BC LICENSING LLC
FRANCHISE DISCLOSURE DOCUMENT

BC Licensing LLC
a Nevada Limited Liability Company
10845 Griffith Peak Drive
Suite 520
Las Vegas, NV 89135
Telephone: 702-214-5585
franchise@bigchicken.com
www.bigchicken.com

Franchised Business: We offer franchisees the right to operate a fast-casual restaurant under the Big Chicken trademarks and business systems featuring chicken sandwiches and chicken tenders with side dishes, salads, ice cream, and other desserts.

Total Initial Investment: The total investment necessary to begin operation of a Big Chicken restaurant ranges from $681,500 to $1,535,500. This includes $40,000 that must be paid to the franchisor or affiliate.

In addition to Restaurant-level initial investment expenses that you will have, the total investment necessary to begin operation as an area developer depends on the number of restaurants you commit to open. If you want development rights, you must pay the franchisor or its affiliate a development fee equal to $40,000 (the initial franchise fee for the first Big Chicken Restaurant) plus a deposit of $20,000 per Big Chicken Restaurant for the second and each additional Big Chicken Restaurant you will develop (you must develop a minimum of 2 Big Chicken restaurants).

This Disclosure Document summarizes certain provisions of your License 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 Samuel Stanovich, Senior Vice President, Franchise Leadership, BC Licensing LLC, 10845 Griffith Peak Drive, Suite 520, Las Vegas, NV 89135 (telephone: 702-214-5585); franchise@bigchicken.com.

The terms of your contract will govern your franchise relationship. Do not rely on the Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this Disclosure Document to an advisor, such as a lawyer or an accountant.

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

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

Issuance Date: April 30, 2025

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

Business model can change. The License 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 License 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 License Agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your License 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 License 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 B.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The License Agreement and Development Agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Nevada. 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 Nevada than in your own state.

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

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

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

5. **Mandatory Minimum Payments**. You must make minimum 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.

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List of Exhibits

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

Terminology.

To simplify the language in this Franchise Disclosure Document ("***Disclosure Document***"), "***Company***," "***us***," "***we***" and "***our***" refer to BC Licensing LLC, the franchisor. We refer to a person who buys a franchise from us as "***you***." If you are a corporation, limited liability company, partnership or other business entity, "you" also includes your owners. In this Disclosure Document, we refer to you as our franchisee.

The Franchisor and any Parent Companies, Predecessors, and Affiliates.

We are a Nevada limited liability company formed on February 13, 2020, for the purpose of administering the Big Chicken restaurant franchise program, and have offered franchises of the type you will be operating since April of 2021. Our principal place of business is 10845 Griffith Peak Drive, Suite 520, Las Vegas, NV 89135 (telephone: 702-214-5585). We conduct business under the name "Big Chicken."

Exhibit B lists our agents for service of process. We have no predecessors.

Our parent company is BCIP LLC, a Nevada limited liability company, formed on June 13, 2018 ("***Parent Company***"). Its principal place of business is 10845 Griffith Peak Drive, Suite 520, Las Vegas, NV 89135. Our Parent Company owns or has the right to use, as indicated in Item 13, the "***Intellectual Property***", which it licenses to us to use and sublicense to our franchisees.

Our Parent Company owns and operates Big Chicken restaurants through: (i) its majority-owned subsidiary BCLV, LLC, a Nevada limited liability company, formed on November 20, 2017, and (ii) its wholly owned subsidiary, BCLV2, LLC, a Nevada limited liability company, formed on January 5, 2022.

Craveworthy Brands LLC, a Nevada limited liability company ("***CW***"), is the managing partner and an investor of our Parent Company. Through common ownership by CW, whose principal business address is 755 Schneider Drive, South Elgin, IL 60177, the following entities are our affiliates:

WIO Franchising LLC, a Nevada limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the Wing It On! trademark for Wing It On! franchises since February 2023; its predecessor offered franchises from January 2020 to January 2023. As of December 31, 2024, there were 8 franchised Wing It On! franchised businesses.

Krafted Burgers Franchise LLC, an Illinois limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the Krafted Burger Bar + Tap trademark for Krafted Burger Bar + Tap franchises since 2023. As of December 31, 2024, there were 0 franchised Krafted Burger Bar + Tap businesses.

The Budlong Franchise Nevada LLC, a Nevada limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the Budlong Hot Chicken trademark for Budlong Hot Chicken franchises since April 2023. As of December 31, 2024, there were 0 franchised Budlong Hot Chicken businesses.

The Lucky Cat Poke LLC, an Illinois limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the Lucky Cat Poke trademark for Lucky Cat Poke franchises since 2023. As of December 31, 2024, there were 0 franchised Lucky Cat Poke businesses.

Genghis Grill Franchise LLC, a Nevada limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the Genghis Grill trademark for Genghis Grill franchises since July 2023; its predecessor offered franchises from January 2005 to July 2023. As of December 31, 2024, there were 5 franchised Genghis Grill franchised businesses.

BD's Mongolian Grill Franchise LLC, a Nevada limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the BD's Mongolian Grill trademark for BD's Mongolian Grill franchises since July 2023; its predecessor offered franchises from December 1995 to July 2023. As of December 31, 2024, there were 8 franchised BD's Mongolian Grill franchised businesses.

Dirty Dough Franchising LLC, a Utah limited liability company having a principal business address of 632 N. 2000 W., Lindon, UT 84042, which has offered franchises under the Dirty Dough trademark for Dirty Dough franchises since 2021. As of December 31, 2024, there were 59 franchised Dirty Dough businesses.

Sigri Franchise LLC, a Nevada limited liability company having a principal business address of 755 Schneider Drive, South Elgin, IL 60177, which has offered franchises under the Sigri Indian BBQ trademark for Sigri Indian BBQ franchises since March 2025. As of April 30, 2025, Sigri Franchise LLC had sold 1 Sigri Indian BBQ franchise although the location was not yet open.

We have no parents or affiliates who currently provide products or services to franchisees of Big Chicken restaurants, although our parents or affiliates may do so in the future. Other than as listed above, we have no parents or affiliates who have offered or currently offer franchises in any lines of business.

In the future, we may become affiliated with other companies that offer restaurant franchises or franchises in other lines of business. Similarly, we may form or acquire one or more companies that are affiliates of ours that, among other things, may offer to sell goods or services to our franchisees.

While our Parent Company currently operates 2 Big Chicken restaurants as of December 31, 2024, we do not operate any Big Chicken restaurants or any other businesses of the type that we franchise except for 17 Big Chicken restaurants in non-traditional venues as of December 31, 2024, which are not similar to franchises of the type you will be operating. We have not in the past nor currently engage in any other business activities besides administering the Big Chicken franchise program and have never offered franchises in any other line of business.

