) 252-4625
Shawna	Norris	1514 Jefferson Highway	New Orleans	Louisiana	70121	(504) 842-3350
Joe	Gallo	1201 Jefferson Hwy	New Orleans	Louisiana	70121	(504) 218-7853
Sean	Cangelosi	1501 Dave Dixon Drive	New Orleans	Louisiana	70113	(800) 577-4200
Wendy	Marcantel	3766 Monroe Hwy	Pineville	Louisiana	71360	(318) 640-0587
Christy	Knight	401 West Pine St	Ponchatoula	Louisiana	70454	(985) 370-0501
Sean	Cangelosi	3225 LA Highway 1 S	Port Allen	Louisiana	70767	(225) 448-3257
Sean	Cangelosi	7459 Ultima Plaza Blvd., Ste. A	Prairieville	Louisiana	70769	(225) 744-4888
Alex	Bowen	4841 Hwy 1	Raceland	Louisiana	70394	(985) 532-6050
Wendy	Sequeira	9401 Jefferson Hwy, Ste C	River Ridge	Louisiana	70123	(504) 738-9239
Bradley	Walker	1100 Cooktown Rd.	Ruston	Louisiana	71270	(318) 251-8181
Heather	Knight Billeaud	110 Apollo Rd., Suite A	Scott	Louisiana	70583	(337) 703-4428
Bradley	Walker	1641 E 70th, Suite 100	Shreveport	Louisiana	71105	(318) 797-1799
Eric	Gibbs	9070 Mansfield Road	Shreveport	Louisiana	71118	(318) 550-4674
Doug	Nash	533 Gause Blvd	Slidell	Louisiana	70458	(985) 643-1015
Doug	Nash	2349 East Gause Blvd	Slidell	Louisiana	70461	(985) 649-6144
Larry	Welch	4038 Pontchartrain Drive	Slidell	Louisiana	70458	(985) 606-1177

Matthew	Montgomery	430 Town Center Parkway	Slidell	Louisiana	70458	(985) 707-1707
Donald	Lacoste	1024 Beglis Parkway	Sulphur	Louisiana	70663	(337) 888-3058
Robert	Israel	900-A Terry Parkway	Terrytown	Louisiana	70056	(504) 393-7600
Sean	Cangelosi	210 N Canal Blvd	Thibodaux	Louisiana	70301	(985) 492-1147
Roger	Wilder	28977 Hwy 447, Suite A	Walker	Louisiana	70785	(225) 271-8019
Roger	Wilder	33939 Highway 16	Watson	Louisiana	70706	(225) 478-1287
Bradley	Walker	3212 Cypress Street	West Monroe	Louisiana	71291	(318) 651-9345
Sean	Cangelosi	1030 Avenue D	Westwego	Louisiana	70094	(504) 702-8130
Heather	Knight Billeaud	3012 E. Milton Ave.	Youngsville	Louisiana	70592	(337) 451-4003
Roger	Wilder	5635 Main Street, Suite B	Zachary	Louisiana	70791	(225) 658-5464
Muhammad	Sohail	1010-H BEARDS HILL RD.	Aberdeen	Maryland	21001	(410) 297-8491
Glen	Peck	2331 Forest Drive, Suite C	Annapolis	Maryland	21401	(443) 214-5940
Afnan	Ahmad	851 East Fort Ave	Baltimore	Maryland	21230	(240) 799-7440
Muhammad	Sohail	400 W. Cold Spring Lane	Baltimore	Maryland	21210	(443) 835-1670
Tisha	Skinner	BWI Thurgood Marshall Airport, Term D14	Baltimore	Maryland	21240	(410) 859-1895
Muhammad	Sohail	1209 N. Charles St, Suite B2	Baltimore	Maryland	21201	(443) 438-7083
Kunta	Little	7175 Security Blvd., Suite 103	Baltimore	Maryland	21244	(443) 348-5132
Afnan	Ahmad	225 Brierhill Drive Ste. J	Bel Air	Maryland	21015	(410) 836-5563
Muhammad	Sohail	5 Bel Air Pkwy, Suite A115	Bel Air	Maryland	21015	(443) 402-1611
Ofer	Dagan	4710 Bethesda Ave	Bethesda	Maryland	20814	(301) 656-0690
Steve	Sheppard	15407 Excelsior Dr	Bowie	Maryland	20716	(301) 262-3700
Thomas	Hughes	7401 Baltimore Ave #1-B	College Park	Maryland	20740	(301) 281-2265
Fahad	Naroo	8874 McGaw Road	Columbia	Maryland	21045	(410) 290-3455
Muhammad	Sohail	5425 Lynx Lane	Columbia	Maryland	21044	(410) 964-0100
Muhammad	Sohail	1345 Liberty Rd	Eldersburg	Maryland	21784	(443) 398-8970
Syed	Mehdi	9050 Baltimore National Pike - Suite 103	Ellicott City	Maryland	21042	(410) 720-2459
Muhammad	Sohail	1528 Rock Spring Rd, Suite 300	Forest Hill	Maryland	21050	(410) 838-7586
Travis	Leflore	3550 Donnell Drive - Unit B	Forestville	Maryland	20747	(202) 790-0471
Krishna	Jetti	5219-A Presidents Court	Frederick	Maryland	21703	(301) 663-5464
Steve	Sheppard	1316 Main Chapel Way	Gambrills	Maryland	21054	(410) 451-4519
Antoinette	Asimenu	20630 Seneca Meadows Parkway	Germantown	Maryland	20876	(240) 243-6294
Steve	Sheppard	7529 Greenbelt Road	Greenbelt	Maryland	20770	(301) 614-2100

Afnan	Ahmad	9100 McHugh Dr., Suite 550	Landover	Maryland	20706	(301) 341-4044
Fahad	Naroo	14720 Baltimore Ave, Suite 105	Laurel	Maryland	20707	(301) 490-6900
Afnan	Ahmad	8533 Veterans Hwy, Suite 101A	Millersville	Maryland	21108	(443) 685-3369
Gilly	Arie	18151 Village Center Dr	Olney	Maryland	20832	(240) 390-3145
Kunta	Little	9167 Reisterstown Rd.	Owings Mills	Maryland	21117	(443) 660-7340
Gilly	Arie	14941-F Shady Grove Rd.	Rockville	Maryland	20850	(301) 279-2660
Nathan	Hanson	1611 Rockville Pike, Space 26	Rockville	Maryland	20852	(240) 669-3715
Glen	Peck	556 Ritchie Highway	Severna Park	Maryland	21146	(443) 906-2512
Muhammad	Sohail	1830 York Road	Timonium	Maryland	21093	(410) 616-9571
Muhammad	Sohail	812 Dulaney Valley Road	Towson	Maryland	21204	(443) 841-7306
Afnan	Ahmad	48 Watkins Park Drive	Upper Marlboro	Maryland	20774	(301) 850-4844
Afnan	Ahmad	2875 Crain Hwy Suite 5B	Waldorf	Maryland	20601	(240) 585-5154
Muhammad	Sohail	29 Englar Rd.	Westminster	Maryland	21157	(667) 314-3111
Kathryn	Bishop	197 Boston Post Road West - Suite J	Marlborough	Massachusetts	01752	(508) 251-2377
Kathryn	Bishop	15 Digital Way, Suite 20	Maynard	Massachusetts	01754	(978) 637-2712
Chris C.	Klebba	3169 Fairlane Dr	Allen Park	Michigan	48101	(313) 723-1100
Chris C.	Klebba	2635 Jackson Ave	Ann Arbor	Michigan	48105	(734) 822-5020
Chris C.	Klebba	50918 Gratiot Ave	Chesterfield	Michigan	48051	(586) 221-8120
Chris C.	Klebba	5009 Miller Road	Flint Township	Michigan	48507	(810) 777-8020
Christopher	Klebba	6278 W Pierson Road, Suite D	Flushing	Michigan	48433	(810) 818-2400
Chris C.	Klebba	12720 S Saginaw Rd, Unit D1	Grand Blanc	Michigan	48439	(810) 498-3040
Chris C.	Klebba	10440 Highland Rd - Suite 2	hartland	Michigan	48353	(810) 321-0050
Chris C.	Klebba	29605 W. Seven Mile Rd	Livonia	Michigan	48152	(734) 838-5500
Chris C.	Klebba	11003 MIDDLEBELT RD	Livonia	Michigan	48150	(734) 245-2366
Christopher	Klebba	6121 S. Westnedge Ave.	Portage	Michigan	49002	(269) 888-8010
Chris C.	Klebba	3135 West 13 Mile Rd.	Royal Oak	Michigan	48073	(248) 609-1100
Chris C.	Klebba	29111 Telegraph Rd.	Southfield	Michigan	48034	(248) 609-1200
Chris C.	Klebba	16106 Fort St.	Southgate	Michigan	48195	(734) 423-7700
Chris C.	Klebba	27735 Harper Avenue	St. Clair Shores	Michigan	48080	(586) 519-0963
Chris C.	Klebba	20410 West Rd	Woodhaven	Michigan	48183	(734) 391-1300
Doug	Nash	1007 Highway 90	Bay St. Louis	Mississippi	39520	(228) 231-1755
Roger	Wilder	310 Popp's Ferry Rd	Biloxi	Mississippi	39531	(228) 273-4683

Ron	Womack	105 Hwy 80 E	Clinton	Mississippi	39056	(601) 924-2833
Roger	Wilder	3826 Promenade Pkwy	D'Iberville	Mississippi	39540	(228) 396-2777
Bert	Wilkinson	114 Market St., Suite 100	Flowood	Mississippi	39232	(601) 932-0077
Roger	Wilder	632 Courthouse Rd.	Gulfport	Mississippi	39507	(228) 896-4989
Roger	Wilder	10573 US Highway 49	Gulfport	Mississippi	39503	(228) 346-2015
Travis	Bolster	3705 Hardy Street	Hattiesburg	Mississippi	39402	(601) 271-2050
Travis	Bolster	6101 Highway 98	Hattiesburg	Mississippi	39402	(601) 264-2936
Kumari	Wojcik	6392 E Ridgewood Ct, Ste. A-1	Jackson	Mississippi	39211	(601) 952-0400
Kumari	Wojcik	1220 E. Northside Dr	Jackson	Mississippi	39211	(769) 524-4479
Clay	Koenig	20 N. 16th Ave	Laurel	Mississippi	39440	(601) 342-2003
Ron	Womack	1022 US 51	Madison	Mississippi	39110	(601) 605-6001
Ron	Womack	1091 Gluckstadt Rd., Suite G	Madison	Mississippi	39110	(769) 300-0947
Stephen	Foley	1611 Delaware Ave	McComb	Mississippi	39648	(601) 680-0202
John O'Neil	Johnson III	2535 N. Hills St.	Meridian	Mississippi	39305	(601) 286-5746
Doug	Nash	2708 Bienville Blvd	Ocean Springs	Mississippi	39564	(228) 875-0858
Allyn	Gratzer	7409 Goodman Rd.	Olive Branch	Mississippi	38654	(662) 420-7725
Jason	Roberts	2311 West Jackson Ave	Oxford	Mississippi	38655	(662) 259-2651
Roger	Wilder	3801 Denny Avenue, Suite A	Pascagoula	Mississippi	39581	(228) 202-1713
Mark	Summers	549 Highway 11 South	Picayune	Mississippi	39466	(601) 749-5389
Bert	Wilkinson	1000 Highland Colony Pkwy, Ste 8004	Ridgeland	Mississippi	39157	(601) 856-4303
Anthony	Pitts	6582 Getwell Road	Southaven	Mississippi	38672	(662) 253-8539
Jason	Roberts	308 Hwy 12 West	Starkville	Mississippi	39759	(662) 268-8261
Malcolm	Jackson	3820 Market Center Dr	Tupelo	Mississippi	38804	(662) 269-2800
Lisa	Long	1272 Jeffco Blvd	Arnold	Missouri	63010	(636) 333-2581
Jim	Parr III	200 NW Route 7	Blue Springs	Missouri	64014	(816) 800-1915
Nafees	Rehmatullah	1413 S Hanley Road	Brentwood	Missouri	63144	(314) 833-3742
Yonas	Hagos	12294 St. Charles Road, Suite A	Bridgeton	Missouri	63044	(314) 455-3184
Chris	Wheeler	97 N. Kingshighway St	Cape Girardeau	Missouri	63701	(573) 335-6400
Michael	Kaemmerer	703 Long Road Crossing Drive, Suite 8	Chesterfield	Missouri	63005	(636) 519-7775
Chase	Mathis	25 N. Central Ave	Clayton	Missouri	63105	(314) 240-5516
Derek	Kent	805 E. Nifong Blvd	Columbia	Missouri	65201	(573) 228-6333
Derek	Kent	1203 E. Broadway	Columbia	Missouri	65201	(573) 607-9204

Fatima	Kazimi	4765 Hwy. N	Cottleville	Missouri	63304	(636) 939-5464
Yonas	Hagos	12599 A- Olive Blvd.	Creve Coeur	Missouri	63141	(314) 576-4770
Nathan	Davis	15825 Fountain Plaza Drive	Ellisville	Missouri	63017	(636) 527-7328
Nafees	Rehmatullah	750 Gravois Bluffs Blvd	Fenton	Missouri	63026	(636) 678-7518
Gregory	Klos	955 Veterans Blvd	Festus	Missouri	63028	(636) 638-1999
Yonas	Hagos	8471 N. Lindbergh Blvd.	Florissant	Missouri	63031	(314) 733-5123
Jim	Parr III	3901 S. Bolger Road, Suite 100	Independence	Missouri	64055	(816) 812-7059
Jim	Parr III	4140 S. Noland Rd Suite B	Independence	Missouri	64055	(816) 814-4315
Derek	Kent	2208 Missouri Blvd. Suite 104	Jefferson City	Missouri	65109	(573) 616-2007
Derek	Kent	2202 South Rangeline Road	Joplin	Missouri	64804	(417) 317-5087
Danny	Spini	8825 State Line Road	Kansas City	Missouri	64114	(816) 333-0404
Danny	Spini	6368 N. Cosby Ave	Kansas City	Missouri	64151	(816) 746-5464
Danny	Spini	7121 NW Barry Rd	Kansas City	Missouri	64153	(816) 587-5464
Danny	Spini	9766 North Ash Ave.	Kansas City	Missouri	64068	(816) 439-5555
James	Edens	462 NE Barry Rd	Kansas City	Missouri	64155	(816) 437-7175
Danny	Spini	1 International Square	Kansas City	Missouri	64153	(816) 820-9287
Yonas	Hagos	465A South Kirkwood Road	Kirkwood	Missouri	63122	(314) 821-4770
Danny	Spini	1440 N.E. Douglas St.	Lee's Summit	Missouri	64086	(816) 272-5393
Danny	Spini	9269 NE 83rd Terrace	Liberty	Missouri	64158	(816) 222-4407
Dave	Maple	14505 Manchester Road	Manchester	Missouri	63011	(636) 527-9553
Yonas	Hagos	12683 Dorsett Rd	Maryland Heights	Missouri	63043	(314) 485-8825
Syed	Kazimi	1314 Highway K	O'Fallon	Missouri	63366	(636) 294-7849
Brandon	Nichols	7024 Elizabeth St	Parkville	Missouri	64152	(816) 503-6511
Jim	Parr III	9319 E State Route 350	Raytown	Missouri	64133	(816) 905-2442
Yonas	Hagos	2800 South McKnight Rd.	Rock Hill	Missouri	63119	(314) 736-5707
Derek	Kent	1903 N. Bishop Ave	Rolla	Missouri	65401	(573) 426-3239
Yonas	Hagos	308 Mid Rivers Mall Drive	Saint Peters	Missouri	63376	(636) 387-0163
Derek	Kent	4406 South Campbell Ave, Unit 104	Springfield	Missouri	65810	(417) 368-0735
Derek	Kent	309 W Sunshine Blvd	Springfield	Missouri	65807	(417) 771-5524
Robert	Dodd	920 5th Street	St. Charles	Missouri	63301	(636) 724-5464
Robert	Dodd	2101 Zumbahl Road	St. Charles	Missouri	63303	(636) 757-5555
Robert	Dodd	3784 Elm St.	St. Charles	Missouri	63301	(636) 925-3500



Danny	Spini	3508 N. Belt Hwy., Suite B	St. Joseph	Missouri	64506	(816) 273-5511
Nafees	Rehmatullah	7421 S. Lindbergh Blvd	St. Louis	Missouri	63125	(314) 448-1946
Lisa	Long	105 Pond Fort Trail	St. Louis	Missouri	63367	(636) 625-2667
Nathan	Davis	6424 Chippewa St	St. Louis	Missouri	63109	(314) 833-4455
Yonas	Hagos	9301 Gravis Rd.	St. Louis	Missouri	63123	(314) 390-2877
Yonas	Hagos	4475 Forest Park Ave	St. Louis	Missouri	63108	(314) 534-9231
Andrew	Abraham	4867 Mexico Rd	St. Peters	Missouri	63376	(636) 244-5507
Nafees	Rehmatullah	3720 S. LINDBERGH BLVD.	Sunset Hills	Missouri	63127	(314) 394-0939
Jeffrey	Gulick	1810 Bedford Lane	Washington	Missouri	63090	(636) 283-5032
Lisa	Long	1861 Wentzville Pkwy	Wentzville	Missouri	63385	(636) 856-1660
Kimberly	Codr-Stockman	5141 O Street, Suite F	Lincoln	Nebraska	68510	(402) 464-5464
Michael	Erftmier	8900 West Center Road, Suite 101	Omaha	Nebraska	68124	(402) 614-2888
Michael	Erftmier	17810 Pierce Plaza, Suite 120	Omaha	Nebraska	68118	(402) 991-8084
Michael	Erftmier	4004 North 132nd St, Suite 103	Omaha	Nebraska	68164	(402) 884-2600
Quang	Le	9820 S. 71st Plz, Suite 107	Papillion	Nebraska	68133	(402) 506-4945
Brandon	Jamparueang	6530 N. Buffalo Dr	Las Vegas	Nevada	89131	(702) 857-7584
James	Farmer	8000 W. Sahara Ave	Las Vegas	Nevada	89117	(702) 384-5464
Brandon	Jamparueang	5025 Blue Diamond Rd, Ste #110	Las Vegas	Nevada	89139	(702) 201-1552
Shane	Poirier	495 Amherst Street	Nashua	New Hampshire	03063	(603) 718-8802
David	Diamant	1121 HWY 34 Suite C	Aberdeen	New Jersey	07747	(732) 970-5588
Brandon	Shamy	908 Route 1 North	Avenel	New Jersey	07001	(732) 874-5609
Frank	Gilanelli	195 Route 130 South	Cinnaminson	New Jersey	08077	(856) 786-0044
Brandon	Shamy	301 Central Avenue, Unit 7	Clark	New Jersey	07066	(732) 215-4534
Humza	Tanvir	1410 Blackwood Clementon Road -Suite 2	Clementon	New Jersey	08021	(856) 545-3956
Humza	Tanvir	1330 Fairview Blvd. Ste F	Delran	New Jersey	08075	(856) 544-3401
Brandon	Shamy	691 US Hwy 1 South - Unit 1	Edison	New Jersey	08817	(848) 202-9662
Brandon	Shamy	322 Rt. 31	Flemington	New Jersey	08822	(908) 237-0307
Sandip	Patel	3452 Brody Ave.	Fort Dix	New Jersey	08640	(609) 521-5005
Vaibhav	Shah	3100 Quakerbridge Rd	Hamilton Township	New Jersey	08619	(609) 838-7292
Brandon	Shamy	706 Route 206	Hillsborough	New Jersey	08844	(908) 359-6665
Humza	Tanvir	1031 Route 73 N, Suite A	Marlton	New Jersey	08053	(856) 983-2800
David	Diamant	1159 Hwy. 35	Middletown	New Jersey	07748	(732) 671-3430

Brian	Ferreira	310 Bloomfield Ave	Montclair	New Jersey	07042	(973) 707-7250
Brandon	Shamy	726 NJ-35, Suite 1	Neptune	New Jersey	07753	(732) 234-0088
Thomas	Leitner	458 Elizabeth Ave., Suite 4	Somerset	New Jersey	08873	(732) 412-7416
Brandon	Shamy	25 Route 22 E Unit F	Springfield	New Jersey	07081	(973) 218-6045
Humza	Tanvir	1192 White Horse Road	Voorhees	New Jersey	08043	(856) 229-7891
Thomas	Leitner	9 Mount Bethel Road	Warren	New Jersey	07059	(908) 222-3590
Jason	Simpson	3554 E. Main St. #G	Farmington	New Mexico	87402	(505) 258-4335
Jonathan	Trager	1210 Western Ave	Albany	New York	12203	(518) 472-0558
Lester	Zeigler	394 Myrtle Avenue	Brooklyn	New York	11205	(929) 992-3400
Andrew	Weinstein	225A Glen Cove Rd	Carle Place	New York	11514	(516) 280-6585
Clifton	Hammy	9 Clifton Country Road	Clifton Park	New York	12065	(518) 280-0490
Juliet	Fattel	5743 WIDEWATERS PKWY STE 200	Dewitt	New York	13214	(315) 299-5205
Ahmed	Iftekhar	50 Livingstone Ave	Dobbs Ferry	New York	10522	(914) 478-8373
Jonathan	Trager	307 Troy Road	East Greenbush	New York	12144	(518) 203-7322
John	Clancy	747 US Route 9	Fishkill	New York	12524	(845) 440-8732
John	Clancy	1615 Ulster Ave	Kingston	New York	12449	(845) 443-4823
Andrew	Weinstein	610 Broadhollow Road - Suite 10	Melville	New York	11747	(631) 390-8606
John	Clancy	335 Route 211 E.	Middletown	New York	10940	(845) 381-1146
John	Clancy	1221 Route 300 Suite 101	Newburgh	New York	12550	(845) 567-0200
John	Clancy	3532 North Rd - Unit 1	Poughkeepsie	New York	12601	(845) 337-4051
John	Clancy	2627 South Rd - Suite 10	Poughkeepsie	New York	12601	(845) 471-4616
Jonathan	Trager	756 Upper Glen St	Queensbury	New York	12804	(518) 338-3571
Jonathan	Trager	3057 NY 50	Saratoga Springs	New York	12866	(518) 450-1155
Robert	Viani	1571 Route 9	Wappingers Falls	New York	12590	(845) 297-4327
Kelley	Stack	3333 Crompond Road	Yorktown Heights	New York	10598	(914) 930-1070
Brian	Leachman	1578 Hendersonville Rd	Asheville	North Carolina	28803	(828) 424-7747
Frank	Horrocks	118 Parkside Main Street	Cary	North Carolina	27519	(919) 985-7495
Brian	Augustine	301 S. College Street	Charlotte	North Carolina	28202	(704) 374-0200
Alexander	Ellis	8022 Providence Rd, Suite 400	Charlotte	North Carolina	28277	(704) 540-2303
Christian	Contreras	9605 N. Tryon St., Suite V	Charlotte	North Carolina	28262	(704) 503-5122
Alexander	Ellis	1600 E. Woodlawn, #220	Charlotte	North Carolina	28209	(704) 525-0999
Bradley	Antonoff	14825 John J. Delaney Dr., #185	Charlotte	North Carolina	28277	(704) 544-4374

Bradley	Antonoff	9405 Bryant Farms Rd	Charlotte	North Carolina	28277	(704) 752-5031
Bradley	Antonoff	14130 Rivergate Parkway	Charlotte	North Carolina	28273	(704) 587-6001
Ligaya	Magno	9831 Rea Rd	Charlotte	North Carolina	28277	(704) 845-6811
Alexander	Ellis	1235-H East Blvd	Charlotte	North Carolina	28203	(704) 335-2200
Alexander	Ellis	3020 Prosperity Church Rd. Suite E	Charlotte	North Carolina	28269	(704) 548-8683
Alexander	Ellis	8439 Davis Lake Parkway	Charlotte	North Carolina	28269	(980) 999-5648
Alexander	Ellis	4736 Sharon Rd., Suite W	Charlotte	North Carolina	28210	(704) 900-5550
Heather	Hill	8150 Mt. Holly Huntersville Rd., Unit C	Charlotte	North Carolina	28216	(980) 207-3617
Heather	Lincoln	8156 S. Tryon St, Suite A	Charlotte	North Carolina	28273	(704) 588-8077
Kimberly	Henry	5220 New Fashion Way, Suite 300	Charlotte	North Carolina	28278	(704) 583-5999
Charles	Deffenbaugh	9425 South Blvd Suite B	Charlotte	North Carolina	28273	(980) 920-0060
Natalie	Stringer	6215 Old Post Road - Suite 102	Charlotte	North Carolina	28212	(704) 910-0586
Karen	Augustine	8710 Krefeld Dr	Charlotte	North Carolina	28227	(704) 846-1665
Karen	Augustine	360 Exchange St. NW	Concord	North Carolina	28027	(704) 262-7541
Heather	Hill	3661 Concord Pkwy S.	Concord	North Carolina	28027	(980) 439-8377
Brian	Augustine	3050 Derita Rd., Suite 60	Concord	North Carolina	28027	(980) 225-7036
Lane	Trogdon	4215 University Dr, Suite 100	Durham	North Carolina	27707	(919) 294-9508
Lane	Trogdon	1929 Skibo Road Suite 112	Fayetteville	North Carolina	28314	(910) 867-7755
Lane	Trogdon	4401 Ramsey St, Suite 108	Fayetteville	North Carolina	28311	(910) 568-5219
Brian	Augustine	2230 E. Franklin Blvd. Ste 130	Gastonia	North Carolina	28054	(980) 320-1708
Heather	Hill	3670 New Home Rd, Suite 4	Gastonia	North Carolina	28056	(704) 879-6150
Jennifer	Clausen	2403 Battleground Ave	Greensboro	North Carolina	27408	(336) 285-9372
Jennifer	Clausen	340 Tate Street	Greensboro	North Carolina	27403	(336) 617-3725
Calvin (Lane)	Trogdon	709 Greenville Blvd, Suite 102	Greenville	North Carolina	27858	(252) 751-0020
David	La Franque	4029 Harris Square Dr.	Harrisburg	North Carolina	28075	(704) 456-7086
Adam	Cozzolino	225 12th Ave. NE	Hickory	North Carolina	28601	(828) 855-3833
Lane	Trogdon	4208 Lassiter Drive, Suite J	Holly Springs	North Carolina	27540	(919) 285-2187
Tony	De La Maza	16933 Kaufinger St.	Huntersville	North Carolina	28078	(704) 987-1431
Derek	Bullard	14210 Market Square Drive	Huntersville	North Carolina	28078	(704) 274-5498
Bradley	Antonoff	208 Postage Way	Indian Trail	North Carolina	28079	(704) 821-5705
Lane	Trogdon	460 Western Blvd	Jacksonville	North Carolina	28546	(910) 939-5884
Alexander	Ellis	3118 Fincher Farm Rd	Matthews	North Carolina	28104	(704) 321-9015

Jalin	Moore	6828 Matthews Mint Hill Road	Mint Hill	North Carolina	28202	(704) 910-6408
Karen	Augustine	591-T River Hwy	Mooresville	North Carolina	28117	(704) 663-1001
Brandon	Serbus	5000 Hwy 70 Suite 106	Morehead City	North Carolina	28557	(252) 773-0172
Frank	Horrocks	1117 Market Center Dr	Morrisville	North Carolina	27560	(919) 800-0118
Lane	Trogdon	4120 Main at North Hills St. Suite 110	Raleigh	North Carolina	27609	(984) 232-8215
Lane	Trogdon	415-2 South College Road	Wilmington	North Carolina	28403	(910) 796-0025
Lane	Trogdon	2316 S. 17th St., Unit 160	Wilmington	North Carolina	28401	(910) 793-5522
Lane	Trogdon	7150 Market St, Suite 150	Wilmington	North Carolina	28411	(910) 319-7641
Amit	Patel	3100 Manchester Road	Akron	Ohio	44319	(330) 400-4020
Eric	Pierce-French	3510 Pentagon Blvd	Beavercreek	Ohio	45431	(937) 429-0779
Chris C.	Klebba	706 W. Waterloo St Suite C	Canal Winchester	Ohio	43110	(380) 228-5500
Adam	Gerig	4944 Everhard Road	Canton	Ohio	44718	(330) 498-5464
Honghua	Zhong	440-C Ohio Pike	Cincinnati	Ohio	45255	(513) 528-4539
Honghua	Zhong	11414 Montgomery Road	Cincinnati	Ohio	45242	(513) 489-2567
Chris C.	Klebba	215 Calhoun St.	Cincinnati	Ohio	45219	(513) 281-1110
John	Clancy	3251 VANDERCAR WAY	CINCINNATI	Ohio	45209	(513) 351-1632
Chris C.	Klebba	1924 Polaris Pkwy	Columbus	Ohio	43240	(614) 859-0090
Shane	Chauvin	5470 Westpointe Plaza Dr	Columbus	Ohio	43228	(614) 921-1100
Shane	Chauvin	8211 North High St	Columbus	Ohio	43235	(614) 985-9999
Shane	Chauvin	1246 W. 5th Ave, Space #16	Columbus	Ohio	43212	(614) 706-4881
Chris C.	Klebba	6539 E. Broad Street	Columbus	Ohio	43213	(614) 892-8800
Christopher	Klebba	5051 N High St	Columbus	Ohio	43214	(380) 220-4880
Chris C.	Klebba	3769 S High St	Columbus	Ohio	43207	(614) 845-6655
Marwan	Touma	1930 Portage Trail	Cuyahoga Falls	Ohio	44223	(330) 400-4977
Eric	Pierce-French	2321 Miamisburg Centerville Rd	Dayton	Ohio	45459	(937) 434-4100
Shane	Chauvin	6355 Perimeter Drive	Dublin	Ohio	43016	(614) 336-8400
John	Clancy	8744 Michael Lane	Fairfield	Ohio	45014	(513) 795-6851
Shane	Chauvin	1350 N. Hamilton Rd.	Gahanna	Ohio	43230	(614) 478-4901
Christopher	Klebba	6007 Hoover Rd	Grove City	Ohio	43123	(614) 875-0242
Christopher	Klebba	8597 Columbus Pike	Lewis Center	Ohio	43035	(740) 293-4110
Honghua	Zhong	6752 Cincinnati Dayton Rd	Liberty Township	Ohio	45044	(513) 779-5464
Chris C.	Klebba	1948 Marion-Mt. Gilead	Marion	Ohio	43302	(740) 914-2900

Amit	Patel	6228 Mayfield Rd.	Mayfield Heights	Ohio	44124	(440) 565-7878
Anna	Dey	7322 Mentor Ave	Mentor	Ohio	44060	(440) 510-8055
Bhavesh	Patel	6844 Pearl Road	Middleburg Heights	Ohio	44130	(440) 545-1069
Chris C.	Klebba	5190 New Albany Rd	New Albany	Ohio	43054	(614) 892-8900
Anilkumar	Patel	34250 Center Ridge Road	North Ridgeville	Ohio	44039	(440) 657-5054
Anna	Dey	1188 Mentor Ave.	Painesville	Ohio	44077	(440) 853-8536
Chris C.	Klebba	10501 Blacklick Eastern Rd.	Pickerington	Ohio	43147	(614) 859-0088
Anilkumar	Patel	20649 Center Ridge Road - Suite 59	Rocky River	Ohio	44116	(216) 712-4521
Amit	Patel	9708 State Route 14	Statesboro	Ohio	44241	(330) 851-6890
Honghua	Zhong	9320 Union Centre Blvd	West Chester	Ohio	45069	(513) 847-4929
Amit	Patel	36001 Euclid Ave	Willoughby	Ohio	44094	(440) 525-5107
George	Kruger	1585 S. Broadway	Edmond	Oklahoma	73013	(405) 216-5570
Torry	Elston	5914 SE 15th Street	Midwest City	Oklahoma	73110	(405) 931-3464
Torry	Elston	5921 SW 3rd Street	Oklahoma City	Oklahoma	73128	(405) 603-6992
George	Kruger	West Memorial Road	Oklahoma City	Oklahoma	73114	(405) 753-1900
Sarah	Sanford	9441 North Garnett Ste 300	Owasso	Oklahoma	74055	(539) 208-5054
Torry	Elston	4715 E 41st St.	Tulsa	Oklahoma	74135	(918) 622-2224
Sarah	Sanford	9679 Riverside Pkwy	Tulsa	Oklahoma	74137	(918) 528-5092
Elizabeth	Szabo	1025 Washington Pike	Bridgeville	Pennsylvania	15017	(412) 221-4148
David	Rivell	936 Baltimore Pike	Glen Mills	Pennsylvania	19342	(484) 841-6896
Dharmik	Desai	1235 West Chester Pike	Havertown	Pennsylvania	19083	(610) 449-4203
Humza	Tanvir	100 York Rd	Jenkintown	Pennsylvania	19046	(215) 690-4359
Humza	Tanvir	2424 Lincoln Highway, 700A	Langhorne	Pennsylvania	19047	(267) 201-8924
Vaibhav	Shah	1625 Chestnut Street Suite 207	Philadelphia	Pennsylvania	19103	(215) 557-9557
Humza	Tanvir	2201 Cottman Ave, Suite 114	Philadelphia	Pennsylvania	19149	(215) 613-8069
Humza	Tanvir	7630 City Line Avenue	Philadelphia	Pennsylvania	19151	(215) 921-8608
Humza	Tanvir	2550 Grant Avenue, Ste 330	Philadelphia	Pennsylvania	19114	(445) 231-9367
David	Rivell	1101 West Chester Pike	West Chester	Pennsylvania	19382	(610) 430-2000
Elizabeth	Szabo	11199 Perry Hwy	Wexford	Pennsylvania	15090	(724) 933-6111
Humza	Tanvir	2701 Macarthur Commons Rd.	Whitehall	Pennsylvania	18052	(484) 820-1225
Humza	Tanvir	2609 E. Market St	York	Pennsylvania	17402	(717) 650-2546
Humza	Tanvir	810 Loucks Road	York	Pennsylvania	17404	(717) 893-5573

Viet	Le	3434 Clemson Blvd	Anderson	South Carolina	29621	(864) 642-9065
Paula	Conway	1654 Sam Rittenberg Blvd	Charleston	South Carolina	29407	(843) 576-4018
Michael	McNulty	1060 Tiger Blvd	Clemson	South Carolina	29631	(864) 722-9088
Ankit	Patel	4601 Forest Dr. Suite B	Columbia	South Carolina	29206	(803) 401-5340
Ankit	Patel	1205 Lincoln Street	Columbia	South Carolina	29201	(803) 708-0763
Ankit	Patel	718 Fashion Dr, Suite B	Columbia	South Carolina	29229	(803) 708-0782
Viet	Le	5154 Calhoun Memorial Hwy	Easley	South Carolina	29640	(864) 442-5336
Christopher	Shelvin	960 Pamplico Hwy, Suite N	Florence	South Carolina	29505	(843) 567-1700
Christopher	Shelvin	110 Woody Jones Blvd - Suite 110-A	Florence	South Carolina	29501	(843) 407-1273
Jonathan	Wian	2000 Hwy 160 West, Suite 111	Fort Mill	South Carolina	29708	(803) 802-0808
Viet	Le	27 South Pleasantburg, Suite 170	Greenville	South Carolina	29607	(864) 271-1921
Brian	Leachman	1941-A Woodruff Rd	Greenville	South Carolina	29607	(864) 236-1111
Andre	Gregory	479 Bypass 72NW, Unit 123	Greenwood	South Carolina	29649	(864) 377-8555
Brian	Leachman	755 Hammett Bridge Rd, Suite 100	Greer	South Carolina	29650	(864) 479-0005
Ankit	Patel	945-G Lake Murray Blvd	Irmo	South Carolina	29063	(803) 407-2555
Dharmik	Desai	5336-C Sunset Blvd	Lexington	South Carolina	29072	(803) 520-2289
Paula	Conway	976 Houston Northcutt Blvd., Ste. K	Mt. Pleasant	South Carolina	29464	(843) 779-0449
Brian	Leachman	940 Wood Duck Drive, Suite 101	Myrtle Beach	South Carolina	29577	(843) 282-9239
Brian	Leachman	10225 Ocean Highway, Suite 601	Pawley's Island	South Carolina	29585	(843) 314-3199
Brian	Augustine	335 Herlong Avenue, Suite 202	Rock Hill	South Carolina	29732	(803) 328-8228
Brian	Leachman	327 Harrison Bridge Rd	Simpsonville	South Carolina	29680	(864) 962-3008
Brian	Leachman	8147 Warren H Abernathy Hwy	Spartanburg	South Carolina	29301	(864) 707-5737
Paula	Conway	1718 State Road, Suite 10	Summerville	South Carolina	29486	(843) 899-5050
Angela	Nearman-Hackett	4109 W 41st St	Sioux Falls	South Dakota	57106	(605) 271-1798
Tareq	Younis	5224 Airline Rd Ste 101	Arlington	Tennessee	38002	(901) 687-3122
Himanshu	Patel	913 Gunbarrel Rd., Suite 105	Chattanooga	Tennessee	37421	(423) 499-6059
Paresh	Patel	2100 Hamilton Place Blvd.	Chattanooga	Tennessee	37421	(423) 899-9910
Siddharth	Patel	1700 Broad St, Suite 106	Chattanooga	Tennessee	37408	(423) 498-5488
Alexandra	Kavi	108 Morris Road	Clarksville	Tennessee	37040	(931) 919-4771
Alexandra	Kavi	2197 Madison St., Suite 109	Clarksville	Tennessee	37043	(931) 919-2435
Robert	Cooke	2520 Keith St. NW Suite 4	Cleveland	Tennessee	37311	(423) 339-6726
Garrett	Ellsworth	3680 Houston Levee Rd., Ste.101	Collierville	Tennessee	38017	(901) 861-0222

Rod	Slagle	1095-D South Walnut Avenue	Cookeville	Tennessee	38501	(931) 526-2999
Tracy	Oakley	8060 Dexter Road	Cordova	Tennessee	38016	(901) 372-7033
Jeremy	Graham	181 Thornton Dr	Dickson	Tennessee	37055	(615) 375-1718
Ryan	Coomer	600-A Frazier Dr., Suite 105	Franklin	Tennessee	37067	(615) 771-3988
Ryan	Coomer	9040 Carothers Pkwy, Ste B101	Franklin	Tennessee	37067	(615) 472-1963
Allyn	Gratzer	7820 Poplar Avenue	Germantown	Tennessee	38138	(901) 309-8039
Toby	Rennie	125 Indian Lake Blvd Suite D	Hendersonville	Tennessee	37075	(615) 824-7500
Priyank	Patel	5200 Hwy 153	Hixson	Tennessee	37343	(423) 875-8488
Matt	Ingram	241 Stonebridge Blvd. #A	Jackson	Tennessee	38305	(731) 664-8486
Sean	Cangelosi	2003 North Eastman Road, Suite 8	Kingsport	Tennessee	37660	(423) 530-7373
Sean	Cangelosi	8515 A-Kingston Pike	Knoxville	Tennessee	37919	(865) 470-2888
Sean	Cangelosi	305 Forest Park Blvd.	Knoxville	Tennessee	37919	(865) 583-0699
Sean	Cangelosi	10800 Kingston Pike	Knoxville	Tennessee	37934	(865) 777-0007
Sean	Cangelosi	2428 Callahan Drive	Knoxville	Tennessee	37912	(865) 362-5903
Sean	Cangelosi	4885 N Broadway St	Knoxville	Tennessee	37918	(865) 985-0954
Tareq	Younis	8950 Hwy. 64, Suite 114	Lakeland	Tennessee	38002	(901) 305-6883
Cheryl	Hild	375 Kelsey Lane - Suite 5	Lenoir City	Tennessee	37772	(865) 816-3824
Malcolm	Jackson	3586 Riverdale Rd.	Memphis	Tennessee	38115	(901) 308-1351
Derrick	Haire	1995 Union Avenue	Memphis	Tennessee	38104	(901) 726-1300
Tracy	Oakley	3288 Austin Peay Hwy	Memphis	Tennessee	38128	(901) 480-8047
Anthony	Pitts	5955 Poplar Ave., Suite B	Memphis	Tennessee	38119	(901) 623-7174
Derrick	Haire	431 S. Highland St., Suite 116	Memphis	Tennessee	38111	(901) 779-2909
Derrick	Haire	4562 Poplar Ave, Suite 117	Memphis	Tennessee	38117	(901) 443-5499
Anthony	Pitts	2029 Whitten Rd	Memphis	Tennessee	38133	(901) 529-7145
Tareq	Younis	4287 Summer Ave., Suite 103	Memphis	Tennessee	38122	(901) 249-7967
Alexsia	Williams	4466 Elvis Presley Blvd	Memphis	Tennessee	38116	(901) 779-2826
Rod	Slagle	2818 Middle Tennessee Blvd.	Murfreesboro	Tennessee	37130	(615) 890-1336
Eric	Grush	1970 Medical Center Pkwy	Murfreesboro	Tennessee	37129	(615) 396-8187
Eric	Grush	2943 S Church St. Suite B	Murfreesboro	Tennessee	37127	(615) 956-6897
Eric	Grush	1636 New Salem Hwy Suite A	Murfreesboro	Tennessee	37128	(629) 335-5775
Ed	McClarty	103 White Bridge Pike, Ste 2	Nashville	Tennessee	37209	(615) 383-7757
Sean	Cangelosi	212 S. Illinois Avenue	Oak Ridge	Tennessee	37830	(865) 294-5286