The Franchises We Offer.

Big Chicken is a fast-casual restaurant concept that features freshly-prepared chicken sandwiches and chicken tenders along with an assortment of side dishes, salads, ice cream, and non-alcoholic and alcoholic beverages.

Big Chicken restaurants range in size generally from 1,800 to 2,800 square feet.

We offer franchises to qualified area developers that agree to open a specific number of Big Chicken restaurants ("***Development Quota***") in a specified geographic area ("***Development Territory***") by specific development deadlines ("***Development Deadlines***"). We will mutually agree upon the Development Quota, Development Territory and Development Deadlines before you sign the Development Agreement (Exhibit D). You must sign a License Agreement for the first Big Chicken restaurant when you sign the Development Agreement, and will sign a separate License Agreement (Exhibit C) for each additional Big Chicken restaurant in your Development Quota when you obtain site approval for the new Big Chicken restaurant. Each License Agreement awards the right to own and operate one Big Chicken restaurant ("***Restaurant***") at an approved location which is a location that you identify and which we approve following our site selection procedures and which is identified by the Licensed Marks (as defined in Item 13) and other distinctive branding and trade dress elements that we designate ("***Approved Location***").

Occasionally, we may offer single unit franchises awarding the right to open just one Big Chicken restaurant on the terms of our License Agreement (Exhibit C), but our franchising strategy is to grow through area development.

The License Agreement (Exhibit C) explains the requirements of the franchise license. You must operate the Restaurant in accordance with the "***System***," a term that describes our comprehensive business methods, standards, policies, requirements and specifications that cover the following subject matters: (i) the design, trade dress and build-out requirements for the Restaurant including kitchen and counter area layouts, signs, dining room layout, restrooms, and installation of interior décor items; (ii) specifications for restaurant equipment and supplies; (iii) designation of standard menu items and menu names; (iv) instructions for handling, preparing, presenting, serving and storing ingredients, foods and beverages including methods for preparing chicken recipes; (v) specifications for Designated Goods/Services, including identifying mandatory suppliers and instructions for purchasing specific ingredients, foods and beverages from designated suppliers; (vi) guest service and merchandising standards; (vii) local marketing, advertising and branding strategies; (viii) comprehensive training programs; and (ix) requirements for using the Intellectual Property which includes the Licensed Marks (as defined in Item 13) and any knowledge or information that we identify, or that you should reasonably know we treat, as Confidential Information.

You will sign the License Agreement for the first Big Chicken restaurant (Exhibit C) when you sign the Development Agreement, and sign our then-current form of License Agreement (which may be different than the form of License Agreement included in Exhibit C) for each additional Big Chicken restaurant in your Development Quota when you obtain site approval for the new Big Chicken restaurant. At that time, we will give you access to our confidential operating manuals (collectively "***Confidential Manual***") which contains our policies, procedures, and training materials (including any training videos and Internet-based training programs) relevant to your franchise duties and operations and explains the Big Chicken culture and the System standards and other distinguishing specifications and procedures of the System. Our Confidential Manual is a collection of information and forms in written and electronic format including content that we post on the private network-wide Intranet or share in writing. During the term of the License Agreement, we may modify the System as frequently as we feel is in the best interests of the Big Chicken network to keep our brand relevant and competitive to consumers and will make corresponding changes to the Confidential Manual. We will notify you of all changes to the Confidential Manual by written or electronic bulletins or other announcements, and you must conform to all changes at your expense within the time we allow, which will be reasonable for the specific type of change that we implement. Changes that we make to the Confidential Manual will not modify your fundamental rights under the License Agreement.

General Market for Your Products or Services and General Description of Competition.

Big Chicken restaurants operate year-round and utilize a fast-casual service format to serve the general public.

The restaurant industry is highly competitive in matters concerning price, service, location, selection, food quality, promotional activities, and guest service. It is often affected by changes in consumer tastes, economic conditions, population and traffic patterns. You must anticipate competing with numerous other restaurants offering a wide range of comparably priced food and beverage items and a wide variety of service formats. The businesses with which you should expect to compete include national or regional franchise systems and other chains, and independently owned local restaurants located in the area of the Restaurant. You should expect to compete not only with other restaurants, but also with food retailers generally, including supermarkets and convenience stores. Your competitors potentially include all food services providers and not limited to restaurants that are in the fast-casual chicken sandwich restaurant segment or restaurants that include chicken selections as part of a full-service restaurant or restaurants that primarily sell chicken sandwiches for take-out or on-demand delivery.

Your business will also be affected by its location, the locations of competing restaurants and other businesses, your financial and managerial capabilities, the availability of labor, prevailing interest rates, changes in traffic patterns, demographic and economic conditions, and other factors. Some of our competitors may have greater financial resources and longer operating histories than we have. There is also active competition for management and service personnel, as well as for attractive commercial real estate sites suitable for Big Chicken restaurants.

Laws and Regulations.

Big Chicken restaurants are subject to federal and state laws affecting restaurants and other food retailers generally including (i) restrictions against smoking in public places or specifically forbidding smoking inside of premises that serve food; (ii) the public posting of notices regarding health hazards (tobacco smoke or other carcinogens); (iii) fire safety and general emergency preparedness laws; (iv) gun and concealed carry laws; (v) rules regarding the proper use, storage and disposal of waste, insecticides and other hazardous materials; (vi) environmental laws that may impact the operation of food retailers (including laws requiring recycling and regulating the use of containers and other materials potentially harmful to the environment); (vii) standards regarding employee health and safety including employee practices concerning restaurant sanitation and the storage, handling, cooking and preparation of food; (viii) alcohol beverage laws; (ix) standards for restaurant sanitation; and (x) digital and privacy laws for employee and customer information. Some jurisdictions have also adopted or are considering proposals that would regulate indoor air quality and energy consumption in restaurants. Federal, state and local agencies regularly inspect restaurants to ensure that they comply with these laws and regulations.

Some jurisdictions have also adopted or are considering food and/or nutrition labeling and advertising laws that require restaurants to make certain public disclosures including calorie content disclosures, as well as labor laws that require employers to provide expanded break periods, meals, and other benefits. These laws may apply to Big Chicken restaurants.

Federal, state and local agencies inspect food retailers and their employees to ensure compliance with these laws and regulations.

You must secure appropriate state or local licenses to serve beer, wine and/or liquor.

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ITEM 2

BUSINESS EXPERIENCE

Gregory Majewski

Gregory Majewski has been our Managing Partner since March 2025 in South Elgin, Illinois. In addition, Mr. Majewski has served as the Chief Executive Officer of CW since January 2023, a Manager of WIO Franchising LLC since January 2023, the Manager of The Budlong Franchise Nevada LLC since April 2023, the Chief Executive Officer of Mongolian Concepts, LLC, since September 2021, and the Chief Executive Officer of Wildcat Investment, LLC, since December 1999, each in South Elgin, Illinois.

Perry Rogers – Board Member

Perry Rogers has served as a Board Member of our Parent Company since June 2018 in Las Vegas, Nevada. In addition, Mr. Rogers has served as a Partner of JRS Hospitality LLC, a Nevada limited liability company ("***JRS***"), since December 2017 in Las Vegas, Nevada.

Corey Jenkins – Board Member

Corey Jenkins has served as a Board Member of our Parent Company since June 2018 in Las Vegas, Nevada. In addition, Mr. Jenkins has served as a Partner of JRS since December 2017 in Las Vegas, Nevada.

Joshua Halpern – Chief Executive Officer

Joshua Halpern has served as our Chief Executive Officer since May 2021 in Las Vegas, Nevada, and the Chief Business Officer of CW since March 2025 in Las Vegas, Nevada. Previously, Mr. Halpern served from February 2018 to January 2021 as the Chief Sales Officer for FIFCO USA in Buffalo, New York.

Samuel Stanovich – Senior Vice President, Franchise Leadership

Samuel Stanovich has served as our Senior Vice President, Franchise Leadership since June 2021 in Las Vegas, Nevada. Previously, Mr. Stanovich worked with Firehouse Subs as an Area Representative and Franchisee for the Firehouse Subs brand from November 2015 to March 2021 in Chicago, Illinois.

Marci Rude – Vice President of Development

Marci Rude has served as our Vice President of Development since June 2021 in Las Vegas, Nevada. Previously, Ms. Rude served as the Chief Development Officer for Concepts Entertainment from May 2017 to June 2020 in Scottsdale, Arizona.

Stephanie Bitters – Vice President of Finance

Stephanie Bitters has served as our Vice President of Finance since April 2024 and the Chief Financial Officer for our Parent Company since April 2024 in Las Vegas, Nevada. Previously. Ms. Bitters served as our Controller from February 2020 to April 2024 in Las Vegas, Nevada, and as Controller for our Parent Company from June 2018 to April 2024 in Las Vegas, Nevada. She has also served as Controller for JRS since December 2017 in Las Vegas, Nevada.

Christopher Gumprecht – Vice President of Marketing and Information Technology

Christopher Gumprecht has been our and CW's Vice President of Marketing and Information Technology since March 2025 in South Elgin, Illinois. In addition, Mr. Gumprecht was the Vice President of Technology of Roti Restaurants, LLC, from December 2021 to December 2024 in Chicago, Illinois, and the Vice President of Guest Technology of Lettuce Entertain You from August 2001 to December 2021 in Chicago, Illinois.

Bobby Shaw – Vice President of Operations

Bobby Shaw has served as our Vice President of Operations since November 2024 in Las Vegas, Nevada. Previously, Mr. Shaw served as the Vice President of Operations of Salt & Straw from February 2023 to November 2024 in Portland, Oregon, and the Chief Operating Officer of Sheridan's Unforked from July 2018 to February 2023 in Kansas City, Missouri.

Anthony Carron – Vice President of Culinary

Anthony Carron has served as our and JRS's Vice President of Culinary since January 2024 in Las Vegas, Nevada, the founder of 800 Degrees Pizza since 2012 in Los Angeles, California, and the founder of Top Round Roast Beef since 2013 in Los Angeles, California.

Tony Giardina – Supply Chain Operations Director

Tony Giardina has served as our Supply Chain Operations Director since September 2021 in Las Vegas, Nevada. Previously, Mr. Giardina was Procurement Director for Travel Centers America from December 2020 to August 2021 in Buffalo, New York, and Director Supply Chain with Delaware North from January 2002 to September 2020 in Buffalo, New York.

Sakena Alhassan – Director of Compliance

Sakena Alhassan has served as our Director of Compliance since February 2020 in Las Vegas, Nevada. In addition, Sakena Alhassan has served as the Director of Compliance of JRS since December 2017 in Las Vegas, Nevada.

Trisha Bovell (née Durham) - Head of Training

Trisha Bovell (née Durham) has served as our Head of Training since February 2020 in Las Vegas, Nevada, and started as the General Manager of our Parent Company's first restaurant in October 2018 in Las Vegas, Nevada.

Cassie Miller - Training

Cassie Miller has been the Vice President of Training for CW since July 2023 in South Elgin, Illinois, and has helped lead all of our trainers since March 2025 in South Elgin, Illinois. In addition, Ms. Miller has served as the Senior Director of Training and Operations Services of CW from January 2023 to July 2023 in South Elgin, Illinois, and as the Senior Director of Training and Operations Services of Mongolian Concepts, LLC, from March 2020 to January 2023 in Irving, Texas.

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ITEM 3

LITIGATION

Pending Litigation:

BC Licensing, LLC v. DMD Chicken, LLC et al., United States District Court for the District of Nevada, Case No. 2:25-cv-00453-JAD-NJK, Filed November 19, 2024.

On November 19, 2024, we filed suit in the Eighth Judicial District Court, Clark County, Nevada, against DMD Chicken, LLC ("***DMD***"), a former franchisee of Big Chicken, and Frederick Burgess and Jack Flechner, the co-founders and co-chief executive officers of DMD (collectively with DMD, the "***Defendants***"). See Case No. A-24-906385-B. In our suit, we allege, among other things, claims for breach of contract, breach of personal guarantees, and interference with contractual relations as a result of (i) DMD failing to timely open restaurants pursuant its development and license agreements, which Mr. Burgess and Mr. Flechner personally guaranteed, and (ii) the Defendants fomenting litigation against us and attempting to undermine our relationships with existing franchisees after we terminated the development and license agreements. We are seeking compensatory and punitive damages, injunctive relief, fees, and costs as part of our suit. After filing the initial suit on November 19, 2024, we filed an amended complaint on January 30, 2025. The Defendants were served on February 11, 2025. On March 12, 2025, the Defendants removed the case to federal court. On March 18, 2025, the Defendants filed their answer, and DMD filed a counterclaim against us, our Parent Company, JRS, Perry Rogers, Shaquille O'Neal, Corey Jenkins, Joshua Halpern, and Matthew Silverman (collectively, the "***Counter-Defendants***"). The summonses for the Counter-Defendants were issued on April 7, 2025, and accepted on April 9, 2025. The due date for all Counter-Defendants is April 30, 2025, and we, our Parent Company, and the other Counter-Defendants deny any wrongdoing and intend to file a motion to dismiss the counterclaim.