Henny	Lam	5975 Elementary Way, Suite 107	Ooltewah	Tennessee	37363	(423) 498-3430
Eric	Grush	599 Sam Ridley Pkwy	Smyrna	Tennessee	37167	(615) 625-3982
Jan	Ford	3115 S. 14th St.	Abilene	Texas	79605	(325) 704-5555
Quintin	Peguese	190 East Stacy Rd	Allen	Texas	75002-8761	(214) 383-0045
Quintin	Peguese	1255 W. Exchange Parkway, Ste 100	Allen	Texas	75013	(972) 332-8803
Sade	Moore	173 Tovrea Rd, Ste A	Alvin	Texas	77511	(281) 824-4368
James	Martin	3130 South Soncy Road. Suite 400	Amarillo	Texas	79124	(806) 642-0833
James	Martin	2300 S Georgia St	Amarillo	Texas	79109	(806) 310-9456
Sid	Weigand	3751 Matlock Rd.	Arlington	Texas	76015	(817) 375-0200
Sid	Weigand	1503 S. Cooper Street	Arlington	Texas	76010	(817) 617-2160
Sid	Weigand	1705 N. Collins St	Arlington	Texas	76011	(817) 422-9068
Anthony	Pitts	26745 US Hwy 380 E., Suite 100	Aubrey	Texas	76227	(214) 305-5134
Alim	Mambetov	301 West William Cannon Dr	Austin	Texas	78749	(512) 892-5464
Andres	Barcenas	3201 Bee Caves Road, Suite 167	Austin	Texas	78746	(512) 291-7345
Alim	Mambetov	9500 South I-35 #L650	Austin	Texas	78748	(512) 330-4798
Alim	Mambetov	12314 N I-35, Unit 100	Austin	Texas	78753	(512) 904-0924
Alim	Mambetov	9705 Research Blvd, Suite B	Austin	Texas	78759	(512) 401-3277
Alim	Mambetov	13096 Research Blvd.	Austin	Texas	78750	(512) 527-3118
Liezel	Reyes	164 Belterra Village Way Y-300	Austin	Texas	78737	(737) 775-6142
Abdellah	Shanti	6503 Garth Rd. Ste 150	Baytown	Texas	77521	(281) 838-8729
Jeff	Joubert	4012 Dowlen Rd.	Beaumont	Texas	77706	(409) 899-1660
Dale	Baird	6465 Phelan Blvd	Beaumont	Texas	77706	(409) 347-7461
David	Gellner	4405 Jimmy Simmons Blvd - Setzer	Beaumont	Texas	77705	(800) 577-4200
Phillip	Folkertsma	2200 Airport Freeway, Ste 460	Bedford	Texas	76022	(817) 494-3057
Dave	McMahon	5210 Bissonnett St.	Belaire	Texas	77401	(832) 962-4894
Cameron	Cummings	8907 Benbrook Blvd, Suite C	Benbrook	Texas	76126	(682) 707-5660
Paul	Flores	228 W. Bandera Road Suite 200	Boerne	Texas	78006	(830) 331-2400
Jose (Joey)	Mercado	3260 Galeno Crossing, Suite 9	Brownsville	Texas	78526	(956) 545-0011
Sid	Weigand	333 SW Wilshire Blvd.	Burleson	Texas	76028	(817) 295-9292
Mohammed	Azaz	2521 N. Josey Lane, Suite A	Carrollton	Texas	75006	(469) 381-7188
Jayesh	Desai	3220 East Hebron Parkway #106	Carrollton	Texas	75010	(469) 892-5980
Hardeep	Dhaliwal	3560 Frankford Road E	Carrollton	Texas	75287	(972) 306-9777



Mark	Huffstutler	915 US HWY 90 E	Castroville	Texas	78009	(830) 209-5588
Sid	Weigand	379 E. FM 1382	Cedar Hill	Texas	75104	(469) 454-4890
Delia	Gaona	857 Cibolo Valley Dr Ste 268	Cibolo	Texas	78108	(210) 757-3937
Israel Gary	Trevino	723 W Henderson Blvd	Cleburne	Texas	76033	(682) 317-1173
Dave	McMahon	1908 Texas Avenue	College Station	Texas	77840	(979) 696-5464
Shawna	Norris	233 Houston St	College Station	Texas	77843	(979) 845-6983
Shawna	Norris	797 Olsen Blvd	College Station	Texas	77840	(979) 862-1374
Dave	McMahon	4001 State Highway 6, Suite 100	College Station	Texas	77845	(979) 690-1396
Kevin	Johnson	2105 West Davis Street	Conroe	Texas	77304	(936) 539-6555
Trenton	Thomas	381 South Loop 336 West, Suite 1600	Conroe	Texas	77304	(936) 235-4198
Sid	Weigand	205 N Denton Tap Rd	Coppell	Texas	75019	(214) 513-9734
Alexandra	Kavi	2726 E Hwy 290 STE 140	Copperas Cove	Texas	76522	(254) 577-5100
Jose (Joe)	Perez	5017 Saratoga Blvd., Suite 101	Corpus Christi	Texas	78413	(361) 756-0773
Jose (Joe)	Perez	5366 McArdle Rd. Suite 100	Corpus Christi	Texas	78411	(361) 756-0774
Jose (Joe)	Perez	1305 Airline Road	Corpus Christi	Texas	78412	(361) 653-6610
Jose (Joe)	Perez	5513 Saratoga Blvd, Suite 103	Corpus Christi	Texas	78413	(361) 756-0771
Donovan	Calvin	105 Kennings Road,Suite 105-2A	Crosby	Texas	77532	(281) 666-1266
Dave	McMahon	17255 Spring Cypress Road	Cypress	Texas	77429	(281) 758-3022
Dave	McMahon	10920 Fry Rd	Cypress	Texas	77433	(281) 256-8601
Dave	McMahon	8828 Barker Cypress Rd - Suite 100	Cypress	Texas	77433	(281) 815-5328
Benjamin	Thibodeaux	14119 Grant Rd - Suite 230	Cypress	Texas	77429	(346) 818-2318
Julius	Neal	15055 Fairfield Meadows Dr, Suite 170	cypress	Texas	77433	(346) 462-7052
Zohreh	Abadi	6061 Forest Lane	Dallas	Texas	75230	(972) 404-1852
Mohammed	Azaz	6057 Skillman Street	Dallas	Texas	75231	(469) 917-8140
Mohammed	Islam	4520 Frankford Rd Ste A700	Dallas	Texas	75287	(469) 248-0220
Jamillah	DeGroat	7718 Forest Lane	Dallas	Texas	75230	(214) 272-7080
Skyler	Blacknall	655 West Illinois Avenue Ste 1075	Dallas	Texas	75224	(214) 758-0643
William	Mickens	2040 N International PKWY, Terminal A	Dallas	Texas	75261	(972) 973-7366
Tony	Bonds	5706 E. Mockingbird Lane, Suite 130	Dallas	Texas	75206	(214) 827-8885
Abdellah	Shanti	204 W Hwy-90	Dayton	Texas	77535	(936) 681-8732
Abdellah	Shanti	8015 Spencer Highway, Suite B	Deer Park	Texas	77536	(281) 930-7894
Mark	Huffstutler	2409 Veterans Blvd ST 11	Del Rio	Texas	78840	(830) 227-7117

Faizan	Wastani	1601 Brinker Road Ste. 105	Denton	Texas	76208	(940) 484-5464
Faizan	Wastani	1900 W. Chestnut St.	Denton	Texas	76201	(940) 369-7015
Faizan	Wastani	5050 Teasley Lane	Denton	Texas	76210	(940) 381-5064
Nasser	Al Faouri	2317 W University Dr, Ste 101	Denton	Texas	76201	(940) 435-0490
Corey	Masters	104 West Pleasant Run Rd	DeSoto	Texas	75115	(469) 529-1900
Skyler	Blacknall	103 N Cedar Ridge, #100	Duncanville	Texas	75116	(469) 513-2064
Mark	Huffstutler	2258 Garrison St	Eagle Pass	Texas	78852	(830) 213-8461
Alfonso	Arguindegui	1709 W. university Dr	Edinburg	Texas	78539	(956) 552-9755
Bill	Colaanni	7456 Cimarron Market Plaza Suite E1	El Paso	Texas	79911	(915) 300-0570
Bill	Colaanni	501 North Zaragoza Road	El Paso	Texas	79907	(915) 626-5728
Bill	Colaanni	2720 John Hayes St, Suite D	El Paso	Texas	79938	(915) 249-6654
Nash	Lambert	402 N I-45 Ste 100	Ennis	Texas	75119	(469) 881-1831
Zohreh	Abadi	13901 Midway Rd.	Farmers Branch	Texas	75244	(972) 661-9666
Sid	Weigand	2450 Cross Timbers Road, Suite #150	Flower Mound	Texas	75028	(972) 906-9101
Jose (Joe)	Saldana	801 International Pkwy, Ste 500	Flower Mound	Texas	75022	(800) 577-4200
Noshad	Meghani	3701 Justin Rd Ste 110	Flower Mound	Texas	75028	(214) 513-0006
Jose (Joe)	Saldana	132 Kroger Drive, Unit 100	Forney	Texas	75126	(469) 355-3073
Alexandra	Kavi	1613 Pleasanton Road, Suite B-131	Fort Bliss	Texas	79906	(915) 206-2112
Alexandra	Kavi	13471 Sergeant Major Blvd	Fort Bliss	Texas	79916	(915) 298-1010
Sid	Weigand	3054 S University Drive	Fort Worth	Texas	76109	(817) 923-4663
Skyler	Blacknall	9583 Sage Meadow Trail	Fort Worth	Texas	76177	(817) 741-8080
Sid	Weigand	14113 Trinity Blvd., Suite 209	Fort Worth	Texas	76155	(817) 283-3703
Mohammed	Azaz	3524 Highway 114, Suite 308	Fort Worth	Texas	76177	(817) 567-3060
Skyler	Blacknall	5309 McPherson Blvd. Suite 240	Fort Worth	Texas	76123	(817) 862-7648
Noshad	Meghani	3326 Hulen St.	Fort Worth	Texas	76107	(682) 224-2647
Trenton	Thomas	140 W Parkwood Ave	Friendswood	Texas	77546	(832) 569-5028
Britt	Sweat	2809 Preston Road, Suite 1220	Frisco	Texas	75034	(972) 712-7030
Mohammed	Azaz	8755 Preston Rd	Frisco	Texas	75034	(214) 872-1660
Mohammed	Azaz	4984 Main St. Suite 100	Frisco	Texas	75034	(469) 362-8222
Mohammed	Azaz	16120 Eldorado Parkway Suite 100	Frisco	Texas	75035	(214) 592-0050
Alexandra	Kavi	4250 Clear Creek Rd. Exchange Food Court	Ft. Hood	Texas	76544	(254) 532-0060
Dave	McMahon	6201 Stewart Rd	Galveston	Texas	77551	(409) 539-5426

Hardeep	Dhaliwal	5129 N. Garland Ave	Garland	Texas	75040	(972) 675-2747
Cleopatra	DeLeon	1003 WEST UNIVERSITY, SUITE 110	Georgetown	Texas	78628	(512) 948-7002
Corey	Masters	1205 Arkansas Lane, Suite 200	Grand Prairie	Texas	75052	(972) 641-5464
Nash	Lambert	2360 CAMP WISDOM ROAD, SUITE 180	Grand Prairie	Texas	75052	(972) 639-3990
Jaynesh	Patel	1231 William D. Tate Avenue, Suite 300	Grapevine	Texas	76051	(682) 223-1975
Mesfin	Kinde	3118 I-30 Frontage Rd. Suite B	Greenville	Texas	75401	(903) 454-2634
Alexandra	Kavi	560 E. Cen-TX Expressway, #101	Harker Heights	Texas	76548	(254) 393-1833
Mohammed	Jangda	13008 US HWY 287	Haslet	Texas	76052	(817) 900-3077
Bill	Colaianne	13649 East Lake Blvd - Suite D1	Horizon City	Texas	79928	(915) 219-7081
Dave	McMahon	4509 FM 1960 West	Houston	Texas	77069	(281) 893-1504
Dave	McMahon	5410 Kirby	Houston	Texas	77005	(713) 667-1843
Dave	McMahon	5300 Richmond Ave.	Houston	Texas	77056	(713) 626-5464
Dave	McMahon	12513-B Westheimer	Houston	Texas	77077	(281) 293-9563
Abdellah	Shanti	19736 S.H. 249	Houston	Texas	77070	(281) 469-7742
Dave	McMahon	913 Westheimer	Houston	Texas	77006	(713) 520-5090
Dave	McMahon	6810 Hwy 6N	Houston	Texas	77084	(281) 815-7710
Dave	McMahon	10560 Westheimer Road	Houston	Texas	77042	(346) 320-3921
TJ	Patel	5161 San Felipe, Suite 160	Houston	Texas	77056	(713) 626-4062
Salman	Ratany	2617- D W. Holcombe Blvd.	Houston	Texas	77025	(713) 661-1663
Dave	McMahon	3651 Weslayan	Houston	Texas	77027	(713) 627-3866
Dave	McMahon	5770 Hollister Street	Houston	Texas	77040	(713) 462-7086
Dave	McMahon	6020 Westheimer	Houston	Texas	77057	(713) 785-5464
Dave	McMahon	562 Meyerland Plaza	Houston	Texas	77096	(713) 349-8300
Abdellah	Shanti	2132 Greenspoint Dr.	Houston	Texas	77060	(281) 874-0384
Daniel	Chen	815 Walker St., Suite T 06	Houston	Texas	77002	(281) 701-8293
Dan	Ye	5535 Memorial Drive, Suite E	Houston	Texas	77007	(832) 673-0101
Chimezie	Iloanya	9220-A Hwy 6 South	Houston	Texas	77083	(281) 498-1308
Siupo Ernest	Mo	5015 Westheimer Blvd.	Houston	Texas	77056	(713) 840-0077
Dave	McMahon	1340 North Fry Road	Houston	Texas	77084	(281) 578-8300
George	Walker	923 Taylor St	Houston	Texas	77007	(713) 869-5056
Lyndell	Cogshell	12710 Westlake Houston Pkwy	Houston	Texas	77044	(281) 459-9942
Dave	McMahon	850 FM 1960 W	Houston	Texas	77090	(281) 880-8686

Syed	Ali	9102 West Sam Houston Pkwy N	Houston	Texas	77064	(281) 955-5615
George J.	Walker	1901 N. Shepherd Dr. #6	Houston	Texas	77008	(713) 864-2616
George	Walker	1114 Silber Road Ste. E	Houston	Texas	77055	(713) 812-1181
Phi	Nguyen	2403 BAY AREA BLVD - Suite A	Houston	Texas	77058	(281) 919-2022
Syed	Ali	8303 - C Highway 6 North	Houston	Texas	77095	(281) 815-5608
Syed	Ali	10959 FM 1960 W, Suite A	Houston	Texas	77070	(281) 653-2805
Dave	McMahon	7918 Kirby Dr	Houston	Texas	77054	(713) 665-0816
Abdellah	Shanti	4223 Ella Blvd	Houston	Texas	77018	(832) 409-6949
Abdellah	Shanti	15119 Wallisville Rd, Ste 1000	Houston	Texas	77049	(713) 724-9863
Phi	Nguyen	14550 WESTHEIMER ROAD, SUITE 100	Houston	Texas	77077	(832) 781-8611
Abdellah	Shanti	12633 Tomball Pkwy	Houston	Texas	77086	(281) 741-8117
Dave	McMahon	11853 1/2 Wilcrest Dr.	Houston	Texas	77031	(281) 760-1976
Derrell	Mathis	6388 N Eldridge Pkwy - Ste. 200	Houston	Texas	77041	(832) 408-5611
Tim	Tran	14555 Memorial Drive, Suite 300	Houston	Texas	77079	(281) 493-3711
Dave	McMahon	19717 Eastex Freeway	Humble	Texas	77338	(281) 446-4416
Abdellah	Shanti	7203 Atascocita Rd. Suite E	Humble	Texas	77346	(281) 570-2689
Lyndell	Cogshell	9360 North Sam Houston Pkwy East	Humble	Texas	77396	(281) 272-6510
Joe	Moon	1328 Sam Houston Ave.	Huntsville	Texas	77340	(936) 291-2400
Sid	Weigand	1316 West Pipeline Road	Hurst	Texas	76053	(817) 595-7690
Mohammed	Azaz	775 Grapevine Hwy	Hurst	Texas	76054	(817) 393-3264
Luis	Quijano	2098 Muirfield Bend Dr., Suite TBD	Hutto	Texas	78634	(512) 520-5251
Jeremy	Bankes	5485 N. MacArthur	Irving	Texas	75038	(972) 887-3849
Sid	Weigand	7300 N. MacArthur Blvd	Irving	Texas	75063	(469) 687-6688
Walter	Puzyk	890 South Mason Rd. #E	Katy	Texas	77450	(281) 395-6890
Dave	McMahon	24711 Katy Freeway, Suite 100	Katy	Texas	77494	(832) 437-7036
Roger W.	Chappell	6155 N. Fry Road, Suite 800	Katy	Texas	77449	(832) 674-8514
Dave	McMahon	22903 Morton Ranch Rd.	Katy	Texas	77449	(832) 437-4633
Sid	Weigand	535 Keller Pkwy	Keller	Texas	76248	(817) 337-6074
Lanetta	Williams	2222 Fort Worth Ave, Ste 135	Kessler Park	Texas	75211	(972) 803-6242
Alexandra	Kavi	2200 E. Central Texas Expressway	Killeen	Texas	76543	(254) 833-5276
Jose (Joe)	Perez	100 S. University Blvd	Kingsville	Texas	78363	(361) 221-8157
Dave	McMahon	2710 W. Lake Houston Pkwy	Kingswood	Texas	77339	(832) 644-1930

Joseph	Anderson	5940 Kyle Pkwy., Suite 115	Kyle	Texas	78640	(512) 504-3520
Arian	Tucker	1309 W Fairmont Pkwy, Suite O	La Porte	Texas	77571	(281) 941-4874
Sade	Moore	200 W. Hwy 332, Suite A	Lake Jackson	Texas	77566	(979) 316-3299
Karen	Ramirez	6560 Lake Worth Blvd Suite 100	Lake Worth	Texas	76135	(682) 385-9399
Andres	Barcenas	1800 Ranch Road 620 South, Suite 300	Lakeway	Texas	78734	(512) 373-3676
Miguel	Rodriguez	1408 E. Delmar Blvd.	Laredo	Texas	78041	(956) 726-5550
Miguel	Rodriguez	2019 NE Bob Bullock Loop Suite C-300	Laredo	Texas	78045	(956) 568-4558
Phi	Nguyen	660 Marina Bay Drive	League City	Texas	77573	(281) 334-7888
Paul	Alfonso	1620 W FM 646 Rd	League City	Texas	77573	(832) 340-7334
Hetal	Patel	500 E. Round Grove Rd., Suite 305	Lewisville	Texas	75067	(972) 315-9755
Jaynesh	Patel	1100 W Main St	Lewisville	Texas	75067	(469) 771-3004
Mohammed	Azaz	2731 Little Elm Parkway Suite 320	Little Elm	Texas	75068	(469) 362-6796
David	Briscoe	7939 Pat Booker Rd. Suite 105	Live Oak	Texas	78233	(210) 776-7666
Matt	McKinney	530 E. Loop 281	Longview	Texas	75605	(903) 753-4300
Matt	McKinney	2002 Toler Rd	Longview	Texas	75604	(903) 704-0278
Tim	Meade	3723 19th Street	Lubbock	Texas	79410	(806) 785-5464
Mohammed	Al-Qasem	2695 McGarity Lane Ste 200	Lucas	Texas	75002	(972) 332-8108
Kathy	Brown	4505 S. Medford Dr., Ste. 209	Lufkin	Texas	75901	(936) 632-5464
Jeff	Joubert	104A S. LHS Drive	Lumberton	Texas	77657	(409) 755-1660
Dave	McMahon	6627 F.M. 1488	Magnolia	Texas	77354	(281) 259-3828
Mohammed	Azaz	1520 E. Debbie Ln	Mansfield	Texas	76063	(817) 539-9978
Trenton	Thomas	21716 Hwy 288	Manvel	Texas	77578	(832) 637-7006
Alfonso Luis	Arguindegui	101 S. 10th St.	McAllen	Texas	78503	(956) 515-2685
Britt	Sweat	1920 Eldorado Pkwy, Ste. 70	McKinney	Texas	75069	(972) 548-7111
Tony	Bonds	3520 W. University Dr. #300	McKinney	Texas	75071	(972) 369-7699
Britt	Sweat	2619 Sentinel Way - Suite 100	Melissa	Texas	75454	(972) 369-7773
Tam (Tom)	Bui	1300 N. Town East Blvd.	Mesquite	Texas	75150	(972) 279-1920
TJ	Jayswal	1815 Range Drive Ste 100	Mesquite	Texas	75149	(972) 807-2202
James	Martin	2200 W Wadley Ave Ste. 17	Midland	Texas	79705	(432) 686-2665
Ali	Shah	5402 Highway 6	Missouri City	Texas	77459	(281) 565-1896
Dave	McMahon	6261 Hwy. 6	Missouri City	Texas	77459-4755	(832) 987-1452
Abdellah	Shanti	13520 Lakes of Champions Blvd B, Ste 100	Mont Belvieu	Texas	77523	(832) 501-2330

Matt	McKinney	2417 North Street	Nacogdoches	Texas	75965	(936) 559-5464
David	Gellner	1033 Nederland Ave	Nederland	Texas	77627	(409) 237-5283
Paul	Flores	1659 STATE HIGHWAY 46 W, SUITE 175	New Braunfels	Texas	78132	(830) 312-5434
Dave	McMahon	12029 N Grand Parkway E, Suite 120	New Caney	Texas	77357	(281) 354-2435
Noshad	Meghani	5600 Rufe Snow	North Richland Hills	Texas	76180	(817) 479-3364
Tony	Bonds	8849 N. Tarrant Pkwy Suite 100	North Richland Hills	Texas	76182	(817) 576-4317
Bryan	Wurster	4201 N. Dixie Blvd, Suite 120	Odessa	Texas	79765	(432) 653-1755
Bryan	Wurster	4103 Faudree, Suite 110	Odessa	Texas	79765	(432) 214-8004
David	Gellner	3111 Edgar Brown Dr	Orange	Texas	77630	(409) 330-4832
Jason	Stephens	2212 Crockett Rd - Unit 100	Palestine	Texas	75801	(903) 573-7337
Abdellah	Shanti	5861 Fairmont Pkwy.	Pasadena	Texas	77505	(281) 991-7899
Abdellah	Shanti	3530-A Spencer Hwy	Pasadena	Texas	77504	(346) 319-5331
Paul	Alfonso	11037 Shadow Creek Pkwy	Pearland	Texas	77584	(713) 340-2691
Dave	McMahon	9501 W. Broadway	Pearland	Texas	77584	(281) 617-7423
Paul	Alfonso	3202 E. Broadway Street	Pearland	Texas	77581	(346) 409-2873
Luis	Quijano	18701 Limestone Commercial Dr. Ste. 200	Pflugerville	Texas	78660	(512) 243-5459
Bhavna	Patel	6009 W. Parker Rd., #141	Plano	Texas	75093	(972) 378-9950
Zohreh	Abadi	4701 West Park Blvd. Suite 106	Plano	Texas	75093	(972) 398-1107
Zohreh	Abadi	340 Coit Rd., Suite 200	Plano	Texas	75075	(972) 398-0999
Mohammed	Azaz	580 W. Princeton Dr Suite 100	Princeton	Texas	75407	(972) 736-0072
Mohammed	Azaz	841 S. Preston Rd.	Prosper	Texas	75078	(214) 305-5999
Zohreh	Abadi	342 W. Campbell Road	Richardson	Texas	75080	(972) 699-1039
Arian	Tucker	7810 West Grand Parkway South, Suite 100	Richmond	Texas	77406	(832) 759-6556
Tim	Tran	22377 BELLAIRE BLVD #600	Richmond	Texas	77407	(832) 847-4047
Trenton	Thomas	10321 West Grand Pkwy South Ste 100	Richmond	Texas	77407	(281) 762-1327
Noshad	Meghani	1751 N. HWY 377 Ste 100	Roanoke	Texas	76262	(682) 237-7024
Kim	Combs	718 East Interstate Hwy 30	Rockwall	Texas	75087	(972) 722-5840
Dave	McMahon	24720 Commercial Dr., #150	Rosenberg	Texas	77471	(281) 762-1470
Luis	Quijano	150 Sundance Pkwy. #200	Round Rock	Texas	78664	(512) 600-5464
Jamie	Joyal	455 University Blvd. Suite 300	Round Rock	Texas	78665	(512) 215-8249
Cleopatra	DeLeon	2250 E. Palm Valley Blvd, Suite 210	Round Rock	Texas	78665	(512) 520-9363
Mohammed	Azaz	3316 Lakeview Pkwy, Suite 103	Rowlett	Texas	75088	(469) 395-0911

Jose (Joe)	Saldana	720 West I-30	Royse City	Texas	75189	(972) 464-1613
Jan	Ford	1819 Knickerbocker Rd	San Angelo	Texas	76904	(325) 237-7025
Eric	Gibbs	1141 N Loop 1604 East #106	San Antonio	Texas	78258	(210) 999-5007
Joanne	Hilliard	11411 Bandera Rd	San Antonio	Texas	78250	(210) 684-8800
Joanne	Hilliard	One University Blvd	San Antonio	Texas	78249	(210) 960-7292
Joanne	Hilliard	17926 Bulverde Rd	San Antonio	Texas	78259	(210) 617-7963
Joanne	Hilliard	7431 NW Loop 410	San Antonio	Texas	78245	(210) 647-7331
Joanne	Hilliard	7338 Louis Pasteur Dr., Ste 203	San Antonio	Texas	78229	(210) 593-0888
Joanne	Hilliard	18427 Rim Drive	San Antonio	Texas	78257	(210) 699-0100
Steven	Coriell	1247 NE Loop 410	San Antonio	Texas	78209	(210) 973-7094
Joanne	Hilliard	2426 SE Military, Building 700	San Antonio	Texas	78223	(210) 346-1577
Joanne	Hilliard	1251 Austin Hwy,Suite 101	San Antonio	Texas	78209	(210) 998-2096
Thomas	Nguyen	10222 Huebner Road, Suite 116	San Antonio	Texas	78240	(210) 462-1322
Raul	Fernandez	11334 Potranco Rd Ste 106	San Antonio	Texas	78253	(210) 530-1054
Steven	Coriell	4925 Walzem Road	San Antonio	Texas	78218	(210) 375-9283
Thomas	Nguyen	21038 US Hwy 281, Suite 105	San Antonio	Texas	78258	(210) 257-0808
Thomas	Nguyen	24531 IH-10 WEST, SUITE 110	San Antonio	Texas	78257	(210) 701-8276
Joanne	Hilliard	14439 NW Military Hwy Ste 110	San Antonio	Texas	78231	(210) 332-5008
Reynaldo	Rodriguez III	10650 Culebra RD #130	San Antonio	Texas	78251	(726) 444-0069
Joseph	Anderson	301 N. Guadalupe, Suite 174	San Marcos	Texas	78666	(512) 214-8372
Joseph	Anderson	200 I 35 N Frontage Rd., Suite 130	San Marcos	Texas	78666	(512) 210-8198
Mohammed	Azaz	2707 E. Southlake Blvd., Suite 150	Southlake	Texas	76092	(817) 488-7733
Dave	McMahon	314 Sawdust Road Suite 103	Spring	Texas	77380	(281) 465-8807
Ghouse	Hameed	225 Cypresswood Dr	Spring	Texas	77388	(832) 813-5585
Abdellah	Shanti	21630 Kuykendahl Rd. Suite 405	Spring	Texas	77388	(281) 719-0019
Abdellah	Shanti	20222 Champion Forest Drive Suite 100	Spring	Texas	77379	(832) 953-2920
Dave	McMahon	3535 Rayford Road, Suite 100	Spring	Texas	77386	(832) 764-0100
Kevin	Johnson	2015 Spring Stuebner Road	Spring	Texas	77388	(346) 372-8702
Kevin	Johnson	18602 Kuykendahl Rd., Suite #400	Spring	Texas	77379	(832) 764-0029
Rashmikan	Patel	7312 Louetta Road	Spring	Texas	77379	(832) 877-2152
Dave	McMahon	3303 South Hwy 6 Ste. A	Sugar Land	Texas	77478	(281) 265-7600
Tanweer	Ahmad	5022 HWY 90 A East Ste R	Sugarland	Texas	77478	(281) 240-6451

Chris	Webb	17414 W. Grand Pkway S.	Sugarland	Texas	77479	(832) 451-6371
Paril	Patel	13607 University Blvd. Suite 200	Sugarland	Texas	77479	(281) 240-1511
Alexandra	Kavi	3921 S. General Bruce Drive	Temple	Texas	76502	(254) 314-2202
Gloria C.	Landos	532 American Way Ste 200	Terrell	Texas	75160	(469) 474-7157
Abdellah	Shanti	3401 Palmer Hwy - Suite 106	Texas City	Texas	77590	(409) 229-1903
Britt	Sweat	4770 State Hwy. 121 Suite 150	The Colony	Texas	75056	(214) 469-1552
Dave	McMahon	1440-B Lake Woodlands Drive	The Woodlands	Texas	77381	(281) 419-1338
Dave	McMahon	28165 Tomball Pkwy.	Tomball	Texas	77375	(281) 516-3835
Ghouse	Hameed	10800 Spring Cypress Rd, Suite 400	Tomball	Texas	77375	(832) 843-6954
Matt	McKinney	4502 S. Broadway	Tyler	Texas	75703	(903) 939-2033
Matt	McKinney	1849 Troup Hwy.	Tyler	Texas	75701	(903) 597-5464
Matt	McKinney	6445 Old Jacksonville Hwy	Tyler	Texas	75703	(903) 630-5046
Mark	Huffstutler	2005 E Main St	Uvalde	Texas	78801	(830) 900-7171
Dave	McMahon	2811 Houston Hwy	Victoria	Texas	77901	(361) 582-0488
Mohammed	Azaz	8450 Denton Hwy, Suite 300	Watauga	Texas	76137	(817) 576-2911
Crystal	Rivet	1995 Hwy 77	Waxahachie	Texas	75165	(214) 903-8008
Paul	Alfonso	1041 W. Bay Area Blvd	Webster	Texas	77598	(281) 525-6238
Gene	Gollahon	560 Alta Mere Drive	White Settlement	Texas	76114	(817) 731-5595
Michael	Albert	2823 Southwest Parkway, Suite 300	Wichita Falls	Texas	76308	(940) 263-4114
Mohammed	Azaz	3483 FM 544	Wylie	Texas	75098	(972) 429-7799
Thomas	Hughes	1101 S. Joyce St., Suite B-9	Arlington	Virginia	22202	(703) 414-7832
Fahad	Naroo	10297 Bristow Center Dr	Bristow	Virginia	20136	(571) 719-3923
Dan	Stendig	973-B Emmet Street	Charlottesville	Virginia	22903	(434) 295-8502
Afnan	Ahmad	10342 Main Street	Fairfax	Virginia	22030	(703) 218-1826
Fahad	Naroo	6422 Trading Square	Haymarket	Virginia	20169	(571) 284-6385
David	La Franque	2400 Lakeside Dr.	Lynchburg	Virginia	24501	(434) 832-0777
Fahad	Naroo	10048 Market Circle	Manassas	Virginia	20110	(703) 330-3344
Syed	Mehdi	258 Maple Avenue E	Vienna	Virginia	22180	(703) 272-4462
Richard	Benjamin	4296 Merchant Plaza	Woodbridge	Virginia	22192	(703) 897-5464
Tanya	Basham	2045 5th Avenue	Huntington	West Virginia	25703	(681) 204-5057
Jennifer	Clausen	475 Oakland Street	Morgantown	West Virginia	26505	(304) 212-5561
James	Jackson	1680 S. Appleton Rd Ste B	Menasha	Wisconsin	54952	(920) 558-4001



Vishal	Shah	2019 Deming Way	Middleton	Wisconsin	53562	(608) 836-0742
DeSario	Turner	3667 Market Lane - Suite B	Somers	Wisconsin	53144	(262) 764-0111
Scott	McCaskey	1890 Meadow Ln - Suite A	Waukesha	Wisconsin	53188	(262) 433-8442

**EXHIBIT B**

**LIST OF FORMER FRANCHISEES**

**SMOOTHIE KING FRANCHISE DISCLOSURE DOCUMENT**  
**EXHIBIT B**

This is a list of the names, cities, states and telephone numbers of each Smoothie King franchisee whose franchise agreement has, between December 27, 2023 and December 30, 2024, been terminated, cancelled, not renewed, or who has, during the same time period, otherwise voluntarily or involuntarily ceased to do business, or who has not communicated with us within 10 weeks of the date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

**TRANSFERRED STORES**  
**As of December 30, 2024**

<b>Owner Contact</b>	<b>City</b>	<b>State/Province</b>	<b>Phone Number</b>
Eric Grush	Birmingham	Alabama	(504) 236-0558
Eric Grush	Birmingham	Alabama	(504) 236-0558
Jerry Clark	Dothan	Alabama	
Jerry Clark	Dothan	Alabama	
Starr Nicosia	Foley	Alabama	(251) 436-3526
Eric Grush	Homewood	Alabama	(504) 236-0558
Eric Grush	Hoover	Alabama	(504) 236-0558
Eric Grush	Hoover	Alabama	(504) 236-0558
Clay Koenig	Mobile	Alabama	(504) 905-0837
Starr Nicosia	Orange Beach	Alabama	(251) 436-3526
Eric Grush	Trussville	Alabama	(504) 236-0558
Eric Grush	Vestavia	Alabama	(504) 236-0558
Anand Patel	Jonesboro	Arkansas	(813) 994-9606
Anand Patel	Little Rock	Arkansas	(813) 994-9606
Tisha Skinner	Washington	District of Columbia	(410) 290-3455
Fausto Faraldo	Deerfield Beach	Florida	(786) 357-1116
James Shafer	Largo	Florida	(225) 937-6211
Robert Brindley	Melbourne	Florida	(828) 631-4333
James Shafer	Pinellas Park	Florida	(225) 937-6211
James Shafer	Saint Petersburg	Florida	(225) 937-6211
James Shafer	Saint Petersburg	Florida	(225) 937-6211
Terry Pridemore	Sarasota	Florida	(814) 833-7271
Ryan Jonathan	Sunrise	Florida	(647) 989-4663
James Shafer	Tampa	Florida	(225) 937-6211
Ankitkumar Patel	Alpharetta	Georgia	(478) 747-9054
Greg Thomas	Atlanta	Georgia	(770) 402-9262
Randall Popham	Austell	Georgia	(404) 213-7482
Philip Jones	Chamblee	Georgia	(404) 915-7458
Dean King	Columbus	Georgia	
Ankitkumar Patel	Hampton	Georgia	(478) 747-9054
Siegfried Jones	Mableton	Georgia	(404) 822-5233

Alvin Terrell	Mableton	Georgia	(678) 365-8349
Matt Davidson	Marietta	Georgia	(770) 851-2991
Matt Davidson	Marietta	Georgia	(770) 851-2991
Sylvester Smith	Newnan	Georgia	
Rashad Luckett	Savannah	Georgia	(912) 272-8349
Amin Yassin	Bolingbrook	Illinois	(708) 369-1973
Amin Yassin	Downers Grove	Illinois	(708) 369-1973
Yonas Hagos	Hanover Park	Illinois	(630) 332-4060
Theodore Yancy	Lockport	Illinois	(630) 886-3620
Amin Yassin	Naperville	Illinois	(708) 369-1973
Amin Yassin	Naperville	Illinois	(708) 369-1973
Amin Yassin	New Lenox	Illinois	(708) 369-1973
Yonas Hagos	Palatine	Illinois	(630) 332-4060
Tim Everett	Springfield	Illinois	
Tim Everett	Springfield	Illinois	
Amin Yassin	Westmont	Illinois	(708) 369-1973
Yonas Hagos	Yorkville	Illinois	(630) 332-4060
John Clancy	Avon	Indiana	(740) 207-0914
John Clancy	Carmel	Indiana	(740) 207-0914
John Clancy	Greenwood	Indiana	(740) 207-0914
John Clancy	Zionsville	Indiana	(740) 207-0914
Karen Nichols	Harvey	Louisiana	(504) 250-2096
A. Selby Evans	Metairie	Louisiana	(504) 331-0700
A. Selby Evans	New Orleans	Louisiana	(504) 331-0700
John Avalos	Aberdeen	Maryland	(443) 243-6939
John Meissner	Bel Air	Maryland	(443) 910-1348
John Avalos	Columbia	Maryland	(443) 243-6939
Rolanda Burnett	Eldersburg	Maryland	(803) 403-3671
John Meissner	Forest Hill	Maryland	(443) 910-1348
Rolanda Burnett	Westminster	Maryland	(803) 403-3671
John Morgan Hughes	Jackson	Mississippi	(601) 672-4988
Chris Luebbbers	Brentwood	Missouri	(618) 803-8214
Cherry Villegas	Cottleville	Missouri	(636) 459-8823
Cherry Villegas	O'Fallon	Missouri	(636) 459-8823
Brandon Nichols	St. Joseph	Missouri	(913) 271-6815
John Clancy	Carle Place	New York	(740) 207-0914
Steve Lund	Cincinnati	Ohio	(513) 252-5510
Steve Lund	Cincinnati	Ohio	(513) 252-5510
Steve Lund	Cincinnati	Ohio	(513) 252-5510
Joe Megyesi	Mayfield Heights	Ohio	(440) 915-9221
Joe Megyesi	Statesboro	Ohio	(44) 915-9221
Chris Whitaker	Philadelphia	Pennsylvania	(215) 557-9557

Andy Mouhot	Germantown	Tennessee	(901) 861-0222
Tom Marine	Knoxville	Tennessee	(865) 523-3111
Tom Marine	Knoxville	Tennessee	(865) 523-3111
Andy Mouhot	Memphis	Tennessee	(901) 861-0222
Andy Mouhot	Memphis	Tennessee	(901) 861-0222
Jake Posey	Austin	Texas	(817) 320-4587
Jake Posey	Austin	Texas	(817) 320-4587
Jamie Joyal	Austin	Texas	(522) 551-8262
Jamie Joyal	Austin	Texas	(522) 551-8262
Sergio Carrasco	Carrollton	Texas	(214) 470-3451
Paul Alfonso	College Station	Texas	(832) 725-4022
Paul Alfonso	College Station	Texas	(832) 725-4022
Paul Alfonso	College Station	Texas	(832) 725-4022
Ricardo Anderson	Conroe	Texas	(281) 882-9577
Austin Clinkscales	Dallas	Texas	(817) 368-9499
Nitin Patel	Denton	Texas	(203) 685-3000
Nitin Patel	Denton	Texas	(203) 685-3000
Nitin Patel	Denton	Texas	(203) 685-3000
Jennifer Hew	Flower Mound	Texas	(972) 897-9945
Austin Clinkscales	Fort Worth	Texas	(817) 368-9499
Robert Thieman	Greenville	Texas	(479) 530-7276
Shabbir Tayyeb	Houston	Texas	(832) 877-2152
Yonas Hagos	Hurst	Texas	(630) 332-4060
Drew Coxie	La Porte	Texas	
Austin Clinkscales	Mansfield	Texas	(817) 368-9499
Katherine Wurster	Midland	Texas	
Austin Clinkscales	Rowlett	Texas	(817) 368-9499
Yonas Hagos	Southlake	Texas	(630) 332-4060
Golda Fondal	Spring	Texas	(713) 560-3453
Golda Fondal	Spring	Texas	(713) 560-3453
Shabbir Tayyeb	Spring	Texas	(832) 877-2152
Tony Ugoh	Spring	Texas	(832) 253-4561
Tony Ugoh	Tomball	Texas	(832) 253-4561
Shabbir Tayyeb	Tomball	Texas	(832) 877-2152
Yonas Hagos	Wataugo	Texas	(630) 332-4060

**STORES CLOSED**  
**As of December 30, 2024**

<b>Owner Contact</b>	<b>City</b>	<b>State/Province</b>	<b>Phone Number</b>
Eric Grush	Birmingham	Alabama	(504) 236-0558
Eric Grush	Birmingham	Alabama	(504) 236-0558
Jerry Clark	Dothan	Alabama	
Jerry Clark	Dothan	Alabama	
Starr Nicosia	Foley	Alabama	(251) 436-3526
Eric Grush	Homewood	Alabama	(504) 236-0558
Eric Grush	Hoover	Alabama	(504) 236-0558
Eric Grush	Hoover	Alabama	(504) 236-0558
Clay Koenig	Mobile	Alabama	(504) 905-0837
Starr Nicosia	Orange Beach	Alabama	(251) 436-3526
Eric Grush	Trussville	Alabama	(504) 236-0558
Eric Grush	Vestavia	Alabama	(504) 236-0558
Anand Patel	Jonesboro	Arkansas	(813) 994-9606
Anand Patel	Little Rock	Arkansas	(813) 994-9606
Tisha Skinner	Washington	District of Columbia	(410) 290-3455
Fausto Faraldo	Deerfield Beach	Florida	(786) 357-1116
James Shafer	Largo	Florida	(225) 937-6211
Robert Brindley	Melbourne	Florida	(828) 631-4333
James Shafer	Pinellas Park	Florida	(225) 937-6211
James Shafer	Saint Petersburg	Florida	(225) 937-6211
James Shafer	Saint Petersburg	Florida	(225) 937-6211
Terry Pridemore	Sarasota	Florida	(814) 833-7271
Ryan Jonathan	Sunrise	Florida	(647) 989-4663
James Shafer	Tampa	Florida	(225) 937-6211
Ankitkumar Patel	Alpharetta	Georgia	(478) 747-9054
Greg Thomas	Atlanta	Georgia	(770) 402-9262
Randall Popham	Austell	Georgia	(404) 213-7482
Philip Jones	Chamblee	Georgia	(404) 915-7458
Dean King	Columbus	Georgia	
Ankitkumar Patel	Hampton	Georgia	(478) 747-9054
Siegfried Jones	Mableton	Georgia	(404) 822-5233
Alvin Terrell	Mableton	Georgia	(678) 365-8349
Matt Davidson	Marietta	Georgia	(770) 851-2991
Matt Davidson	Marietta	Georgia	(770) 851-2991
Sylvester Smith	Newnan	Georgia	
Rashad Luckett	Savannah	Georgia	(912) 272-8349
Amin Yassin	Bolingbrook	Illinois	(708) 369-1973
Amin Yassin	Downers Grove	Illinois	(708) 369-1973

Yonas Hagos	Hanover Park	Illinois	(630) 332-4060
Theodore Yancy	Lockport	Illinois	(630) 886-3620
Amin Yassin	Naperville	Illinois	(708) 369-1973
Amin Yassin	Naperville	Illinois	(708) 369-1973
Amin Yassin	New Lenox	Illinois	(708) 369-1973
Yonas Hagos	Palatine	Illinois	(630) 332-4060
Tim Everett	Springfield	Illinois	
Tim Everett	Springfield	Illinois	
Amin Yassin	Westmont	Illinois	(708) 369-1973
Yonas Hagos	Yorkville	Illinois	(630) 332-4060
John Clancy	Avon	Indiana	(740) 207-0914
John Clancy	Carmel	Indiana	(740) 207-0914
John Clancy	Greenwood	Indiana	(740) 207-0914
John Clancy	Zionsville	Indiana	(740) 207-0914
Karen Nichols	Harvey	Louisiana	(504) 250-2096
A. Selby Evans	Metairie	Louisiana	(504) 331-0700
A. Selby Evans	New Orleans	Louisiana	(504) 331-0700
John Avalos	Aberdeen	Maryland	(443) 243-6939
John Meissner	Bel Air	Maryland	(443) 910-1348
John Avalos	Columbia	Maryland	(443) 243-6939
Rolanda Burnett	Eldersburg	Maryland	(803) 403-3671
John Meissner	Forest Hill	Maryland	(443) 910-1348
Rolanda Burnett	Westminster	Maryland	(803) 403-3671
John Morgan Hughes	Jackson	Mississippi	(601) 672-4988
Chris Luebbers	Brentwood	Missouri	(618) 803-8214
Cherry Villegas	Cottleville	Missouri	(636) 459-8823
Cherry Villegas	O'Fallon	Missouri	(636) 459-8823
Brandon Nichols	St. Joseph	Missouri	(913) 271-6815
John Clancy	Carle Place	New York	(740) 207-0914
Steve Lund	Cincinnati	Ohio	(513) 252-5510
Steve Lund	Cincinnati	Ohio	(513) 252-5510
Steve Lund	Cincinnati	Ohio	(513) 252-5510
Joe Megyesi	Mayfield Heights	Ohio	(440) 915-9221
Joe Megyesi	Statesboro	Ohio	(44) 915-9221
Chris Whitaker	Philadelphia	Pennsylvania	(215) 557-9557
Andy Mouhot	Germantown	Tennessee	(901) 861-0222
Tom Marine	Knoxville	Tennessee	(865) 523-3111
Tom Marine	Knoxville	Tennessee	(865) 523-3111
Andy Mouhot	Memphis	Tennessee	(901) 861-0222
Andy Mouhot	Memphis	Tennessee	(901) 861-0222
Jake Posey	Austin	Texas	(817) 320-4587
Jake Posey	Austin	Texas	(817) 320-4587

Jamie Joyal	Austin	Texas	(522) 551-8262
Jamie Joyal	Austin	Texas	(522) 551-8262
Sergio Carrasco	Carrollton	Texas	(214) 470-3451
Paul Alfonso	College Station	Texas	(832) 725-4022
Paul Alfonso	College Station	Texas	(832) 725-4022
Paul Alfonso	College Station	Texas	(832) 725-4022
Ricardo Anderson	Conroe	Texas	(281) 882-9577
Austin Clinkscales	Dallas	Texas	(817) 368-9499
Nitin Patel	Denton	Texas	(203) 685-3000
Nitin Patel	Denton	Texas	(203) 685-3000
Nitin Patel	Denton	Texas	(203) 685-3000
Jennifer Hew	Flower Mound	Texas	(972) 897-9945
Austin Clinkscales	Fort Worth	Texas	(817) 368-9499
Robert Thieman	Greenville	Texas	(479) 530-7276
Shabbir Tayyeb	Houston	Texas	(832) 877-2152
Yonas Hagos	Hurst	Texas	(630) 332-4060
Drew Coxie	La Porte	Texas	
Austin Clinkscales	Mansfield	Texas	(817) 368-9499
Katherine Wurster	Midland	Texas	
Austin Clinkscales	Rowlett	Texas	(817) 368-9499
Yonas Hagos	Southlake	Texas	(630) 332-4060
Golda Fondal	Spring	Texas	(713) 560-3453
Golda Fondal	Spring	Texas	(713) 560-3453
Shabbir Tayyeb	Spring	Texas	(832) 877-2152
Tony Ugoh	Spring	Texas	(832) 253-4561
Tony Ugoh	Tomball	Texas	(832) 253-4561
Shabbir Tayyeb	Tomball	Texas	(832) 877-2152
Yonas Hagos	Wataugo	Texas	(630) 332-4060



**FRANCHISE AGREEMENT TERMINATED – UNIT NEVER OPENED**  
**As of December 30, 2024**

<b>Franchisee</b>	<b>City</b>	<b>State/Province</b>	<b>Phone Number</b>
Nikunj Bhimani	Manchester	Connecticut	(860) 904-3057
Dan Iannettone	Hallandale Beach	Florida	(305) 308-7004
Tammy Peavy	Tampa	Florida	(813) 963-5581
Heather Hill	Fayetteville	Georgia	(704) 299-6200
Heather Hill	Hinesville	Georgia	(704) 299-6200
Christian Choe	Lilburn	Georgia	(404) 772-2199
Yonas Hagos	Chicago	Illinois	(630) 926-6982
Chris Klebba	Canton	Michigan	(810) 321-0050
Tanisha Dale	Olivette	Missouri	(314) 398-6597
Erica Clark	Newark	New Jersey	(706) 495-4324
Jean Morace	Brooklyn	New York	(718) 251-7272
Heather Hill	Charlotte	North Carolina	(704) 299-6200
Heather Hill	Mebane	North Carolina	(704) 299-6200
Eric Grush	Murfreesboro	Tennessee	(504) 236-0558
Eric Grush	Murfreesboro	Tennessee	(504) 236-0558
Jonathan Anderson	Corpus Christi	Texas	(301) 331-1677
Austin Clinkscales	Mansfield	Texas	(817) 368-9499
Austin Clinkscales	Plano	Texas	(817) 368-9499
Heather Hill	Poquoson	Virginia	(704) 299-6200

**EXHIBIT C**

**AUDITED FINANCIAL STATEMENTS  
OF SMOOTHIE KING FRANCHISES, INC.**

# **Smoothie King Franchises, Inc.**

(A wholly owned subsidiary of SK USA Inc.)

## **Financial Statements**

**As of December 30, 2024 and December 25, 2023 and  
for the years ended December 30, 2024,  
December 25, 2023, and December 26, 2022**

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of Smoothie King Holdings, Inc.)

## Index

As of December 30, 2024 and December 25, 2023 and for the years ended  
December 30, 2024, December 25, 2023, and December 26, 2022

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Ernst & Young LLP  
One Victory Park  
Suite 2000  
2323 Victory Avenue  
Dallas, TX 75219

Tel: +1 214 969 8000  
ey.com

## **Report of Independent Auditors**

To the Board of Directors of Smoothie King Franchises, Inc.

### **Opinion**

We have audited the financial statements of Smoothie King Franchises, Inc. (the Company), which comprise the balance sheets as of December 30, 2024 and December 25, 2023, and the related income statements, statements of stockholder's equity and statements of cash flows for the years then ended, and the related notes (collectively referred to as "the financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 30, 2024 and December 25, 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Report of Other Auditors on 2022 Financial Statements**

The financial statements of the Company for the year ended December 26, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 10, 2023.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of 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 the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

*Ernst & Young LLP*

April 4, 2025

**Smoothie King Franchises, Inc.**  
(A wholly owned subsidiary of SK USA Holdings, Inc.)  
**Balance Sheets**  
**December 30, 2024 and December 25, 2023**  
*(amounts in thousands, except share data)*

<b>Assets</b>	<b>2024</b>	<b>2023</b>
Current assets:		
Cash and cash equivalents	\$ 9,498	\$ 8,855
Restricted cash	5,482	5,341
Receivables, net of allowance for credit losses of \$439 and \$779 at December 30, 2024 and December 25, 2023, respectively	9,102	8,515
Due from affiliates	738	388
Prepaid and other current assets	2,403	1,930
Total current assets	27,223	25,029
Non-current assets:		
Property and equipment, net	3,239	4,080
Goodwill	18,739	18,739
Trademark	28,700	28,700
Franchise agreements, net	1,820	2,148
Right of use assets	1,210	1,321
Other assets	1,110	1,045
Total assets	\$ 82,041	\$ 81,062
<b>Liabilities and stockholder's equity</b>		
Current liabilities:		
Accounts payable	\$ 1,249	\$ 661
Accrued expenses	12,345	12,357
Other current liabilities	4,301	4,040
Income taxes payable	2,430	128
Total current liabilities	20,325	17,186
Long-term liabilities:		
Deferred franchise revenue long term	17,487	17,996
Operating lease liabilities	1,266	1,599
Deferred income taxes, net	3,708	4,069
Total liabilities	\$ 42,786	\$ 40,850
Commitments and contingencies (Note 6)		
Stockholder's equity:		
Additional paid-in capital	\$ 49,015	\$ 49,015
Receivables from affiliates, net	(109,224)	(92,491)
Retained earnings	99,464	83,688
Total stockholder's equity	39,255	40,212
Total liabilities and stockholder's equity	\$ 82,041	\$ 81,062

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

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Income Statements

Years ended December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands)

	2024	2023	2022
<b>Revenues</b>			
Revenues	\$ 49,827	\$ 47,219	\$ 48,917
Other revenues	13,822	12,407	-
Total revenues	63,649	59,626	48,917
<b>Operating costs and expenses</b>			
Depreciation and amortization	1,725	987	1,315
General and administrative	41,332	37,079	26,776
Total operating costs and expenses	43,057	38,066	28,091
Operating income	20,592	21,560	20,826
Interest income	178	222	-
Other income	157	1,452	18
Income before income taxes	20,927	23,234	20,844
Income tax expense	5,151	6,286	5,704
Net income	\$ 15,776	\$ 16,948	\$ 15,140

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



**Smoothie King Franchises, Inc.****(A wholly owned subsidiary of SK USA Holdings, Inc.)****Statements of Stockholder's Equity****Years ended December 30, 2024, December 25, 2023, and December 26, 2022****(amounts in thousands)**

	<b>Additional Paid-In Capital</b>	<b>Receivables from Affiliates, net</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balances at December 27, 2021</b>	49,015	(64,505)	51,600	36,110
Stock compensation expense	—	254	—	254
Increase in affiliate receivables	—	(4,963)	—	(4,963)
Net income	—	—	15,140	15,140
<b>Balances at December 26, 2022</b>	49,015	(69,214)	66,740	46,541
Stock compensation expense	—	122	—	122
Increase in affiliate receivables	—	(23,399)	—	(23,399)
Net income	—	—	16,948	16,948
<b>Balances at December 25, 2023</b>	49,015	(92,491)	83,688	40,212
Stock compensation expense	-	833	-	833
Increase in affiliate receivables	-	(17,566)	-	(17,566)
Net income	-	-	15,776	15,776
<b>Balances at December 30, 2024</b>	49,015	(109,224)	99,464	39,255

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

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Statements of Cash Flows (continued)

Years ended December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands)

	2024	2023	2022
<b>Operating activities</b>			
Net income	\$ 15,776	\$ 16,948	\$ 15,140
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,725	987	1,315
Deferred income taxes	(361)	(473)	(241)
Stock compensation expense	833	122	254
Changes in:			
Receivables	(587)	(2,457)	(1,462)
Prepaid and other current assets	(886)	(894)	372
Income tax receivable / (payable)	2,302	(352)	2,027
Right of use assets	111	151	(1,472)
Accounts payable and other liabilities	328	5,248	40
Lease liability	(333)	(267)	2,196
Deferred rent and lease incentive liability	-	-	(731)
Net cash provided by operating activities	18,908	19,013	17,438
<b>Investing activities</b>			
Capital expenditures	(561)	(2,490)	(516)
Net cash used in investing activities	(561)	(2,490)	(516)
<b>Financing activities</b>			
Equity receivable payments to affiliates, net	(17,566)	(23,398)	(4,963)
Net cash used in financing activities	(17,566)	(23,398)	(4,963)
(Decrease) increase in cash, cash equivalents, and restricted cash	781	(6,875)	11,959
<b>Cash, cash equivalents, and restricted cash</b>			
Beginning of year	14,199	21,074	9,116
End of year	14,980	14,199	21,074

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

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Statements of Cash Flows (continued)

Years ended December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands)

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	2024	2023	2022
<b>Supplemental cash flow disclosures</b>			
Income taxes paid	\$ 3,557	\$ 5,310	\$ 3,351
Operating cash flows used in operating leases	341	373	406
<b>Noncash activities</b>			
Right-of-use assets obtained in exchange for operating lease liabilities	153	61	1,693

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

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

### 1. Description of Business and Organization

Smoothie King Franchises, Inc. (the "Company") is a wholly owned subsidiary of SK USA Holdings, Inc., and is engaged in the franchising of the Smoothie King™ brand. Smoothie King™ locations specialize in the preparation and sale of nutritional drinks and products. The Company maintained the following operating franchises in the United States, South Korea, Grand Cayman, and Trinidad & Tobago during fiscal years 2024 and 2023:

	Franchised Locations		Total
	Domestic	International	
<b>Balances at December 26, 2022</b>	1,048	276	1,324
Openings	80	-	80
Closures	(31)	(107)	(138)
Transfers	(4)	-	(4)
<b>Balances at December 25, 2023</b>	1,093	169	1,262
Openings	81	-	81
Closures	(30)	(96)	(126)
Transfers	5	-	5
<b>Balances at December 30, 2024</b>	1,149	73	1,222

### 2. Summary of Significant Accounting Policies Principles of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries, Smoothie King Franchises, Inc. and SKFI Services Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

Certain immaterial corrections in 2023 have been made to conform to the current year presentation. The correction had no effect on the reported balance sheet as of December 25, 2023 and on Income before taxes within the income statement, the statements of stockholders' equity or cash flows for the fiscal year ended December 25, 2023. The correction resulted in a decrease of \$10.4 million in Franchise fees and royalties and an increase of \$12.4 million to Other revenue and an increase of \$2.0 million to General and administrative expenses for fiscal year ended December 25, 2023.

#### Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. These estimates are based on information available through the date of the issuance of the financial statements, based on historical experience.

#### Fair Value of Financial Instruments

Management believes the carrying amounts of financial instruments as of December 30, 2024 and December 25, 2023, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximate fair value due to their short maturities.

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

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### Fiscal Year

The Company follows a 5-4-4 fiscal calendar. The Company's fiscal year is a 52/53-week year, ending on the last Monday of December.

The fiscal year 2024 ended December 30, 2024, comprised of 53 weeks. Whereas fiscal years 2023 and 2022, consisting of 52 weeks, ended December 25, 2023 and December 26, 2022, respectively.

### Revenue Recognition

The Company records revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers. The core principle of ASC Topic 606 is that an entity should recognize revenue for the transfer of goods or services equal to the amount of consideration that it expects to be entitled to receive for those goods or services. This principle is achieved through applying a five-step process for customer contract revenue recognition.

The Company recognizes revenues in the form of royalties, initial and other fees associated with franchise and development rights, and vendor contributions. The franchise agreements for Smoothie King™ provide for an initial franchise fee and continuing royalty payments based upon net sales. Additionally, there are nonrefundable fees for granting exclusive development rights to specific geographic areas. The Company provides site selection review and advice on construction cost and administration, training, and other administrative support to franchisees related to each anticipated future opening.

Initial and other fees associated with franchise and development rights are allocated to their associated performance obligation. The primary performance obligation in the franchise agreement is the franchise right, which is recognized when performance obligations are satisfied. Revenue from licenses of symbolic intellectual property is recognized over time using a measure of progress that reflects the franchisor's pattern of performance.

Royalty revenue is recognized as sales occur through the application of the sales and usage-based royalty exception noted in ASC 606.

Breakage revenue for the years ended December 30, 2024, December 25, 2023, and December 26, 2022 was \$1.0 million, \$0.7 million, \$0, respectively. Revenues were recognized in a manner consistent with redemption patterns. Breakage revenues are included in franchise fees & royalties in the Consolidated Income Statement.

The Company also recognized \$13.8 million and \$12.4 million in vendor considerations as other revenue for the years December 30, 2024 and December 25, 2023, respectively.

### Cash and Cash Equivalents

The Company considers cash on hand, deposits in banks and short-term investments with an original maturity of three months or less to be cash equivalents.

### Restricted Cash

The Company holds restricted cash on behalf of the centralized gift card and stored value programs. The total restricted cash related to this program on December 30, 2024, and December 25, 2023 was \$5.5 million and \$5.3 million, respectively.

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

*(amounts in thousands, except share data)*

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### **Receivables**

Receivables at December 30, 2024 and December 25, 2023 are \$3.5 million and \$4.0 million due from franchisees of the Company that bear income statement collection risk. This amount relates to royalties and technology support fees earned by the Company. Also included in trade accounts receivable at December 30, 2024 and December 25, 2023 are \$1.9 million and \$1.7 million, respectively, due from vendors for vendor contribution incentives.

Management recognizes an allowance for credit losses based on the current expected credit loss (CECL) model, which requires the estimation of expected credit losses over the life of financial assets. The allowance is determined using a method that incorporates historical information, current market conditions, and reasonable and supportable forecasts of future economic conditions. Amounts deemed uncollectible are written off against the allowance for credit losses when management determines that the collection efforts have been exhausted, and recovery is unlikely.

### **Due from Affiliates**

Amounts due from affiliates are any amounts borrowed by other subsidiaries of SK USA Holdings, Inc. (Note 8). The counterparty possesses the intent and ability to repay these amounts to the Company.

### **Equity Receivables from Affiliates, Net**

The Company will remit excess cash flows from operations to its parent entity or to other affiliates of SK USA Holdings, Inc. to finance ongoing cash flow requirements (dividends, debt repayments, capital projects, etc.). When either the lack of intent or ability to repay exists between the Company's affiliates, the Company records these amounts as an equity receivable or payable, and any related cash flows are reflected within cash flows from financing activities.

### **Property and Equipment**

Property and equipment is stated at cost less accumulated depreciation and impairments. Depreciation is calculated on the straight-line method, based on the estimated useful lives disclosed in footnote 3.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the Company's income statement for the period. The costs of maintenance and repairs are charged to operations as incurred. Significant renewals and betterments are capitalized.

### **Impairment of Long-Lived Assets**

Long-lived assets, including identifiable intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Assets held and used are reviewed based on the lowest level at which there are identifiable cash flows for the underlying asset(s). Recoverability of assets to be held and used is initially measured by a comparison of the carrying value of the assets to the future undiscounted net cash flows expected to be generated by the assets. If such assets are determined to be impaired, the impairment to be recognized is measured as the difference between the related carrying amounts and estimated fair values. No impairment charges were recorded for the years ended December 30, 2024, December 25, 2023, and December 26, 2022.

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

### Goodwill and Other Intangible Assets

Goodwill represents the excess of cost over fair value of net assets of the business acquired. The Company uses the purchase method of accounting for business combinations and recognizes indefinite-lived intangible assets acquired in a purchase method business combination apart from goodwill if certain criteria are met. Goodwill and indefinite-lived intangible assets deemed to possess indefinite lives are not subject to amortization, but are instead tested for impairment at least annually, and the Company is required to record any necessary impairment adjustments. Impairment is measured as the excess of the carrying value over the fair value of the reporting unit (for goodwill) or the related intangible asset (for the Smoothie King™ trademark). Based on the Company's analysis, no impairment charges were recognized on goodwill or the Company's trademark for the years ended December 30, 2024, December 25, 2023, and December 26, 2022.

Intangible assets with finite lives are amortized over their respective useful lives and reviewed for impairment if events and circumstances indicate that the assets might be impaired. The estimated useful lives for separable intangible assets are as follows as of 2024:

	Estimated Useful Life
<b>Intangible assets</b>	
Trademarks	Indefinite
Franchise agreements	1 - 18 years

Trademarks consist primarily of the Smoothie King™ brand name, which has been determined to have an indefinite life and is, therefore, not currently being amortized. Franchise agreements with an estimated useful life of 1 - 18 years are presented net of accumulated amortization of \$4.1 million and \$3.8 million as of December 30, 2024, and December 25, 2023, respectively, with amortization expense of \$0.3 million as of December 30, 2024, December 25, 2023, and December 26, 2022, respectively. No adjustments for impairment of intangible assets were recorded in fiscal year 2024, 2023, or 2022.

As of December 30, 2024, future amortization expense of the franchise agreements is as follows (in thousands):

2025	\$	328
2026		328
2027		328
2028		328
2029		328
Thereafter		180
	\$	<u>1,820</u>

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

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### Deferred Franchise Revenue

Deferred franchise revenue consists of amounts collected from franchisees in the form of initial franchise fees and area development fees. Initial franchise fees are paid by franchisees to the Company for the right to open a Smoothie King™. Area development fees are paid by franchisees to the Company to restrict a specific geographic territory to a specific franchisee over a defined period of time. Generally, area development agreements have a minimum number of stores required to be opened within the defined territory over a defined period of time; if those minimums are not reached by the expiration date, then all unearned fees are recognized by the Company upon expiration.

### Leases

The Company primarily leases office space, storage units, and billboards from third parties, and determines if a contract is a lease at inception. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease term begins on the commencement date, which is the date the Company takes possession of the asset and may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Certain of the Company's leases contain renewal options for varying periods, which can be exercised at the Company's sole discretion. Leases are classified as operating or finance leases based on factors such as the lease term, lease payments, the economic life, fair value and estimated residual value of the asset. Where leases include options to purchase the leased asset at the end of the lease term, this is assessed as a part of the Company's lease classification determination. The Company's leases have remaining lease terms up to 4 years. The Company does not have lease transactions between related parties.

Under ASC 842, the Company recognizes a right-of-use ("ROU") asset and lease liability to account for its leases. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized on the commencement date based on the present value of lease payments over the lease term. ROU assets are based on the lease liability and are increased by prepaid lease payments and decreased by lease incentives received. Lease incentives are amortized through the lease asset as reductions of expense over the lease term. For leases where the Company is reasonably certain to exercise a renewal option, such option periods have been included in the determination of the Company's ROU assets and lease liabilities.

Leases typically contain rent escalations over the lease term. The Company recognizes expense for these leases on a straight-line basis over the lease term. Some leases include rent escalations based on inflation indexes and fair market value adjustments. Operating lease liabilities are calculated using the prevailing index or rate at lease commencement. Subsequent escalations in the index or rate and contingent rental payments are recognized as variable lease expenses. Certain leases require the Company to pay taxes, insurance, maintenance and other operating expenses associated with the leased asset. Such amounts are not included in the measurement of the ROU assets and lease liabilities to the extent they are variable in nature. These variable lease costs are recognized as a variable lease expense when incurred.

The Company does not have any active subleases where the Company acts as either a sublessor or a sublessee.



# **Smoothie King Franchises, Inc.**

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## **Notes to Financial Statements**

**As of December 30, 2024 and December 25, 2023 and for the years ended**

**December 30, 2024, December 25, 2023, and December 26, 2022**

***(amounts in thousands, except share data)***

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The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. The Company's lease agreements do not contain any terms and conditions of residual value guarantees provided by the lessee. The Company's leases do not contain restrictions or covenants imposed by leases, for example, those relating to dividends or incurring additional financial obligations.

As a practical expedient, lease agreements with lease and non-lease components are accounted for as a single lease component for all asset classes. The Company estimates contingent lease incentives when it is probable that the Company is entitled to the incentive at lease commencement. The Company elected the short-term lease recognition exemption for all leases that qualify. Therefore, leases with an initial term of 12 months or less are not recorded on the consolidated balance sheet; instead, lease payments are recognized as lease expense on a straight-line basis over the lease term. The depreciable life of the ROU assets and leasehold improvements are limited by the expected lease term unless the Company is reasonably certain of a transfer of title or purchase option.

The Company uses its incremental borrowing rate to discount future lease payments based on the information available on the commencement date for each lease as the implicit rate in the lease is not known. The determination of the incremental borrowing rate requires judgment and is determined using the Company's current borrowing rate, adjusted for various factors aligned with the lease including total lease payments and lease term.

### **Advertising Costs**

Advertising costs are expensed as incurred. Advertising costs for the years ended December 30, 2024, December 25, 2023, and December 26, 2022 were \$3.2 million, \$1.9 million and \$2.3 million, respectively, which are recorded as general and administrative expense.

### **Stock-Based Compensation**

Stock-based compensation in the amounts of \$0.8 million, \$0.1 million and \$0.3 million, relating to common stock options was recorded during the years ended December 30, 2024, December 25, 2023, and December 26, 2022, respectively.

### **Income Taxes**

Income taxes are accounted for using the liability method, under which deferred taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities using enacted tax rates in effect for the years during which the temporary differences are expected to reverse. The tax basis of assets and liabilities are based on amounts that meet the recognition threshold and are measured pursuant to the measurement requirement in current standards. A valuation allowance is established to reduce tax assets to the amount that, based on available evidence, is more likely than not to be realized. The Company may from time to time be assessed as interest or penalties by major tax jurisdictions, although any such assessments historically have been minimal and immaterial to its financial results. In the event the Company has such an assessment from a taxing authority, the Company's accounting policy is to recognize any interest and penalties as a component of income tax expense.

## Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

### Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

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### 3. Property and Equipment

Property and equipment consisted of the following at December 30, 2024 and December 25, 2023 (in thousands):

	Useful Life	2024	2023
<b>Property and equipment</b>			
Furniture, fixtures and equipment	3 -10 years	\$ 2,187	\$ 1,052
Capitalized Software	3 - 5 years	3,252	2,226
Leasehold improvements	5 - 15 years	1,578	1,577
Automobiles	5 years	586	586
Construction in process		-	2,310
		<u>7,603</u>	<u>7,751</u>
Accumulated depreciation		<u>(4,364)</u>	<u>(3,671)</u>
		<u>\$ 3,239</u>	<u>\$ 4,080</u>

Depreciation expense was \$1.4 million, \$0.7 million, and \$1 million, respectively, for the years ended December 30, 2024, December 25, 2023, and December 26, 2022.

### 4. Stockholder's Equity

#### Common Stock

At December 30, 2024, the Company is authorized to issue up to 200,000 shares of common stock, with no par value per share. There were 10,274.40 shares of common stock issued and outstanding as of December 30, 2024.

#### Stock Option Plans

In April 2016, the Board of Directors of SK USA, Inc. adopted and approved the SK USA, Inc. 2016 Stock Option Compensation Plan (the "2016 Plan") under which SK USA, Inc. was authorized to grant a total 860 incentive stock options to employees. The total incentive stock options authorized is 10,858.

The Company issued 3,436 options to employees in 2024 with a weighted-average grant date fair value of \$1,581 and 1,413 options to employees in 2023 with a weighted-average grant date fair value of \$1,432. The options have vesting terms between 5 and 6 years from the grant date. Generally, the options vest equally over the final four years of the vesting period.

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

Category of Options	Options (in Shares)	Shares Granted	Shares Exercised	Shares Canceled	Shares Forfeited	Shares Vested	Shares Expired	Options (in Shares)	Shares Exercisable at 12/30/2024
	Outstanding December 25, 2023							Outstanding December 30, 2024	
Vested	7,614	-	-	-	-	871	-	8,485	8,485
Non-vested	5,447	3,436	-	-	(1,343)	(871)	-	6,669	-

Category of Options	Options (in \$)	Amount Granted	Amount Exercised	Amount Canceled	Amount Forfeited	Amount Vested	Amount Expired	Options (in \$)	Amount Exercisable at 12/30/2024
	Outstanding December 25, 2023							Outstanding December 30, 2024	
Vested	\$ 1,008,375	\$ -	\$ -	\$ -	\$ -	\$ 305,567	\$ -	\$ 1,313,942	\$ 1,313,942
Non-vested	\$ 2,785,925	\$ 2,270,531	\$ -	\$ -	\$ (644,697)	\$ (305,567)	\$ -	\$ 4,106,192	\$ -

The estimated fair value of each option granted was calculated using the Black-Scholes option-pricing model. Expected volatilities were based on volatilities from publicly traded companies operating in the Company's industry. For grants issued in the years ended December 30, 2024 and December 25, 2023, the expected volatility used was 30%. The Company recognizes forfeiture of options as they occur. The expected life of options granted was calculated using the simplified method per SAB 110. For shares granted in the years ended December 25, 2023 and December 26, 2022 the expected life use was between 6.25 and 6.75 years. The risk-free rate for periods within the expected life of the option was based on the U.S. Treasury yield curve in effect at the time of grant. The risk-free rate used for grants in 2024 was between 4.30% and 5.44%. The risk-free rate used for grants in in the year ended December 25, 2023 were 5.46% and 5.31%, respectively. The expected dividend yield is 0% for all grants.

On December 30, 2024, there are 8,485 options outstanding and exercisable and 6,669 nonvested options outstanding. The weighted-average exercise price of these options is \$868.67 and the weighted-average remaining contractual term is 1.11 years.

## 5. Income Taxes

The Company is subject to taxation in U.S. federal, state, and local jurisdictions.

Management judgment is required in determining the provision for income taxes, deferred tax assets and liabilities, and any valuation allowance recorded against net deferred tax assets. In the event that actual results differ from these estimates or the Company adjusts these estimates in future periods, it may need to change its allowance, which could materially impact the Company's financial condition and results of operations.

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

Income tax expense (benefit) consisted of the following for the years ended December 30, 2024 and December 25, 2023 (in thousands):

	<b>2024</b>		
	<b>Current</b>	<b>Deferred</b>	<b>Total</b>
Federal	4,499	(309)	4,190
State	1,040	(52)	988
Foreign	(26)	-	(26)
	<u>5,513</u>	<u>(361)</u>	<u>5,152</u>

	<b>2023</b>		
	<b>Current</b>	<b>Deferred</b>	<b>Total</b>
Federal	\$ 5,365	\$ (425)	\$ 4,940
State	1,364	(48)	1,316
Foreign	29	-	29
	<u>\$ 6,758</u>	<u>\$ (473)</u>	<u>\$ 6,285</u>

	<b>2022</b>		
	<b>Current</b>	<b>Deferred</b>	<b>Total</b>
Federal	\$ 5,005	\$ (213)	\$ 4,792
State	920	(27)	893
Foreign	20	-	20
	<u>\$ 5,945</u>	<u>\$ (240)</u>	<u>\$ 5,705</u>

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. Significant components of the Company's deferred tax liabilities as of December 30, 2024 and December 25, 2023 were as follows (in thousands):

	<b>2024</b>	<b>2023</b>
<b>Deferred tax assets (liabilities)</b>		
Property and equipment	(226)	(297)
Intangible assets	(7,505)	(7,587)
Net operating losses and carryover items	49	49
Reserves and allowances	(786)	(1,080)
Deferred franchise fees	4,760	4,846
Net deferred tax liabilities	<u>(3,708)</u>	<u>(4,069)</u>

# **Smoothie King Franchises, Inc.**

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## **Notes to Financial Statements**

**As of December 30, 2024 and December 25, 2023 and for the years ended**

**December 30, 2024, December 25, 2023, and December 26, 2022**

***(amounts in thousands, except share data)***

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The December 30, 2024 and December 25, 2023 deferred tax liability was measured using a 21% U.S. federal tax rate.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion of all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

The Company has adopted the guidance on uncertain tax positions in ASC 740, Income Taxes. This guidance prescribes a recognition threshold and measurement attribute for a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Company has reviewed its income tax positions and identified tax positions that are not certain.

There were no gross unrecognized tax benefits that, if recognized, would affect the effective tax rate at December 30, 2024 and December 25, 2023, respectively. The Company's policy with respect to potential penalties and interest is to record them as tax expense. The Company had no accrued expense related to the unrecognized tax benefits at December 30, 2024 and December 25, 2023, respectively.

The open years subject to tax audits vary depending on the tax jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state, and local or non-U.S. income tax examinations by tax authorities for tax years before 2015.

The Company joins in the filing of a consolidated tax return with parent company SK USA, Inc. The Company's financial statements are issued separately from the consolidated group and uses the separate company method of determining the current and deferred tax expense for the Company.

## **6. Commitments and Contingencies**

The Company leases office and warehouse spaces pursuant to lease agreements which are classified as operating leases. The Company is also party to a contract with New Orleans Pelicans NBA LLC which provides naming rights to the New Orleans Arena and other benefits in exchange for an annual payment (the "Naming Rights Agreement"). The Naming Rights Agreement includes various success fees that are required based on team performance criteria (making the NBA Playoffs, winning the NBA Championship, etc.) and expires in 2027. The Naming Rights Agreement does not contain a lease under ASC 842 as the Company does not have the right to direct the use of the asset throughout the period of use

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

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In 2021 the Company entered into contracts with Frisco Management, LLC and Pro Silver Star, LTD that grants certain sponsorship rights and other benefits related to the Dallas Cowboys, the Stadium and the Complex (the "Sponsorship Agreements"). The Sponsorship Agreements include various success fees and expires in 2028. The Sponsorship Agreements does not contain a lease under ASC 842 as the Company does not have the right to direct the use of the asset throughout the period of use.

As of December 30, 2024, future minimum committed payments under the Naming Rights and Sponsorship Agreements are as follows (in thousands):

2025	\$	2,521
2026		2,530
2027		288
Thereafter		-
	\$	<u>5,339</u>

The Company has various purchase commitments for supplies, and services incident to the ordinary conduct of a franchise business and at prevailing market prices. These commitments are designed to assure sources of supply and are not expected to be in excess of normal requirements.

The Company is involved in various legal matters arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position or results of operations.

### 7. 401(k) Plan

The Company's parent maintains the Smoothie King™ 401(k) Plan and Trust ("the 401(k) Plan") covering all employees who have met certain eligibility requirements. Under the 401(k) Plan, employees may elect to contribute up to the lesser of \$0.1 million or 100% of their eligible compensation to the 401(k) Plan, subject to certain limitations. In addition, the Company may allow employees to make additional contributions of any paid cash bonuses made for such employees during the plan year, subject to certain limitations. The Company may make matching contributions during the year equal to a discretionary percentage, as determined by the Company, of the participant's salary reductions. Employer matching contributions vest upon payment. The Company contributed \$0.3 million and \$0.2 million each in matching contributions to the 401(k) Plan during 2024 and 2023, respectively.

# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

### 8. Related Party Transactions

The Company maintained the following balance due from affiliates of SK USA Holdings, Inc. at December 30, 2024 and December 25, 2023 (in thousands).

	2024	2023
Smoothie King National Advertising Fund	\$ 743	\$ 400
Smoothie King Regional Advertising Fund	(5)	(12)
	<u>\$ 738</u>	<u>\$ 388</u>

In addition, the Company maintained a net receivable of \$109.2 million from other affiliates that do not exhibit either the intent or the ability to repay these amounts or for which the Company does not have the intention to repay these amounts in the foreseeable future, as follows (in thousands):

	2024	2023
SK USA, Inc.	\$ 64,295	\$ 53,168
Smoothie King Systems, Inc.	6,494	6,494
Smoothie King Co., Inc.	36,590	30,910
SK Nutritional Formulas, L.L.C.	(1,071)	(997)
Other related party affiliates	2,916	2,916
	<u>\$ 109,224</u>	<u>\$ 92,491</u>

Given the expectation that these balances are not expected to be received (paid), the net balance has been classified as a contra-equity item until such time that the intent and ability to repay are exhibited to result in reclassification of the balance to a current receivable or payable at a future date.

The Company incurred related party transactions resulting in a receivable during the year ended December 25, 2023. The receivable from SK USA Holdings, Inc., the parent company of Smoothie King Franchises, Inc. was \$0.1 million as of December 25, 2023.

The intercompany receivable at December 25, 2023 resulted from the Company making a payment on the December 27, 2021 balance and SK USA Holdings, Inc. reporting taxable income. The intercompany payable balance at December 27, 2021 was from a net loss at Smoothie King Holdings, Inc.'s 2020 tax returns and thus the Company received an income tax benefit from that loss.

## Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

### Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

#### 9. Disaggregated Revenue

The following table discloses revenue by stream by timing of recognition (in thousands).

	2024	2023	2022
<b>Revenues recognized over time</b>			
Revenues	46,037	43,887	37,660
Other revenues	979	671	5
	<u>\$ 47,016</u>	<u>\$ 44,558</u>	<u>\$ 37,665</u>
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Revenues recognized at a point in time</b>			
Other revenues	2,811	2,661	11,252
	<u>\$ 2,811</u>	<u>\$ 2,661</u>	<u>\$ 11,252</u>

#### 10. Leases

The Company has a lease arrangement for office space. This lease expires in 2028.

##### Components of Lease Expense

##### **Year Ending December 30, 2024**

##### **Lease Cost**

Operating lease cost	\$	341
Variable lease cost		229
<b>Total lease cost</b>	<u>\$</u>	<u>570</u>

Weighted-average remaining lease term (in years):

Finance leases	N/A
Operating leases	3.86

Weighted-average discount rate:

Finance leases	N/A
Operating leases	4.26%



# Smoothie King Franchises, Inc.

(A wholly owned subsidiary of SK USA Holdings, Inc.)

## Notes to Financial Statements

As of December 30, 2024 and December 25, 2023 and for the years ended

December 30, 2024, December 25, 2023, and December 26, 2022

(amounts in thousands, except share data)

### Supplemental Balance Sheet Information

#### **Lease Balances**

##### **Year ended December 30, 2024**

##### **Assets**

Operating lease assets	\$	1,210,131
Total lease assets	\$	1,210,131

##### **Liabilities**

Current		
Operating lease liabilities	\$	420,655
Noncurrent		
Operating lease liabilities		1,265,529
Total lease liabilities	\$	1,686,184

Future minimum lease payments, including rental payments for lease renewal options we are reasonably certain to exercise, and amounts to be received as lessor or sublessor as of December 30, 2024 were as follows (in thousands):

#### **Maturity of Lease Liabilities under ASC 842**

<b>Year ended December 30, 2024</b>	<b>Operating Leases</b>
2025	\$ 430
2026	469
2027	473
2028	416
Thereafter	-
Total lease payments	1,789
Less: Interest	139
Present value of lease liabilities	\$ 1,650

## **11. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 4, 2025, and determined that no other events occurred that require disclosure.

**EXHIBIT D**

**FRANCHISE AGREEMENT**

# **SMOOTHIE KING FRANCHISES, INC.**

## **FRANCHISE AGREEMENT**

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## SUMMARY PAGE

These pages summarize certain provisions of the Franchise Agreement to which they are attached. The Franchise Agreement's provisions will control in the event of any conflict.

**Effective Date:** \_\_\_\_\_

**Expiration Date:** \_\_\_\_\_

**Renewal Notice Deadline Date:** \_\_\_\_\_

**Initial Franchise Fee:** \$[    ]

**Operating Fee:** The greater of \$500 or 6% of Gross Sales

**National Marketing Fee:** Up to 5% of Gross Sales; As of the Effective Date \_\_\_\_\_%

**Regional Marketing Fund Fee:** Up to 2% of Gross Sales; As of the Effective Date \_\_\_\_\_%

**Local Marketing Fee:** As of the Effective Date, \_\_\_\_\_%

**Grand Opening Amount:** \$[\_\_\_\_\_] (\$15,000 for new traditional units (\$10,000 if the Unit relocates and \$5,000 if Franchisee acquired the Unit through a transfer); \$7,500 for non-traditional units (\$5,000 if the Unit relocates and \$2,500 if Franchisee acquired the Unit through a transfer))

**Offering Fee:** To be determined at the time of review

**Transfer Fee:** \$7,500 (Transfer to Existing Franchisee or Manager) or \$12,500 (Transfer to a third party)

**Relocation Fee:** \$2,500

**Operator:** [\_\_\_\_\_]

**Franchisee:** [\_\_\_\_\_] , a [\_\_\_\_\_]

**Address for Notices:** [\_\_\_\_\_]

**Attention:** [\_\_\_\_\_]

**Email:** [\_\_\_\_\_]

**Franchisor:** Smoothie King Franchises, Inc., a Texas corporation

**Address for Notices:** 9797 Rombauer Road, Suite 150

Coppell, Texas 75019

**Attention:** Legal Department

**Email:** Legal@smoothieking.com

# **SMOOTHIE KING**

## **FRANCHISE AGREEMENT**

This Smoothie King Franchise Agreement (this “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Smoothie King Franchises, Inc., a Texas corporation having its principal place of business at 9797 Rombauer Road, Coppell, TX 75019 (“Smoothie King” or “Franchisor”), and \_\_\_\_\_, a \_\_\_\_\_, with a mailing address of \_\_\_\_\_ (“Franchisee”).

### **RECITALS**

A. WHEREAS, Franchisor has expended significant effort, money and time to develop and own the System, all of which may be periodically changed or modified, at Franchisor's sole option, for establishing and operating Smoothie King® units that offer designated products and utilize the System and Proprietary Marks;

B. WHEREAS, Franchisor developed and will continue to develop valuable goodwill in the Proprietary Marks and may periodically develop or acquire other trademarks and service marks for use under the System, all of which may be changed, replaced, or modified at Franchisor’s sole option;

C. WHEREAS, Franchisee desires to develop and operate a Smoothie King® unit at the Location under the terms of this Agreement and understands and acknowledges the importance of Franchisor’s standards of quality and service and the necessity of operating the business franchised hereunder in conformity with Franchisor’s standards and specifications.