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ITEM 4

BANKRUPTCY

In re Roti Restaurants, LLC., United States Bankruptcy Court for the Northern District of Illinois, Case No. 24-13827, filed on August 23, 2024.

On August 23, 2024, Roti Restaurants, LLC ("***Roti***"), which has a principal place of business of 445 N. Wells Street, Suite 404, Chicago, IL 60654, filed a petition to reorganize under subchapter 5a of Chapter 11 of the U.S. Bankruptcy Code in the Northern District of Illinois. Roti operated a fast-casual restaurant chain, but the business ultimately failed due to rising costs, mixed location performance, and difficult market conditions. Christopher Gumprecht, our and CW's Vice President of Marketing and Information Technology, was the Vice President of Technology of Roti at the time of this filing. On February 26, 2025, the Court issued a plan confirmation order.

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ITEM 5

INITIAL FEES

Initial Franchise Fee.

The "***Initial Franchise Fee***" is $40,000 and you must pay it in full when you sign the License Agreement for the restaurant. If you are awarded development rights, as discussed below, you will sign the License Agreement for the first Big Chicken restaurant in the Development Quota at the same time that you sign the Development Agreement. You will sign a separate License Agreement for each additional restaurant in your Development Quota when you obtain site approval for the restaurant's location.

The Initial Franchise Fee is fully earned when paid and not refundable under any circumstances.

Development Agreement and Development Fee.

If we award you area development rights, which is the right to open multiple Big Chicken restaurants, you will pay us a Development Fee. The Development Fee due equals the full $40,000 Initial Franchise Fee for the first Big Chicken Restaurant covered by that License Agreement plus a deposit of $20,000 per Big Chicken Restaurant for the second and each additional Big Chicken Restaurant you will develop (you must develop a minimum of 2 Big Chicken restaurants). The balance of the Initial Franchise Fee (that is, the remaining $20,000) for each Big Chicken Restaurant is due when you sign the License Agreement for that Big Chicken Restaurant. We and you will determine the number of Big Chicken Restaurants you must develop, and the dates by which you must develop them, before signing the Development Agreement.

If you fail to open a Big Chicken restaurant by a development deadline, we may terminate the Development Agreement, which will result in the loss of further development rights. The Development Fee and Initial Franchise Fees are fully earned when paid and are non-refundable. If we terminate the Development Agreement before the final development deadline, we will not credit any portion of the Development Fee or Initial Franchise Fees to any future Initial Fees should we agree to sell you another Big Chicken restaurant franchise.

Generally, the Initial Franchise Fees and Development Fees are uniformly imposed but in the past and on limited occasions, we have negotiated the amount or terms of payment of these initial fees with individual area developers or franchisees in our sole discretion. In the past fiscal year, Initial Franchise Fees ranged from $33,300 to $40,000 based on a variety of factors, including, among other factors, (i) the experience of the franchisee; (ii) the financial strength of the franchisee; and (iii) the number of Big Chicken restaurants the franchisee committed to opening. We do not intend to reduce the Initial Franchise Fees in the future, except we may excuse or reduce the Initial Franchise Fee if we sell a franchise to friends and family members of our owners, members of our management, or to an employee with at least two years management-level experience at any Big Chicken restaurant.

Sale of Operating Big Chicken Restaurant.

If an affiliate of ours (or a company in which an affiliate is an owner) owns a Big Chicken restaurant and agrees to sell you all of the assets of the operating Big Chicken restaurant, you must, as a condition of the sale of assets, also acquire franchise rights from us. In other words, the sale of franchise rights by us and the sale of assets by our affiliate are two separate transactions, but mutually dependent transactions that must occur simultaneously, so that, on the same date, you acquire title both to the assets of the operating restaurant and the right to operate the Big Chicken restaurant as a franchise. Depending upon the physical condition of the restaurant assets, we may require you to upgrade the facility to our then-current design standards for new Big Chicken restaurants. We would identify any mandatory renovation changes before you sign the License Agreement and purchase the assets so that you can investigate and budget for the additional investment expenses.

You and the affiliate of ours that owns the operating Big Chicken restaurant will negotiate the price and terms of purchase for the assets and the other conditions for the purchase and sale agreement before you sign the License Agreement. The terms of purchase will vary in individual cases based on the operating performance and market potential of the Big Chicken restaurant being sold. Depending upon the payment terms that you and our affiliate negotiate, all or part of the purchase price for the restaurant assets may be payable before your business opens. On the closing date for the sale of the assets, you will sign the License Agreement and pay us the Initial Franchise Fee that we disclose in this Item 5.

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ITEM 6

OTHER FEES

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
Royalty Fee (See Note 1)	6% of Gross Sales	Payable weekly on or before Tuesday of each week based on Gross Sales during the prior Monday through Sunday period. Your weekly Gross Sales report is due on each Monday for the week just ended.	We define Gross Sales in the License Agreement. Payment is accomplished by automated clearinghouse ("ACH") authorization allowing us to automatically deduct payments for Royalty Fees, Brand Marketing Fees and other fees and charges due under the License Agreement from a designated operating bank account. You must maintain a minimum balance of $5,000 in the designated operating account for each Big Chicken restaurant that you own. If you fail to report Gross Sales on time, in addition to other remedies that we have based on your breach, we may debit your operating bank account by an amount equal to the greater of (i) 120% of the Royalty Fees, Brand Marketing Fees and other fees and charges last paid; or (ii) the amounts due based on information that we have access to. We may change the Accounting Period for payment periodically upon 30 days prior written notice.
Brand Marketing Fee (See Note 2)	2% of Gross Sales	Payable together with and for the same period as the Royalty Fee.	We deposit Brand Marketing Fees into a separate brand marketing fund or account. For method of payment and other terms, see remarks for Royalty Fees.
Local Advertising (See Note 2)	1.5% of Gross Sales	Upon request, you must account to us to verify that you have spent the required minimum amount on local advertising.	The local advertising obligation begins on the Opening Date. If you do not spend the minimum required amount on local advertising in any calendar year, you must pay us the difference between the applicable minimum and the actual amount spent, plus 25% of the difference.
Compliance Audit	Cost of audit (including our reasonable accounting, legal fees and travel expenses), plus full amount of any underpayment and interest and late charges on any underpayment.	30 days after we complete audit results.	Payable only if our audit shows an understatement of Gross Sales for any period of 2% or more.