NOW, THEREFORE, in consideration of Franchisor granting to Franchisee the right to develop and operate a Unit subject to and in accordance with the terms hereof, the mutual obligations provided for in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **ARTICLE I. GRANT OF FRANCHISE; PROTECTED TERRITORY**

1.1 Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee a personal right and license, and Franchisee undertakes the obligation, to operate one SMOOTHIE KING® business and to use the Proprietary Marks, Trade Dress, and the System solely in connection therewith (the “Franchised Business”). The “Proprietary Marks” are those trade names, service marks, trademarks, logos, and commercial symbols, including the name and mark “SMOOTHIE KING” and such other names, marks, logos, and symbols as Franchisor periodically designates for use with the System now and in the future. “Trade Dress” means the distinguishing characteristics of the System, including but not limited to, the Unit designs, layouts, and identification schemes. “System” means the system for the establishment and operation of businesses offering nutritional drinks and general nutrition products.

1.2 Franchisee shall locate and lease or acquire a site that has been approved by Franchisor. If at the time of execution of this Agreement, Franchisee has not secured a site for the Franchised Business, Franchisee shall immediately begin to locate a site only within the following general area (“General Area”):  
\_\_\_\_\_  
– General Area.

1.3 Franchisee shall operate the Franchised Business only at and from the location approved in writing by Franchisor (the “Location”), which approval shall not be unreasonably withheld. Franchisor shall evaluate Franchisee’s proposed location(s) as soon as reasonably possible in accordance with the

procedures set forth in the “Manuals” (as defined in Section 7.1 below) or as otherwise set forth in writing by Franchisor.

1.4 Within nine (9) months from the Effective Date of this Agreement, Franchisee must have obtained Franchisor’s consent to a proposed site for the Location and have (i) a fully executed and binding lease or (ii) acquired property for the specific purpose of constructing a building for the Franchised Business.

1.5 Upon Franchisee securing a lease for the Location and prior to the store opening, Franchisor shall designate a geographical area surrounding the Franchised Business, to be described in Attachment A (the “Protected Territory”). Subject to the following, Franchisor will not establish or operate a Smoothie King® retail location (a “Unit”), nor grant a franchise to any person other than Franchisee to establish or operate Smoothie King® Units, under the System, Proprietary Marks, and Trade Dress in the Protected Territory. Franchisor may establish, operate or grant a franchise or license to others to operate Smoothie King® Units under the System, Proprietary Marks, and Trade Dress at any “Non-Traditional” location, as defined below, or sell product or service lines through other channels of distribution, within and outside the Protected Territory at any time, including those activities described in Section 8.3. Non-Traditional Units are typically located within another business or dependent upon one main business or organization as its primary trade generator, normally have limited access to the general public and a limited trade area, usually in relation to its primary trade generator (a “Captive Facility”). Examples of Non-Traditional locations include enclosed shopping malls, arenas, convention centers, airports, movie theaters, health clubs, hospitals, military bases, grocery stores and similar environments. For Smoothie King® Units that are not Non-Traditional locations, the Protected Territory will be defined by identifiable boundaries and include a business, seasonal and/or residential population count of approximately fifteen thousand (15,000) people, based upon Franchisor’s then-current site selection data. The boundaries of the Protected Territory may be shaped, at Franchisor’s sole discretion, to match the population criteria, street or walk by traffic patterns and natural geographic features, such as bodies of water, interstate highways and other features that normally define guest trip patterns. The Protected Territory may include a business, seasonal and/or residential population count of less than fifteen thousand (15,000) people where there is less than 15,000 people within a two mile natural trade area of the location, based upon the criteria above, such as in suburban, rural, or beach communities.

1.6 Franchisee shall construct, furnish and equip the Unit in accordance with this Agreement, the Trade Dress, the Manuals, and such other terms and specifications as Franchisor may provide in writing to Franchisee. The rights and privileges granted to Franchisee under this Agreement are personal in nature and may not be used at any other location other than the Location. Franchisee shall not subfranchise or sublicense any rights under this Agreement.

1.7 Franchisee may not relocate the Franchised Business without Franchisor’s prior written consent. Prior to providing such consent, Franchisee must submit to Franchisor the new proposed location and obtain Franchisor’s written acceptance of the relocation to the proposed location. The new proposed location must be within the Protected Territory. Approval under this Section 1.7 will be within Franchisor’s sole discretion. As a condition to any approval of the relocation by Franchisor, Franchisee must be in compliance with all terms and condition of this Franchise Agreement and Franchisee must have the funds available to relocate the Smoothie King® Franchised Business, construct a new Franchised Business according to Franchisor’s then-current design standards and do so within a time period acceptable to Franchisor. If Franchisor approves the relocation, the new location will be considered the Location as used in this Franchise Agreement. Franchisee will be required to remove all signs, advertising materials, displays, and all other articles that contain the Proprietary Marks, and all Trade Dress, at the former Location so as to effectively distinguish the former Location from any other Smoothie King® Unit. Franchisee cannot close the Smoothie King® Unit at the Location until (a) Franchisor consents to the relocation and the new location and (b) Franchisee has signed the lease for the new location with the

landlord or has closed on its purchase of the new location. Franchisor will have the right to (i) charge Franchisee a relocation fee of \$2,500 to cover costs incurred by Franchisor in connection with its acceptance, evaluation and relocation of the Franchised Business, (ii) charge Franchisee the then-current design fee for the new location; (iii) condition Franchisor's consent upon the payment of an agreed minimum royalty to Franchisor by Franchisee during the period in which the Franchised Business is not in operation (if any), (iv) require Franchisee to sign Franchisor's then-current form of franchise agreement to replace this Franchise Agreement and any other documents Franchisor may request, including a general release in favor of Franchisor; and (v) comply with the grand opening marketing requirements as set forth in Section 12.6 below, except Franchisee shall spend Ten Thousand Dollars (\$10,000) on such grand opening marketing.

## **ARTICLE II. TERM AND RENEWAL**

2.1 The term of this Agreement shall commence on the date first written above ("Effective Date") and shall expire ten (10) years from the date the Unit opens for business, unless sooner terminated under the terms hereof. Upon the opening for business of the Unit, Franchisee and Franchisor shall execute the Commencement Date Agreement in the form attached as Attachment B.

2.2 Franchisee may, at its option, renew this Agreement for one (1) additional term of ten (10) years, provided that:

2.2.1 Franchisee has been and is in compliance with the mandatory provisions contained in the Manuals, policies and with all material terms and conditions of this Agreement throughout the current term and, at the time of renewal, is not in default of any material term or condition of this Agreement, any amendment hereof, or any other agreement between Franchisee and Franchisor, or its subsidiaries, affiliates or divisions;

2.2.2 Franchisee has given Franchisor written notice of Franchisee's election to renew not less than six (6) months nor more than nine (9) months prior to the end of the current term;

2.2.3 At the time of renewal, Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and its subsidiaries, affiliates, and divisions;

2.2.4 Franchisee presents evidence satisfactory to Franchisor that Franchisee has the right to remain in possession of the Location for the duration of the renewal term;

2.2.5 Franchisee makes, in a manner satisfactory to Franchisor in its sole discretion, such renovation and modernization of the Unit premises as Franchisor may require, including but not limited to signs, equipment, technological advances, furnishings and decor, to reflect the then-current standards and image of the System, before Franchisee is granted its renewal franchise;

2.2.6 Franchisee complies with Franchisor's then-current qualification and training requirements;

2.2.7 Franchisee and any personal guarantor execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliates, successors, assigns, and their respective officers, directors, shareholders, employees, and agents; and

2.2.8 Franchisee executes Franchisor's then-current form of franchise agreement, which agreement shall supersede this Agreement, except for this Section 2.2 allowing for one (1) renewal term shall continue to apply. Franchisor's then-current form of franchise agreement may contain terms that differ from those provided in this Agreement; provided that Franchisee will pay the then current renewal fee charged by Franchisor in lieu of the Initial Franchise Fee.

2.3 If Franchisor, in its sole discretion, determines that Franchisee has not met the conditions set forth above and the Franchise Agreement will not be renewed, Franchisor will provide written notice to Franchisee along with the reasons for the decision not to renew the Franchise Agreement.

### **ARTICLE III. FEES AND PAYMENTS**

3.1 Upon execution of this Agreement, Franchisee shall pay to Franchisor an “Initial Franchise Fee” of:

3.1.1 Thirty Thousand Dollars (\$30,000), if Franchisee is purchasing its first Smoothie King® Unit pursuant to this Agreement; or

3.1.2 Twenty-Five Thousand Dollars (\$25,000), if Franchisee (directly or through an entity under “common control” with Franchisee) is purchasing its second or subsequent Smoothie King® Unit pursuant to this Agreement.

3.2 If Franchisee has entered into an Area Development Agreement (“ADA”) with Franchisor, the terms of such ADA relating to Initial Franchise Fees shall supersede the provisions set forth above.

3.3 The Initial Franchise Fee is non-refundable and fully earned by Franchisor upon the execution of this Agreement in consideration of administrative and other expenses incurred by the Franchisor in granting this franchise and for the Franchisor’s lost or deferred opportunity to franchise others.

3.4 Upon Franchisee opening and operating the Unit, but no later than the end of the twelfth (12<sup>th</sup>) month from the Effective Date of this Agreement, and for the remainder of the term of this Agreement, Franchisee shall pay to Franchisor an “Operating Fee” equal to the greater of Five Hundred Dollars (\$500) each calendar month or six percent (6%) of the monthly Gross Sales (as defined in Section 3.6 below) of the Franchised Business on or before the sixteenth (16<sup>th</sup>) day of each month based on Gross Sales from the previous month. If Franchisee fails to open the Franchised Business for business by the end of the twenty-fourth (24<sup>th</sup>) month from the Effective Date of this Agreement, the Agreement will automatically terminate pursuant to the terms of Section 14.1 below.

3.5 To enable Franchisor to operate its System in the most efficient manner, upon execution of this Agreement and at any time thereafter as Franchisor may require, Franchisee must sign the electronic transfer of funds authorization attached to this Agreement as Attachment C, and all other documents and instruments necessary to permit Franchisor to withdraw by electronic funds transfer from Franchisee’s designated bank account all continuing payments and fees and any other amounts owed to Franchisor or its affiliates on the date or dates that such amounts are due. Franchisor has the right to set off any amounts Franchisee owes to Franchisor or its affiliates against any amounts Franchisor may owe to Franchisee, and Franchisee may not withhold payments due Franchisor under this Agreement on grounds of alleged nonperformance by Franchisor hereunder. Franchisee must maintain a balance in such account sufficient to allow Franchisor to collect the amounts owed when due. Franchisee is responsible for any penalties, fines, or other similar expenses associated with the transfer of funds described herein. Any payment not actually received by Franchisor or its designee by the due date for such payment as set forth in this Agreement or as otherwise established from time to time by Franchisor (with respect to Gross Sales during the previous month) shall be deemed overdue and will be assessed a late fee of Fifty Dollars (\$50). Franchisor will have the right, upon sixty (60) days’ written notice, to require Franchisee to make all payments required under this Article III and Article XII, and to comply with all reporting obligations under this Article and under Section 11.2, on a weekly basis. If any payment check or draft is returned from Franchisor’s bank for insufficient funds, Franchisee will pay Fifty Dollars (\$50) for the first occurrence and Seventy-Five Dollars (\$75) for each occurrence thereafter. Additionally, Franchisor will assess interest on such amount from the date it was due until paid at a rate equal to the lesser of eighteen percent (18%) per annum or the maximum



rate permitted under applicable law. Franchisor will have the right to increase such fees upon reasonable notice to Franchisee. The foregoing shall be in addition to any other remedies Franchisor may have, including, without limitation, the right of set-off to withdraw or retain, from time to time and without notice to Franchisee, any amounts due and unpaid by Franchisee from any accounts or amounts otherwise payable to Franchisee. Franchisor may, at its sole option, apply Franchisee's payments or any portion thereof to any of Franchisee's past due indebtedness to Franchisor or its affiliates.

3.6 As used in this Agreement, the term "Gross Sales" shall mean the amount of sales of any and all products and services sold in, on, about, from, or from such other place on behalf of, the Unit, including, without limitation, concessions off premises, catering, or delivery sales, and subscription product sales, whether for cash or on a charge, credit or time basis, including the reasonable market value of any goods or services sold or traded in any barter or trade transaction, without reserve or deduction for inability or failure to collect, and including income of every kind and nature related to the Franchised Business. Gross Sales shall not include the amount of any excise or sales tax levied on retail sales and actually paid to appropriate governmental authorities. In computing Gross Sales, Franchisee may deduct the amount of over rings, refunds, allowances, or discounts to guests provided that such amounts have been included in Gross Sales and provided that Franchisee complies with the requirements, including time limits, established by Franchisor, relating to reporting and taking credits against Gross Sales. Franchisor reserves the right to include in Gross Sales all ancillary charges or fees, including delivery service fees, that a customer pays to Franchisee or any third party in connection with the purchase of any products or services sold on behalf of the Unit.

#### **ARTICLE IV. SERVICES PROVIDED BY FRANCHISOR**

4.1 Franchisor agrees to provide to Franchisee, or assist Franchisee in obtaining, the following:

4.1.1 Such standard prototype construction plans, specifications and layouts for the buildout, at Franchisor's then-current design fee, which may include: design documents or floor plan layout which shows equipment, furnishings, decor and signs identified with Smoothie King® Units and approved suppliers for the products and supplies as Franchisor makes available to all franchisees from time to time.

4.1.2 General site selection criteria and guidance in the selection of an acceptable site and review of the lease for the location of the Unit. Franchisee acknowledges and agrees that Franchisor providing its site selection criteria, lease review, and guidance will not create any reliance or expectation damages or liability for Franchisor, and such activities will not create any expectation or representation to Franchisee that any proposed site will be accepted by Franchisor.

4.1.3 Review of site and final construction plans and specifications provided to Franchisor for conformity to the construction standards and specifications of the System. Franchisor's approval of the Location and rendering of any site selection assistance does not constitute a representation, promise or warranty by Franchisor that the Unit will be profitable or otherwise successful.

4.1.4 Initial and advanced training in the System, including but not limited to Manual updates, policy notices, intranet information, newsletters, phone consultations, store visits, and Smoothie King® standards, methods, procedures, suggested "best practices" and techniques, at such times and places as Franchisor may designate for its training program in its discretion and as described further in Article IX below.

4.1.5 Up to five (5) days of on-site assistance in connection with the opening of Franchisee's or related entities' first, second or third Unit, including assistance by Franchisor's personnel. If the Unit is the first Unit constructed and opened by Franchisee, regardless of the number of Smoothie

King® units then operated by Franchisee, Franchisor will also provide this on-site opening assistance.

4.1.6 The use of the Manuals, training aids, bulletins, brochures, intranet updates, and reports, as may from time to time be published by or on behalf of Franchisor.

4.1.7 Such merchandising, marketing and other data and advice as may from time to time be developed by Franchisor or its affiliates and deemed by Franchisor to be helpful in the operation of the Franchised Business.

4.1.8 Such periodic individual or group advice, consultation, and assistance, rendered by personal visit or telephone, by newsletters or bulletins made available from time to time to all Smoothie King® franchisees, or by internet or intranet, as Franchisor deems appropriate.

4.1.9 Such other resources and assistance as may hereafter be developed and offered by Franchisor to all Smoothie King® franchisees.

4.2 All or a portion of the obligations to be performed by Franchisor may be performed on behalf of Franchisor by a third party designated by Franchisor, as Franchisor deems appropriate in its sole discretion.

## **ARTICLE V. FRANCHISEE'S FORM OF ORGANIZATION**

5.1 If Franchisee is or becomes a corporation, partnership, limited liability company or other entity, Franchisee shall comply with the following requirements:

5.1.1 Franchisee shall confine its activities to the establishment and operation of the Franchised Business. Franchisee will furnish to Franchisor upon request a list of all shareholders or members of record and all persons having a beneficial interest in any corporation or other entity that is or becomes a Smoothie King® franchisee. As set forth in Section 8.2.5 below, Franchisee shall not use the Proprietary Marks in its corporate or legal entity name.

5.1.2 Franchisee's articles of incorporation, bylaws, partnership agreement or articles of organization or operating agreement (or comparable governing documents) shall at all times provide that the issuance and transfer of voting stock or other ownership interest therein is restricted by the terms of this Agreement.

5.1.3 Franchisee shall furnish Franchisor promptly, upon request, copies of Franchisee's articles of incorporation, bylaws, partnership agreement, articles of organization, operating agreement and other governing documents, trust or other documents which relate to the operation of the Franchised Business, and any other documents Franchisor may reasonably request.

5.1.4 Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity securities except in accordance with the provisions of Article XV. All securities issued by Franchisee shall bear the following legend, which shall be printed legibly and conspicuously on each stock certificate or other evidence of ownership interest:

The transfer of these securities is subject to the terms of a Franchise Agreement with Smoothie King Franchises, Inc. dated \_\_\_\_\_. Reference is made to said Agreement and to the restrictive provisions of the Articles and Bylaws of this Corporation.

5.2 Each Principal of a Franchisee which is a corporation, partnership or other entity, will sign the Guaranty Agreement in the form attached to this Agreement as Attachment D (the "Guaranty Agreement"), assuming and agreeing to discharge all of Franchisee's obligations under this Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal of Franchisee under the

provisions of Article XV below or otherwise will, as a condition of becoming a Principal, sign the Guaranty Agreement. Each Principal who has signed a Guaranty Agreement will continue to be bound by the Guaranty Agreement, regardless of that Principal's ownership interest in the new entity. The term "Principal" means any person or entity who directly or indirectly owns a ten percent (10%) or greater interest in Franchisee. If any corporation or other entity other than a partnership is a Principal, a "Principal" also will mean a shareholder or owner of a ten percent (10%) or greater interest in such corporation or other entity. If a partnership is a Principal, a "Principal" also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a ten percent (10%) or greater interest in such general partner. If Franchisee is one or more individuals, each individual will be deemed a Principal of Franchisee.

## **ARTICLE VI. CONFIDENTIALITY**

6.1 Franchisee and its Principals each acknowledges that Franchisor may provide Franchisee and its Principals with Confidential Information that derive value from not being generally known to the public, that are reasonably necessary for the operation of the Unit, and that Franchisee has entered into this Agreement in order to use such Confidential Information to the economic benefit of Franchisee. Franchisee agrees that Confidential Information remains the sole property of Franchisor, as do any reproductions, notes, summaries or similar documents relating to the Confidential Information, and any files, memoranda, reports, and other documents relating to the System will become and remain the intellectual property of Franchisor immediately upon their creation. Franchisee and each of its Principals will not use, duplicate or disclose to others any Confidential Information except as expressly authorized by Franchisor in writing and will implement measures to maintain the confidentiality of such Confidential Information that is no less strict than the measures Franchisee uses with its own confidential information. To the extent that any Confidential Information is to be provided to Franchisee's advisors, representatives, agents or any employees, each of them must use such Confidential Information solely in connection with their respective roles with the Unit and execute a Non-Disclosure Agreement, in a form acceptable to Franchisor.

6.2 "Confidential Information" means any and all recipes, ingredients or proprietary products, formulas, customer data, supplier lists, product specifications and other information, knowledge, methods, techniques, marketing and promotional techniques, know-how, and systems and knowledge of and experience in the operation and franchising of Smoothie King® Units, including the Manuals and any and all records and copies thereof in any form, that Franchisor communicates to Franchisee or that Franchisee otherwise acquires in operating the Unit under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by Franchisee.

6.3 Franchisee must fully and promptly disclose to Franchisor, all ideas, concepts, methods, techniques, improvements, additions and customer data relating to the development and/or operation of a Smoothie King® Unit or the System, any new recipes or formulas, or any advertising or promotion ideas related to the Unit (collectively the "Improvements") conceived or developed by Franchisee, its employees, and/or agents during the term of this Agreement. Each such Improvement will be deemed to be Franchisor's sole and exclusive property and works made-for-hire for Franchisor. To the extent any Improvement does not qualify as a work made-for-hire for Franchisor, Franchisee hereby assigns ownership of that Improvement and all related rights to Franchisor and agrees to sign (and to cause its Principals, employees and agents to sign) such assignment or other documents Franchisor requests to evidence its ownership or to help Franchisor obtain intellectual property rights in the Improvement. Franchisor is not obligated to pay Franchisee or any other person any royalties or other fees respecting any Improvements and Franchisee may not use any Improvement in operating the Franchised Business or otherwise without Franchisor's prior written approval.

6.4 Franchisee understands and agrees that it will come into possession of certain of Franchisor's trade secrets concerning the manner in which Franchisor conducts business including, but not necessarily limited

to: recipes and formulas; methods of doing business or business processes; strategic business plans; customer lists and information; marketing and promotional campaigns; and any materials clearly marked or labeled as trade secrets. Franchisee agrees that the foregoing information, which may or may not be considered "trade secrets" under prevailing judicial interpretations or statutes, is private, valuable, and constitutes trade secrets belonging to Franchisor. Franchisee agrees that Franchisor derives independent economic value from the foregoing information not being generally known to, and not being readily ascertainable through proper means by another person. Franchisee agrees to take reasonable measures, as may be described further in the Manuals, to keep such information secret. Upon expiration, termination or transfer of this Agreement, Franchisee will not use, sell, teach, train, or disseminate in any manner to any other person, firm, corporation, or association any trade secret pertaining to Franchisor's business and/or the manner in which it is conducted.

6.5 Franchisee acknowledges that any failure to comply with the requirements of this Article VI will cause Franchisor irreparable injury, and Franchisee agrees to pay all court costs and reasonable legal and accounting fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of the requirements of this Article VI.

## **ARTICLE VII. CONFIDENTIAL OPERATIONS MANUAL**

7.1 To protect the reputation and goodwill of Franchisor and to maintain high standards of operation under the Proprietary Marks, Franchisee shall conduct its business in accordance with the mandatory standards and procedures stated in Franchisor's confidential operations manual and such other manuals and policies issued by Franchisor (whether in hard copy or electronically), as Franchisor periodically may amend and supplement from time to time (collectively, the "Manuals") by giving notice to Franchisee in accordance with this Agreement or, at Franchisor's option, by providing Franchisee with an electronic copy of the revisions to the Manuals. Any revisions to the contents of the Manuals shall be deemed effective when specified by Franchisor.

7.2 Franchisee shall at all times treat the Manuals and the information contained therein as Confidential Information and shall maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, or otherwise reproduce such materials, in whole or in part, nor otherwise make them available to any unauthorized person.

7.3 The Manuals shall at all times remain the sole property of Franchisor, shall be kept in a secure place at the Unit premises, and all hard copies and electronic copies shall, at Franchisor's option, be returned to Franchisor, destroyed or deleted promptly upon termination or expiration of this Agreement.

7.4 Franchisee shall at all times ensure that its version of the Manuals are kept current and up-to-date. In the event of any dispute as to the contents of the Manuals, the terms of the Manuals maintained by Franchisor at its headquarters shall be controlling.

7.5 Franchisee acknowledges and agrees that prompt adaptation and compliance with the System, including the Manuals, are reasonable, necessary and essential to the image and success of all Smoothie King® Units. The Manuals contain the official mandatory operating standards, suggested "best practices", specifications and procedures as Franchisor periodically directs for operating a Smoothie King® Unit.

7.6 Franchisee agrees to accept and comply with those mandatory modifications, revisions and additions to the Manuals which Franchisor directs.

7.7 Franchisee acknowledges and agrees that any mandatory operating standards, specifications, or procedures exist to protect Franchisor's interest in the System and the Proprietary Marks and to create a uniform guest experience, and not for the purpose of establishing any control or duty to take control over the day-to-day operational matters that are reserved to Franchisee.

## **ARTICLE VIII. PROPRIETARY MARKS AND TRADE DRESS**

8.1 Franchisor will use and will permit Franchisee and other Smoothie King® franchisees to use the Proprietary Marks and Trade Dress, only in accordance with the System and the standards and specifications which underlie the goodwill associated with and symbolized by the Proprietary Marks and Trade Dress.

8.2 With respect to Franchisee's licensed use of the Proprietary Marks and Trade Dress pursuant to this Agreement, Franchisee covenants that:

8.2.1 Franchisee shall use only the mark "SMOOTHIE KING®," and such other Proprietary Marks as are designated in writing by Franchisor for Franchisee's use from time to time, and shall use them only in the manner authorized and permitted by Franchisor.

8.2.2 Franchisee shall not directly or indirectly contest the validity or ownership of the Proprietary Marks or Trade Dress.

8.2.3 Franchisee shall use the Proprietary Marks and Trade Dress only for the operation of the Franchised Business and only at the Location authorized hereunder, or in advertising for the Franchised Business conducted at such Location.

8.2.4 Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Franchised Business under the name "SMOOTHIE KING®" without prefix or suffix.

8.2.5 Franchisee shall not use the Proprietary Marks as part of its corporate or other legal name. Franchisee shall comply with Franchisor's instructions in filing and maintaining requisite trade name or fictitious name registrations. Franchisee agrees to execute, during or after the term of this Agreement, upon Franchisor's request, any consents necessary for the registration of Franchisor's corporate name in the state where Franchisee conducts the Franchised Business.

8.2.6 Franchisee shall execute any documents deemed necessary by Franchisor to obtain protection for the Proprietary Marks or Trade Dress or to maintain their continued validity and enforceability.

8.2.7 In the event that litigation involving the Proprietary Marks or Trade Dress is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor in defending such litigation. Franchisor shall defend and hold Franchisee harmless from any claims of trademark infringement for the authorized use of the Proprietary Marks and Trade Dress, provided that Franchisee promptly gives written notice to Franchisor and tenders the full defense of such claim to Franchisor. Franchisor shall control and direct any such legal action, including settlement thereof, without providing notice to Franchisee.

8.2.8 Franchisor retains the sole right to advertise and promote the System on the internet and to create, operate, maintain and modify or discontinue the use of, Smoothie King Website and other digital or Social Media postings using the Proprietary Marks. Except as provided in Section 10.3.13 below or as Franchisor may authorize in writing, Franchisee will not: (1) frame the Smoothie King Website; (2) use or grant any third party the right to use the Proprietary Marks or other aspects of the System to offer or sell any products or services or otherwise promote the Franchised Business or the System generally on the internet or via other online or digital systems, including third-party online ordering and/or delivery aggregators; (3) create or register any internet domain or e-mail addresses involving any of the Proprietary Marks now or hereafter owned by Franchisor or any abbreviation, acronym or variation of the Proprietary Marks, or any other name

that could be deemed confusingly similar; or (4) otherwise use the Proprietary Marks without Franchisor's prior written permission.

8.3 Franchisee expressly understands, acknowledges and agrees that:

8.3.1 Franchisor is the owner of all right, title, and interest in and to the Proprietary Marks and Trade Dress and the goodwill associated with and symbolized by them. The Proprietary Marks and Trade Dress are valid and serve to identify the System and those franchisees who are licensed or franchised to use the Proprietary Marks and Trade Dress under the System.

8.3.2 Franchisee's use of the Proprietary Marks and Trade Dress pursuant to this Agreement does not give Franchisee any ownership interest or other interest in or to the Proprietary Marks, Trade Dress, or System. Franchisee's right to use the Proprietary Marks and Trade Dress is limited to such uses as expressly authorized under this Agreement, and any other use shall constitute an infringement of Franchisor's rights and a violation of this Agreement.

8.3.3 Upon transfer, expiration or termination of this Agreement, any monetary amount assigned as "goodwill" shall not refer to goodwill inherent in the Proprietary Marks, Trade Dress, or System.

8.3.4 Notwithstanding anything in Section 1.5, Franchisor may:

(a) Establish Smoothie King® company owned Units and grant other licenses and franchises for Smoothie King® Units and the Proprietary Marks at any location outside of the Protected Territory, in addition to those licenses and franchises already granted, as Franchisor, in its sole and exclusive discretion, deems appropriate;

(b) License or sell, at both wholesale and retail, product or service lines that are being sold in Smoothie King® Units, including Franchisee's Smoothie King® Unit, under the same or similar Proprietary Marks or any other proprietary marks, at any location or distribution point within and outside the Protected Territory, including through ghost kitchens or cloud kitchens, without providing any rights therein to Franchisee.

8.4 Franchisee cannot make any changes or substitutions to the Proprietary Marks or Trade Dress without Franchisor's written authorization. Franchisor reserves the right, in its discretion, to modify or discontinue use of any Proprietary Mark or Trade Dress, or to use one or more additional or substitute trademarks or service marks. Franchisee will, at its expense, comply with such modification or substitution after reasonable notice by Franchisor.

## **ARTICLE IX. MANAGEMENT AND TRAINING**

9.1 Except as Franchisor may otherwise expressly permit in writing, Franchisee (or, if Franchisee is a corporation or partnership, a Principal(s) of Franchisee) and its designated manager shall devote full time best efforts and direct on-premises supervision to managing and operating the Franchised Business. Franchisor must be kept informed on a continuing basis of the identity of Franchisee's manager. If, during the Term of this Agreement, the manager is replaced or otherwise changes, Franchisee must promptly notify Franchisor in writing and designate a replacement within thirty (30) days of the change, such replacement being subject to the same qualifications stated herein. Franchisee must provide for interim management until a qualified replacement is designated.

9.2 If this Agreement is for the first Unit operated by Franchisee or a related entity, before Franchisee commences operating the Franchised Business, Franchisee (or, if Franchisee is a corporation or partnership, all Principal(s) of Franchisee) and Franchisee's designated manager shall attend and complete, to Franchisor's satisfaction, the initial franchise management training program that Franchisor offers at the

site designated by Franchisor or, at Franchisor's option, that Franchisor offers virtually. If this Agreement is for the first, second or third Unit operated by Franchisee or a related entity, Franchisee will require all of its designated managers or other employees actively involved in managing the Franchised Business to attend and complete, to Franchisor's satisfaction, Franchisor's initial franchise management training program and such other training programs as Franchisor may require. Franchisee shall ensure that the Franchised Business is at all times under the management and supervision of a trained person.

9.3 If this Agreement is for the 4th or more Unit operated by Franchisee or a related entity, Franchisee shall designate an existing manager, acceptable to Franchisor ("Certified Trainer"), to be responsible for training Franchisee's managers and other personnel in the Franchised Business and must also designate a district manager to oversee the operations at all of Franchisee's Units.

9.4 Franchisee shall cause its managers to attend and satisfactorily complete all mandatory training programs, including basic, advanced training, training refresher courses, and business seminars, as Franchisor may require from time to time. Franchisee shall ensure that all team members/employees are properly trained by Franchisee, Franchisee's managers, or Franchisee's Certified Trainer, according to Franchisor's standards and that training certifications be available for review upon request by Franchisor. Franchisee acknowledges that many of Franchisor's training programs are available to Franchisee, its managers, employees, and Certified Trainer, on Franchisor's Intranet Site. Franchisee shall ensure that all of its managers have access to Franchisor's Intranet Site.

9.5 Franchisee or its employees shall be responsible for all costs and expenses incurred by them in connection with training programs. Franchisee must have the necessary equipment and technology available for it or its employees to attend training programs virtually. Franchisor reserves the right to charge reasonable fees for materials and/or participation in any training courses offered by or on behalf of Franchisor, except that no fee shall be charged for the attendance by up to two (2) persons representing Franchisee at the initial franchise management training program. Franchisor may require Franchisee to make reservations for Franchisee or its employees in advance of attending any training courses or seminars. Franchisor may charge a deposit in connection with such reservations and may charge a cancellation fee if such reservations are canceled.

## **ARTICLE X. DUTIES OF FRANCHISEE**

10.1 Franchisee understands and acknowledges that every detail of the System and the Franchised Business is important to Franchisor, other Smoothie King® franchisees, and Franchisee to maintain high and uniform operating standards, to increase the demand for the services and products sold by all franchisees, and to protect the reputation and goodwill associated with the Proprietary Marks and Trade Dress.

10.2 Before commencing any construction or remodeling of the Unit, Franchisee shall comply, to Franchisor's sole satisfaction, with all of the following requirements:

10.2.1 Franchisee shall employ the Franchisor to prepare preliminary plans and specifications for site improvement and construction of the Unit.

10.2.2 Franchisee shall be responsible for obtaining all zoning and environmental classifications and clearances that may be required by state or local laws, ordinances, or regulations, or that may be necessary or advisable owing to any applicable restrictive covenants. After having obtained such classifications and clearances, Franchisee shall employ an architect or engineer designated or approved by Franchisor (as provided in the Manuals) to review Franchisee's preliminary plans and specifications and finalize such plans and specifications for permit application and construction. Franchisee shall submit these plans along with a site investigation report to Franchisor for review

and acceptance. Once accepted by Franchisor, the final plans may not be changed or modified without the prior written consent of Franchisor.

10.2.3 Franchisee shall be responsible for obtaining all permits and certifications required for the lawful construction, remodeling, and operation of the Unit, and shall certify to Franchisor that all such permits and certifications have been obtained. Franchisee also must fully comply with all applicable legal requirements related to the building, signs, equipment and premises, including the Americans with Disabilities Act.

10.2.4 Franchisee shall employ a general contractor designated or approved by Franchisor (as provided in the Manuals) to complete all site improvements, equipment, fixtures and signage delivery and construction of the Unit. Franchisee shall obtain and maintain, during the entire period of construction, liability insurance as provided under Article XIII of this Agreement. Franchisee shall diligently pursue construction as soon as reasonably possible until completed.

10.2.5 Within 60 days of construction completion, Franchisee shall submit to Franchisor final detailed costs of construction, leasehold improvements, furniture, fixtures, and equipment required to open the Unit.

10.3 Franchisee shall operate the Franchised Business in strict conformity with such mandatory methods, procedures, standards, and specifications as Franchisor may prescribe from time to time in the Manuals or otherwise in writing. Franchisee further covenants and agrees that:

10.3.1 Franchisee shall use the Unit solely for the operation of the Franchised Business, shall keep the Unit open and in normal operation for such minimum hours and days as Franchisor may from time to time specify or approve in writing, and shall refrain from using or permitting the use of the Unit premises for any other purpose or activity at any time without prior written consent from Franchisor. If Franchisee fails to keep the Unit open during Franchisor's minimum hours and days, Franchisee must pay Franchisor Two Hundred Dollars (\$200) for each day such hours and days are not met.

10.3.2 Franchisee shall install and use in and about the Unit only such equipment, fixtures, furnishings, interior and exterior signs, and other items which strictly conform to the mandatory standards and specifications for Smoothie King® Units as set forth in the Manuals, construction drawings, or otherwise revised by Franchisor from time to time. Franchisee shall not locate or permit to be located on or about the Unit premises any equipment or electronics including but not limited to gambling, amusement or vending machines, television or music systems, or other such equipment or devices, except as required by or with the written permission of Franchisor.

10.3.3 Franchisee shall maintain the Unit premises and all adjacent areas in good, clean, attractive and safe condition at all times. Franchisee shall, at its expense, undertake all maintenance and make all repairs, replacements, alterations, and additions as may be required for that purpose or as Franchisor may require, including, without limitation, periodic cleaning, repainting, repairs, and replacement of obsolete signs, equipment, fixtures, and furnishings. Franchisee shall comply with the Manuals in operating the Unit, as described in Article VII.

10.3.4 Franchisee shall offer and sell from the Unit premises, for retail purposes only, all services and products, including but not limited to, the Smoothie King® Gift Card program and any new services or products developed from time to time, as required or authorized by Franchisor, and shall not offer or sell any other services or products of any kind or character or in any manner without the prior written consent of Franchisor. Franchisee shall discontinue offering any services or products (whether or not previously authorized by Franchisor) promptly upon notice from



Franchisor. Franchisee shall provide for and install such equipment, furnishings or other items necessary to support new services or products introduced to enhance the value of the System, as required by Franchisor from time to time. Unless otherwise permitted by Franchisor in writing and then only in accordance with Franchisor's policies, Franchisee shall not offer or sell products or services authorized under this Agreement through any other means, including without limitation, through satellite locations, temporary locations, carts or kiosks, the Internet or through any form of Digital Media. As used in this Agreement, "Digital Media" means one or more related documents, applications, designs, or other communications or forms of media that can be accessed through electronic means, including but not limited to, the Internet, the World Wide Web, the Smoothie King Website (as defined in Section 10.3.13) or other websites, or social networking sites like FaceBook, X (formerly Twitter), TikTok, LinkedIn, Instagram, Snapchat, YouTube, blogs, vlogs, and other applications, and any online equivalent (collectively, "Social Media").

10.3.5 Franchisee shall purchase or lease all equipment, inventory, supplies, and other products and materials required for the operation of the Franchised Business solely from suppliers (including distributors, manufacturers, delivery providers and other sources) who demonstrate, to the continuing satisfaction of Franchisor, the ability to meet Franchisor's standards and specifications for such items; who possess adequate quality control and capacity to meet Franchisee's needs promptly and reliably; and who have been approved in writing by Franchisor and not thereafter disapproved (an "Approved Supplier"). Franchisor may impose limits on the number of Approved Suppliers for any products and services to be used in the Franchised Business (a "Designated Supplier"). Franchisee agrees that certain products, materials, and other items and supplies may only be available from one Designated Supplier, and Franchisor or its affiliates may be that Designated Supplier. Certain Approved Suppliers or Designated Supplier may require that Franchisee enter into agreements with them in connection with their designation or Franchisee's use of them as an Approved Supplier or Designated Supplier. If Franchisee desires to purchase any items from an unapproved supplier (other than for those items which must be purchased from Designated Suppliers), prior to using such supplier, Franchisee or the supplier shall submit to Franchisor a written request for approval. Franchisor reserves the right to require that its representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to Franchisor or its designee for testing. Franchisor may impose a charge not to exceed its costs of inspection and testing, which shall be paid by Franchisee or the supplier. Franchisor reserves the right from time to time to re-inspect the facilities and products of any previously Approved Supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's standards and specifications.

10.3.6 Before Franchisee obtains services from third-party providers, Franchisor shall have the right to review the terms and conditions of such arrangements and require additional information about the business background and qualifications of the providers, including (at Franchisor's option) personal interviews with individuals providing such services. If, in providing services to Franchisee, any third party may obtain access to Confidential Information, Franchisor may require, as a condition of approval of such provider, the execution of covenants of non-disclosure and non-competition in a form satisfactory to Franchisor. Franchisor may disapprove any provider upon written notice to Franchisee who does not demonstrate, to Franchisor's continuing satisfaction, an ability to comply with the procedures and standards established for the System.

10.3.7 Franchisor has developed and will continue to develop certain proprietary food products and other menu items which will be prepared by or for Franchisor following Franchisor's proprietary recipes and formulas. Franchisor also has developed and will continue to develop standards and specifications for food products, flavorings, materials and supplies used in preparing, serving, and delivering prepared food products authorized for sale at Smoothie King® Units. As

described above, Franchisee must purchase such items from Approved Suppliers. Franchisor may designate one or more Designated Suppliers (including itself or an affiliate) as an exclusive supplier of types, models or brands of products and services that Franchisor approves for Smoothie King® Units as meeting its specifications and standards. Such exclusive Designated Supplier, or other suggested or approved suppliers, may pay to Franchisor fees or rebates for such purchases. Franchisor and its affiliates have the right to retain any revenue that Franchisor or its affiliates receive as a result of Franchisee's purchases from Designated Suppliers, or other suggested or approved suppliers.

10.3.8 Franchisee shall maintain at all times such minimum stock levels of inventory, ingredients, supplies, and retail products as Franchisor may prescribe from time to time in the Manuals or otherwise in writing. Franchisee shall take an inventory of all such ingredients, supplies, and retail products at the intervals required by Franchisor as described in the Manuals and shall record the inventory in the Computer System.

10.3.9 Franchisee shall use, and display sales, marketing, and promotional materials provided by Franchisor from time to time, in the manner and for the time periods designated by Franchisor. Franchisee shall ensure that all uniforms, clothing, forms, stationery, signs, and other materials used in connection with the Franchised Business bear the Proprietary Marks in the form, colors, location and manner prescribed by Franchisor and otherwise comply with the mandatory standards and specifications prescribed by Franchisor from time to time.

10.3.10 Franchisee shall hire and maintain a competent, conscientious, trained staff, including a Manager, if Franchisee is not the owner/manager, as required under Article IX hereof, and shall take such steps as are necessary to ensure that all laws, ordinances, regulations, and the like, are followed and that its employees/team members preserve good guest relations and comply with such codes for dress and appearance as Franchisor may prescribe from time to time in the Manuals or otherwise in writing. Franchisee shall be solely responsible for the day-to-day operations of the Franchised Business and for making all employment decisions for all of Franchisee's employees, including the terms and conditions of employment of Franchisee's personnel, such as the soliciting, hiring, firing, disciplining, paying, scheduling, and managing of Franchisee's employees.

10.3.11 Franchisee shall permit Franchisor or its agents to enter and inspect the Unit premises during regular business hours. Franchisee shall cooperate fully with Franchisor and its agents in such inspections and render such assistance as they may request. Immediately upon notice of any deficiencies detected in such inspections by Franchisor or its agents, Franchisee shall take such steps as may be necessary to correct such deficiencies, including the temporary closing of the Unit if directed by Franchisor. Without limiting Franchisor's other rights and remedies, Franchisor shall have the right, if Franchisee fails or refuses to act promptly, to make or cause to be made such corrections as may be required and to collect the costs and expenses of correction from Franchisee.