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
Interest on Late Payments	1.5% per week per annum not to exceed the maximum legal rate of interest.	Interest accrues immediately after due date if you fail to pay full obligation. Late payment is a material default under the License Agreement. By charging interest, we do not waive our right to terminate the License Agreement on account of late payment.	Applies to all amounts payable to us under the License Agreement. Interest is payable on the entire overdue amount beginning with the date payment is due until you pay the arrearage, late charge and interest in full.
Remedial Work to Correct Unhealthy or Unsafe Condition	Service charge equal to 25% of the cost of the remedial or corrective work if we elect to correct any unhealthy or unsafe condition at the Restaurant. Additionally, you must reimburse us for all of our actual direct costs in performing the work, including for labor, materials, travel, supervision and subcontractors.	Upon receipt of invoice.	We have no obligation to perform remedial work and may, instead, at our option terminate the License Agreement based on your material breach of the obligation to operate in compliance with all laws and in a safe and sanitary manner.
Mystery Shopper/Re-inspection Fee	Reasonable fees imposed by the third -party mystery shopper or supplier.	Upon receipt of invoice.	If you fail any inspection based on the then-current standards set forth in the Confidential Manual, then you must pay the reasonable fees imposed by the third -party mystery shopper or supplier for any re-inspections.
Service Charge for Insurance (See Note 3)	The cost of purchasing replacement insurance plus 25%.	Upon receipt of invoice.	The service charge is only payable if you fail to carry the insurance we require and if we decide to purchase the insurance coverage for you. We have no obligation to obtain coverage for you and may, instead, at our option terminate the License Agreement based on your material breach.
Renewal Fee	$5,000	When you give notice of your exercise of the renewal option, at least 9 months, but not more than 12 months, before expiration of the current term.	See conditions of renewal in Item 17 and in the License Agreement. The Development Agreement does not provide for a renewal term.
Transfer Fee – Development Agreement (See Note 7)	$20,000 per Event of Transfer	When you apply for our consent to a proposed Event of Transfer.	If we refuse to consent to the proposed Event of Transfer, we may keep up to 25% of the Transfer Fee to cover our expenses in reviewing the proposed transfer request.
Transfer Fee – General License Agreement (See Note 7)	$20,000 per Event of Transfer	When you apply for our consent to a proposed Event of Transfer.	If we refuse to consent to the proposed Event of Transfer, we may keep up to 25% of the Transfer Fee

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
			to cover our expenses in reviewing the proposed transfer request.
Transfer Fee - Qualified Transfers (See Note 4) (See Note 7)	$1,500 per Qualified Transfer.	When you apply for our consent to a proposed Event of Transfer.	"***Qualified Transfers***" are changes in ownership amounting to less than a controlling interest or the transfer of the franchise or area development rights to a newly formed entity which you wholly own.
Additional Training after Opening Date (See Note 5)	We will provide additional training after the Opening Date either in the Restaurant or at another operating Big Chicken restaurant by mutual agreement. We may also require that you or your Certified Managers complete additional training to correct operating deficiencies. You must pay us our then-current per diem training fee, which at this time is $400/day/trainer. Additionally, you must reimburse us for our reasonable travel costs to send one of our employees to the Restaurant if we provide additional training in the Restaurant after the Opening Date.	Before training begins or within 30 days after we invoice you for our direct expenses.	Item 11 discloses additional information regarding remedial training and our multi-module initial training program and who must complete specific modules before the Opening Date. You are responsible for your employees' expenses during all training programs, including travel costs, room and board expenses and salaries. We publish our training fees in the Confidential Manual and may increase them at any time effective on 30 days' notice based on changes in market conditions, our cost of providing services and future policy changes. We do not prorate the per diem rate for less than a full day (8 hours) of training.
Additional Certified Manager Training Program after Opening Date (See Note 5)	$5,000 per 15-day Orientation Certified Manager Training Program	Before training begins.	At your request, we will conduct an additional 15-day Certified Manager Training Program after the Opening Date of a Restaurant for new management level employees (Certified Manager and Lead Manager), which we will schedule at a mutually convenient time by mutual arrangement. We do not prorate the fee for less than 5 days of training, for a partial day or for training fewer than 4 trainees at a time.
Training Store Certification Application Fee (See Note 5)	$5,000	When you apply to begin the Training Store Certification process and before we will schedule "train-the-trainer" instruction.	If you own multiple Restaurants, one of your Restaurants must qualify for and receive Training Store Certification before we will approve the location of your 4th Restaurant.

(1) Type of Fee	(2) Amount	(3) Due Date	(4) Remarks
			We will expect one of your Certified Managers to run the initial training program and provide grand opening support services for the 4th and each subsequent Restaurant that you open.
Indemnification and Defense	All costs including attorneys' fees; amount will vary under the circumstances.	As we incur expenses and present them to you.	You must reimburse us for losses which we suffer resulting from the operation of your business. We may retain our own legal counsel. You must reimburse us for our legal and other professional expenses related to the claim.
Alternate Supplier Testing Fee	Based on our actual cost, but not to exceed $2,500 per request.	When you request approval of an alternate supplier.	See Item 8.
Management Fee (See Note 6)	The then-current fee, which currently is $500/day. Additionally, you must reimburse us for our reasonable and direct overhead expenses.	Payable weekly for the same period as the Royalty Fee.	We may impose a Management Fee if we elect to manage the Franchised Business after a death or permanent incapacity that results in a Change of Control. Payment of the Management Fee is in addition to payment of all other obligations and fees required to be paid to us under the License Agreement including Royalty Fees and Brand Marketing Fees. We publish our current per diem Management Fee in the Confidential Manual.
Technology Fee	$30 per week	Payable monthly.	See Item 11.

THE FOLLOWING NOTES ACCOMPANY THE ITEM 6 DISCLOSURES

To Whom Payments Are Made: Except as indicated, you will make all payments to BC Licensing LLC.

Refund Conditions: All payments that we describe in Item 6 are non-refundable except the transfer fee where we will refund all but 25% if we refuse to consent to a proposed transfer.

Uniformity: At this time, we impose continuing fees in a uniform manner. However, we retain the right to reduce fees or change payment terms in individual cases in our discretion. We also reserve the right to change the type and amount of fees that we require new franchisees to pay us.

NOTE 1. Gross Sales. The term "***Gross Sales***" means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Restaurant, whether for cash, credit or the redemption of authorized Big Chicken gift cards (and regardless of collection in the case of credit), whether from sales on the Restaurant premises, by delivery, from catering, or other sales methods (whether the sales method is permitted or not).

We exclude the following from Gross Sales: (i) sales taxes or other taxes collected from guests for transmittal to the appropriate taxing authority; (ii) employee tips; (iii) refunds to customers made in good faith to arms' length guests; (iv) proceeds from the sale of authorized Big Chicken gift cards; and (v) the value of discounted or complimentary meals that you furnish to employees, guests, family members and other business entities that you own and control; provided however, any exclusions under this subpart (v) shall be capped at a maximum of 4% of Gross Sales in connection with calculating any payments due and owing to us.

We may change the accounting period for paying fees and reporting Gross Sales and other financial results of the Restaurant or the method for paying and reporting all fees to us on 30 days' written notice.