10.3.12 Except as otherwise set forth herein, prior to the end of the fifth (5<sup>th</sup>) year from the date the Franchised Business opens for operation, Franchisee shall, at its expense, refurbish the Unit to conform to the then-current building design, Trade Dress, color schemes, and presentation for new Smoothie King® Units. Franchisor may direct that such refurbishment include, without limitation, structural changes, remodeling, redecoration, and modifications to existing improvements; however, Franchisee shall not be required to spend in excess of Twenty-Five Thousand Dollars (\$25,000) on materials and equipment for this mid-term refurbishment (excluding all labor and related costs).

10.3.13 Franchisee will maintain internet access for Franchisee, its managers, and other employees upon the premises of the Franchised Business. Franchisor has established an intranet for use by

Franchisor's employees, franchisees, and all franchisee employees ("Franchisor's Intranet Site"). Franchisee shall routinely review the information placed on Franchisor's Intranet Site and shall provide its managers and employees access to Franchisor's Intranet Site for use of Franchisor's learning management system contained on Franchisor's Intranet Site. Additionally, Franchisor will maintain one or more websites and/or mobile applications (collectively referred to herein as "Smoothie King Websites") that provide information to the public about the System and the products and services offered and sold by the System. The Smoothie King Websites may also offer online and mobile ordering, mobile payments or similar services, or sales of items bearing the Proprietary Marks. Franchisor has absolute control over the Smoothie King Websites' designs and contents. Upon the opening of the Franchised Business, Franchisee will, at its expense, participate in and maintain a separate page on Smoothie King Websites on the internet and other online communications. Franchisor has the right to determine the use of the Smoothie King Websites and Franchisor's Intranet Site and will establish the rules under which franchisees must participate. Franchisor retains all rights relating to the Smoothie King Websites and Franchisor's Intranet Site and may alter or terminate Smoothie King's Website or Franchisor's Intranet Site upon reasonable notice. Franchisor will provide at no cost to Franchisee a template for the separate page Franchisee must maintain on Smoothie King's Websites. Franchisee's general conduct on Smoothie King's Websites and Franchisor's Intranet Site, or other online communications, and specifically Franchisee's use of the Proprietary Marks or any advertising, is subject to the provisions of this Agreement. Franchisee agrees to comply with each provision of Franchisor's Intranet Site, as Franchisor periodically may modify. Franchisee acknowledges that certain information related to Franchisee's participation in Smoothie King's Websites or Franchisor's Intranet Site may be considered Confidential Information, including access codes and identification codes. Franchisee shall comply with Franchisor's policies and restrictions respecting the use of Social Media or related social networking applications in connection with the operation of the Franchised Business, as updated from time-to-time by Franchisor in the Manuals or otherwise in writing.

10.3.14 Franchisor has the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware be used by the Franchised Business, including without limitation: (i) back office and point of sale systems, mobile devices, data, audio, video, and voice storage, retrieval, and transmission systems for use at the Franchised Business and between Franchisor, its designee, and Franchisee; (ii) physical, electronic, and other security systems; (iii) printers or other peripheral devices; (iv) archival back-up systems; (v) speed of service measuring systems; (vi) software and hardware necessary to sell and redeem Smoothie King gift cards; and (vii) internet access mode (e.g. form of telecommunication connection) and speed (collectively, the "Computer System"). Franchisee shall purchase and thereafter use and maintain in the Franchised Business, the Computer System, and comply with Franchisor's requirements, specifications, and policies concerning the use of technology, as they may be specified in this Agreement, in the Manuals, or otherwise in writing. The Computer System developed for use in Smoothie King® Units may include a proprietary software program developed for or by Franchisor (the "Proprietary Software"). Franchisee must lease any Proprietary Software from Franchisor or a designated third-party supplier, which software will remain the confidential property of Franchisor or its third-party supplier. Franchisee agrees to sign all software access or license agreements and related documents required by Franchisor in connection with Franchisee's use of any Proprietary Software. Additionally, Franchisor may develop or designate, and Franchisee agrees to use: (a) computer software programs and accounting systems to be used with the Computer System ("Required Software"), (b) updates, supplements, modifications, or enhancements to the Required Software which Franchisee must install; (c) the tangible media upon which Franchisee must record or receive data; and (d) the database file structure of the Computer System. Franchisee is required to pay Franchisor a monthly technology fee, currently \$200, plus a

reasonable fee for software maintenance and security. Franchisor reserves the right to charge Franchisee a fee for firewall protection. Franchisor reserves the right to change the fees described in this Section 10.3.14 from time to time as provided in the Manuals or otherwise in writing. Franchisor reserves the right to assign its rights, title and interest in any Proprietary Software or related software license agreement to a third party designated by Franchisor. In such event, Franchisee may be required to enter into a separate computer software license agreement specified by the third-party supplier of the Proprietary Software. Franchisor also may access all information and data produced by or otherwise located on Franchisee's Computer System (collectively the "Unit Data"). Franchisor will own the Unit Data that is stored on the Computer System, except for Franchisee's financial and accounting data, and Franchisor periodically will establish policies respecting the use of the Unit Data. Franchisee will have a license to use the Unit Data during the term and subject to the restrictions of this Agreement. Franchisee will use an e-mail address that Franchisor selects for communication with Franchisor. Franchisor may designate a single source from whom Franchisee must purchase the Computer System, any software or hardware components thereof or associated service, and Franchisor or its affiliates may be that single source. Franchisee must use an installation company approved by Franchisor for the initial Computer System installation. Franchisee must use and, at Franchisor's discretion, pay for all future updates, supplements and major modifications to the Computer System. Franchisee is solely responsible for protecting itself from disruptions, internet access failures, internet content failures, and attacks by hackers or other unauthorized intruders, and Franchisee waives any and all claims Franchisee may have against Franchisor as the direct or indirect result of such disruptions, failures, or attacks. Such waiver is in addition to Franchisee's indemnification obligations under this Agreement.

10.3.15 Franchisee shall not engage or cooperate in any conduct that reflects unfavorably on the reputation of Franchisee, Franchisor, or the System or injures or is prejudicial to the goodwill associated with the Proprietary Marks, including conduct which jeopardizes Franchisee's good relations with guests and creditors of the Franchised Business, or which constitutes a deceptive or unfair trade practice or otherwise violates applicable law or regulations. Franchisee will comply with all of Franchisor's policies relating to ethical and professional conduct. For purposes of this Section, Franchisee includes Franchisee's affiliates and Principals and each of their Personnel, agents and representatives and Franchisee will ensure that its affiliates and Principals comply with all of the terms hereof.

10.3.16 Franchisee must, at its expense, install at the Unit premises, a security system, including all existing or future components thereof and associated service, which Franchisor has selected for the System. Franchisee will, upon Franchisor's request, provide Franchisor with access to the information and data collected by such security system.

10.3.17 Franchisee must accept all payment options specified by Franchisor from time to time, including but not limited to, credit cards, debit cards, check or credit verification services, stored value gift cards, including Smoothie King gift cards, electronic funds transfer systems, and other noncash systems (for example, Google Pay or Apple Pay) and must obtain at Franchisee's expense all necessary hardware and/or software used in connection with any noncash systems. At all times, Franchisee must maintain relationships with all issuers or service providers that Franchisor designates as mandatory, and Franchisee must refrain from using any services or providers that Franchisor has not approved in writing or for which Franchisor has revoked its approval. Franchisor may modify its requirements and designate additional approved or required methods of payment and vendors for processing such payment. Franchisee must comply with Franchisor's credit card policies as prescribed in the Manuals. Franchisee must comply with the Payment Card Industry Data Security Standards (PCI DSS) as they may be revised and modified by the Payment Card Industry Security Standards Council, or any successor organization and/or in accordance with

other standards Franchisor may specify, and the Fair and Accurate Credit Transactions Act (FACTA). Franchisee also must upgrade periodically its technology, at Franchisee's expense, to maintain compliance with PCI DSS, FACTA and all applicable laws. Franchisee must comply with all laws and regulations relating to privacy and data protection and must comply with any privacy policies or data protection and breach response policies, or any other policies related to data privacy or data use, that Franchisor periodically may establish. Franchisee must notify Franchisor immediately if it is notified of a credit card or data breach related to the Unit and/or Franchisee's business and must cooperate with Franchisor and applicable authorities in resolving such breach. Further, Franchisee must cooperate with Franchisor fully regarding media statements and other items related to managing any such event for the purpose of protecting the Proprietary Marks and System as set forth below.

10.3.18 Franchisee must participate in the Smoothie King Gift Card Program or other gift card program that Franchisor specifies. Franchisee must purchase the software, hardware, blank cards, and other items needed to sell and process gift cards or stored value cards, which Franchisor may specify in writing in the Manuals or otherwise. Franchisee also agrees to pay such monthly and per-swipe transaction fees as may be required by the vendor of the gift card system. Franchisee must sell and honor gift cards only in accordance with Franchisor's written standards. Franchisee must account for all gift card sales, gift card redemptions, and other gift card transactions in the manner Franchisor specifies in the Manuals. Franchisee must pay Franchisor or make payments as specified by Franchisor, in such amounts and at such times as directed by Franchisor, in accordance with Franchisor's gift card rules, programs and policies. Franchisee agrees not to sell, issue or redeem gift certificates other than gift cards has approved in writing. Concurrent with the execution of this Agreement, Franchisee must sign and deliver to Franchisor the Gift Card Participation Agreement attached to this Agreement as Attachment E.

10.3.19 Franchisee must participate in all catering and delivery services Franchisor designates through Franchisor's designated provider(s). Unless Franchisor provides its prior written consent, Franchisee agrees that it will not provide its own delivery services or use its employees to deliver orders to Franchisee's customers.

10.3.20 If an event occurs at the Franchised Business that has or reasonable may cause harm or injury to customers, guests, or employees in the sole opinion of Franchisor (*i.e.* food spoilage/poisoning, food tampering/sabotage, slip and fall injuries, natural disasters, robberies, shootings, etc.) or may damage the Proprietary Marks, the System, or the reputation of Franchisor (the "Crisis Situation"), Franchisee will: (1) immediately contact the appropriate emergency care providers and (2) immediately inform Franchisor by telephone of the Crisis Situation. Franchisee shall refrain from making any internal or external announcements (*i.e.* no communication with the news media) regarding the Crisis Situation unless directed to do so by Franchisor or public health officials. To the extent Franchisor deems appropriate, in its sole and absolute discretion, Franchisor or its designee may control the manner in which the Crisis Situation is handled by the parties, including, without limitation, conducting all communication with the news media, providing care for injured persons and/or temporarily closing the Franchised Business. The parties acknowledge that, in directing the management of any Crisis Situation, Franchisor or its designee may engage the services of attorneys, experts, doctors, testing laboratories, public relations firms and those other professionals as it deems appropriate. Franchisee and its employees shall cooperate fully with Franchisor or its designee in its efforts and activities in this regard and be bound by all further Crisis Situation procedures developed by Franchisor from time to time hereafter. The indemnification under Article XX shall include all losses and expenses that may result from the exercise by Franchisor or its designee of the management rights granted in this Section 10.3.20.

10.4 If Franchisee will occupy the Unit premises under a lease, Franchisee shall submit such lease to Franchisor prior to execution for its written approval, not to be unreasonably withheld. Franchisor's approval of the lease will be conditioned upon inclusion of certain provisions, including but not limited to the following:

10.4.1 That the lease term extends for the unexpired Term under the Franchise Agreement;

10.4.2 The landlord shall not prohibit Franchisee's use of Franchisor's Proprietary Marks and Trade Dress in the manner prescribed by Franchisor;

10.4.3 Franchisor shall have the right (but not the obligation) to enter the premises to take any action necessary to protect the Proprietary Marks, Trade Dress, or the System or to cure any default under the Franchise Agreement or under the lease, or upon termination or expiration of the Franchise Agreement, to make such modifications or alterations to the Unit premises deemed appropriate to prevent confusion, mistake, or deception if the premises are thereafter used by Franchisee or others;

10.4.4 Franchisor shall have the right, at its election and upon notice to the lessor, to receive an assignment of the leasehold interest, with the right to sublease, upon Franchisee's default under the lease or termination or expiration of the Franchise Agreement;

10.4.5 The landlord shall enter into the Lease Rider Document in the form attached to this Agreement as Attachment G.

10.4.6 The premises shall be used solely for the operation of the Franchised Business;

10.4.7 Franchisee shall be prohibited from subleasing or assigning all or any part of its occupancy rights or extending the term of or renewing the lease, without Franchisor's prior written consent;

10.4.8 The lessor shall provide to Franchisor any and all notices of default under Franchisee's lease.

10.5 Franchisee hereby acknowledges that complete and detailed uniformity among Smoothie King® Units under varying conditions may be inadvisable, impractical or impossible and accordingly agrees that Franchisor, at its sole discretion, may modify or vary aspects of the System with respect to any franchisee or group of franchisees based on (by way of example and not limitation) local site conditions, sales potential, demographics, competition, local business practices, or any other conditions or circumstances that Franchisor determines. Franchisee further agrees that Franchisor shall have no obligation to disclose or offer the same or similar variances to Franchisee.

## **ARTICLE XI. ACCOUNTING AND RECORDKEEPING**

11.1 Franchisee shall maintain during the term of this Agreement, and shall preserve for at least three (3) years after the dates of their preparation, full, complete, and accurate books, records, and accounts relating to the Franchised Business (the "Records") consistent with Franchisor's fiscal calendar year, in the form and manner Franchisor directs in the Manuals or otherwise in writing from time to time, including the chart of accounts. The Records will include the following: (i) daily cash reports; (ii) cash receipts journal and general ledger; (iii) cash disbursements journal and weekly payroll register; (iv) monthly bank statements and daily deposit slips and canceled checks; (v) all tax returns of the Franchised Business and, upon Franchisor's request, tax returns of each of Franchisee's shareholders (or members or partners, as applicable); (vi) suppliers' invoices (paid and unpaid); (vii) dated cash register tapes (detailed and

summary); (viii) semi-annual balance sheets and monthly profit and loss statements; (ix) weekly inventories; (x) records of promotion and coupon redemption; and (xi) such other records and information as Franchisor periodically may request. Franchisee shall be permitted to preserve Records and submit reports electronically, consistent with Franchisor's requirements. During the term of the Agreement, Franchisee shall preserve and make available to Franchisor all Records for no less than the current fiscal year and the three (3) immediate past fiscal years.

11.2 Franchisee shall submit to Franchisor, within two (2) business days after the end of each month during the term of this Agreement beginning after the opening of the Unit, a remittance report, in the form prescribed by Franchisor, accurately reflecting all Gross Sales and, within thirty (30) business days after the end of each month a financial profit and loss statement, showing the results of operations of the Franchised Business during the preceding reporting period that are compiled or reviewed by a certified public accountant ("CPA") together with such other data or information as Franchisor may require. Franchisor may require the use of a designated CPA to ensure consistency. If Franchisee fails to submit the required profit and loss statement in any month, Franchisee must pay Franchisor Five Hundred Dollars (\$500) for each month that such monthly profit and loss statement is past due. Franchisor will have the right, upon sixty (60) days prior written notice, to require Franchisee to submit all applicable monthly reports on a weekly basis. In such event, Franchisor also will have the right to require Franchisee to pay all monthly fees due under Article III and Section 12.1 on a weekly basis.

11.3 Within ninety (90) days after the end of each fiscal year of Franchisee during the term of this Agreement, Franchisee, at its expense, shall submit to Franchisor a financial statement consisting of a profit and loss statement showing the results of operations of the Franchised Business during said fiscal year, income tax returns, and a balance sheet as of the end of the fiscal year, prepared in accordance with generally accepted accounting principles. If, however, Franchisee has timely filed for an extension on its income taxes for such year, then such income tax returns shall be due to Franchisor within (30) days after Franchisee's filing of its income taxes. Each financial statement shall be accompanied by a sworn statement signed by Franchisee attesting that the items contained therein are true and accurate, that they completely and fully describe and disclose the information sought, and that the signer has made diligent and careful efforts to ascertain the accuracy and completeness of all financial statements.

11.4 Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, statements, information, and data as Franchisor may require, including monthly profit and loss statements, in the form and at the times and places specified by Franchisor, upon request and as specified from time to time in the Manuals or otherwise in writing. Franchisee agrees that all financial and business data submitted by Franchisee to Franchisor may be used by Franchisor as it deems appropriate.

11.5 Franchisor or its designated agents shall have the right during regular business hours to examine and copy, or request that Franchisee make and deliver to Franchisor copies of, the books, records, and tax returns of Franchisee or any individual or entity with an ownership interest in Franchisee. Franchisee agrees to execute upon request a power of attorney, I.R.S. Form 4506 or similar document to authorize Franchisor to obtain copies of Franchisee's previous years' tax filings. Franchisor shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If the requested documentation cannot be provided during the audit, Franchisor, in its sole discretion, may cause its independent auditors to use alternate testing methods to determine if any variance exists. If an examination or audit reveals that any Gross Sales have been understated in any report, then Franchisee shall pay Franchisor the continuing operating and advertising fees due on such understated Gross Sales immediately upon demand, together with interest at the rate provided in Section 3.5 above. Further, if an examination or audit reveals that Gross Sales were understated by two percent (2%) or more during the period audited, Franchisee shall reimburse Franchisor for all costs and expenses in connection with the audit. Franchisee agrees to pay for all costs of

any audit that occurred due to Franchisee's failure to produce its books and records at the time of the audit. The foregoing remedies shall be in addition to any other remedies available to Franchisor.

## **ARTICLE XII. ADVERTISING, PROMOTION, AND MARKETING**

12.1 During the term of this Agreement, Franchisee must pay to Franchisor for deposit in a national marketing and promotional fund (the "National Marketing Fund") a "National Marketing Fee." The National Marketing Fee is due to Franchisor monthly based on the prior month's Gross Sales and must be paid to Franchisor no later than the sixteenth (16<sup>th</sup>) day of each month. Franchisor will determine the amount of the National Marketing Fee and reserves the right to increase such Fee, during the term of this Agreement and upon sixty (60) days' prior written notice, to an amount not exceeding five percent (5%) of Franchisee's monthly Gross Sales.

12.2 If Franchisor establishes a regional promotional and marketing fund (the "Regional Marketing Fund") in a region in which the Unit is located, Franchisee will pay to Franchisor for deposit in the Regional Marketing Fund a "Regional Marketing Fee." Franchisor will determine the amount of the Regional Marketing Fee and reserves the right to increase such Fee, during the term of this Agreement and upon sixty (60) days' prior written notice, to an amount not exceeding two percent (2%) of Franchisee's monthly Gross Sales. Any contributions to a Regional Marketing Fund will be credited towards Franchisee's local marketing requirement described in Section 12.4 below. The Regional Marketing Fee is due to Franchisor monthly based on the prior month's Gross Sales and must be paid to Franchisor no later than the last day of each month. The Regional Marketing Fee is not applicable to Non-Traditional Units.

12.3 The National Marketing Fund and any number of Regional Marketing Funds (collectively, the "Funds"), will be maintained and administered by Franchisor and/or its designees as follows:

12.3.1 Franchisor shall direct all advertising, promotional, and marketing programs with sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Funds are intended to maximize general public recognition and acceptance of the Proprietary Marks for the benefit of all Smoothie King® Units, and that Franchisor and its designees are not obligated in administering the Funds to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Funds. The Funds are not trusts or escrow accounts, and Franchisor has no fiduciary obligations to Franchisee, or to any franchisee, with respect to the Funds.

12.3.2 The Funds, all contributions thereto, and any earnings thereon shall be used to pay all expenses Franchisor incurs in connection with the general promotion of the Proprietary Marks and the System, including the cost of maintaining, administering, researching, directing, and preparing advertising, promotional and marketing activities. More specifically, such activities may include, among other things, the cost of creating, producing, placing, and conducting television, radio, print and digital advertising campaigns; creating, producing, and distributing promotional materials for use on and off the Unit premises; marketing surveys and research; public relations activities; and employing advertising agencies, marketing professionals and consultants to assist therein.

12.3.3 Franchisee shall contribute to the National Marketing Fund and any Regional Marketing Fund for Franchisee's region by preauthorized electronic funds transfer or as otherwise directed by Franchisor. All sums paid into the Funds shall be accounted for separately from the other monies of Franchisor and shall not be used to defray Franchisor's general expenses, except for reasonable salaries, administrative costs, and overhead as Franchisor may incur in activities related to the administration and direction of the Funds and promotional and marketing programs for franchisees and the System.



12.3.4 Franchisor anticipates that all contributions to and earnings of the Funds will be expended for the purposes described above during the taxable year in which the contributions and earnings are received. If, however, excess amounts remain in any Fund at the end of such taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions.

12.3.5 Upon request, Franchisor will provide Franchisee with an annual unaudited statement of the receipts and disbursements of the Funds for the most recently completed calendar year.

12.3.6 Franchisor maintains the right to terminate any Fund. No Fund shall be terminated, however, until all monies in the Fund have been expended for the purposes described above or returned to contributors on a prorated basis of their contributions.

12.4 Franchisee will spend an amount that Franchisor designates on advertising and promotional activities in Franchisee's local geographic area; provided that such amount will not exceed two percent (2%) of its annual Gross Sales for the Franchised Business. Any contribution Franchisee makes to a Regional Marketing Fund will be credited towards Franchisee's local advertising and promotional activities described in this Section 12.4. Franchisee shall provide written confirmation of such expenditures as Franchisor may require. If Franchisee fails to provide such written confirmation then the National Marketing Fee for Franchisee shall increase to 5%. All advertising, promotional, and marketing activities conducted by Franchisee in its local market area shall be subject to the prior approval of Franchisor, which approval shall not be unreasonably withheld. Funds used to primarily promote or advertise catering activities will not qualify as a local advertising or marketing expense for purposes of satisfying Franchisee's obligations under this Section 12.4. Franchisee shall submit to Franchisor (by personal delivery, e-mail or certified mail, return receipt requested) for its prior approval (except with respect to prices to be charged) all local advertising, promotional and marketing plans and samples of all local advertising materials not prepared or previously approved by Franchisor. If any plans or materials previously approved by Franchisor are later disapproved, Franchisee shall discontinue their use promptly upon notice from Franchisor.

12.5 Franchisor has the right, subject to applicable law, to establish maximum prices and/or minimum prices to be charged by Franchisee for the products and services Franchisee offers at the Franchised Business. Franchisee must honor all such maximum prices and minimum prices Franchisor establishes in accordance with this Section. Franchisee must also honor and offer all coupons, discounts, campaigns, or similar promotions Franchisor designates and cannot offer coupons, discounts, or similar promotions that are not part of a System-wide promotion or program without Franchisor's prior written approval.

12.6 During a four-week period before and/or within three (3) months after the opening of the Unit, either Franchisor or Franchisee shall conduct grand opening advertising, marketing and promotional activities that complies with the local advertising requirements described in Section 12.4 above. If Franchisor does not give Franchisee notice at least eight (8) weeks before the scheduled opening of the Unit that Franchisor intends to conduct the grand opening activities, then Franchisee must conduct the grand opening activities. Franchisee shall be required to expend on grand opening advertising, marketing and promotion an amount equal to Fifteen Thousand Dollars (\$15,000) for Traditional Units and Seven-Thousand Five-Hundred Dollars (\$7,500) for Non-Traditional Units (the "Grand Opening Expenditure"). Franchisee must pay the Grand Opening Expenditure to Franchisor (if Franchisor elects to conduct the grand opening activities) no later than four (4) weeks before the scheduled opening of the Unit, or to Approved Suppliers (if Franchisor does not elect to conduct the grand opening activities) within ninety (90) days of the Unit's opening date and must submit a report with receipts showing the total Grand Opening Expenditure to Franchisor. If Franchisee fails to provide documentation evidencing the Grand Opening Expenditure, Franchisee must pay to Franchisor the difference between the required Grand Opening Expenditure and the amount Franchisee reported to Franchisor. Franchisor will deposit such amount into

the applicable Regional Marketing Fund, or to the National Marketing Fund if the Unit is not in an area covered by a Regional Marketing Fund. The Grand Opening Expenditure will not be credited towards Franchisee's local advertising and promotional activities described in Section 12.4.

12.7 During the term of this Agreement, Franchisee agrees to participate in all customer loyalty program(s) implemented by Franchisor (the "Loyalty Program") in accordance with the terms and conditions of the Loyalty Program as described in the Manuals or otherwise in writing. Franchisor may modify, discontinue or replace the Loyalty Program at any time, and Franchisee must comply with such changes.

### **ARTICLE XIII. INSURANCE**

13.1 Franchisee shall acquire and maintain, at its own expense and throughout the term of this Agreement, insurance with an insurance company with an A.M. Best's rating of "A-" and an A.M. Best's Class Rating of VII. Such insurance shall:

13.1.1 Be acceptable to Franchisor;

13.1.2 Provide, by endorsement, that the Indemnitees identified in Article XX are included as "Additionally Insured" and provide that the coverage afforded applies separately to each insured against which a claim may be brought as though a separate policy had been issued to each insured;

13.1.3 Provide the following coverages which may be modified by Franchisor from time to time in the Manuals or otherwise in writing: (a) comprehensive general liability insurance with a limit of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate and providing coverage at a minimum for bodily injury, personal injury, advertising injury, property damage, and products liability including food borne illness injury, (b) property insurance, (c) worker's compensation insurance as required by the state in which the Unit is located; (d) umbrella liability insurance (covering commercial general liability and automobile liability (if required by Franchisor), and employer's liability (if required by Franchisor) with a minimum of a \$1,000,000 limit, and (e) other insurance coverages as required from time to time by any applicable law. Franchisor also recommends that Franchisee obtain employment practices insurance with a minimum limit of \$250,000 and a cyber/data breach policy with a minimum limit of \$50,000;

13.1.4 Contain no provision that in any way limits or reduces coverage for Franchisee in the event of a claim by any one or more of the Indemnitees;

13.1.5 Extend to and provide indemnity for all obligations assumed by Franchisee hereunder and all other items for which Franchisee is required to indemnify Franchisor under this Agreement;

13.1.6 Be in amounts and forms and with a carrier or carriers satisfactory to Franchisor; but in no event in amounts less than those amounts and forms described in Section 13.1.3 above;

13.1.7 Contain "waiver of subrogation" clauses with respect to any right of subrogation against Franchisor and be primary and non-contributory with Franchisor's coverage and shall not contain cross-liability exclusions.

13.2 Franchisee shall not reduce the policy limits, restrict coverage, cancel or otherwise alter or amend said policy without Franchisor's prior written consent. Franchisor must receive at least thirty (30) days' prior written notice of any intent to reduce any coverage or otherwise alter or amend said policy.

13.3 On the Effective Date and upon each renewal or change of Franchisee's insurance policy, Franchisee shall submit to Franchisor a certificate evidencing the existing of the required insurance coverage. The certificate must show Franchisor's and Indemnitees' status as additional insureds and

provide that Franchisor will be given thirty (30) days' prior written notice of a material change in or termination or cancellation of the policy. Upon request, Franchisee shall deliver to Franchisor or its agent a complete copy of Franchisee's then-prevailing policy of insurance at any time during or after the term of this Agreement.

13.4 In the event of a claim by any one or more of the Indemnitees against Franchisee, Franchisee shall, on request of Franchisor, assign to Franchisor any and all rights which Franchisee then has or thereafter may have regarding such claim against the insurer(s) providing coverages described in this Article XIII.

13.5 If Franchisee, for any reason, fails to procure or maintain at least the insurance required by Section 13.1.3, as revised from time to time pursuant to the Manuals or otherwise in writing, Franchisor shall have the immediate right and authority, but not the obligation, to procure such insurance on Franchisee's behalf and charge its costs to Franchisee. Franchisee shall reimburse Franchisor for all out-of-pocket costs incurred by Franchisor in obtaining such insurance on behalf of Franchisee immediately upon Franchisee's receipt of an invoice therefor.

#### **ARTICLE XIV. DEFAULT AND TERMINATION**

14.1 Franchisee shall be in default and this Agreement and all rights granted to Franchisee hereunder shall terminate immediately upon written notice from Franchisor if any of the following occur:

14.1.1 If Franchisee becomes insolvent or makes a general assignment for the benefit of creditors; or if a petition in bankruptcy is filed by Franchisee or filed against Franchisee and not opposed by Franchisee;

14.1.2 If Franchisee (or if Franchisee is a corporation, partnership or limited liability company, any officer, director, manager, shareholder/member or partner of Franchisee) is convicted of a felony, a fraud, a crime involving moral turpitude, or any other crime or offense that Franchisor reasonably believes will injure the System, Proprietary Marks or the goodwill associated therewith, or if Franchisor reasonably believes that Franchisee has committed such a felony, crime, or offense;

14.1.3 If Franchisee (or if Franchisee is a corporation, partnership or limited liability company, any principal of Franchisee) fails to comply with the in-term covenants in Article XVII;

14.1.4 If contrary to the terms of Article VI or VII, Franchisee discloses, divulges or uses for any purpose not authorized herein the contents of the Manuals, any proprietary product recipes or any other Confidential Information;

14.1.5 If Franchisee (i) maintains false books or records or submits any false reports (including Section 11.2 reports) to Franchisor, (ii) if there is at least a two percent (2%) variance in reporting discovered as per Section 11.5, or (iii) if Franchisee makes any material misrepresentation or omission related to this Agreement or its application for the franchise;

14.1.6 Franchisee abandons or fails actively to operate the Unit for three (3) consecutive days or on any federally recognized United States holiday (except those holidays on which all Smoothie King® Units will be closed to the public, as set forth in the Manuals), unless the Unit has been closed for a purpose Franchisor has approved in writing prior to closing, including but not limited to, an event of Force Majeure or a governmental exercise of the power of eminent domain;

14.1.7 If Franchisee is involved in any act or conduct which materially impairs or otherwise is or may become prejudicial to the goodwill associated with the name "SMOOTHIE KING®" or any of the Proprietary Marks or the System, including Franchisee's misuse or unauthorized use of the

Proprietary Marks on its Social Media pages or other Internet site or any other misuse or unauthorized use of the Proprietary Marks;

14.1.8 If Franchisee (or if Franchisee is a corporation, partnership or limited liability company, any principal of Franchisee) violates any immigration laws or regulations or otherwise loses his/her right under any government immigration classification to reside in the United States, or to own, operate or have any interest in the Franchised Business;

14.1.9 If Franchisee fails to obtain Franchisor's prior consent or approval as required under this Agreement or commits any other breach the nature of which makes it not curable;

14.1.10 If Franchisee "repeatedly" is in default under Sections 14.2, 14.3 or 14.4 for failure to comply with any of the requirements imposed under this Agreement, whether or not cured after notice. The term "repeatedly" is defined as three (3) or more times during any three (3) year period; or

14.1.11 If Franchisee fails to open the Franchised Business for business by the end of the twenty-fourth (24<sup>th</sup>) month from the Effective Date of this Agreement.

14.2 Franchisee shall be in default, and Franchisor may at its option terminate this Agreement, effective twenty-four (24) hours after receipt of written Notice of Termination from Franchisor, if any of the following occur, and Franchisee does not cure such default within the twenty-four (24) hour period (or such longer period as Franchisor designates or applicable law may require):

14.2.1 If Franchisee refuses to permit Franchisor or its agents entry to inspect the Franchised Business;

14.2.2 If Franchisee violates any law, regulation, order or System standard or specification relating to health, sanitation or safety; or

14.2.3 If Franchisee fails to maintain current insurance coverages as required by Section 13.1.3.

14.3 Franchisee shall be in default, and Franchisor may at its option terminate this Agreement, effective ten (10) days after receipt of written Notice of Termination from Franchisor, if any of the following occur, and Franchisee does not cure such default within the ten (10) day period:

14.3.1 If Franchisee fails, refuses, or neglects promptly to pay when due any operating or advertising fees, or any other amounts owing to Franchisor, its subsidiaries, affiliates, or divisions, or any undisputed amounts to vendors, including taxing authorities or landlords; or

14.3.2 If Franchisee fails to observe or maintain any of the mandatory standards, recipes, ingredients, or procedures prescribed by Franchisor in this Agreement, the Manuals, or otherwise.

14.4 Except as provided in Sections 14.1, 14.2, 14.3 and 14.5, Franchisee shall be in default, and Franchisor may at its option terminate this Agreement, effective thirty (30) days after receipt of written Notice of Termination from Franchisor, if any of the following occur, and Franchisee does not cure such default within the thirty (30) day cure period:

14.4.1 If Franchisee fails to submit when due any reports, financial information, or other information or documents required by Franchisor under this Agreement;

14.4.2 If Franchisee fails to obtain execution of the agreements and covenants required under Sections 6.1 and 17.3;

14.4.3 If Franchisee or its designee fails to attend and complete, to Franchisor's satisfaction, the initial franchise management training program, regional training programs, or any other training programs required by Franchisor, as provided in Sections 9.2 and 9.3; or

14.4.4 If Franchisee fails to open the Franchised Business for business within twelve (12) months from the Effective Date of this Agreement, except as provided for under Section 3.4 above; or

14.4.5 If Franchisee violates any other material provision or obligation of this Agreement.

14.5 Franchisee shall be in default, and Franchisor may at its option terminate this Agreement, effective sixty (60) days after receipt of written Notice of Termination from Franchisor, if Franchisee fails to comply with Section 1.4 by failing to timely submit to Franchisor a fully executed and binding lease or acquisition of property for the Location and Franchisee does not cure such default within the sixty (60) day cure period (or such longer cure period as applicable law may require).

14.6 If any party fails to perform any obligation under this Agreement due to a Force Majeure event beyond its foreseeable control and without the negligence of such party, such failure will not be deemed a breach of this Agreement, provided such party uses reasonable best efforts to perform such obligations as soon as possible under the circumstances and the failure to perform the obligations do not continue for more than sixty (60) days. A Force Majeure event shall include causes such as strikes, wars, riots, civil disturbance, acts of God, or other national or regional emergency that materially and adversely impacts the ability of a party to perform. Financial inability of Franchisee will not constitute a Force Majeure event.

14.7 In addition to Franchisor's rights to terminate this Agreement, as described in this Article XIV, Franchisee must pay Franchisor a "Non-Compliance Fee" if Franchisee fails to comply on a timely basis with certain obligations under this Agreement or the Manuals as consideration for the expenses Franchisor incurs in addressing Franchisee's failure to comply with the terms of this Agreement, including third party expenses. All Non-Compliance Fees shall be imposed according to the schedule stated in the Manuals.

14.8 A monetary default under this Agreement, or two non-monetary defaults under this Agreement within an eighteen (18) month period, shall be considered a default under all other agreements between Franchisee or its affiliate and Franchisor or its affiliate. Likewise, a monetary default under any other agreement between Franchisee or its affiliate and Franchisor or its affiliate, or two non-monetary defaults under any such agreement within an eighteen (18) month period, shall be considered a default under this Agreement. If Franchisee is in default of this Agreement for failure to pay any amounts owing to Franchisor, its subsidiaries, affiliates, or divisions, or if Franchisee has received two (2) or more notices of default under this Agreement in a eighteen (18) month period, then Franchisee's default under this Agreement is also considered a default under any other franchise or other related agreement that Franchisee or any of Franchisee's affiliates may have entered into with Franchisor or its affiliates ("Related Agreements") and Franchisor or its affiliates have the right to immediately terminate the Related Agreement(s). Notwithstanding the foregoing, if Franchisee received two (2) or more notices of default under this Agreement in an eighteen (18) month period and such defaults were solely related to the failure to operate the Unit in compliance with the Manuals, then such defaults will not be considered a default under the Related Agreements if Franchisee has an "engagement score" of over ninety percent (90%), as described in the Manuals.

If Franchisee or any of Franchisee's affiliates are in default of any other Related Agreements for failing to pay any amounts owing to Franchisor, its subsidiaries, affiliates, or divisions or if Franchisee or any of Franchisee's affiliates have received more than one notice of default under any of the Related Agreements within an eighteen (18) months period, then such defaults are considered a default under this Agreement and Franchisor has the right to immediately terminate this Agreement. Notwithstanding the foregoing, if Franchisee or any of Franchisee's affiliates received two (2) or more notices of default under a Related

Agreement in an eighteen (18) month period and such defaults were solely related to the failure to operate a SMOOTHIE KING® business in compliance with the Manuals, then such defaults will not be considered a default under this Agreement if Franchisee has an “engagement score” of over ninety percent (90%), as described in the Manuals.

14.9 If the provisions of this Article XIV are inconsistent with applicable law, the applicable law controls.

## **ARTICLE XV. TRANSFER OF INTEREST**

15.1 Franchisee understands and acknowledges that the rights and duties of Franchisee set forth in this Agreement are personal to Franchisee and the Franchisor has granted this franchise in reliance on the business skill, financial capacity, and personal character of Franchisee and Franchisee’s Principals. Accordingly, Franchisee agrees that (i) it may not seek to undertake or complete a transfer in any manner under this Article XV at a time when the Unit is not open for business, and (ii) Franchisor’s express prior written consent shall be a necessary condition precedent to the sale, assignment, transfer, conveyance, gift, pledge, mortgage, encumbrance or hypothecation of any of the following:

15.1.1 Any direct or indirect interest in Franchisee, this Agreement or the franchise and license granted hereunder;

15.1.2 All or substantially all of the assets of the Franchised Business; or

15.1.3 Operational control of Franchisee.

15.2 If Franchisee is an individual or partnership, Franchisee shall be entitled to transfer the franchise and Franchisee’s interest in this Agreement to a corporation, limited liability company or limited partnership formed for convenience of ownership. Franchisor will charge (i) no transfer fee for the first such transfer and (ii) Five Hundred Dollars (\$500) for any such transfer subsequent to the first; however, Franchisor’s consent to any such transfer shall be subject to the following conditions: (i) Franchisee shall be the owner of at least a majority of the total voting power of the corporation or limited liability company or shall be a general partner of the limited partnership owning at least a majority of the total voting power of the general partners of the limited partnership; and (ii) Franchisee shall comply with the terms and conditions set forth in Article V.

15.3 If Franchisee (or the managing Principal) dies or is permanently disabled, Franchisee’s executor, administrator, or other personal representative must appoint a certified manager, reasonably acceptable to Franchisor, to operate the Franchised Business until such time as Franchisee’s executor, administrator, or other personal representative can transfer his/her interest within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, to a person approved by Franchisor. Such transfers, including transfers by devise or inheritance, will be subject to applicable conditions contained in Sections 15.5 or 15.6, although Franchisee will not be required to pay any transfer fee described in Section 15.7.

15.4 Any person (“Seller”) who receives and desires to accept a bona fide offer (as determined by Franchisor in its reasonable discretion) from a third party to purchase fifty percent (50%) or more of Seller’s interest in (a) Franchisee’s voting securities or voting interests, if Franchisee is a corporation, partnership or limited liability company, or (b) this Agreement or, (c) the assets of the Franchised Business, shall notify Franchisor in writing of each such offer. Franchisor shall have the right and option, exercisable within thirty (30) days after receipt of such written notice and Franchisor’s receipt of all additional information described below, to send written notice to Seller that Franchisor intends to purchase Seller’s interest on the same terms and conditions offered by the third party. To enable Franchisor to determine whether to exercise its option, Franchisee and Seller shall provide such information and documentation, including financial statements, as Franchisor may require. If the consideration, terms, or conditions offered by a third party

are such that Franchisor may not reasonably be required to furnish the same, Franchisor may purchase the interest proposed to be sold for the equivalent in cash. If the parties cannot agree within a reasonable time on the cash consideration, Franchisor and Franchisee may appoint an independent appraiser, whose determination shall be binding. If Franchisee and Franchisor cannot agree on an appraiser, each party shall designate an appraiser and both appraisers will agree on and designate a third independent appraiser to make the determination of fair market value, whose determination shall be binding. The appraiser may recognize goodwill or other intangibles associated with the Franchised Business except any goodwill or value attributed to the Proprietary Marks. If Franchisor does not exercise its option as provided hereunder, Seller may sell the interest, subject to Franchisor's consent as otherwise required under this Article XV. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of an initial offer. This Section 15.4 shall apply to any transfer if such transfer, alone or together with other previous, simultaneous or proposed transfers would have the effect of transferring financial or management control of Franchisee.

15.5 Franchisor will not unreasonably withhold its consent to a transfer of any interest in Franchisee, this Agreement, or in the assets of the Franchised Business; provided, however, that Franchisor may, in its sole discretion, require any or all of the following as conditions of its approval:

15.5.1 All of Franchisee's accrued monetary obligations and all other outstanding obligations to Franchisor, its subsidiaries, affiliates and divisions shall be satisfied;

15.5.2 Franchisee shall have complied with all terms and provisions of this Agreement, any amendment or successor hereto, the Manuals, and all other agreements between Franchisee and Franchisor, its subsidiaries or affiliates, and, at the time of transfer, shall not be in default thereof;

15.5.3 Franchisee, the transferor(s) and their guarantor(s) shall execute a release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its past and present subsidiaries and affiliates, and their respective officers, directors, shareholders, employees, and agents; and

15.5.4 Each Franchisee and the proposed transferee shall have complied with the obligations stated in Sections 6.1. and 17.3 herein, and will, upon Franchisor's request, make available signed copies of each required document.

15.6 If a transfer, alone or together with other previous, simultaneous, or proposed transfers, would have the effect of transferring financial, operational, or management control of Franchisee or the Franchised Business, Franchisor may require, in its sole discretion and in addition to the conditions provided in Section 15.5, any or all of the following as conditions of its approval:

15.6.1 The transferee (or, if the transferee is a corporation, partnership or limited liability company, the principals of the transferee) demonstrates to Franchisor's satisfaction that they meet Franchisor's then-current standards for new franchisees under the System; possess good moral character, business reputation, and credit rating; have the aptitude and ability to conduct the Franchised Business; do not have any interests in a competitive business; and have adequate financial resources and capital, in Franchisor's sole opinion, to operate the Franchised Business;

15.6.2 The transferee: (i) enters into a written agreement, in form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations and covenants under this Agreement for the remainder of its term or, at Franchisor's option, signs Franchisor's then-current standard form of franchise agreement (which may contain materially different terms and conditions than this Agreement, including operating and marketing fees, although no Initial Franchise Fee will

be required); and (ii) causes each of its owners who would be deemed “Principals” to sign a Guaranty Agreement;

15.6.3 If requested by Franchisor, the transferee shall renovate and modernize the Unit premises as Franchisor may require, at its sole option, to reflect the then-current standards and image of the System;

15.6.4 The transferee shall complete, and/or cause its employees to complete, to Franchisor’s satisfaction, such initial and refresher training as Franchisor may require; and

15.6.5 Franchisee and the transferor(s) shall remain liable for all obligations to Franchisor, its subsidiaries and affiliates related to the Franchised Business prior to the transfer effective date and shall execute any instruments reasonably required by Franchisor to evidence such liability.

15.7 In addition to the conditions set forth in Sections 15.5 and 15.6 above, as a condition to receiving Franchisor’s consent to a proposed transfer subject to Sections 15.5 and 15.6, on the closing date of the transfer, Franchisee or the transferee shall pay to Franchisor a nonrefundable transfer fee to compensate Franchisor in connection with each proposed transfer, as follows:

15.7.1 for the transfer of a controlling interest to (i) a person whose full-time occupation during the two (2) years immediately preceding the proposed transfer has been as the manager of the Franchised Business, or (ii) a current Smoothie King franchisee in good standing who has complied with all material requirements under its agreements with Franchisor, its subsidiaries and affiliates up to and including the time of the proposed transfer: a fee of Seven Thousand Five Hundred Dollars (\$7,500), regardless of whether the transfer involves a relocation;

15.7.2 for any other transfer of a controlling interest to a person other than those specified in Sections 15.3 or 15.7.1, a fee of Twelve Thousand Five Hundred Dollars (\$12,500), regardless of whether the transfer involves a relocation;

15.7.3 if this Agreement will expire within twenty-four (24) months of the effective date of transfer, the renewal fee will be equal to one half of the current renewal fee; and

15.7.4 comply with the grand opening marketing requirements as set forth in Section 12.6, except transferee shall spend Five Thousand Dollars (\$5,000) (reduced to \$2,500 for a Non-Traditional Unit) on such grand opening marketing; if Franchisor elects to conduct the grand opening activities on Franchisee’s behalf then Franchisor must give Franchisee notice thereof at least one (1) week before the scheduled closing of the transfer, and Franchisee must pay the applicable aforementioned sum to Franchisor within ninety (90) days after the closing of the transfer; if Franchisor does not elect to conduct such grand opening activities then the Franchisee shall have one hundred eighty (180) days after the closing date of the transfer to do so.

15.7.5 Franchisor reserves the right to require resubmittal of all transfer applications if a transfer is not fully completed within six (6) months of our approval of such transfer.

15.8 Any proposed offering to the public, by private offering or otherwise, of securities in Franchisee shall be subject to Franchisor’s prior written authorization in its sole discretion. Franchisee shall furnish all materials required for any such offering by federal or state law and shall be submitted to Franchisor for review. Should Franchisor approve the offering, subject to any conditions stipulated thereby, no such offering shall imply (by use of the Proprietary Marks or otherwise) that Franchisor is participating in underwriting, issuing or offering securities of Franchisee or Franchisor, and Franchisee and the other participants in the offering shall fully indemnify Franchisor in connection with the offering. For each



proposed offering, Franchisee shall pay Franchisor a nonrefundable fee to be prescribed at the time to compensate Franchisor for its review and for the use of Franchisor's Proprietary Marks.

15.9 Neither Franchisor's consent to any proposed transfer nor Franchisor's failure to exercise its options to purchase any interest of a seller shall be deemed to constitute a waiver of any claims Franchisor may have against any transferor, any right to demand exact compliance with this Agreement by any transferor or transferee, any future rights or options of Franchisor, or any provision of this Agreement.

15.10 This Agreement shall inure to the benefit of Franchisor, its successors, and assigns, and Franchisor shall have the right to transfer and assign all or any part of its interest herein to any person or legal entity.

15.11 Except as specifically provided in this Article XV, any purported assignment or transfer, by operation of law or otherwise, not having the express prior written consent of Franchisor shall be null and void and shall constitute a material breach of this Agreement. Franchisor's prior written consent shall not be required for the transfer of an interest in a publicly held corporation. As used in this Agreement, the term "publicly held corporation" means a corporation registered under the Securities Exchange Act of 1934. Franchisee acknowledges and agrees that each condition required to be met by a proposed transferee hereunder is necessary to assure the transferee's full performance of its obligations as "Franchisee."

15.12 Notwithstanding anything to the contrary in this Agreement, if Franchisee is a corporation, partnership or limited liability company, any one or more Principals of Franchisee may sell, assign, transfer, or convey any direct or indirect interest in Franchisee, this Agreement or the rights granted hereunder; provided that such Principal or Principals retain, in the aggregate, in excess of fifty percent (50%) of the total voting power of Franchisee and functional control, subject to the following conditions:

15.12.1 Franchisee shall give Franchisor reasonable prior written notice of the proposed transfer along with such background information on the proposed transferee that Franchisor may request so that Franchisor may investigate the personal character of the proposed transferee; determine whether the proposed transferee has any interests in a competitive business; or determine whether there is any other factor which may indicate that the proposed transfer has the potential to adversely affect the System;

15.12.2 Franchisor will not unreasonably withhold its consent to such transfer and will provide Franchisee with written approval or disapproval of the transfer as soon as reasonably possible, provided however that the lack of a response shall not be construed as consent; and

15.12.3 Franchisee shall obtain execution of the agreements and covenants of the transferee required under Sections 6.1 and 17.3, or such other agreements as requested by Franchisor.

## **ARTICLE XVI. OBLIGATIONS UPON TERMINATION OR EXPIRATION**

16.1 Upon the expiration of this Agreement, or its termination for any reason, all of Franchisee's rights hereunder shall terminate, and Franchisee shall cease all operation of the Franchised Business and all use of the Proprietary Marks and System. In particular, Franchisee shall:

16.1.1 Immediately cease to operate the Franchised Business and at no time thereafter represent itself, directly or indirectly, as a current franchisee of Franchisor. Franchisee must also immediately cease using and promptly return all materials relating to the Proprietary Software.

16.1.2 Immediately and permanently cease to use, in any manner whatsoever, any Confidential Information, including recipes, formulas, Smoothie King® proprietary products and other ingredients, guest and supplier lists, product specifications, methods, procedures, or techniques associated with the System, the name and mark "SMOOTHIE KING®" and all other Proprietary

Marks and Trade Dress and distinctive names, symbols, logos, insignia, slogans, graphics, and devices associated with the System, including all signs, advertising materials, displays, stationery, forms, and any other articles that display any of the Proprietary Marks. Franchisee shall also immediately discontinue any telephone listing under the Proprietary Marks and immediately assign to Franchisor any rights it has in any telephone number from which Franchisee has done business under the Proprietary Marks or discontinue the use of the number upon request of Franchisor.

16.1.3 Take such action as may be necessary to cancel any assumed name or equivalent registration that contains the name “SMOOTHIE KING®” or any of the other Proprietary Marks or any other name or mark used by Franchisor, and submit to Franchisor proof of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

16.1.4 Franchisee will immediately return to Franchisor all Confidential Information and all intellectual property of Franchisor, including copies of the Manuals and any other proprietary or confidential materials that Franchisor has loaned to Franchisee.

16.1.5 Promptly pay all sums owing to Franchisor, its subsidiaries, affiliates, and divisions.

16.1.6 Comply with all requirements under this Agreement which expressly or by reasonable implication apply to Franchisee’s conduct after termination or expiration of this Agreement.

16.2 At Franchisor’s option upon termination or expiration of this Agreement, Franchisee shall assign to Franchisor or its designee any interest which Franchisee has in any lease or sublease for the Unit premises. If Franchisor does not take assignment of such lease or sublease, Franchisee shall make such alterations to the interior and exterior of the Unit premises as Franchisor may deem necessary to distinguish the Unit clearly from its former appearance and from other Units so as to prevent confusion therewith to the public, including but not limited to the removal of all Proprietary Marks and the Trade Dress. If Franchisee fails or refuses to comply with the requirements of this Article XVI, Franchisor and its agents shall have the right to enter upon the premises where the Franchised Business was conducted to make or cause to be made such changes as may be required, at Franchisee’s expense, which Franchisee agrees to pay upon demand. Franchisee agrees that such entry and action by Franchisor or its agents shall not constitute trespass or any other offense, and Franchisee shall indemnify Franchisor and its agents against any claims by others relating to such entry or action.

16.3 Franchisor shall have the option (“Purchase Option”), exercisable within thirty (30) days after the termination or expiration of this Agreement, to purchase any or all leasehold interests, personal property, fixtures, equipment, supplies, and inventory, including Smoothie King® proprietary products, and all other items located at the Unit or used in connection with the operation of the Franchised Business (collectively, the “Assets”). Within fifteen (15) days after Franchisor’s written exercise of its Purchase Option, Franchisee must provide to Franchisor a list of all Assets. The purchase price for the Assets (“Purchase Price”) shall be the fair market value of the Assets determined as of the effective date of the purchase in a manner that accounts for reasonable depreciation and condition of the Assets. No goodwill, value associated with the Proprietary Marks, or “going concern” value shall be attributable to Franchisee in the determination of the Purchase Price. Franchisor may exclude from the Assets purchased in accordance with this Section any equipment, furnishings, fixtures, smallwares, signs, and inventory, including without limitation, any such Assets that are not approved as meeting the then-current standards for a Franchised Business or for which Franchisee cannot deliver a Bill of Sale in a form satisfactory to Franchisor. Franchisor shall have the right to set off against and reduce the Purchase Price by all amounts owed by Franchisee to Franchisor, and the amount of any encumbrances or liens against the Assets or any obligations assumed by Franchisor. If the parties cannot agree on the Purchase Price of the Assets within fifteen (15) days after Franchisor’s receipt of Franchisee’s list of the Assets, Franchisor and Franchisee shall designate an independent appraiser, whose determination shall be binding, and the costs of such appraisal shall be

divided equally between Franchisor and Franchisee. If Franchisee and Franchisor cannot agree on an appraiser, each party shall designate an appraiser and both appraisers will designate a third independent appraiser to make the determination of the Purchase Price, whose determination shall be binding. The costs of these appraisers shall be divided equally between Franchisor and Franchisee.

16.4 Within ten (10) days after the Purchase Price has been agreed to or determined by appraisers, Franchisor and Franchisee will agree upon the closing date of Franchisor's purchase of the Assets and assignment of the lease from Franchisee to Franchisor pursuant to Section 16.3 above (the "Closing"), which Closing shall be no later than thirty (30) days after the date the Purchase Price is agreed to or determined by the appraisers. The Purchase Price, less any set offs or reductions as described in Section 16.3, shall be paid in cash at the Closing. At Franchisor's election upon its exercise of its Purchase Option, prior to the Closing, Franchisee shall promptly enter into an interim management or similar agreement whereby Franchisor or its designee may operate the Franchised Business pursuant to any or all of the Franchisee's permits, licenses, or the lease for the Unit's premises and shall promptly take all actions necessary, including executing any forms or documents, in connection with the foregoing.

16.5 Termination or expiration of this Agreement shall not itself affect the rights of Franchisee to operate other Smoothie King® Units in accordance with the terms of another franchise agreement then in effect between Franchisor and Franchisee. Notwithstanding the foregoing, termination of this Agreement or any default hereunder may constitute a default under the terms of development agreements or other agreements, if any, between Franchisor and Franchisee. Termination or expiration of this Agreement shall not affect the right of Franchisor to conduct audits of the Franchised Business under Section 11.5.

## **ARTICLE XVII. COVENANTS AND REPRESENTATIONS**

17.1 Franchisee recognizes that Franchisor has developed and owns the goodwill in the Proprietary Marks, the Trade Dress, and the System and has a right to be protected against potential for unfair competition from Franchisee and its Principals through use of Franchisor's training, assistance and Confidential Information. Franchisee and its Principals each acknowledges and agrees that access to and use of Confidential Information authorized by this Agreement are among the consideration given for the restrictive covenants set forth herein, and Franchisee and its Principals each further acknowledge and agree that these restrictive covenants are necessary to prevent Franchisor from suffering irreparable harm. The foregoing acknowledgements and agreements are a material inducement for Franchisor to provide Franchisee and its Principals access to and use of the Confidential Information.

17.2 Franchisee and its Principals covenant and agree that during the Term, and for a continuous uninterrupted period of two (2) years following its expiration, termination, or an approved transfer and with respect to a Principal, following the date the Principal ceases to be a Principal under this Agreement, Franchisee and each of its Principals, as applicable, will not, without Franchisor's prior written consent, either directly or indirectly, for itself or themselves, or through, on behalf of, or in conjunction with, any person or entity:

17.2.1 Divert or attempt to divert any actual or prospective business or customer of the Unit to any competitor, by direct or indirect inducement or otherwise.

17.2.2 Do or perform, directly or indirectly, any other act injurious to or prejudicial to the goodwill associated with the Proprietary Marks and the System.

17.2.3 Own, maintain, operate, be employed by, engage in, franchise, lease property to, advise, help, make loans to, or have any interest in, either directly or indirectly, any business that distributes, markets or sells, at wholesale or retail, any nutritional drinks, smoothies, juices or general nutrition products or any other related business that is competitive with or

similar to a Smoothie King® Unit (“Competitive Business”). During the Term, this restriction applies to any Competitive Business located within the United States. Following expiration or termination of this Agreement, or the date on which Franchisee ceases to conduct the business franchised under this Agreement, whichever is later, and with respect to a Principal, following the date the Principal ceases to be a Principal under this Agreement, this restriction will apply to any Competitive Business located: (i) within the Protected Territory; (ii) at or within five (5) miles of the Unit; or (iii) within five (5) miles of any Smoothie King® Unit then operating or under construction in the United States or outside the United States.

17.3 At Franchisor’s request, Franchisee shall obtain and deliver executed covenants similar to those set forth in this Article XVII from any or all persons who have or may have an ownership interest in Franchisee or in the franchise or who receive or have access to training and other information under the System. Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third party beneficiary of such covenants with the independent right to enforce them.

#### **ARTICLE XVIII. TAXES, PERMITS, INDEBTEDNESS, COMPLIANCE WITH LAWS**

18.1 Franchisee shall promptly pay when due all taxes levied or assessed, including withholding, unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the Franchised Business. Franchisee shall pay to Franchisor an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax, or similar tax) imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor. If Franchisor must make the payment to the taxing jurisdiction for any Sales Tax that is Franchisee’s responsibility under this Agreement, Franchisor will pass the amount onto Franchisee and Franchisee will promptly reimburse Franchisor.

18.2 In the event of any bona fide dispute as to Franchisee’s liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by creditor, to occur against the premises of the Franchised Business or any improvements thereon.

18.3 Franchisee shall comply with all federal, state and local laws, rules, and regulations, and shall timely obtain all permits, certificates, or licenses necessary for the proper conduct of the Franchised Business, including licenses to operate, fictitious name registrations, sales tax permits, and fire clearances. Franchisee shall not conduct any business activity or advertising practice which could potentially injure Franchisor’s business, the System or the goodwill associated with the Proprietary Marks.

18.4 Franchisee shall notify Franchisor in writing within five (5) days of the commencement of any action, suit, or proceeding, and the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, that may adversely affect the operation or financial condition of the Franchised Business.

#### **ARTICLE XIX. INDEPENDENT CONTRACTOR**

19.1 The parties hereto agree that this Agreement does not create a fiduciary relationship between them; that Franchisee shall be an independent contractor; and that nothing herein is intended to constitute either party as an agent, representative, subsidiary, joint venturer, partner, employee, or servant of the other.

19.2 During the term of this Agreement, Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Business pursuant to a franchise from Franchisor. Franchisee agrees to take such action as may be necessary to do so, including exhibiting a notice of that fact in a conspicuous

place on the Unit premises and on stationery and written or graphic materials, the content and form of which Franchisor reserves the right to specify.

19.3 Nothing in this Agreement authorizes Franchisee to make any agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or obligation in Franchisor's name; Franchisor is not responsible for Franchisee's employment decisions and Franchisor lacks authority to control Franchisee's employment decisions; and Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of any such action; nor shall Franchisor be liable by reason of any act or omission of Franchisee in its conduct of the Franchised Business or for any claim or judgment arising therefrom against Franchisee or Franchisor.

## **ARTICLE XX. INDEMNIFICATION**

20.1 Franchisee shall indemnify and hold harmless Franchisor, its affiliates, successors and assigns and the respective directors, officers, employees, agents and representatives of each (collectively, the "Indemnitees"), from all losses and expenses, which shall include, without limitation, all losses, expenses, damages, costs, settlement amounts, judgments, and attorneys' fees, incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which: (i) arises out of or is based upon any actions, inactions, acts, errors or omissions, or breach of any contract or regulation (including, but not limited to all local, state and/or federal employment and labor laws and regulations and data privacy laws) by Franchisee or any of its agents, servants, employees, contractors, partners, affiliates or representatives; (ii) or is related to the operation of the Franchised Business.

20.2 Notwithstanding anything to the contrary in this Article XX, nothing in this Agreement shall obligate Franchisee to indemnify any of the Indemnitees for losses and expenses arising out of or based upon such Indemnitees' gross negligence or intentional misconduct.

20.3 If any action, suit, proceeding, claim, demand, inquiry or investigation as described in Section 20.1 be commenced or asserted (a "Claim"), in respect of which one or more Indemnitees demands indemnification from Franchisee, Franchisee will be given written notice thereof as soon as practicable and shall have the right, exercisable by written notice to the Indemnitee delivered within ten (10) days after Franchisee is notified of the Claim, to join in the defense, compromise, or settlement thereof through its own attorneys and at its own expense. If Franchisee exercises its right to join the defense, compromise, or settlement of a Claim as permitted above, decisions concerning strategy, procedure, defenses, cross-claims, counterclaims, compromise and settlement shall be made by mutual consent of the Indemnitee and Franchisee, provided that if such parties cannot agree between themselves on a decision that is material to the handling of the Claim, the Indemnitee shall have the option to:

- (a) Take over complete control of the Claim and release Franchisee from its indemnity liability to the Indemnitee with respect to that particular Claim, or
- (b) Turn over complete control of the Claim to Franchisee and demand indemnification from Franchisee under the indemnity provisions of this Article XX.

20.4 Regardless of whether the defense of any Claim is being undertaken by the parties jointly or by either of them alone as provided in Section 20.3, the parties each agree with the other to aid in the conduct of such defense to any reasonable extent, including furnishing each other with records or documents related to the Claim, permitting employees connected with the Claim to testify at depositions or in court, and complying with any other reasonable request made by the other party in the defense of the Claim.

## **ARTICLE XXI. APPROVALS AND WAIVERS**

21.1 Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor, and such approval or consent shall be obtained in writing.

21.2 Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee by providing any waiver, approval, consent, or suggestion to Franchisee in connection with any consent.

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

## **ARTICLE XXII. NOTICES**

22.1 All written notices and reports permitted or required to be delivered under this Agreement will be deemed delivered (i) when delivered by hand, (ii) one (1) business day after being placed with a recognized overnight delivery service, (iii) three (3) business days after being placed in the U.S. Mail by certified or registered mail, return receipt requested, or (iv) when sent electronically to the email address most recently provided to the sender by the recipient with the subject line "LEGAL NOTICE." All notices must be addressed to the party to be notified at the address stated below or at such other address as may have been designated in writing to the other party.

As of the Effective Date, the addresses for notices sent pursuant to the terms of this Franchise Agreement are:

To Franchisor:

Smoothie King Franchises, Inc.

9797 Rombauer Road, Suite 150

Coppell, TX 75019

Attn: General Counsel

Email: [Legal@smoothieking.com](mailto:Legal@smoothieking.com)

To Franchisee:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attn: \_\_\_\_\_

Email: \_\_\_\_\_

## **ARTICLE XXIII. ENTIRE AGREEMENT; MODIFICATIONS**

23.1 This Agreement and the attachments hereto constitute the entire, full and complete Agreement between Franchisor and Franchisee and any other parties hereto concerning the subject matter of this Agreement and supersede all prior agreements. If Franchisee is relying upon or has been induced by a representation to execute this Agreement that is not embodied in this Agreement, Franchisee is hereby expressly advised and agrees not to execute this Agreement unless the representation is included herein. By executing this Agreement, Franchisee expressly acknowledges that no other representations have induced Franchisee and/or any other parties to execute this Agreement. No representations, inducements, promises, or agreements, oral or otherwise, not embodied herein or attached hereto were made by any party,

and none shall be of any force or effect with reference to this Agreement or otherwise. Nothing in the Agreement is intended to disclaim the representations Franchisor made in the “Franchise Disclosure Document” that Franchisor furnished to Franchisee.

23.2 Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change, variance, or cancellation of this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

#### **ARTICLE XXIV. SEVERABILITY AND INTERPRETATION**

24.1 Except as expressly provided to the contrary herein, each portion, section, part, term and/or provision of this Agreement shall be considered severable; and if, for any reason, a portion, section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereof; and said invalid portions, sections, parts, and/or provisions shall be deemed not to be a part of this Agreement.

24.2 Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee, Franchisor, Franchisor’s officers, directors, and employees, and such of Franchisee’s and Franchisor’s respective successors and assigns as may be contemplated (and, as to Franchisee, permitted) by Article XV hereof, any rights or remedies under or by reason of this Agreement.

24.3 Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

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

24.5 All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable; and all acknowledgments, promises, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed to be jointly and severally undertaken by all those executing this Agreement. For purposes of this Agreement, the term “including” means including without limitation.

24.6 This Agreement shall be effective and binding on Franchisor only when executed on behalf of Franchisor by an officer duly authorized.

24.7 This Agreement (and the relationship of the parties which arises from this Agreement) grants Franchisor the right to make decisions, take actions and/or refrain from taking actions which are not inconsistent with Franchisee’s explicit rights hereunder or under applicable law and that may affect favorably or adversely Franchisee’s interest. Franchisee acknowledges and agrees that Franchisor may operate and change the System and Franchisor’s business in any manner within its “reasonable business judgment,” so long as not expressly and specifically prohibited by this Agreement or applicable law. Franchisor may make its decision or exercise its right and/or discretion on the basis of its judgment of what is in its best interests and in the best interests of the System, at the time Franchisor’s decision is made,

without regard to: (1) whether other reasonable or even arguably preferable alternative decisions or actions could have been made by Franchisor; (2) whether Franchisor's decision or the action it takes promotes its financial or other individual interest; (3) whether Franchisor's decision or the action it takes applies differently to Franchisee and other franchisees; or (4) whether Franchisor's decision or the exercise of its rights is adverse to Franchisee's individual interest or the individual interests of any other franchisee. Franchisor will have no liability to Franchisee for any such decision or exercise of its rights. The parties hereto recognize that it is in the best interest of the System that Franchisor's exercise and discretion in making decisions concerning the System be given the same latitude that corporate boards of directors are given respecting decisions concerning the direction of their companies. Neither Franchisee nor any third party (including a trier of fact) will substitute its judgment for Franchisor's reasonable business judgment.

24.8 Franchisor advises Franchisee that Franchisor and/or Franchisor's affiliates periodically may make available to Franchisee goods, products and/or services for use in the Unit on the sale of which Franchisor and/or its affiliates may make a profit. Franchisor further advises Franchisee that Franchisor and its affiliates periodically may receive consideration from suppliers and manufacturers respecting sales of goods, products or services to Franchisee or in consideration for services provided or rights licensed to such persons. Franchisee agrees that Franchisor and its affiliates will be entitled to such profits and consideration.

## **ARTICLE XXV. ENFORCEMENT**

25.1 Specific Performance/Injunctive Relief. Notwithstanding the other provisions of this Section 25, Franchisee recognizes that the failure of a single franchisee to comply with the terms of its Franchise Agreement could cause irreparable damage to Franchisor or to some or all other franchisees. Franchisor and Franchisee, therefore agree that, in the event of a breach or threatened breach of this Agreement by Franchisee or in the event of any conduct by Franchisee that is illegal or is dishonest or misleading to Franchisee's guests or prospective guests or may be prejudicial to the goodwill associated with the Proprietary Marks, Franchisor may seek an injunction restraining such breach or obtain a decree of specific performance, without showing or proving any actual damage, until such time as a final and binding determination is made by the court. The foregoing equitable remedy will be in addition to, and not in lieu of, all other remedies or rights which Franchisor might otherwise have by virtue of any breach of this Agreement by Franchisee.

25.2 Waiver of Punitive and Consequential Damages. **Franchisor and Franchisee (and their respective owners and guarantors, if applicable) agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them, each will be limited to recovery of actual damages sustained by it.**

25.3 Attorneys' Fees. The non-prevailing party will pay all costs and expenses, including reasonable attorneys' fees, and all interest on such costs and expenses, that the prevailing party incurs in any action brought to enforce any provision of this Agreement, to enjoin any violation of this Agreement or to intervene in any action brought by the other party hereto.

25.4 Jury Waiver. **Franchisor and Franchisee hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.**

25.5 Venue. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties will be brought in the Federal District Court for the Northern District of Texas or in state court in the judicial district in which Franchisor has its principal place of business.



Both parties hereto irrevocably admit themselves to, and consent to, the jurisdiction of such courts. The provisions of this subsection will survive the termination of this Agreement. Franchisee is aware of the business purposes underlying this subsection and agrees to be bound in the manner stated.

**25.6 Specific Representations and Warranties.** Franchisee represents and warrants that neither Franchisee, any Principal, nor any officer, director, manager, member or employee of Franchisee or Principal is named or will be named as “Specially Designated Nationals” or “Blocked Persons” as designated by the U.S. Department of Treasury. No governmental authority, official of an international organization, political party or official of any political party, or candidate for public office has any direct or indirect equity interest or any interest in Franchisee’s revenues or profits. Neither Franchisee nor any Principal has or will act directly or indirectly on behalf of any governmental authority subject to sanction. Franchisee and all Principals have had a full and adequate opportunity to be advised by legal counsel regarding, and each represents and warrants that it/he/she complies with all legal requirements that prohibit unfair, fraudulent or corrupt business practices, including the United States Foreign Corrupt Practices Act and the International Money Laundering Abatement and Anti-Terrorist Financing Act. Franchisee shall, and shall ensure that any of its affiliates, shareholders, officers, directors, employees, and any other third-party representative shall comply with any applicable anti-corruption and/or anti-bribery regulations, in connection with its performance under this Agreement. Franchisee shall notify Franchisor immediately if it learns at any time of the actual or possible breach of this clause. Franchisee shall cooperate fully with Franchisor regarding any matter, dispute or controversy related to this Agreement.

**25.7 Applicable Law.** Subject to Franchisor’s rights under federal trademark law, the parties agree that this Agreement takes effect upon its acceptance and execution by Franchisor and shall be interpreted and construed (exclusive of the conflicts of laws rules) under the laws of the State of Texas.

## **ARTICLE XXVI. ACKNOWLEDGMENTS**

**26.1** Franchisee acknowledges that it has conducted an independent investigation of the Smoothie King® System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Franchisee as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any representation, warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

**26.2** Except for fill in the blank provisions and negotiated changes Franchisee initiated, Franchisee acknowledges that it received a copy of the complete Franchise Agreement, the attachments thereto, and agreements relating thereto, if any, at least seven (7) calendar days prior to the date on which this Agreement was executed. Franchisee further acknowledges that it received the disclosure document required by the trade regulation rule of the Federal Trade Commission entitled “Franchise Disclosure Document” at least fourteen (14) days prior to the date on which this Agreement was executed.

**26.3** Franchisee acknowledges that other franchisees of Franchisor have or will be granted franchises at different times and in different situations, and further acknowledges that the provisions of such franchises may vary substantially from those contained in this Agreement.

**26.4** Franchisee acknowledges that it has read and understood this Agreement, the attachments hereto, and any agreements relating thereto, and that Franchisor has accorded Franchisee ample time and

opportunity to consult with advisers of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

*[Signatures appear on the following page.]*

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date stated in the first paragraph.

**FRANCHISOR:**

Smoothie King Franchises, Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Unit No. \_\_\_\_\_

**ATTACHMENT A TO  
FRANCHISE AGREEMENT**

**PROTECTED TERRITORY**

The address of the Franchised Business and description of the Protected Territory will be completed upon securing a lease for the location and prior to the store opening of the Franchised Business.

Initials: \_\_\_\_\_

**ATTACHMENT B TO  
FRANCHISE AGREEMENT**

**COMMENCEMENT DATE AGREEMENT**

This Commencement Date Agreement is dated \_\_\_\_\_ and is made between Smoothie King Franchises, Inc. (“Franchisor”) and \_\_\_\_\_ (“Franchisee”).

Franchisor and Franchisee entered into a Franchise Agreement dated \_\_\_\_\_ (the “Franchise Agreement”). Pursuant to the terms of the Franchise Agreement, the parties agreed to sign this Commencement Date Agreement upon the opening the Smoothie King® Unit referenced in the Franchise Agreement (“SK \_\_\_\_”). Accordingly, Franchisor and Franchisee agree as follows:

1. SK \_\_\_\_ opened for business on \_\_\_\_\_. The initial term of the Franchise Agreement expires on \_\_\_\_\_.
2. The street address for SK \_\_\_\_ is: \_\_\_\_\_ (the “Location”).
3. The Protected Territory associated with the Location is described on the attached Exhibit A.

Franchisor and Franchisee agree that the terms of this Commencement Date Agreement are incorporated into the Franchise Agreement. If any term in this Commencement Date Agreement conflicts with the terms of the Franchise Agreement, the terms of this Commencement Date Agreement will control.

Smoothie King Franchises, Inc.

[Franchisee]

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT C TO  
FRANCHISE AGREEMENT**

**SMOOTHIE KING AUTOMATIC BANK DRAFT**

I authorize Smoothie King Franchises, Inc. ("Smoothie King") to initiate withdrawals from my account at the financial institution named below for the payment of operating fees and advertising contributions, any other payments authorized by me as well as any other fees or payments due under the Franchise Agreement. If the sales and other reporting information required by Smoothie King are not submitted by the date due, I further authorize Smoothie King to withdraw from my account a reasonably prepared estimate for the payment of operating fees and advertising contributions for the most recent reporting period. Any difference created by estimates will be adjusted as soon as possible upon receipt of necessary paperwork, with additional amounts owed Smoothie King Franchises drafted promptly and amounts due from Smoothie King to be credited against future obligations. This authorization will remain valid until further notice from Smoothie King Franchises, Inc.

I understand that the Direct Payment program is the required method of payment and does not otherwise affect my rights or the rights of Smoothie King Franchises, Inc. or my financial institution with respect to each other.

Store Number(s): \_\_\_\_\_

Account Type: Checking

Account Title: \_\_\_\_\_  
**PRINT**

Authorized Signor on account: \_\_\_\_\_  
**SIGNATURE**

Joint Signor on account: \_\_\_\_\_  
**SIGNATURE**

Financial Institution Name: \_\_\_\_\_

City / State: \_\_\_\_\_

ABA Routing Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

Is this a new Strategic Partner? \_\_\_\_\_ **OR**

A current Strategic Partner with new account information? \_\_\_\_\_

Effective Date of Change: \_\_\_\_\_

## **ATTACHMENT D TO FRANCHISE AGREEMENT**

### **GUARANTY AGREEMENT**

In consideration of Smoothie King Franchises, Inc.'s (the "Franchisor") execution of that certain Franchise Agreement of even date (the "Agreement") with \_\_\_\_\_ (the "Franchisee"), each of the undersigned (a "Guarantor") jointly and severally agree as follows:

A. Guarantors personally and unconditionally guarantee to Franchisor and its successors and assigns that: (i) Franchisee will timely pay Franchisor and its affiliates all monies Franchisee owes to Franchisor and its affiliated and related entities, including all monies payable by Franchisee under the Agreement; (ii) Franchisee will timely perform all other undertakings, agreements and covenants stated in the Agreement; and (iii) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (collectively, "Franchise Agreement Obligations").

B. Each of the Guarantors waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he/she may have to require that an action be brought against Franchisee or any other person as a condition of liability.

C. Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, Franchisee and the other Guarantors of Franchisee;

(2) Guarantor will make any payment or perform any Franchise Agreement Obligation upon demand if Franchisee fails to do so;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of Franchisee or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which Franchisor may grant to Franchisee, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee or any other Guarantor; and

(6) Guarantors will indemnify, defend and hold harmless Franchisor and its affiliates, and their respective shareholders, directors, employees, and agents, against and from all losses, damages, costs, and expenses, which Franchisor or its affiliates may sustain, incur, or become liable for as a result of:

a. Franchisee's or Guarantor's failure to pay or perform any of the Franchise Agreement Obligations; or

b. any action by Franchisor to obtain performance by Franchisee of any act, matter, or thing required by the Agreement.

(7) Guarantor will pay all attorneys' fees and all costs and other expenses Franchisor incurs in enforcing this Guaranty against Guarantor or any negotiations relative to the obligations hereby guaranteed.

This Guaranty will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the Guarantors which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the Franchisee or the Guarantors, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guaranty, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Guarantors will continue in full force and effect.

The provisions of Articles XXIII through XXVI of the Agreement will apply as to any interpretation or enforcement of this Guaranty, and the provisions of Article XXII of the Agreement will apply to any notice to either party, except that notice to Guarantors will be provided at the following alternative address (if applicable): \_\_\_\_\_.  
If no address is provided, any notice to Guarantors will be sent to the address designated in Article XXII of the Agreement.

Each of the undersigned has signed this Guaranty as of the same day and year as the Agreement was executed.

ACCEPTED BY:  
Smoothie King Franchises, Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name:

Signed in his or her Individual Capacity

Equity Interest: \_\_\_\_\_%

\_\_\_\_\_  
Printed Name:

Signed in his or her Individual Capacity

Equity Interest: \_\_\_\_\_%



**ATTACHMENT E TO  
FRANCHISE AGREEMENT**

**GIFT CARD PARTICIPATION AGREEMENT**

See Attached



## USA PARTICIPATION AGREEMENT

### Participating Franchisee Information

Legal Name (herein referred to as the "Participating Franchisee"): \_\_\_\_\_

Trade Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

City, State and Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

### Contact Information

Lead Contact Name, Phone and Email: \_\_\_\_\_

Secondary Contact Name, Phone and Email: \_\_\_\_\_

Technical Contact Name, Phone and Email: \_\_\_\_\_

Financial Contact Name, Phone and Email: \_\_\_\_\_

### Merchant Information

Merchant Name: SKFI Services LLC \_\_\_\_\_

Contact Name, Phone and Email: Stephanie Greider, (214) 935-8728, stephanie.greider@smoothieking.com \_\_\_\_\_

In this Agreement, "Givex" shall mean Givex USA Corporation and "Participating Franchisee" shall mean the above-mentioned Participating Franchisee, an authorized franchisee or affiliated company of the above-mentioned Merchant. Givex and Participating Franchisee shall be collectively referred to as the "Parties" or "parties". For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Givex and Participating Franchisee agree to be legally bound by the terms and conditions set forth in this Agreement.

### 1. MERCHANT PROGRAM

**1.1 Merchant Program.** Merchant has established a program for the sale and processing of gift cards at its participating locations (the "Merchant Program"). Pursuant to a written agreement between Merchant and Givex (the "Merchant Agreement"), Givex has agreed to perform the transaction processing and settlement services for the Merchant Program (the "Givex Services"). Participating Franchisee desires to participate in the Merchant Program at its designated locations.

**1.2 Participation.** Participating Franchisee agrees to be a Participating Franchisee in the Merchant Program, as provided in the Merchant Agreement and any statements of work or work orders entered into by Merchant and Givex from time to time (the "Statements of Work" or the "Work Orders"). Participating Franchisee agrees to use the Givex Services and to participate in the Merchant Program only for lawful purposes. Participating Franchisee further agrees to participate in the Merchant Program in compliance with all applicable laws and regulations in its jurisdiction. Participating Franchisee shall be bound by the terms and conditions of the Merchant Agreement applicable to Participating Franchisee, as well as the policies and procedures established by Merchant and Givex from time to time.

**1.3 Pricing.** Participating Franchisee and Givex agree to the pricing for the Givex Services as set forth in the attached Schedule A (Pricing). Pricing and payments shall be made in US dollars (US\$). Participating Franchisee will be bound to purchase, and Givex will be bound to perform, the Givex Services subject to the terms and conditions of the Merchant Agreement.



## USA PARTICIPATION AGREEMENT

**1.3.1 Payment Terms.** Monthly service charges for transactions will be invoiced on the 1st day of the following month. Givex shall debit payment from the Participating Franchisee's bank account by electronic funds transfer (EFT) on the 1<sup>st</sup> business day of every month using the bank account information provided by Participating Franchisee in Schedule B (Direct Debit and Credit Request Form) (the "Request Form"). All other billable charges incurred by the Participating Franchisee will be due upon order. Participating Franchisee is responsible for providing Givex with correct bank account information. Participating Franchisee must notify Givex of any changes to its bank account information no later than 14 days prior to the next scheduled EFT in order for such change(s) to be applied to the upcoming payments. Notices of bank account changes must be sent to by email to support.givex.com and addressed to the attention of "Accounting Department". Participating Franchisee will be charged an administration fee of US\$20.00 for each instance of funds transfer errors resulting from incorrect banking information, insufficient funds, and other errors caused by Participating Franchisee. Givex will not be liable for any funds incorrectly transferred as a result of the bank account information provided by Participating Franchisee. All fees and charges in Schedule A are exclusive of shipping costs and applicable sales, use, or equivalent taxes imposed by any governmental authority having jurisdiction. Givex will apply all applicable sales, use, or equivalent taxes imposed by any governmental authority having jurisdiction on all fees and charges. Shipping costs, if applicable, will be invoiced to Participating Franchisee at cost on a monthly basis. All fees and charges are nonrefundable.

**1.3.2 Interest.** All overdue fees or charges payable by Participating Franchisee, with the exception of disputed fees or charges, shall incur interest at the rate of two percent (2%) per annum or the highest rate permitted by law, whichever is less.

**1.4 Debit and Credit Authorization.** Participating Franchisee agrees to maintain a bank account at a chartered bank or financial institution in the United States of America (the "Participating Franchisee Account") and to enable the settlement of gift card transactions in connection with the Merchant Program. Participating Franchisee agrees to execute the Request Form attached as Schedule B hereto and to return same to Givex. If Participating Franchisee does not execute and return a copy of the Request Form to Givex, Givex shall have no further obligations to Participating Franchisee hereunder, notwithstanding the parties' separate obligations to Merchant. Participating Franchisee agrees and acknowledges that Givex is authorized to debit, credit or otherwise transfer funds from the Participating Franchisee Account to settle all transactions, orders, and service charges in connection with the Merchant Program. Participating Franchisee will be solely responsible to Givex to pay all fees, service charges, and taxes associated with the Givex Services, in addition to complying with Participating Franchisee's obligations under this Agreement. Any breach of this Agreement by the Participating Franchisee will not be considered a breach by Merchant of the Merchant Agreement.

**1.5 Bank Account and Settlement Charges:** Givex shall be responsible for the collection and settlement of all funds resulting from the use, sale or redemption of gift cards at Participating Franchisee's locations in connection with the Merchant Program. Participating Franchisee shall be responsible for the payment of all processing costs incurred at its locations, including, but not limited to, credit card charges and bank service charges, except those that are incurred by Givex's bank account. Participating Franchisee is responsible for providing Givex with correct bank account information. Participating Franchisee must notify Givex of any changes to its bank account information no later than fourteen (14) days prior to the next EFT in order for such change(s) to be applied to the upcoming payments. Notices of bank account changes must be sent by email to support.givex.com and addressed to the attention of "Accounting Department". Participating Franchisee will be charged an administration fee of US\$20.00 for each instance of funds transfer errors resulting from incorrect banking information, insufficient funds, and other errors caused by Participating Franchisee. Participating Franchisee acknowledges that Givex shall be permitted to debit and credit the Participating Franchisee Account in order to settle reversing entries related to billing obligations or funds settlements, provided, however, that Givex provides notice of all debits and credits to Participating Franchisee via the Givex Portal. If Participating Franchisee does not cure the error or default within fifteen (15) days after written notice thereof has been given by Givex, Givex shall have no further obligations to Participating Franchisee hereunder, notwithstanding the parties' separate obligations to the Merchant, until the banking error is resolved and Givex has successfully reprocessed the failed banking transaction.

**1.6 Equipment and Communication Lines.** Participating Franchisee understands that the delivery and operation of the Givex Services is dependent upon Participating Franchisee ensuring that its designated location(s) will connect to the Givex Services through ADSL, frame relay or any other suitable connection as determined by Givex. Participating Franchisee shall install, operate and maintain, at its sole expense, all point-of-sale systems, terminals, computers, connections, hardware and software necessary for participating in the Merchant Program and using the Givex Services.

**1.7** Givex acknowledges that Participating Franchisee may opt to use a point-of-sale (POS) system function called 'Store and Forward' (SAF) or 'Offline Mode' (OM) to establish a connection to the Givex host when a connection cannot be



## USA PARTICIPATION AGREEMENT

established and Participating Franchisee nevertheless wants to accept a transaction, in which case Participating Franchisee's system will store the transaction information and subsequently send it to the Givex host. Participating Franchisee hereby acknowledges and agrees that if it opts to use the SAF or OM POS function: (i) though Participating Franchisee has accepted a transaction at a POS site the given transaction may nevertheless be subsequently declined by the Givex host; and (ii) Participating Franchisee shall be solely responsible and liable for any and all SAF or OM transaction issues, disputes, claims, losses and liabilities. Participating Franchisee hereby forever releases, waives, discharges and agrees to indemnify, defend and hold harmless Givex, its affiliates, subsidiaries, and their respective officers, directors and employees from and against any and all claims, losses, or damages resulting from or relating to Participating Franchisee's use of the SAF or OM POS function.