We collect fees by way of a preauthorized bank deduction or ACH authorization allowing us to automatically deduct payments for Royalty Fees, Brand Marketing Fees and other fees and charges due under the License Agreement from an operating bank account that you designate in which you must maintain a minimum balance of no less than $5,000 for each Big Chicken restaurant for which you or your affiliate has entered into a License Agreement with us.

If you fail to report Gross Sales for any accounting period by the date the report is due, we may debit the operating bank account by an amount equal to the greater of (i) 120% of the Royalty Fees, Brand Marketing Fees and other fees and charges last paid; or (ii) the amounts due based on information that we have access to. Your payment is non-refundable even if you subsequently report Gross Sales for the accounting period and demonstrate to us that the amount that we debited exceeds the applicable percentage fees due for the accounting period.

The terms of your agreement with your bank must include providing us with no less than 30 days' written notice before you or the bank may make any change to the operating account that would affect our ability to debit the account in order to collect Royalty Fees, Brand Marketing Fees and other fees and charges due to us during the term of the License Agreement.

NOTE 2. Local Advertising. In addition to paying us a continuing Brand Marketing Fee equal to 2% of Gross Sales, you must spend a minimum of 1.5% of Gross Sales annually on external local advertising and marketing of the Restaurant after the Opening Date. So that we may monitor your compliance with this requirement, upon request, you must submit appropriate documentation substantiating the expenditures that you want us to credit towards the minimum 1.5% local advertising obligation. We must approve all local advertising and marketing materials that you create before you may use them. In particular, your use of any local marketing with Shaquille O'Neal's name, image, or likeness is expressly prohibited unless the materials have both been provided to you and approved by us. You are not authorized to create any advertising using Shaquille O'Neal's name, image, or likeness.

If you do not spend the minimum required amount on local advertising in any calendar year on local advertising, you must pay us the difference between the applicable minimum and the actual amount spent, plus 25% of the difference.

NOTE 3. Insurance. We identify the types and minimum insurance coverage that you must carry. We make no representation that the coverage will be sufficient for your business or purposes. You need to evaluate if your business will require greater coverage or other types of insurance.

Payments for insurance are made to third-party insurance companies unless you fail to have the required insurance and we elect to obtain it for you, in which case we may impose a service fee equal to 25% of our costs and immediate reimbursement of our expenses on your behalf.

The Confidential Manual describes our current minimum, mandatory insurance requirements for each Big Chicken restaurant, which we summarize as follows:

(1) Comprehensive general liability insurance combined single limit (including broad form product, contractual and owned and non-owned vehicle liability coverage) with a maximum deductible of $5,000, insuring you, us and any of our affiliates that we designate against claims for personal injury or property damage combined from your business operations. Minimum coverage shall not be less than $2 Million Dollars per occurrence and $3 Million in the aggregate. Coverage shall also include dram shop liability for alcohol service if alcohol is served at the Restaurant.

(2) Workers' compensation and employer's liability insurance, together with any other insurance required by law at the minimum limits required by law.

(3) "All risk" property damage insurance with a maximum deductible of $10,000 for the full replacement cost of the Restaurant at the Approved Location to the then-current specifications for the design, appearance, equipment, signs and construction costs of a Big Chicken restaurant, with no co-insurance clause and with a replacement cost clause attached.

(4) Plate glass insurance and, if applicable, boiler insurance.

(5) Cyber security insurance.

(6) Employment practices liability insurance providing minimum coverage of $1 Million per occurrence and $1 Million aggregate.

(7) Additional insurance if required by the lease for the Restaurant at the Approved Location.

(8) Business interruption insurance sufficient to cover your expenses (including payments due to us), profits and losses for a minimum period of 12 months from the date of a closure due to an insured loss.

Any person or firm that you hire as a general contractor or to perform comparable services must maintain general liability and builder's risk insurance with comprehensive automobile liability coverage and worker's compensation insurance in the minimum amount of $1 Million Dollars aggregate or the higher amount required by applicable law plus additional insurance that protects against damage to the premises and structure and other course of construction hazards.

We may periodically modify all minimum amounts to reflect inflation, general industry standards or our future experience with claims. If you do not maintain the insurance coverage we require, we may obtain the above insurance coverage for you and charge you a service fee as described in the Item 6 chart. We and the affiliates that we designate must be named as additional insureds on all required insurance policies. For additional conditions applicable to mandatory insurance including the requirement that your insurance policies name us as an additional insured, see the License Agreement (Exhibit C).

NOTE 4. Transfer. The License Agreement defines what events constitute an "***Event of Transfer***" and a "***Qualified Transfer***."

NOTE 5. Additional Training Expenses after Opening. At this time, our initial training program consists of the following separate training modules: (i) Owner Orientation (offered at least twice a year); (ii) a Certified Manager Training Program for up to four members of your initial management team providing an introduction and overview to the distinguishing features of the System, and hands-on experience in each key restaurant position (Certified Manager and Lead Manager); and (iii) for the first, second, and third Restaurants only, New Restaurant Opening, a 21 day module that we conduct typically during the 11 days immediately before and 10 days after the Opening Date, although the exact schedule will be mutually agreed upon by us and may vary. Item 11 describes these segments, their length and location, what each segment covers, and who must attend each segment. We do not charge an additional training fee for providing the initial training program above and beyond the Initial Franchise Fee or the Transfer Fee when we provide an initial training program to your buyer if we consent to an Event of Transfer.

For any training that you and your employees receive, you are responsible for paying all personal expenses for yourself and your employees to attend training, including transportation, lodging, food, salary and other personal charges. We may modify our training programs at any time.

After your Restaurant opens, by mutual arrangement, you may enroll later-hires in certain training classes that we offer according to their job classification. We may charge training fees for training classes that we provide to your later hires after the Restaurant opens. We publish our fee schedule in our Confidential Manual and may revise training fees at any time. You will pay our then-current training fee in effect at the time you or your employee enrolls in the training class. At this time, our current training fee is $400/day/trainer (for up to 8 hours/day with no prorating for a partial day). In the future, we may charge a per person training fee in addition to, or in lieu of, a per trainer training fee. We may limit enrollment in training classes based on space availability and to optimize training outcomes.

Your Restaurant must be under the direct, full-time supervision of a Certified Manager, whom we define as a management-level employee who (i) successfully completes Certified Manager Training Program; (ii) holds ServSafe® food protection and alcohol service certificates (if alcohol is served at the Restaurant) and holds all permits that may be required by applicable law regarding food service and alcohol service (if alcohol is served at the Restaurant); and (iii) devotes full-time and attention to supervising the day-to-day operations of the Restaurant. If you own more than one Restaurant, each Restaurant must have a different Certified Manager, as a Certified Manager must be dedicated to supervising one Big Chicken restaurant at a time unless we otherwise approve in writing. A Certified Manager may provide internal training instruction for non-management

level employees who work at the Restaurant. A Certified Manager may, but need not, be a "***Primary Owner***," which is the designation we give to a person who owns 15% or more of the equity or voting shares of a business entity that is a franchisee. Because of the possibility that management-level personnel may turn over and your Certified Manager may leave, we recommend, that you employ at least two full-time management-level employees for each Restaurant that you own, each of whom qualifies as a Certified Manager.

For training that we provide to your staff members after the Restaurant opens (either to qualify an employee as a Certified Manager or to a buyer or the buyer's management if we consent to an Event of Transfer), we will not terminate the License Agreement if an individual who enrolls in any training segment fails to complete it to our reasonable satisfaction. However, you may be at risk of being in violation of the License Agreement if you do not have at least one full-time Certified Manager operating the Restaurant at all times.

We will not allow you to open the Restaurant or the approved buyer to assume management of the Restaurant until at least one person qualifies as a Certified Manager. With an Event of Transfer, you, as the selling franchisee, will remain responsible for the day-to-day supervision and performance of the Restaurant until the buyer qualifies at least one individual (which may be a Primary Owner) as a full-time Certified Manager. In other words, you may have to extend the closing date for the proposed Event of Transfer until the buyer qualifies at least one individual as a Certified Manager.

After your initial Big Chicken restaurant has been operating for at least 12 months or after you have opened your third Big Chicken restaurant, whichever comes first, you may apply to have us certify your training team and receive a Training Store Certification if you meet and maintain specific benchmarks that we identify in the Confidential Manual. To initiate the certification process, you must pay us a non-refundable $5,000 Training Store Certification Application Fee to cover expenses in verifying your qualifications and provide "train-the-trainer" instruction. Training Store Certification means that your Certified Manager is qualified to train new hires as a Certified Manager instead of enrolling them in our training program. Our benchmarks focus on your Big Chicken restaurant's good standing status and compliance with the License Agreement and may include standards like the following: (i) there must be no unresolved complaints involving violations of law and you must be in compliance with safety, sanitation and security guidelines; (ii) one of your Certified Managers must complete a minimum of five days of "train-the-trainer" instruction, which we conduct at an operating Big Chicken restaurant that we designate in the United States, and demonstrate his or her proficiency in being able to communicate and teach the standards and operating methods of the System to your other employees; and (iii) you must achieve passing grades in any in-store inspections, customer service metrics and surveys, and mystery shopper and supplier scores during the last two calendar quarters. We will periodically review your Training Store Certification to verify that you continue to meet the minimum requirements. We may modify the minimum requirements for maintaining Training Store Certification at any time upon no less than 30 days' notice but will give you a reasonable amount of time to attain the new requirements. If we revoke your Training Store Certification, you may reapply for Training Store Certification once you meet the then-current benchmarks.

If you own multiple Big Chicken restaurants, one of your Big Chicken restaurants must qualify for and receive Training Store Certification before we will approve the location of your fourth Big Chicken restaurant. We expect one of your Certified Managers to run the initial training program and provide grand opening support services for the fourth and each subsequent Big Chicken restaurant that you open. Once you complete our initial training program for each of your first three restaurants, your failure to make sure that at least one of your restaurants maintains a Training Store Certification for as long as you or your affiliates operate one or more Big Chicken restaurants is grounds permitting us to terminate all License Agreements then in effect between us.

NOTE 6. Management Fee. The death or permanent incapacity of one of your Primary Owners may result in a Change of Control and trigger an Event of Transfer that requires our prior written consent. If, immediately after a death or permanent incapacity of a Primary Owner resulting in a Change of Control, your remaining management cannot demonstrate to our satisfaction that they can operate the Franchised Business in accordance with the requirements of the License Agreement during the interim period until they obtain our consent to the Event of Transfer, we may assume day-to-day management of the Restaurant for your account for up to 90 days. Out of the Restaurant's cash flow, we may retain enough to pay ourselves the continuing Royalty and Brand Marketing Fees due under the License Agreement, and the Management Fee and reimburse ourselves for our out-of-pocket expenses. Your obligation for these fees does not depend on the Restaurant having positive cash flow.

NOTE 7. Transfer Fees. All Transfer Fees are subject to state law.

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ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Chart 1:
Big Chicken Restaurant

(1) Type of Expenditure	(2) Amount ($) Low	(2) Amount ($) High	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Initial Franchise Fee (See Note 1)	40,000	40,000	Lump Sum	When you sign your License Agreement	BC Licensing, LLC
Rent and Lease Security Deposit (See Note 2)	0	60,000	As incurred	As invoiced	Landlord
Building and Health Permits (See Note 3)	5,000	35,000	As incurred	As invoiced	Approved suppliers and Government Agencies
Architect & Design (See Note 4)	25,000	60,000	As incurred	As invoiced	Approved contractors
Other Professional Services (See Note 5)	5,000	15,000	As incurred	As incurred	Your real estate, financial and legal advisors
Travel and Initial Training (See Note 6)	2,500	20,000	As incurred	As invoiced	Third Parties
Building, Construction, and Leasehold Improvements (See Note 7)	300,000	650,000	As incurred	As invoiced	Contractor/ Approved Suppliers
Equipment (See Note 8)	180,000	350,000	As incurred	As invoiced	Approved Suppliers
Smallwares and Supplies (See Note 9)	20,500	25,000	As incurred	As invoiced	Approved Suppliers
Interior and Exterior Signage, Menu Boards and Graphics (See Note 10)	27,000	65,000	As incurred	As invoiced	Approved Suppliers
Computer, POS, & Audio/Video Equipment (See Note 11)	25,000	40,000	As incurred	As invoiced	Approved Suppliers
Opening Inventory	15,000	50,000	As incurred	As invoiced	Approved Suppliers

(1) Type of Expenditure	(2) Amount ($)		(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
	Low	High			
(See Note 12)					
Grand Opening Expenses (See Note 13)	10,000	10,000	As incurred	As invoiced	Third Parties
Insurance (See Note 14)	1,500	3,500	As incurred	As invoiced	Third Parties
Beer, Wine and/or Liquor License (See Note 15)	0	12,000	As incurred	As invoiced	Approved suppliers and Government Agencies
Additional Funds 3 Months (See Note 16)	25,000	100,000	As incurred	As invoiced	Suppliers and Employees
Total: (See Note 16)	681,500	1,535,500			

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Your Estimated Initial Investment

Chart 2:
Developer

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment Is to Be Made
Development Fee	$40,000 (the initial franchise fee for the first Big Chicken Restaurant) plus a deposit of $20,000 per Big Chicken Restaurant for the second and each additional Big Chicken Restaurant you will develop (you must develop a minimum of 2 Big Chicken Restaurants).	Cash	When you sign the Development Agreement	BC Licensing, LLC
TOTAL	Depends on the number of Big Chicken restaurants in the mutually agreed upon Development Quota.			