**1.8 Exclusivity.** During the Term of this Agreement, unless Merchant is transitioning to a new processor for the Merchant Program, Participating Franchisee agrees to use Givex exclusively for the processing of gift card transactions at Participating Franchisee's designated locations in connection with the Merchant Program.

**1.9 Third Party Rights for Smoothie King Corporate (SKFI).** In the event Merchant pays Givex for any outstanding fees, payments, service orders, or settlement amounts owed by Participating Franchisee under this Agreement ("**Outstanding Amounts Owed**"), Participating Franchisee shall pay the Outstanding Amounts Owed directly to Merchant, and Merchant shall have the right to collect the Outstanding Amounts Owed directly from Participating Franchisee. Participating Franchisee grants Merchant permission to draft the Outstanding Amounts Owed directly from Participating Franchisee's bank account under this Agreement, or Participating Franchisee's bank account under the Franchise Agreement with Smoothie King Franchises, Inc. In the event of a Participating Franchisee location closure or termination of the Participating Franchisee's Participation Agreement for a location, Merchant shall have the right to collect and shall be permitted to draft Participating Franchisee's bank account under this Agreement, or Participating Franchisee's bank account under the Franchise Agreement, for any Outstanding Amounts Owed, plus any outstanding gift card liability amounts owed under the decentralized model. For clarity and notwithstanding the foregoing concerning Participating Franchisee and Merchant, Participating Franchisee acknowledges and agrees that Merchant shall have no third party beneficiary rights or other rights (express or implied) with respect to Givex under this Agreement and Participating Franchisee will defend, indemnify, save and hold harmless Givex and each of its affiliates and subsidiaries, directors, and employees ("**Givex Indemnitees**") from any and all losses, claims, demands, actions, damages and liabilities, joint or several, and the reasonable fees and expenses of their legal counsel that may be incurred (collectively, "**Claims**"), to which the Givex Indemnitees may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, arise out of or are based upon any acts or omissions of Participating Franchisee or Merchant or any of their respective employees with respect to this Section and any other related or relevant terms in this Agreement.

**1.9.1: Transfers** If a Participating Franchisee sells or otherwise transfers a location to another Participating Franchisee, Givex shall facilitate and complete the gift card liability transfer. In the event of a Participating Franchisee location closure or the termination of the Participating Franchisee's Participation Agreement for a location, Givex will facilitate the transfer of any outstanding gift card liability and any Outstanding Amounts Owed to one of the Participating Franchisee's other participating locations, where applicable. The location receiving the transfer will be at the election of the Participating Franchisee.

**1.9.2: Discount/Commission Pass Through:** Merchant may, at its own discretion, incur commission expense in order to sell gift cards. Merchant may determine a reduction in the net amount of the card redemption remittance to the Participating Franchisee's location.

**1.9.3: Requirement to Maintain POS Connectivity.** Participating Franchisee shall connect and continue to support the mechanism for the POS to communicate with Givex.

## **2. GIVEX SERVICES**

**2.1 Givex Services.** Givex shall perform the Givex Services in a professional and workmanlike manner, consistent with generally accepted standards in the gift card industry.

**2.2 Reports.** Givex will force close all gift card transactions daily for the purpose of generating settlement reports for the Merchant Program. A settlement report showing all gift card transactions processed in a calendar day from



## USA PARTICIPATION AGREEMENT

midnight to midnight will be made available to the Participating Franchisee on a reporting website maintained by Givex, unless otherwise agreed by Givex and Merchant in writing.

### **3. TERM AND TERMINATION**

**3.1 Term and Termination.** This Agreement shall commence on the date hereof and shall continue during the currency of the Merchant Agreement for so long as Participating Franchisee remains an authorized franchisee of Merchant. Participating Franchisee's participation in the Merchant Program shall commence on a date to be mutually agreed upon by Merchant and Givex. Participating Franchisee and Givex shall have the rights of termination available to the parties, as applicable, under the Merchant Agreement, including that Givex may deactivate or terminate any portion or all of the Givex Services or terminate this Agreement if Participating Franchisee fails to pay any undisputed fees or charges when due, and such default is not cured within fifteen (15) days after receipt of written notice from Givex that payment has not been received.

### **4. GENERAL**

**4.1 Notice.** Unless otherwise specified, all notices required to be given under this Agreement shall be made in writing, by registered mail or facsimile, and shall be addressed as follows:

(a) in the case of Givex, to Givex USA Corporation, 1960 Swanson Court, Suite A, Gurnee IL, USA 60031. Attention: President. Fax: (416) 350-9661.

(b) in the case of Participating Franchisee, to the address or fax number set forth in this Agreement, Attention: President.

**4.2 Assignment.** This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties hereto.

**4.3 Restriction on Damages.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, LOSS OF GOODWILL, WORK STOPPAGE, COMPUTER FAILURE OR MALFUNCTION, OR ANY AND ALL OTHER COMMERCIAL DAMAGES OR LOSSES RESULTING FROM PERFORMANCE OF THE GIVEX SERVICES OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES.

**4.4 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to any conflict of law rules.

**4.5 Entire Agreement.** This Agreement, together with the applicable provisions of the Merchant Agreement, constitutes the entire agreement of the parties with the respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement.

**4.6 Counterparts and Electronic Signatures.** The Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement. The counterparts of the Agreement may be executed and delivered by facsimile or other electronic means, and the receiving party may rely on the receipt of such document so executed and delivered as if the original had been received.

### **ACCEPTANCE**

IN WITNESS WHEREOF, the Parties, hereby represented by their respective duly authorized legal representatives, have executed this Agreement this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**PARTICIPATING FRANCHISEE**

**GIVEX USA CORPORATION**

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title:



## USA PARTICIPATION AGREEMENT

### SCHEDULE A - PRICING

Contract Term	
Service Fees – Per Transaction Fee Pricing (Gift) –	
Monthly Billing per Transaction	\$0.07 per Transaction or current rate per Merchant Agreement
Online Reporting	Included
<p>* GIVEX SERVICE FEES INCLUDE ONLINE REPORTING, ONLINE PROGRAM ADMINISTRATION, 24/7/365 MERCHANT SUPPORT, AND SELF DIRECTED TRAINING. "BILLABLE TRANSACTIONS" INCLUDE ACTIVATIONS, BALANCE TRANSFERS TO, BALANCE TRANSFERS FROM, CANCELLATIONS, INCREMENTS, ADJUSTMENTS, REDEMPTIONS, DEDUCTIONS AND REGISTRATIONS. BALANCE INQUIRY TRANSACTIONS WILL BE BILLED AT THE STANDARD PER TRANSACTION RATE IF THEY EXCEED FIVE (5) TIMES THE TRANSACTION VOLUME OF THE MERCHANT. .</p> <p>* PARTICIPATING FRANCHISEE SHALL BE SOLELY RESPONSIBLE FOR ALL COMMUNICATION EXPENSES ASSOCIATED WITH CONNECTING TO THE GIVEX HOST, INCLUDING, BUT NOT LIMITED TO, EXPENSES ASSOCIATED WITH INSTALLING AND MAINTAINING FRAME RELAY CONNECTIONS, ANALOG PHONE LINES, TOLL-FREE PHONE LINES, LONG DISTANCE AND INTERNET SUBSCRIPTIONS. PARTICIPATING FRANCHISEES CONNECTING TO THE GIVEX HOST VIA DIRECT DIAL DATA CONNECTIONS SHALL BE CHARGED AN ADDITIONAL FEE OF \$0.35 PER TRANSACTION. ALL GIFT CARD SERVICE AND TRANSACTION FEES WILL BE BILLED TO PARTICIPATING FRANCHISEE ON A MONTHLY BASIS.</p>	
Training	
Self Directed Training	No charge
Telephone Training ("Train the Trainer Session") – Adobe Connect/Webex Refresher (Up to twelve seats)	\$500 per session
Telephone Training - Per location	\$100 per location
In-House Training	\$750 per day, plus disbursements
Settlement Service	
NSF Administration Fees (Rejections)	\$20 per incident
Web POS Transaction Website – OPTIONAL	
Use of Givex Generic Site	No charge

PRICING IS EXPRESSED IN U.S. DOLLARS. ALL PRICING IS EXCLUSIVE OF APPLICABLE SALES, USE, OR EQUIVALENT TAXES IMPOSED BY ANY GOVERNMENTAL AUTHORITY HAVING JURISDICTION. GIVEX WILL ADD ALL APPLICABLE SALES, USE, OR EQUIVALENT TAXES IMPOSED BY ANY GOVERNMENTAL AUTHORITY HAVING JURISDICTION ON ALL FEES OR OTHER CHARGES.



## USA PARTICIPATION AGREEMENT

### SCHEDULE B - DIRECT DEBIT AND CREDIT REQUEST FORM

#### Direct Debit/Direct Credit Request

Participating Franchisee Name:

Participating Franchisee agrees to provide Givex USA Corporation with its banking information in order to facilitate the settlement services and billing obligations set forth in the USA Participation Agreement. By signing this Authorization, Participating Franchisee authorizes and requests Givex USA Corporation, as the facilitator of the Participating Franchisee, to arrange funds to be debited from and credited to the bank account at the financial institution identified below. Participating Franchisee further authorizes Givex, at its facilitator, to arrange funds to be debited from the bank account for the Service Fees, if any, owing to Givex USA Corporation for the Givex Services.

#### Account Details

Financial Institution Name:

Financial Institution Address:

Participating Franchisee Account  
Name (to be debited):

Transit/Branch Number:

Participating Franchisee Account  
Number:

#### Acknowledgement

Your signature below acknowledges that you have read, understood and accepted the terms and conditions governing the debit and credit arrangements as set out in this form and the USA Participation Agreement, and confirms that the banking information set forth in this form has been checked and is correct. In the case of a joint financial institution account, this form must be signed by all owners of the financial institution account. In the case of companies, this form must be signed by at least one authorized signatory of the Participating Franchisee.

#### First Authorized Signatory:

Signature:

Title:

Full Name:

Date:

#### Second Authorized Signatory:

Signature:

Title:

Full Name:

Date:

**ATTACHMENT F TO  
FRANCHISE AGREEMENT**

**LEASE RIDER**

See Attached



**LEASE RIDER**

This Lease Rider ("Agreement") is made and entered into as of the date set forth below by and among the following parties for a lease at the following street address:

**LESSOR:**

**LESSEE:**

**FRANCHISOR:** Smoothie King Franchises, Inc.  
("Smoothie King")  
9797 Rombauer Road, Suite 150  
Coppell, TX 75019

**PREMISES STREET ADDRESS:**

In consideration of the lease agreement entered into between Lessor and Lessee ("Lease") and the mutual covenants herein contained and other good and valuable consideration, including the acceptance by Smoothie King of the Premises as a location for a Smoothie King<sup>®</sup> Unit, the parties agree as follows:

1. Notices. Lessor agrees to furnish Smoothie King with copies of all notices to Lessee pertaining to any default by Lessee under the Lease at the same time and in the same manner as any such notice is sent to Lessee. Lessee agrees to furnish Smoothie King prompt written notice of all amendments, waivers, extensions, renewals or other modifications to the Lease. All notices hereunder shall be mailed or delivered to the addresses set forth above, unless changed from time to time by any party through written notice mailed or delivered to the other parties.

2. Assignment. In the event of termination or expiration of the Franchise Agreement or Lessee's default under the Lease, Lessee shall, at Smoothie King's option, assign to Smoothie King or its affiliate all interest of Lessee in the Lease including any rights to renew the Lease or to sublease the Premises; and Lessor hereby consents to such assignment, subject to the following conditions:

(a) Smoothie King shall notify Lessee and Lessor in writing (the "Election Notice") within fifteen (15) days after termination or expiration of the Franchise Agreement, or Smoothie King's receipt of any notice of default by Lessee under the Lease, if Smoothie King elects to accept assignment of the Lease. Upon receipt of an Election Notice by Lessee and Lessor, Smoothie King or its affiliate shall have the right as between Lessee and Smoothie King to the Premises. Upon receipt of an Election Notice by Lessee from Smoothie King, Lessee grants, assigns, transfers and sets over to Smoothie King or its affiliate all rights, title and interest in and to the Lease Agreement and the Premises leased thereunder and abandons any existing leasehold improvements. Smoothie King's failure to accept assignment of the Lease upon any default of Lessee under the Lease which has been subsequently cured by Lessee shall not be deemed a waiver of Smoothie King's future right to accept such assignment in the event of any future default of Lessee;

(b) If Smoothie King elects to accept assignment of the Lease, Smoothie King shall (i) cure any monetary defaults and take possession of the Premises as soon as reasonably possible, but no later than thirty (30) days after receipt of the Election Notice by Lessor, and (ii) promptly commence the cure of all

non-monetary defaults and diligently pursue such cure until completion. Smoothie King shall thereafter commence payment of rent and other customary and reasonable charges and comply with all other obligations under the Lease;

(c) Nothing herein shall affect Lessor's right to require Lessee to remain liable as a guarantor for the remaining term of the Lease, to recover from Lessee any and all amounts due under the Lease or to exercise any rights of Lessor against Lessee as provided under the Lease; provided, that Smoothie King's leasehold interest shall not be subject to any claims that may exist between Lessor and Lessee;

(d) Lessee agrees to take any and all actions necessary under the Lease to effectuate assignment of the Lease to Smoothie King. Lessor agrees to the assignment of the Lease from Lessee to Smoothie King upon Lessor's receipt of an Election Notice and agrees to take any and all present and/or future action reasonably necessary to assist Smoothie King, when and as requested, in effecting the assignment of the lease to Smoothie King; provided, however, that Lessor shall not be required to bear any expense thereof.

3. Assignment to Third Party. At any time after receipt of the Election Notice by Lessor, Smoothie King or its affiliates may request to assign its lease, pursuant to provisions of the Lease concerning lease assignment, or sublease of the Premises, to a third party franchisee of Smoothie King® for the purpose of continuing to operate the Smoothie King® business at the Premises. Lessor agrees not to unreasonably withhold its consent to any such assignment or sublease.

4. De-Identification. Lessee acknowledges that in the event the Lease or the Franchise Agreement expires or is terminated, Lessee is obligated under the Franchise Agreement to take certain steps to de-identify the location as a Smoothie King Unit operated by Lessee. Lessor agrees to cooperate with Smoothie King in allowing Smoothie King to de-identify the Premises, including allowing Smoothie King and its employees and agents to enter and remove signs, decor and materials bearing or displaying any marks, designs or logos of Smoothie King; provided, however, that Smoothie King shall immediately repair all damage caused by such de-identification and Lessor shall not be required to bear any expense thereof. Smoothie King shall indemnify, defend, and hold Lessor harmless from and against any and all loss, damage, claim, demand, liability, or expense (including reasonable attorneys' fees) resulting from claims by third parties and based on any acts or omissions of Smoothie King and its employees and agents arising out of Smoothie King's entry and de-identification of Premises. Lessee agrees that if Lessee fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, Smoothie King may cause all required de-identification to be completed at Lessee's expense.

5. Indemnification. Smoothie King shall indemnify, defend, and hold Lessor harmless from any claim, loss, liability, suit, or damage arising out of any attempt to assign the Lease based upon a termination of the Franchise Agreement.

6. General Provisions.

(a) This Agreement is directed to a specific Lease set forth herein but the Lessee, Lessor and Smoothie King agree that this Agreement is applicable to any extensions, renewals or other options of Lessee with respect to the Lease Agreement and the Premises, as well as being applicable to any subsequent lease agreements between Lessee and Lessor concerning the Smoothie King® Unit with respect to the Premises;

(b) Nothing contained in this Agreement shall affect any term or condition in the Franchise Agreement between Lessee and Smoothie King. Nothing herein shall be deemed to constitute a guaranty or endorsement by Smoothie King of the terms and conditions of the Lease between Lessor and Lessee. If Smoothie King, in its sole discretion, determines not to accept assignment of the Lease as permitted hereunder, neither Lessor nor Lessee shall have any claims against Smoothie King. No terms or conditions contained in the Lease shall be binding on Smoothie King or its affiliates unless and until it elects to accept assignment of the Lease hereunder;

(c) This Agreement shall be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators. The prevailing party in any action shall be entitled to recover its legal fees together with court costs and expenses of litigation.

(d) In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Lease, the terms of this Agreement shall prevail.

*[Signatures appear on the following page.]*

The parties hereto have executed this Agreement as of the dates set forth below.

**LESSOR:**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**FRANCHISOR:**

Smoothie King Franchises, Inc.

By: \_\_\_\_\_  
Date: \_\_\_\_\_

## **EXHIBIT E**

### **FRANCHISE AGREEMENT ADDENDUM – NON-TRADITIONAL LOCATION**

Unit No. \_\_\_\_\_  
SMOOTHIE KING  
FRANCHISE AGREEMENT ADDENDUM  
  
FOR NON-TRADITIONAL LOCATION

This Franchise Agreement Addendum (“Addendum”) is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between, Smoothie King Franchises, Inc., a Texas corporation, whose principal place of business is 9797 Rombauer Road, Coppell, TX 75019 (hereinafter “Franchisor”) and \_\_\_\_\_ (hereinafter individually and collectively referred to as “Franchisee”).

RECITALS

WHEREAS, contemporaneously with the execution of this Addendum, Franchisor and Franchisee are entering into a Smoothie King® Franchise Agreement (hereinafter “Franchise Agreement”) by which Franchisor is granting Franchisee a franchise to operate a Smoothie King® franchised business (hereinafter “Unit” or Franchised Business) under the Smoothie King® system and proprietary marks.

WHEREAS, Franchisee desires to establish and operate a Franchised Business at a non-traditional (“Non-Traditional”) location as determined and approved by Franchisor, and Franchisor is willing to grant Franchisee a franchise to operate a Franchised Business on the terms and conditions in the Franchise Agreement and this Addendum.

In consideration of the promises and mutual covenants set forth herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. Modification of Article I (GRANT OF FRANCHISE) of the Franchise Agreement:

The heading of Article I and Sections 1.2, 1.3, and 1.5 of the Franchise Agreement are deleted in their entirety, and replaced in their entirety as follows:

“ARTICLE I. GRANT OF FRANCHISE”

1.2 Deleted in its entirety.

1.3 Franchisee shall operate the Franchised Business only at and from the following Non-Traditional location: \_\_\_\_\_ (hereinafter the “Location”).

1.5 Deleted in its entirety.

Franchisee acknowledges and agrees that it is not granted any territorial protection for the Franchised Business, and Franchisor may establish Smoothie King<sup>®</sup> company owned Units and grant other licenses and franchises for Smoothie King<sup>®</sup> Units and the Proprietary Marks at any location. Any additional references in the Franchise Agreement to Protected Territory are deleted.

2. Modification of Article III (FEES AND PAYMENTS) of the Franchise Agreement:

Sections 3.1 and 3.2 of the Franchise Agreement are deleted in their entirety, and replaced in their entirety as follows:

3.1 Upon execution of this Agreement, Franchisee shall pay to Franchisor an initial franchise fee of Fifteen Thousand Dollars (\$15,000.00).

3.2 Deleted in its entirety.

3. Modification of Attachment A (Protected Territory) of the Franchise Agreement:

Attachment A of the Franchise Agreement is deleted in its entirety.

4. This Addendum shall be considered incorporated in and a part of the Franchise Agreement. Except as otherwise explicitly modified herein, each provision of the Franchise Agreement shall remain in full force and effect. This Addendum shall not constitute a waiver of any of Franchisor's rights or remedies under the Franchise Agreement or other agreements with Franchisor.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date(s) set forth below.

WITNESSES:

**FRANCHISEE:**

By:

Title:

Date:

By:

Title:

Date:

**FRANCHISOR:**

Smoothie King Franchises, Inc.

By:

Title:

**EXHIBIT F**  
**AREA DEVELOPMENT AGREEMENT**



# SMOOTHIE KING FRANCHISES, INC.

## AREA DEVELOPMENT AGREEMENT

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**SMOOTHIE KING FRANCHISES, INC.  
AREA DEVELOPMENT AGREEMENT**

This Smoothie King Franchises, Inc. Area Development Agreement (this "Agreement") is entered into as of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date"), by and between Smoothie King Franchises, Inc., a Texas corporation having its principal place of business at 9797 Rombauer Road, Coppell, Texas 75019 ("Smoothie King" or "Franchisor"), and \_\_\_\_\_, a \_\_\_\_\_, with a mailing address of \_\_\_\_\_ ("Developer").

**RECITALS**

A. WHEREAS, Franchisor, has expended significant effort, money and time to develop and own the System, all of which may be periodically changed or modified, at Franchisor's sole option, for establishing and operating Smoothie King® units that offer designated products and utilize the System and Proprietary Marks;

B. WHEREAS, Franchisor developed and will continue to develop valuable goodwill in the Proprietary Marks and may periodically develop or acquire other trademarks and service marks for use under the System, all of which may be changed, replaced, or modified at Franchisor's sole option;

C. WHEREAS, Developer desires to obtain rights to develop and operate multiple Smoothie King® units under the System and the terms of this Agreement.

NOW, THEREFORE, in consideration of Franchisor granting Developer the right to develop and operate multiple Units subject to and accordance with the terms hereof, the mutual obligations provided for in this Agreement and other good and valuable consideration, the receipt and sufficient of which are hereby acknowledges, Franchisor and Developer hereby agree as follows:

**ARTICLE I. GRANT OF DEVELOPMENT RIGHTS**

1.1 Franchisor hereby grants to Developer the right and option, subject to the terms and conditions of this Agreement, to establish and operate multiple Smoothie King franchised businesses ("Unit" or "Franchised Business") to be located in the geographic area described in Attachment A to this Agreement (the "Development Area").

1.2 Except as otherwise provided in this Agreement and subject to the following, during the term of this Agreement, Franchisor will not establish or operate Smoothie King Units, nor grant a franchise to any person other than Developer to establish or operate Smoothie King Units, under the System and Proprietary Marks in the Development Area. Franchisor may establish, operate or grant a franchise or license to others to operate Smoothie King Units under the System and Proprietary Marks at any "Non-Traditional" location, as defined by Franchisor, within the Development Area at any time. Franchisor may also license or sell, at both wholesale and retail, product or service lines that are being sold in Smoothie King Units under the same or similar Proprietary Marks or any other proprietary marks, at any location or distribution point within and outside the Development Area, including through ghost kitchens and cloud kitchens, at any time. The "Proprietary Marks" are those trade names, service marks, trademarks, logos, and commercial symbols, including the name and mark "SMOOTHIE KING" and such other names, marks, logos, and symbols as Franchisor periodically designates for use with the System now and in the future. "System" means the system for the establishment and operation of businesses offering nutritional drinks and general nutrition products.

1.3 Each Unit established by Developer shall be subject to a separate Smoothie King franchise agreement executed by Franchisor and Developer. The form of franchise agreement for each Unit shall be

the standard form of franchise agreement then being offered by Franchisor in the jurisdiction where the Unit is proposed to be located.

1.4 This Agreement is not a franchise or license agreement and does not grant Developer any rights to use the Proprietary Marks or grant subfranchises to others. Developer's rights to use the Proprietary Marks are limited and governed by the terms of separate franchise or license agreements between Franchisor and Developer.

## **ARTICLE II. DEVELOPMENT FEE AND INITIAL FRANCHISE FEES**

2.1 Developer shall pay to Franchisor upon execution of this Agreement a total development fee of \_\_\_\_\_ (\$ \_\_\_\_\_), which fee is non-refundable and fully earned by Franchisor upon the execution of this Agreement for administrative and other expenses incurred by Franchisor and for development opportunities lost or deferred as a result of the rights granted to Developer herein. The development fee shall be proportionally applied to reduce the initial franchise fee required under the Franchise Agreement executed for each Unit after the first agreement ("Additional Unit") authorized pursuant to this Agreement. For example, an executed Agreement authorizing the purchase of franchises for five (5) Units would require a total development fee of Fifty Thousand Dollars (\$50,000), which sum equals a development fee of Twelve Thousand Five Hundred Dollars (\$12,500) each for the four franchises after the first one purchased; therefore, the initial franchise fee (as set forth in Section 2.3 below) for each Additional Unit would be reduced by the Twelve Thousand Five Hundred Dollar (\$12,500) development fee (i.e., in this example, the initial franchise fee for the second and any subsequent franchises would be Twelve Thousand Five Hundred Dollars (\$12,500)).

2.2 Upon execution of this Agreement, Developer shall execute and forward to Franchisor a Smoothie King franchise agreement (and ancillary agreements and related documents), together with the initial franchise fee for the first Unit to be developed by Developer.

2.3 Notwithstanding the terms of any franchise agreement executed by Developer under this Agreement, the initial franchise fee for each such franchise agreement shall be as set forth below. All other fees shall be payable as provided in each franchise agreement. The initial franchise fee payable by Developer upon execution of each franchise agreement shall be as follows:

2.3.1 For the first franchise, the initial franchise fee is Thirty Thousand Dollars (\$30,000);

2.3.2 For the second and any subsequent franchises, the initial franchise fee is Twenty-Five Thousand Dollars (\$25,000), as such fee shall be reduced by the development fee amount for each franchise in accordance with Section 2.1.

## **ARTICLE III. DEVELOPMENT AREA; OPTIONS**

3.1 During the term of this Agreement, Developer shall have the right and option, subject to the terms and conditions set forth herein, to purchase franchises for \_\_\_\_\_ (\_\_\_\_) Units to be located in the Development Area. Each option shall be exercisable as follows:

3.1.1 Prior to and as a condition of exercising each option, Developer has been and is in compliance with all material terms and conditions of each of its franchise agreements and all other agreements with Franchisor, its subsidiaries or affiliates, and has been and is operating its franchises in compliance with the Franchisor's operations manuals;

3.1.2 Developer shall notify Franchisor in writing of its desire to purchase an additional franchise, whereupon Franchisor shall provide Developer the then-current standard form of franchise agreement, together with any disclosure or other documents required by law; and

3.1.3 Pursuant to Section 4.2.2, Developer shall execute the then-current standard form of franchise agreement as described in Section 1.3 and such other ancillary agreements and all other

required ancillary agreements and documents and forward them to Franchisor, together with the initial franchise fee as provided under Article II.

#### **ARTICLE IV. TERM AND DEVELOPMENT SCHEDULE**

4.1 The term of this Agreement shall commence on the Effective Date and shall expire on the date the last Unit is scheduled to open under the "Schedule" (as defined in Section 4.2 below), unless sooner terminated in accordance with the terms set forth herein.

4.2 During the term of this Agreement, Developer shall establish and operate Units in the Development Area in accordance with the Development Schedule attached hereto as Attachment B (the "Schedule"). In addition:

4.2.1 Contemporaneous with the execution of this Agreement, Developer shall execute a franchise agreement for the first Unit to be developed in the Development Area. Notwithstanding the terms of the first franchise agreement, Developer shall open the first Unit for business by the date set forth in the Schedule.

4.2.2 Thereafter, Developer shall exercise its options to purchase the remaining number of franchises as agreed upon in Section 3.1 to be located in the Development Area and execute the respective franchise agreements at least six (6) months before each particular Unit must be open and in operation under the Schedule or prior to signing a lease for the Unit, whichever occurs first. Notwithstanding the terms of the franchise agreements, Developer shall open each Unit for business by the date set forth in the Schedule.

#### **ARTICLE V. OBLIGATIONS OF FRANCHISOR AND DEVELOPER**

##### **5.1 Obligations of Franchisor.**

5.1.1 Franchisor agrees to make available to Developer, or assist Developer in obtaining the following:

- (a) Such assistance as Franchisor determines is required in connection with the development of the Development Area, including assistance by Franchisor's personnel or its agents;
- (b) Such other resources and assistance as may hereafter be developed and offered by Franchisor to Smoothie King franchisees or developers.

##### **5.2 Obligations of Developer.**

5.2.1 Except as Franchisor may otherwise expressly permit in writing, Developer (or, if Developer is a corporation or partnership, a "Principal" (as defined in Section 6.2 below)) and/or its designee shall devote full time, energy, and best efforts to the development and operation of Units in the Development Area. In particular, without limiting the foregoing:

- (a) Franchisor may require that any Principal or employee of Developer who is actively involved in the development and operation of Units in the Development Area attend and satisfactorily complete such training programs as Franchisor may require;
- (b) Developer shall cause its employees to attend and satisfactorily complete all mandatory training programs, including basic and advanced training, refresher courses, and business seminars, as Franchisor may require from time to time; and
- (c) Developer shall be responsible for all costs and expenses incurred by its employees in connection with training programs. Franchisor reserves the right to charge reasonable fees for materials and/or participation in any training courses offered by or for Franchisor.

5.2.2 Developer shall be responsible for conducting local advertising and promotional activities for Units owned by Developer in accordance with the terms of the franchise agreements. In particular, without limiting the foregoing, Developer shall be responsible for preparing and submitting to Franchisor: (i) annual advertising plans with budgets, updated quarterly; (ii) periodic detailed accounting of media expenditures and verification of placement; and (iii) periodic written evaluation of effectiveness of advertising activities.

5.2.3 Developer shall also submit to Franchisor upon request from time to time such other forms, reports, records, monthly financial statements, information, and data as Franchisor may reasonably require, in the form and at the times and places reasonably specified by Franchisor.

5.2.4 Within ninety (90) days after the end of each fiscal year of Developer during the term of this Agreement, Developer, at its expense, shall submit to Franchisor a profit-and-loss statement showing the results of Developer's operations during such fiscal year and a balance sheet as of the end of the fiscal year. Each financial statement must be compiled or reviewed by a certified public accountant ("CPA") together with such other data or information as Franchisor may require. Franchisor may require the use of a designated CPA to ensure consistency.

## **ARTICLE VI. DEVELOPER'S FORM OF ORGANIZATION**

6.1 If Developer is or becomes a corporation, partnership, limited liability company, or other entity, Developer shall comply with the following requirements:

6.1.1 Developer shall confine its activities to the development and operation of the Development Area and performing all necessary functions thereto as part of the Smoothie King System. Developer will furnish to Franchisor upon reasonable request a list of all shareholders or members of record and all persons having a beneficial interest in any corporation or other entity that is or becomes a Smoothie King developer or franchisee.

6.1.2 Developer's articles of incorporation, bylaws, partnership agreement or articles of organization or operating agreement (or comparable governing documents) shall at all times provide that the issuance and transfer of voting stock or other ownership interest in Developer is restricted by the terms of this Agreement.

6.1.3 Developer shall furnish Franchisor promptly upon request copies of Developer's articles of incorporation, bylaws, partnership agreement, articles of organization, operating agreement and other governing documents, trust or other documents which relate to the operation of Developer's business, and any other documents Franchisor may reasonably request.

6.1.4 Developer shall maintain stop-transfer instructions against the transfer on its records of any equity securities except in accordance with the provisions of Article VIII hereof. All securities issued by Developer shall bear the following legend, which shall be printed legibly and conspicuously on each stock certificate or other evidence of ownership interest:

The transfer of these securities is subject to the terms of an Area Development Agreement with Smoothie King Franchises, Inc. dated \_\_\_\_\_. Reference is made to said Agreement and to the restrictive provisions of the Articles and Bylaws of this Corporation.

6.2 Each "Principal" (as defined below) of a Developer which is a corporation, partnership or other entity, will sign the Guaranty Agreement in the form attached to this Agreement as Attachment C (the "Guaranty Agreement"), assuming and agreeing to discharge all of Developer's obligations under this Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal of Developer under the provisions of Article VIII below or otherwise will, as a condition of becoming a Principal, sign the Guaranty Agreement. Each Principal who has signed a Guaranty Agreement will

continue to be bound by the Guaranty Agreement, regardless of that Principal's ownership interest in the new entity. The term "Principal" means any person or entity who directly or indirectly owns a ten percent (10%) or greater interest in Developer. If any corporation or other entity other than a partnership is a Principal, a "Principal" also will mean a shareholder or owner of a ten percent (10%) or greater interest in such corporation or other entity. If a partnership is a Principal, a "Principal" also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a ten percent (10%) or greater interest in such general partner. If Developer is one or more individuals, each individual will be deemed a Principal of Developer.

## **ARTICLE VII. CONFIDENTIAL INFORMATION**

7.1 Developer and its Principals each acknowledges that Franchisor may provide Developer and its Principals with Confidential Information that derive value from not being generally known in the industry, that are reasonably necessary for the development and operation of Units, and that Developer has entered into this Agreement in order to use such Confidential Information to the economic benefit of Developer. Developer agrees that Confidential Information remains the sole property of Franchisor, as do any reproductions, notes, summaries or similar documents relating to the Confidential Information, and any files, memoranda, reports, and other documents relating to the System will become and remain the intellectual property of Franchisor immediately upon their creation. Developer and each of its Principals will not use, duplicate or disclose to others any Confidential Information except as expressly authorized by Franchisor in writing and will implement measures to maintain the confidentiality of such Confidential Information that is no less strict than the measures Developer uses with its own confidential information. To the extent that any Confidential Information is to be provided to Developer's advisors, representatives, agents or any employees, each of them must use such Confidential Information solely in connection with their respective roles with the Unit and execute a Non-Disclosure Agreement, in a form acceptable to Franchisor.

7.2 "Confidential Information" means any and all recipes, ingredients or proprietary products, formulas, guest and supplier lists, product specifications and other information, knowledge, methods, techniques, marketing and promotional techniques, know-how, and systems and knowledge of and experience in the operation and franchising of Smoothie King® Units, including Franchisor's operations manuals and any and all records and copies thereof in any form, that Franchisor communicates to Developer or that Developer otherwise acquires in operating its business under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by Developer.

7.3 Developer must fully and promptly disclose to Franchisor, all ideas, concepts, methods, techniques, improvements, and additions relating to the development and/or operation of Smoothie King® Units or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of Units, any new recipes or formulas, or any advertising or promotion ideas related to Units (collectively the "Improvements") conceived or developed by Developer, its employees, and/or agents during the term of this Agreement. Each such Improvement will be deemed to be Franchisor's sole and exclusive property and works made-for-hire for Franchisor. To the extent any Improvement does not qualify as a work made-for-hire for Franchisor, Developer hereby assigns ownership of that Improvement and all related rights to Franchisor and agrees to sign (and to cause its Principals, employees and agents to sign) such assignment or other documents Franchisor requests to evidence its ownership or to help Franchisor obtain intellectual property rights in the Improvement. Franchisor is not obligated to pay Developer or any other person any royalties or other fees respecting any Improvements and Developer may not use any Improvement in operating the Franchised Business or otherwise without Franchisor's prior approval.

7.4 Developer understands and agrees that its will come into possession of certain of Franchisor's trade secrets concerning the manner in which Franchisor conducts business including, but not necessarily limited to: recipes and formulas; methods of doing business or business processes; strategic business plans;

customer lists and information; marketing and promotional campaigns; and any materials clearly marked or labeled as trade secrets. Developer agrees that the foregoing information, which may or may not be considered "trade secrets" under prevailing judicial interpretations or statutes, is private, valuable, and constitutes trade secrets belonging to Franchisor. Developer agrees that Franchisor derives independent economic value from the foregoing information not being generally known to, and not being readily ascertainable through proper means by another person. Developer agrees to take reasonable measures, as may be described further in Franchisor's operations manuals, to keep such information secret. Upon expiration, termination or transfer of this Agreement, Developer will not use, sell, teach, train, or disseminate in any manner to any other person, firm, corporation, or association any trade secret pertaining to Franchisor's business and/or the manner in which it is conducted.

7.5 Developer acknowledges that any failure to comply with the requirements of this Article VII will cause Franchisor irreparable injury, and Developer agrees to pay all court costs and reasonable legal and accounting fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of the requirements of this Article VII.

## **ARTICLE VIII. TRANSFER OF INTEREST**

8.1 Developer understands and acknowledges that the rights and duties of Developer set forth in this Agreement are personal to Developer and that Franchisor has granted this development agreement in reliance on the business skill, financial capacity, and personal character of Developer and Developer's Principals. Accordingly, Developer agrees that, except as described in this Article VIII, Developer has no right to transfer of this Agreement, the rights granted under this Agreement, or any interest in Developer, in any manner including a transfer or assignment of the following:

- 8.1.1 any direct or indirect interest in Developer, this Agreement or all rights granted hereunder;
- 8.1.2 all or substantially all of the assets of Developer; and
- 8.1.3 operational control of Developer.

8.2 If Developer is an individual or partnership, Developer shall be entitled to transfer Developer's interest in this Agreement to a corporation, limited liability company or limited partnership formed for convenience of ownership. Franchisor will charge (i) no transfer fee for the first such transfer and (ii) Five Hundred Dollars (\$500) for any such transfer subsequent to the first; however, Franchisor's consent to any such transfer shall be subject to the following conditions: (i) Developer, or one or more trusts of which Developer is trustee, shall be the owner of at least a majority of the total voting power of the corporation or limited liability company or shall be a general partner of the limited partnership owning at least a majority of the total voting power of the general partners of the limited partnership; and (ii) Developer shall comply with the terms and conditions set forth in Article VI.

8.3 If Developer (or the managing Principal) dies or is permanently disabled, Developer's executor, administrator, or other personal representative must transfer his/her interest within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, to a person approved by Franchisor. Such transfers, including transfers by devise or inheritance, will be subject to applicable conditions contained in Sections 8.5, although Developer will not be required to pay any transfer fee.

8.4 Any person ("Seller") who receives and desires to accept a bona fide offer from a third party to purchase fifty percent (50%) or more of Seller's interest in (a) Developer's voting securities or voting interests, if Developer is a corporation, partnership or limited liability company, or (b) this Agreement or, (c) the franchise, shall notify Franchisor in writing of each such offer. Franchisor shall have the right and option, exercisable within thirty (30) days after receipt of such written notice, to send written notice to Seller that Franchisor intends to purchase Seller's interest on the same terms and conditions offered by the third party. To enable Franchisor to determine whether to exercise its option, Developer and Seller shall provide such information and documentation, including financial statements, as Franchisor may require. If

the consideration, terms, or conditions offered by a third party are such that Franchisor may not reasonably be required to furnish the same, Franchisor may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the cash consideration, Franchisor and Developer may appoint an independent appraiser, whose determination shall be binding. If Developer and Franchisor cannot agree on an appraiser, each party shall designate an appraiser and both appraisers will agree on and designate a third independent appraiser to make the determination of fair market value, whose determination shall be binding. If Franchisor does not exercise its option as provided hereunder, Seller may sell the interest, subject to Franchisor's consent as otherwise required under this Article VIII. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of an initial offer. This Section 8.4 shall apply to any transfer if such transfer, alone or together with other previous, simultaneous or proposed transfers would have the effect of transferring financial or management control of Developer.

8.5 If under applicable law, Franchisor may not unreasonably withhold its consent to a transfer of this Agreement, the rights granted under this Agreement, or any interest in Developer, Franchisor may condition such consent on any or all of the following:

8.5.1 All of Developer's accrued monetary obligations and all other outstanding obligations to Franchisor, its subsidiaries, affiliates and divisions shall be satisfied;

8.5.2 Developer shall have substantially complied with all terms and provisions of this Agreement, any amendment hereof or successor, and all other agreements between Developer and Franchisor, its subsidiaries, or affiliates, and, at the time of transfer, shall not be in default thereof;

8.5.3 Developer, the transferor(s) and Franchisor shall execute a mutual release under seal, in a form satisfactory to Franchisor, of any and all claims against each other and their past and present subsidiaries, and affiliates, and their respective officers, directors, shareholders, employees, and agents; provided that this release shall not affect claims or obligations relating to confidentiality and covenants not to compete; and

8.5.4 The price paid to Developer by the transferee for the transfer of the Agreement shall not exceed 125% of the development fees charged to Developer by Franchisor.

8.5.5 The transferee (or, if the transferee is a corporation, partnership or limited liability company, the principals of the transferee) demonstrates to Franchisor's satisfaction that it meets Franchisor's then-current standards for new developers/franchisees under the System; possesses good moral character, business reputation, and credit rating; has the aptitude and ability to develop the Development Area; and has adequate financial resources and capital to develop the Development Area;

8.5.6 The transferee: (i) enters into a written agreement, in form satisfactory to Franchisor, assuming and agreeing to discharge all of Developer's obligations and covenants under this Agreement for the remainder of its term or, at Franchisor's option, signs Franchisor's then-current standard form of area development agreement (which may contain materially different terms and conditions than this Agreement, although no additional initial development fee will be required); and (ii) causes each of its owners who would be deemed "Principals" to sign a Guaranty Agreement; and

8.5.7 The transferee shall complete, and/or cause its employees to complete, to Franchisor's satisfaction, such initial and refresher training as Franchisor may require;

8.5.8 Developer or the transferee shall pay to Franchisor a nonrefundable transfer fee to compensate Franchisor for its reasonable costs and expenses in connection with each proposed transfer for each Unit to be developed under this Agreement pursuant to the Development Schedule and for which there is no Franchise Agreement executed (each an "Undeveloped Unit") as follows:



8.5.8.1 a fee not to exceed ten percent (10%) of the then-current initial franchise fee established by Franchisor for each Undeveloped Unit for new franchises for the transfer of a controlling interest to a current Smoothie King developer or franchisee in good standing who has satisfied all obligations and substantially complied with all material requirements under its agreements with Franchisor, its subsidiaries, and affiliates up to and including the time of the proposed transfer; and

8.5.7.2 a fee not to exceed twenty percent (20%) of the then-current initial franchise fee established by Franchisor for each Undeveloped Unit for new franchises.

8.6 Any proposed offering to the public, by private offering or otherwise, of securities in Developer shall be subject to Franchisor's prior written authorization in its sole discretion. Developer shall furnish all materials required for any such offering by federal or state law and shall be submitted to Franchisor for review. Should Franchisor approve the offering, subject to any conditions stipulated thereby, no such offering shall imply (by use of the Proprietary Marks or otherwise) that Franchisor is participating in underwriting, issuing or offering securities of Developer or Franchisor, and Developer and the other participants in the offering shall fully indemnify Franchisor in connection with the offering. For each proposed offering, Developer shall pay Franchisor a nonrefundable fee to be prescribed at the time to compensate Franchisor for its review and for the use of Franchisor's Proprietary Marks.

8.7 Neither Franchisor's consent to any proposed transfer nor Franchisor's failure to exercise its option to purchase any interest of a seller shall be deemed to constitute a waiver of any claims Franchisor may have against any transferor, any right to demand exact compliance with this Agreement by any transferor or transferee, any future rights or options of Franchisor, or any provision of this Agreement.

8.8 This Agreement shall inure to the benefit of Franchisor, its successors, and assigns, and Franchisor shall have the right to transfer and assign all or any part of its interest herein to any person or legal entity.

8.9 Except as specifically provided in this Article VIII, any purported assignment or transfer, by operation of law or otherwise, not having the express prior written consent of Franchisor shall be null and void and shall constitute a material breach of this Agreement. Franchisor's prior written consent shall not be required for transfer of a non-controlling interest in a publicly held corporation. As used in this Agreement, the term "publicly held corporation" means a corporation registered under the Securities and Exchange Act of 1934. Developer acknowledges and agrees that each condition required to be met by a proposed transferee hereunder is necessary to assure the transferee's full performance of its obligations as "Developer."

## **ARTICLE IX. DEFAULT AND TERMINATION**

9.1 This Agreement and all rights granted to Developer hereunder shall automatically terminate if Developer becomes insolvent or makes a general assignment for the benefit of creditors; or if a petition in bankruptcy is filed by Developer or filed against Developer and not opposed by Developer; or if Developer is adjudicated as bankrupt or insolvent; or if a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer; or if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law are instituted by or against Developer; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if Developer is dissolved; or if a suit to foreclose any lien or mortgage against the premises or equipment of Developer is instituted against Developer and not dismissed within thirty (30) days; or if execution is levied against Developer's business or property; or if the real or personal property of Developer is sold after levy thereupon by any sheriff, marshal, or constable.

9.2 Except as otherwise required or prohibited under applicable statute, Developer shall be deemed to be in default, and Franchisor at its option may terminate this Agreement and all rights granted Developer

hereunder, effective immediately upon receipt of notice by Developer and without affording Developer any opportunity to cure the default, upon the occurrence of any of the following events:

9.2.1 If Developer (or if Developer is a corporation, partnership or limited liability company, any principal of Developer) is convicted of a felony, a fraud, a crime involving moral turpitude, or found liable in a civil claim for fraud, or any unfair or deceptive act or practice that Franchisor reasonably believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or Franchisor's interest therein, or if Franchisor reasonably believes that Developer has committed such a felony, crime or offense;

9.2.2 If Developer (or if Developer is a corporation, partnership or limited liability company, any principal of Developer) fails to comply with the in-term covenants in Article XI;

9.2.3 If, contrary to the terms of Article VII, Developer discloses or divulges any Confidential information provided to Developer by Franchisor;

9.2.4 If Developer knowingly maintains false books or records or knowingly submits any false reports to Franchisor, or if Developer made any material misrepresentation or omission related to this Agreement or its application for development rights or any franchise;

9.2.5 If Developer is involved in any act or conduct which materially impairs or otherwise is or may become prejudicial to the goodwill associated with the name "SMOOTHIE KING®" or any of the Proprietary Marks or the System;

9.2.6 If Developer fails to obtain Franchisor's prior approval or consent as required under this Agreement or commits any other breach the nature of which makes it not curable; or

9.2.5 If Developer repeatedly is in default under Section 9.4, for failure to comply with any of the requirements imposed under this Agreement, whether or not cured after notice. The term "repeatedly" is defined as receiving written notice of default three (3) or more times during the term of this Agreement.

9.3 Except as otherwise prohibited or required under applicable statute, if Developer fails to comply with the Schedule, Developer shall have sixty (60) days after receipt from Franchisor of a written Notice of Default within which to cure such default. Developer may cure such default if it opens the Unit within the cure period. If such default is not cured within that time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Developer immediately upon receipt of a written Notice of Termination from Franchisor.

9.4 Except as provided in Sections 9.1, 9.2 and 9.3 hereof, and except as otherwise prohibited or required under applicable statute, Developer shall have thirty (30) days after receipt from Franchisor of a written Notice of Default within which to remedy any default hereunder and provide evidence thereof to Franchisor. If any such default is not cured within that time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Developer immediately upon receipt of a written Notice of Termination from Franchisor. Such defaults include, without limitation, the occurrence of any of the following events:

9.4.1 If Developer fails to submit when due any reports, financial information, or other information or documents required by Franchisor under this Agreement;

9.4.2 If Developer fails to observe or maintain any of the mandatory standards or procedures prescribed by Franchisor in this Agreement, in Franchisor's operations manuals, or otherwise in writing;

9.4.3 If Developer directly or indirectly commences or conducts any business operation or markets any product or service under any name or proprietary mark which, in Franchisor's sole opinion, is confusingly similar to the Proprietary Marks;

9.4.4 If Developer is in default under the terms of any franchise agreement or other development agreement between Franchisor and Developer; or

9.4.5 If Developer fails to obtain execution of the agreements and covenants required under Sections 7.1 and 11.3.

9.5 If Developer is in default of this Agreement for failure to pay any amounts owing to Franchisor, its subsidiaries, affiliates, or divisions, or if Developer has received two (2) or more notices of default under this Agreement in a eighteen (18) month period, then Developer's default under this Agreement is also considered a default under any other franchise or other related agreement that Developer or any of Developer's affiliates may have entered into with Franchisor or its affiliates ("Related Agreements") and Franchisor or its affiliates have the right to immediately terminate the Related Agreement(s). Notwithstanding the foregoing, if Developer received two (2) or more notices of default under this Agreement in an eighteen (18) month period and such defaults were solely related to the failure to operate Developer's business in compliance with the Manuals, then such defaults will not be considered a default under the Related Agreements if Developer has an "engagement score" of over ninety percent (90%), as described in the Manuals.

If Developer or any of Developer's affiliates are in default of any other Related Agreements for failing to pay any amounts owing to Franchisor, its subsidiaries, affiliates, or divisions or if Developer or any of Developer's affiliates have received more than one notice of default under any of the Related Agreements within an eighteen (18) months period, then such defaults are considered a default under this Agreement and Franchisor has the right to immediately terminate this Agreement. Notwithstanding the foregoing, if Developer or any of Developer's affiliates received two (2) or more notices of default under a Related Agreement in an eighteen (18) month period and such defaults were solely related to the failure to operate a SMOOTHIE KING® business in compliance with the Manuals, then such defaults will not be considered a default under this Agreement if Developer has an "engagement score" of over ninety percent (90%), as described in the Manuals.

## **ARTICLE X. OBLIGATIONS UPON TERMINATION OR EXPIRATION**

10.1 Except as set forth herein, upon the expiration of this Agreement, or its termination for any reason, all of Developer's rights hereunder shall terminate. In particular, and without limiting the foregoing, Developer shall:

10.1.1 Immediately deliver to Franchisor or its designee all materials provided by Franchisor relating to development of the Development Area or otherwise containing Confidential Information, including plans, specifications, designs, records, data, samples, models, programs, training tapes, handbooks and drawings, all of which are acknowledged to be Franchisor's property, and retain no copy or record of any of the foregoing except Developer's copy of this Agreement and such documents as Developer reasonably needs to comply with applicable laws;

10.1.2 Promptly pay all sums owing to Franchisor, its subsidiaries, affiliates, and divisions; and

10.1.3 Comply with all requirements under this Agreement which expressly or by reasonable implication apply to Developer's conduct after termination or expiration.

10.2 Termination or expiration of this Agreement shall not affect the rights of Developer to operate Smoothie King Units in accordance with the terms of any other franchise agreements then in effect between Franchisor and Developer.

## **ARTICLE XI. COVENANTS NOT TO COMPETE**

11.1 Developer recognizes that Franchisor has developed and owns the goodwill in the Proprietary Marks and the System, and has a right to be protected against potential for unfair competition from Developer and its Principals through use of Franchisor's training, assistance and Confidential Information. Developer and its Principals each acknowledges and agrees that access to and use of Confidential Information authorized by this Agreement are among the consideration for the restrictive covenants set forth herein, and Developer and its Principals each further acknowledge and agree that these restrictive covenants are necessary to prevent Franchisor from suffering irreparable harm. The foregoing acknowledgements and agreements are a material inducement for Franchisor and its Principals to access and use the Confidential Information.

11.2 Developer and its Principals covenant and agree that during the Term, and for a continuous uninterrupted period of two (2) years following its expiration, termination, or an approved transfer and with respect to a Principal, following the date the Principal ceases to be a Principal under this Agreement, Developer and each of its Principals, as applicable, will not, without Franchisor's prior written consent, either directly or indirectly, for itself or themselves, or through, on behalf of, or in conjunction with, any Person or Entity:

11.2.1 Divert or attempt to divert any actual or prospective business or customer of any Unit to any competitor, by direct or indirect inducement or otherwise.

11.2.2 Do or perform, directly or indirectly, any other act injurious to or prejudicial to the goodwill associated with the Proprietary Marks and the System.

11.2.3 Own, maintain, operate, be employed by, engage in, franchise, lease property to, advise, help, make loans to, or have any interest in, either directly or indirectly, any business that distributes, markets or sells, at wholesale or retail, any nutritional drinks, smoothies, juices or general nutrition products or any other related business that is competitive with or similar to a Smoothie King® Unit ("Competitive Business"). During the Term, this restriction applies to any Competitive Business located within the United States. Following expiration or termination of this Agreement, or the date on which Developer ceases to conduct the business licensed under this Agreement, whichever is later, and with respect to a Principal, following the date the Principal ceases to be a Principal under this Agreement, this restriction will apply to any Competitive Business located: (i) within the Development Area; (ii) at or within five (5) miles of the Development Area; or (iii) within five (5) miles of any Smoothie King® Unit then operating or under construction in the United States or outside the United States.

11.3 At Franchisor's request, Developer shall obtain and deliver executed covenants similar to those set forth in this Article XI from any or all persons who have or may have an ownership interest in Developer or in this Agreement or who receive or have access to training and other information under the System. Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third party beneficiary of such covenants with the independent right to enforce them.

## **ARTICLE XII. TAXES, PERMITS, INDEBTEDNESS**

12.1 Developer shall promptly pay when due all taxes levied or assessed, including without limitation, unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Developer in the development of the Development Area.

12.2 In the event of any bona fide dispute as to Developer's liability for taxes assessed or other indebtedness, Developer may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall Developer permit a

tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, to occur against the property of Developer or any improvements thereon.

12.3 Developer shall comply with all federal, state, and local laws, rules, and regulations, and shall timely obtain all permits, certificates, or licenses necessary for the proper conduct of its business, including licenses to operate, fictitious name registrations, sales tax permits and fire clearances.

12.4 Developer shall notify Franchisor in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of Developer.

12.5 Developer must comply with all laws and regulations relating to privacy and data protection and must comply with any privacy policies or data protection and breach response policies, or any other policies related to data privacy or data use, that Franchisor periodically may establish. Developer must notify Franchisor immediately of any suspected data breach at or in connection with any of the Franchised Businesses or Developer's business operated under this Agreement and must fully cooperate with Franchisor in resolving.

### **ARTICLE XIII. INDEPENDENT CONTRACTOR**

13.1 The parties hereto agree that this Agreement does not create a fiduciary relationship between them; that Developer shall be an independent contractor; and that nothing therein is intended to constitute either party as an agent, representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

13.2 During the term of this Agreement, Developer shall hold itself out to the public as an independent contractor operating pursuant to an area development agreement from Franchisor. Developer agrees to take such action as may be necessary to do so.

13.3 Nothing in this Agreement authorizes Developer to make any agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or obligation in Franchisor's name; and Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of any such action; nor shall Franchisor be liable by reason of any act or omission of Developer in the conduct of its business or for any claim or judgment arising therefrom against Developer or Franchisor.

### **ARTICLE XIV. INDEMNIFICATION**

14.1 Developer shall indemnify and hold harmless Franchisor, its affiliates, successors and assigns and respective directors, officers, employees, agents and representatives of each (collectively, the "Indemnitees"), from all losses and expenses, which shall include, without limitation, all losses, expenses, damages, costs, settlement amounts, judgments, and attorneys' fees, incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which (i) arises out of or is based upon any acts, errors or omissions, or breach of any contract or regulation by Developer or any of its agents, servants, employees, contractors, partners, affiliates or representatives; or (ii) is related to Developer's operation of its business hereunder or any Franchised Business.

14.2 Notwithstanding anything to the contrary in this Article XIV, nothing in this Agreement shall obligate Developer to indemnify any of the Indemnitees for losses and expenses arising out of or based upon such Indemnitees' gross negligence or intentional misconduct.

14.3 If any action, suit, proceeding, claim, demand, inquiry or investigation as described in Section 14.1 be commenced or asserted (a "Claim"), in respect of which one or more Indemnitees proposes to demand indemnification from Developer, Developer will be given notice thereof as soon as practicable and shall have the right, exercisable by written notice to the Indemnatee delivered within ten days after Developer is

notified of the Claim, to join in the defense, compromise, or settlement thereof through its own attorneys and at its own expense. If Developer exercises its right to join the defense, compromise, or settlement of a Claim as permitted above, decisions concerning strategy, procedure, defenses, cross-claims, counterclaims, compromise and settlement shall be made by mutual consent of the Indemnatee and Developer, provided that if such parties cannot agree between themselves on a decision that is material to the handling of the Claim, the Indemnatee shall have the option to either:

- (a) take over complete control of the Claim and release Developer from its indemnity liability to the Indemnatee with respect to that particular Claim, or
- (b) turn over complete control of the Claim to Developer and demand indemnification from Developer under the indemnity provisions of this Article XIV.

14.4 Regardless of whether the defense of any Claim is being undertaken by the parties jointly or by either of them alone as provided in Section 14.3, the parties each agree with the other to aid in the conduct of such defense to any reasonable extent, including furnishing each other with records or documents related to the Claim, permitting employees connected with the Claim to testify at depositions or in court, and complying with any other reasonable request made by the other party in defense of the Claim.

#### **ARTICLE XV. APPROVALS AND WAIVERS**

15.1 Whenever this Agreement requires the prior approval or consent of Franchisor, Developer shall make a timely written request to Franchisor, and such approval or consent shall be obtained in writing.

15.2 Franchisor makes no warranties or guarantees upon which Developer may rely, and assumes no liability or obligation to Developer by providing any waiver, approval, consent, or suggestion to Developer in connection with any consent.

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

#### **ARTICLE XVI. NOTICES**

16.1 All written notices and reports permitted or required to be delivered under this Agreement will be deemed delivered (i) when delivered by hand, (ii) one (1) business day after being placed with a recognized overnight delivery service, (iii) three (3) business days after being placed in the U.S. Mail by certified or registered mail, return receipt requested, or (iv) when sent electronically to the email address most recently provided to the sender by the recipient with the subject line "LEGAL NOTICE." All notices must be addressed to the party to be notified at the address stated below or at such other address as may have been designated in writing to the other party.

As of the Effective Date, the addresses for notices sent pursuant to the terms of this Agreement are:

**Developer:** \_\_\_\_\_  
**Address for Notices:** \_\_\_\_\_  
**Attention:** \_\_\_\_\_  
**Email:** \_\_\_\_\_

**Franchisor:** **Smoothie King Franchises, Inc., a Texas corporation**

**Address for Notices:** 9797 Rombauer Road, Suite 150  
Coppell, Texas 75019  
**Attention:** Legal Department  
**Email:** Legal@smoothieking.com

## **ARTICLE XVII. ENTIRE AGREEMENT**

17.1 This Agreement, the documents referred to herein and the attachments hereto constitute the entire, full, and complete Agreement between Franchisor and Developer and any other parties hereto concerning the subject matter of this Agreement, and supersede all prior agreements. Developer expressly acknowledges that no other representations have induced Developer and/or any other parties hereto to execute this Agreement. No representations, inducements, promises, or agreements, oral or otherwise, not embodied herein or attached hereto were made by any party, and none shall be of any force or effect with reference to this Agreement or otherwise. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim the representations Franchisor made in the "Franchise Disclosure Document" that Franchisor furnished to Developer.

17.2 Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change, variance or cancellation of this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

## **ARTICLE XVIII. SEVERABILITY AND CONSTRUCTION**

18.1 Except as expressly provided to the contrary herein, each portion, section, part, term and/or provision of this Agreement shall be considered severable; and if, for any reason, a portion, section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereof; and said invalid portions, sections, parts, and/or provisions shall be deemed not to be a part of this Agreement.

18.2 Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Developer, Franchisor, Franchisor's officers, directors, and employees, and such of Developer's and Franchisor's respective successors and assigns as may be contemplated (and, as to Developer, permitted) by Article VIII, any rights or remedies under or by reason of this Agreement.

18.3 Developer expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

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

18.5 All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable; and all acknowledgments, promises, covenants, agreements, and obligations herein made or undertaken by Developer shall be deemed jointly and severally undertaken by all those executing this Agreement. For purposes of this Agreement, the term "including" means including without limitation.

18.6 This Agreement shall be effective and binding on Franchisor only when executed on behalf of Franchisor by an officer expressly authorized by resolution of Franchisor's Board of Directors.

18.7 This Agreement (and the relationship of the parties which arises from this Agreement) grants Franchisor the right to make decisions, take actions and/or refrain from taking actions which are not inconsistent with Developer's explicit rights hereunder or under applicable law and that may affect favorably or adversely Developer's interest. Developer acknowledges and agrees that Franchisor may operate and change the System and Franchisor's business in any manner within its "reasonable business judgment," so long as not expressly and specifically prohibited by this Agreement or applicable law. Franchisor may make its decision or exercise its right and/or discretion on the basis of its judgment of what is in its best interests and in the best interests of the System, at the time Franchisor's decision is made, without regard to: (1) whether other reasonable or even arguably preferable alternative decisions or actions could have been made by Franchisor; (2) whether Franchisor's decision or the action it takes promotes its financial or other individual interest; (3) whether Franchisor's decision or the action it takes applies differently to Developer and other developers; or (4) whether Franchisor's decision or the exercise of its rights is adverse to Developer's individual interest or the individual interests of any other developers. Franchisor will have no liability to Developer for any such decision or exercise of its rights. The parties hereto recognize that it is in the best interest of the System that Franchisor's exercise and discretion in making decisions concerning the System be given the same latitude that corporate boards of directors are given respecting decisions concerning the direction of their companies. Neither Developer nor any third party (including a trier of fact) will substitute its judgment for Franchisor's reasonable business judgment.

#### **ARTICLE XIX. APPLICABLE LAW AND ENFORCEMENT**

19.1 Developer acknowledges that Franchisor may grant numerous development agreements and franchises throughout the United States on terms and conditions similar to those set forth in this Agreement, and that it is of mutual benefit to Developer and to Franchisor that these terms and conditions be uniformly interpreted. Therefore, the parties agree that this Agreement takes effect upon its acceptance and execution by Franchisor and, subject to Franchisor's rights under federal trademark law, shall be interpreted and construed (exclusive of the conflicts of laws rules) under Texas law.

19.2 The parties agree that any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties will be brought in the Federal District Court for the Northern District of Texas or in state court in the judicial district in which Franchisor has its principal place of business. Both parties hereto irrevocably admit themselves to, and consent to, the jurisdiction of such courts. The provisions of this subsection will survive the termination of this Agreement. Developer is aware of the business purposes underlying the language of this subsection and agrees to be bound in the manner stated.

19.3 Waiver of Punitive and Consequential Damages. **Franchisor and Developer (and their respective owners and guarantors, if applicable) agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them, each will be limited to the recovery of actual damages sustained by it.**

19.4 Jury Waiver. **Franchisor and Developer hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.**

19.5 Nothing herein contained shall bar Franchisor's right to obtain injunctive relief in any court against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.



19.6 The non-prevailing party will pay all costs and expenses, including reasonable attorneys' fees, and all interest on such costs and expenses, that the prevailing party incurs in any action brought to enforce any provision of this Agreement, to enjoin any violation of this Agreement or to intervene in any action brought by the other party hereto.

19.7 Developer represents and warrants that neither Developer, any Principal, nor any officer, director, manager, member or employee of Developer or Principal is named or will be named as "Specially Designated Nationals" or "Blocked Persons" as designated by the U.S. Department of Treasury. No governmental authority, official of an international organization, political party or official of any political party, or candidate for public office has any direct or indirect equity interest or any interest in Developer's revenues or profits. Neither Developer nor any Principal has or will act directly or indirectly on behalf of any governmental authority subject to sanction. Developer and all Principals have had a full and adequate opportunity to be advised by legal counsel regarding, and each represents and warrants that it/he/she complies with all legal requirements that prohibit unfair, fraudulent or corrupt business practices, including the United States Foreign Corrupt Practices Act and the International Money Laundering Abatement and Anti-Terrorist Financing Act. Developer shall, and shall ensure that any of its affiliates, shareholders, officers, directors, employees, and any other third-party representative shall comply with any applicable anti-corruption and/or anti-bribery regulations, in connection with its performance under this Agreement. Developer shall notify Franchisor immediately if it learns at any time during the term of this Agreement of the actual or possible breach of this clause. Developer shall cooperate fully with Franchisor in regard to any matter, dispute or controversy related to this Agreement.

#### **ARTICLE XX. ACKNOWLEDGMENTS**

20.1 Developer acknowledges that it has conducted an independent investigation of the Smoothie King System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Developer as an independent business person. Franchisor expressly disclaims the making of, and Developer acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

20.2 Developer acknowledges that it received a copy of the complete Area Development Agreement, the Attachments thereto, and agreements relating thereto, if any, at least seven (7) calendar days prior to the date on which this Agreement was executed. Developer further acknowledges that it received the disclosure statement required by the Trade Regulation Rule of the Federal Trade Commission entitled "Franchise Disclosure Document" at least fourteen (14) calendar days prior to the date on which this Agreement was executed.

20.3 Developer acknowledges that it has read and understood this Agreement, the Attachments hereto, and any agreements relating thereto, and that Franchisor has accorded Developer ample time and opportunity to consult with advisers of Developer's own choosing about the potential benefits and risks of entering into this Agreement.

*[Signatures appear on the following page.]*

IN WITNESS WHEREOF, this Agreement is made effective as of the date signed by Franchisor below.

WITNESSES:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**DEVELOPER:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISOR:**

Smoothie King Franchises, Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT A TO  
AREA DEVELOPMENT AGREEMENT**

**DEVELOPMENT AREA DESCRIPTION**

The Development Area referred to in Section 3.1 of the Area Development Agreement is described as follows:

**The area defined at the Effective Date of this Agreement as:**

See the attached map of the \_\_\_\_\_ metropolitan area. The boundaries of the Development Area are highlighted. Most of the boundaries of the Development Area constitute streets, county lines or natural landmarks such as rivers, lakes or other bodies of water. With respect to streets and county lines, the Development Area will extend to the middle of such street or county line. As to natural landmarks such as rivers and lakes or other bodies of water, the Development Area shall extend to the shoreline of such body of water. If the boundary of the Development Area does not follow a street, political line or natural landmark, then the boundary line will be interpreted to extend in a straight line from the last point of reference to the next.

[or]

The area located within the boundaries of \_\_\_\_\_ County, \_\_\_\_\_.

Initial \_\_\_\_\_

Dev. Area \_\_\_\_\_

**ATTACHMENT B TO  
AREA DEVELOPMENT AGREEMENT**

**DEVELOPMENT SCHEDULE**

Developer agrees to have the designated number of Smoothie King Units open and in operation in the Development Area in accordance with the following schedule:

Total Number of Developer's Units Open and In Operation In the Development Area	By (Date)
TOTAL UNITS	

Initial \_\_\_\_\_

**ATTACHMENT C TO  
AREA DEVELOPMENT AGREEMENT**

**GUARANTY AGREEMENT**

In consideration of Smoothie King Franchises, Inc.'s (the "Franchisor") execution of that certain Area Development Agreement of even date (the "Agreement") with \_\_\_\_\_ (the "Developer"), each of the undersigned (a "Guarantor") jointly and severally agree as follows:

A. Guarantors personally and unconditionally guarantee to Franchisor and its successors and assigns that: (i) Developer will timely pay Franchisor and its affiliates all monies Developer owes to Franchisor and its affiliated and related entities, including all monies payable by Developer under the Agreement; (ii) Developer will timely perform all other undertakings, agreements and covenants stated in the Agreement; and (iii) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (collectively, "Development Agreement Obligations").

B. Each of the Guarantors waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he/she may have to require that an action be brought against Developer or any other person as a condition of liability.

C. Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, Developer and the other Guarantors of Developer;

(2) Guarantor will make any payment or perform any Development Agreement Obligation upon demand if Developer fails to do so;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of Developer or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which Franchisor may grant to Developer, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) Franchisor may proceed against Guarantor and Developer jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Developer or any other Guarantor; and

(6) Guarantors will indemnify, defend and hold harmless Franchisor and its affiliates, and their respective shareholders, directors, employees, and agents, against and from all losses, damages, costs, and expenses, which Franchisor or its affiliates may sustain, incur, or become liable for as a result of:

a. Developer's or Guarantor's failure to pay or perform any of the Development Agreement Obligations; or

b. any action by Franchisor to obtain performance by Developer of any act, matter, or thing required by the Agreement.

(7) Guarantor will pay all attorneys' fees and all costs and other expenses Franchisor incurs in enforcing this Guaranty against Guarantor or any negotiations relative to the obligations hereby guaranteed.

This Guaranty will terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the Guarantors which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the Developer or the Guarantors, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guaranty, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Guarantors will continue in full force and effect.

The provisions of Articles XVII through XIX of the Agreement will apply as to any interpretation or enforcement of this Guaranty, and the provisions of Article XVI of the Agreement will apply to any notice to either party, except that notice to Guarantors will be provided at the following alternative address (if applicable):  
\_\_\_\_\_. If no address is provided, any notice to Guarantors will be sent to the address designated in Article XVI of the Agreement.

Each of the undersigned has signed this Guaranty as of the same day and year as the Agreement was executed.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Printed Name:  
Signed in his or her Individual Capacity

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Printed Name:  
Signed in his or her Individual Capacity

ACCEPTED BY:  
Smoothie King Franchises, Inc.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **EXHIBIT G**

### **SMOOTHIE KING MANUALS—TABLE OF CONTENTS**

## SMOOTHIE KING MANUALS TABLE OF CONTENTS

<b>Subject</b>	<b>Estimated Number of Pages</b>
Contacts	16
Job Aids & Laminates	76
Marketing and Artwork	120
Development & Real Estates	12
Design & Construction	32
Profitability	28
Suppliers	50
Ops Excellence	150
POS & IT Help	85
Retail	30
Digital Sales – 3 <sup>rd</sup> Party Vendors	20
Management Training	12
Team Member Managements	25
Franchise Advisory Council (FAC)	120
POS Crash Kit	12
Training Videos	N/A [videos]
Transfers	20
New Stores	25
The Blend	25
<b>TOTAL</b>	<b>858</b>



**EXHIBIT H**

**FORM RELEASE OF CLAIMS**

## RELEASE OF CLAIMS

**THIS IS A CURRENT RELEASE FORM THAT GENERALLY WILL BE USED WITH OR INCORPORATED  
INTO A SEPARATE AGREEMENT.  
THIS FORM IS SUBJECT TO CHANGE OVER TIME.**

For and in consideration of the Agreements and covenants described below, Smoothie King Franchises, Inc. ("Smoothie King") and \_\_\_\_\_ ("Franchisee") enter into this Release of Claims ("Agreement").

### RECITALS

- A. Smoothie King and Franchisee entered into a Smoothie King Franchise Agreement dated \_\_\_\_\_, \_\_\_\_.
- B. [NOTE: Describe the circumstances relating to the release.]

### AGREEMENTS

1. **Consideration.** [NOTE: Describe the consideration paid.]
- 2-3. [NOTE: Detail other terms and conditions of the release.]
4. **Release.** Franchisee hereby releases Smoothie King, its officers, directors, shareholders, and agents, and their respective successors, assigns, heirs, and personal representatives, from all debts, representations, agreements, liabilities, actions, and causes of action of every kind and nature arising out of or relating to the Franchise Agreement between Smoothie King and Franchisee, the offer and sale of that franchise and the franchise relationship between the parties.
5. **General.** No amendment to this Agreement or waiver of the rights or obligations of either party shall be effective unless in writing signed by the parties. This Agreement is governed by the laws of the State of \_\_\_\_\_ without regard to conflicts of laws principles. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. This Agreement contains the entire agreement and understanding of the parties concerning the subject matter of this Agreement. [NOTE: Detail other miscellaneous provisions.]

FRANCHISEE:

SMOOTHIE KING FRANCHISES, INC.

By:  
Its:  
Date:

By:  
Its:  
Date:

**EXHIBIT I**  
**STATE SPECIFIC ADDENDA**

**CALIFORNIA ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to the California Franchise Investment Act and modifies information stated in the main body of the FDD.

1. THE CALIFORNIA INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

2. The Franchisor's website is found at [www.smoothieking.com](http://www.smoothieking.com).

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. 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](http://www.dfpi.ca.gov).

3. Item 3. Item 3 is amended to provide that neither we nor any other person identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association.

4. Item 17. Item 17 of the disclosure document is amended to include the following additional provisions:

- (a) California Business & Professions Code Sections 20000 through 20043 provide rights to you concerning termination or nonrenewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
- (b) The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).
- (c) 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.
- (d) You must sign a general release if you transfer your franchise. This provision may be unenforceable under California law. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations 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).
- (e) The franchise agreement requires that any cause of action, claim, suit or demand be brought in Federal District Court for the Northern District of Texas or in the state court in the judicial district in which the franchisor has its principal place of business. You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.
- (f) The franchise agreement may contain a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- (g) The franchise agreement requires the parties to waive any and all rights to a jury trial. This provision may not be enforceable under California law.
- (h) Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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

**HAWAII ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

**ILLINOIS ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to the Illinois Franchise Disclosure Act of 1987 and modifies information stated in the main body of the FDD.

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

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

**MARYLAND ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to Maryland statutes and regulations and modifies information stated in the main body of the FDD.

1. Item 17. Item 17 of the disclosure document is amended to include the following additional provisions:
  - (a) Any claims arising under the Maryland Franchise Registration and Disclosure law must be brought within 3 years after we grant you a Smoothie King franchise.
  - (b) Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.)
  - (c) Any claims under the Maryland Franchise Registration and Disclosure law may be brought in the State of Maryland.
  - (d) The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
  - (e) No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.



**MINNESOTA ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to Minnesota statutes and regulations and modifies information stated in the main body of the FDD.

1. Item 13. We will indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding arising out of your use of any Proprietary Mark that complies with the Franchise Agreement. We will also reimburse you for all costs that you reasonably incur in defending any such claim brought against you in any proceeding in which you are named as a party. You must timely notify us of such claim or proceeding and comply with the Franchise Agreement.

2. Item 17.

(a) Minnesota law provides you with certain termination and nonrenewal rights. As of the date of this disclosure document, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

(b) Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or Franchise Agreement can eliminate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

(c) No release language stated in the Franchise Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota, provided that this part will not bar the voluntary settlement of disputes.

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

**NEW YORK ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to New York statutes and regulations and modifies information stated in the main body of the FDD.

1. Cover Page. **We may, if we choose, negotiate with you about items covered in the Franchise Disclosure Document. However, we cannot use the negotiating process to require you to accept terms which are less favorable than those stated in this disclosure document.**

2. Item 3. Except as described below, neither we, our affiliates or any person identified in Item 2 of this disclosure document:

A. 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, including 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.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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.

C. 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. Item 4. Neither we, our affiliates or any officers identified in Item 2 of this disclosure document has, during the 10-year period preceding the date of this disclosure document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the 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 one year after the officer of franchisor held this position in the company.

4. Item 17(c). Item 17(c) of the disclosure document is amended to provide that all rights arising in your favor from the provisions of Article 33 of the Gen. Bus. Law of the State of New York and the regulations issued thereunder will remain in force; it being the intent of this proviso that the non-waiver provisions of Gen. Bus. Law sections 687.4 and 687.5 be satisfied.

5. Item 17(j). Item 17(j) of the disclosure document is amended to provide that no assignment will be made by us, except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement.

6. We represent that this Prospectus does not knowingly omit any material fact or contain any untrue statement of a material fact.

**NORTH DAKOTA ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to North Dakota statutes and regulations and modifies information stated in the main body of the FDD.

**THE NORTH DAKOTA SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09) AND THE FOLLOWING MAY NOT BE ENFORCEABLE UNDER NORTH DAKOTA LAW:**

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchisees to consent to the waiver of a trial by jury.
7. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damages.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

**WASHINGTON ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the Smoothie King 2025-2026

agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

**11. Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

**12. Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

**13. Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

**14. Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

**15. Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

**16. Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**17. Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**18. Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

**WISCONSIN ADDENDUM TO  
SMOOTHIE KING  
DISCLOSURE DOCUMENT**

The following information applies to franchises and franchisees subject to the Wisconsin Fair Dealership Law and modifies the information stated in the main body of the FDD.

1. Item 17.
  - (a) For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.
  - (b) For Wisconsin franchisees, Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract which is inconsistent with the Law.

**CALIFORNIA ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in California and is intended to comply with California statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Sections 2.2.7 and 15.5.4 of the Franchise Agreement require Franchisee to sign a general release of claims. This provision may not be enforceable under California law.
2. Article 17 of the Franchise Agreement contains a covenant not to compete which extends beyond the term of the franchise. This provision may not be enforceable under California law.
3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Except as amended herein, the Franchise Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**ILLINOIS ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Illinois and is intended to comply with Illinois statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:  
Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

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

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By



**MARYLAND ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Sections 2.2.7 and 15.5.4 are amended to provide that the general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability incurred under the Maryland Franchise Registration and Disclosure Law.
2. Section 25.5 is amended to provide that Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
3. Section 26.1 is amended to provide that Texas law will not apply to a claim arising under the Maryland Franchise Registration and Disclosure Law. Section 26.1 is further amended to provide that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the date of the Franchise Agreement.
4. Any provision in the Agreement that requires Franchisee to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law is not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. Article XXVI is deleted in its entirety.
7. Except as amended herein, the Franchise Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**MINNESOTA ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Minnesota and is intended to comply with Minnesota statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Franchisor will undertake the defense of any claim of infringement by third parties involving the SMOOTHIE KING® mark, and Franchisee will cooperate with the defense in any reasonable manner Franchisor directs with any direct cost of such cooperation to be borne by Franchisor.
2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 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 nonrenewal of the Franchise Agreement.
3. Section 25.1 of the Agreement is amended by replacing the second sentence with the following:

Franchisor and Franchisee agree that if Franchisee breaches or threatens to breach any of the terms of this Agreement, Franchisor will be entitled to seek an injunction restraining such breach or to a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining such equitable relief, until such time as a final and binding determination is made by the court.
4. No release language stated in the Franchise Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota, provided that this part will not bar the voluntary settlement of disputes.
5. Except as amended herein, the Franchise Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**NEW YORK ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in New York and is intended to comply with New York statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Sections 2.2.7 and 15.5.4 of the Franchise Agreement are amended to provide that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this provision that the applicable nonrenewal or termination provisions of the General Business Law be satisfied.
2. Section 26.1 of the Franchise Agreement is amended by adding the following sentence at the end of such Section: "The foregoing should not be considered a waiver of any right that either Franchisor or Franchisee may have under the General Business Law of the State of New York, Article 33."
3. Except as amended herein, the Franchise Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**NORTH DAKOTA ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in North Dakota and is intended to comply with North Dakota statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

**THE NORTH DAKOTA SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09) AND THE FOLLOWING MAY NOT BE ENFORCEABLE UNDER NORTH DAKOTA LAW:**

1. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
2. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
3. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
4. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
5. Waiver of Trial by Jury: Requiring North Dakota Franchisees to consent to the waiver of a trial by jury.
6. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damages.
7. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
8. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
9. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**RHODE ISLAND ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Rhode Island and is intended to comply with Rhode Island statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. The Rhode Island Franchise Investment Act (the “Act”) at Section 19-28.1-14 provides that “a provision in a franchise agreement restricting jurisdiction or venue to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”
2. Except as amended herein, the Franchise Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**WASHINGTON ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT AND ALL RELATED AGREEMENTS**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

**1. Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

**2. Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

**3. Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

**4. General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

**5. Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

**7. Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

**8. Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**9. Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

**10. Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

**11. Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

**12. Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

**13. Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

**14. Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

**15. Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

**16. Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**17. Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**18. Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**WISCONSIN ADDENDUM TO  
SMOOTHIE KING  
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Wisconsin and is intended to comply with Wisconsin statutes and regulations. In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Article 14 of the Agreement pertaining to Defaults and Terminations is amended as follows:

Franchisee will provide you at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that Franchisee have 60 days in which to cure any claimed deficiency. If the deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, Franchisee will be entitled to written notice of such default, and will have not less than 10 days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between you and us inconsistent with the Law.

3. Except as amended herein, the Franchise Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its \_\_\_\_\_

By  
Its



**MARYLAND ADDENDUM TO  
SMOOTHIE KING  
AREA DEVELOPMENT AGREEMENT**

This Addendum relates to franchises sold in Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the Area Development Agreement, Franchisor and Franchisee agree to amend the Area Development Agreement as follows:

1. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
2. Article XX is deleted in its entirety.
3. Except as amended herein, the Area Development Agreement will be construed and enforced with its terms.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**WASHINGTON ADDENDUM TO  
SMOOTHIE KING  
AREA DEVELOPMENT AGREEMENT AND ALL RELATED AGREEMENTS**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

**1. Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

**2. Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

**3. Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

**4. General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

**5. Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

**7. Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

**8. Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**9. Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

**10. Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

**11. Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

**12. Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

**13. Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

**14. Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

**15. Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

**16. Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**17. Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**18. Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

FRANCHISEE:

Smoothie King Franchises, Inc.

By \_\_\_\_\_  
Its

By

**EXHIBIT J**

**STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

**STATE ADMINISTRATORS AND  
AGENTS FOR SERVICE OF PROCESS**

<b>STATE</b>	<b>STATE ADMINISTRATOR/AGENT</b>	<b>ADDRESS</b>
California	Commissioner of Financial Protection and Innovation California Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21 <sup>st</sup> Floor New York, NY 10005 212-416-8236
New York (Agent)	New York Department of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 518-473-2492
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 68-2 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 East Main Street, 9th Floor Richmond, VA 23219 804-371-9051

Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705

**EXHIBIT K**

**STATE EFFECTIVE DATES AND RECEIPTS**

### **State Effective Dates**

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

This 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:

<b>State</b>	<b>Effective Date</b>
California	April 11, 2025
Hawaii	Pending
Illinois	April 11, 2025
Indiana	April 11, 2025
Maryland	Pending
Michigan	April 11, 2025
Minnesota	Pending
New York	April 11, 2025
North Dakota	Pending
Rhode Island	April 16, 2025
South Dakota	Pending
Virginia	Pending
Washington	April 15, 2025
Wisconsin	April 17, 2025

Other states may require registration, filing or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.



## Receipt

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Smoothie King Franchises, Inc. ("Smoothie King") offers you a franchise, Smoothie King must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Smoothie King or our affiliate in connection with the proposed franchise sale. Iowa and New York require that Smoothie King gives you this disclosure document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that Smoothie King gives you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Smoothie King does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and those state administrators listed on Exhibit K.

The franchisor is Smoothie King Franchises, Inc. located at 9797 Rombauer Road, Coppell, TX 75019. Its telephone number is (214) 935-8900.

Issuance Date: April 11, 2025

The franchise seller(s) involved in offering and selling the franchise to you is/are circled below. The address and telephone number for each are 9797 Rombauer Road, Coppell, TX 75019, (214) 935-8900.

Shawn Caric	Steve Osler	Jim DiOrio	Chad Tramuta
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Smoothie King authorizes the respective state agencies identified on Exhibit K to receive service of process for us in the particular state.

I have received a disclosure document dated April 11, 2025, that included the following Exhibits:

- |   |   |
|---|---|
| A. List of Smoothie King Franchisees                              | F. Area Development Agreement                   |
| B. List of Former Franchisees                                     | G. Smoothie King Manuals—Table of Contents      |
| C. Audited Financial Statements of Smoothie King Franchises, Inc. | H. Form Release of Claims                       |
| D. Franchise Agreement  | I. State Specific Addenda                       |
| E. Franchise Agreement Addendum – Non-Traditional Location        | J. State Agencies/Agents for Service of Process |
|   | K. State Effective Dates and Receipts           |

Date:  
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Copy for Franchisee

## 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 Smoothie King Franchises, Inc. ("Smoothie King") offers you a franchise, Smoothie King must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Smoothie King or our affiliate in connection with the proposed franchise sale. Iowa and New York require that Smoothie King gives you this disclosure document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that Smoothie King gives 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.

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| E. Franchise Agreement Addendum – Non-Traditional Location        | K. State Effective Dates and Receipts           |
| F. Area Development Agreement                                     |   |

Date:  
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Copy for Smoothie King Franchises, Inc.

Please sign and date both copies of this receipt, keep one copy (the previous page) for your records, and mail one copy (this page) to the address listed on the front page of this disclosure document or send to the Smoothie King Franchise Development Department by email to [franchise@smoothieking.com](mailto:franchise@smoothieking.com) or by fax to (985) 635-6987.