THE FOLLOWING NOTES ACCOMPANY THE ITEM 7 CHARTS

General: Item 7 explains your likely initial investment to open and begin operating a Big Chicken restaurant during the initial period, which is the initial time period beginning with the date when you sign the License Agreement through the end of the first 3 months after the Opening Date. The Item 7 low estimate is based on an 1,800 square foot restaurant and the high estimate is based on a 2,800 square foot restaurant. Both estimates assume that you lease the premises and do not own the premises.

In these notes, we explain each expense category in detail and the variables that influence the low and high initial investment estimates. These notes are an integral part of Item 7. You are responsible for investigating your own initial investment expenses, which may be materially different than the information in these charts.

As an area developer, your estimated initial expense consists of the Development Fee. Other than the Development Fee, we do not expect an area developer will have any other type of incremental expense during the initial phase that is specific to exercising area development rights. Area developers will incur expenses in fulfilling their development commitment including expenses for site selection, lease review and construction and development of each Big Chicken restaurant. However, we account for these expenses in Charts 1 and 2. An area developer may incur higher legal and other professional fees than a franchisee who acquires single unit franchise rights.

Neither we nor our affiliates finance any part of the initial investment.

NOTE 1. Initial Franchise Fee. See Item 6 for refunds of the transfer fee. There are no other refunds offered. We charge a $40,000 Initial Franchise Fee for the first Big Chicken restaurant. If you enter into a Development Agreement, you must develop a minimum of 2 Big Chicken restaurants.

NOTE 2. Rent and Lease Security Deposit. This category reflects the security deposit payable to the landlord before the Opening Date and rent for three months (the length of the post-Opening Date initial period). We assume that you are able to negotiate lease terms that defer rent until the Opening Date.

Rent varies widely based on numerous factors including geography, market area including demographics, vacancy rates, building condition, access and egress issues, visibility to pedestrian and street traffic, presence of competition, prevailing economic conditions. Depending on many of these same factors, landlords may offer free rent, tenant improvement allowances and other incentives. In our experience, landlords commonly agree to defer the rent commencement date for some time period after you receive possession and during the build-out phase. While Item 7 assumes deferred rent during the pre-Opening Date period, we cannot guaranty that you will be able to a rent deferral.

The low estimate reflects no security deposit and 3 months' free rent, and the high estimate reflects a security deposit equal to one month's rent and 3 month's rent. Rental rates vary widely depending on factors such as the location of the property, the location's placement in a larger complex (for example, food court locations in a shopping mall are generally more expensive than locations elsewhere in the shopping mall); the condition of the local real estate market, the ability to negotiate favorable terms of sale or lease and current economic conditions.

We assume that franchisees lease the space for the Restaurant at the Approved Location. Consequently, Item 7 does not reflect land costs should you choose to purchase commercial retail real estate and obtain our approval to operate your Big Chicken restaurant in premises that you own.

NOTE 3. Building and Health Permits. This includes the cost of building and health permits which you must obtain before you begin construction work. The permitting process and attendant costs vary substantially by local jurisdiction.

NOTE 4. Architect & Design: During the initial phase, you will need to hire an architect and/or a designer to take the Big Chicken look and feel defined in the System and apply it to your individual space. You must hire competent professionals, including an architect with local experience and a certified general contractor, in connection with the design and development of the Restaurant. We currently require our franchisees to work with Smith and Greene, a kitchen equipment, design and installation distributor specified by us, unless we otherwise approve in writing. We reserve the right to change such specifications upon prior written notice to you or as otherwise set forth in the Confidential Manual.

NOTE 5. Other Professional Fees: During the initial phase, you may incur other types of professional fees including fees for legal and accounting services. You may require an accountant and an attorney to provide services to help you form a new business entity to own the franchise and review contracts, including this Disclosure Document.

NOTE 6. Travel and Initial Training. We conduct all modules of the initial training program in Las Vegas, Nevada other than New Restaurant Opening module, which we conduct in your Big Chicken (and include as part of the Initial Franchise Fee only for your first, second, and third Restaurants). Both the low and high estimates assume the following: (i) one Primary Owner attends Owner Orientation; Certified Manager Training Program, and (ii) 3 people attend each of the working sessions segments for 9.5 days each. See additional disclosures in Item 11 regarding who must attend and the number of additional people that you may enroll in the Certified Manager Training Program.

We do not charge a training fee for the initial training program that we provide per Restaurant, the details of which we describe in Item 11. We also do not require you to reimburse us for the travel and other out-of-pocket expenses that our employees incur during the initial training program that we provide before and during the Opening Date period, as we describe in Item 11. However, in connection with the initial training program, you will incur expenses for hiring and training your employees and will also incur travel and living expenses for you and your employees that attend the Certified Manager Training Program and Restaurant Management module that we conduct in Las Vegas, Nevada. Travel expenses for you and your employees will depend on the distance you and your employees must travel and your own employee reimbursement policies for employee travel. No allowance is made for salary paid to employees or draws paid to your owners during the initial training program or the initial phase of operations. However, you will incur expenses for salary and should include these expenses in your own budgeting.

The low range assumes that your Big Chicken restaurant and the Primary Owner and employees who participate in initial training all live within driving distance to Las Vegas, Nevada, and each person drives their own vehicle daily to the Big Chicken restaurant in Las Vegas, Nevada, while the high estimate assumes a greater distance between you and Las Vegas, Nevada and that you incur expenses for airfare, car rental, hotel, and other travel costs and out-of-pocket expenses.

NOTE 7. Building, Construction, and Leasehold Improvements. Building, construction, and leasehold improvement costs include expenses to conform the approved space to our comprehensive specifications for lighting, flooring, mechanical systems, electrical systems, plumbing, carpentry, wall and ceiling treatments, exhaust/ventilation systems, storage areas, restrooms to code, seating, fixtures, integrated security system, and other improvements to develop the physical premises into a Big Chicken restaurant meeting our specifications. We include in this category custom-made millwork, cabinetry, and counters.

Actual costs of construction and leasehold improvements will depend on the size, pre-existing condition, location and previous use of the approved site, applicable local building codes, health codes, prevailing economic conditions and the need to use union labor which is generally more expensive than non-union labor. While you may be able to negotiate a tenant improvement allowance, we do not allow for any allowance in these estimates. You must use a general contractor that we approve for build-out and construction of your restaurant.

The low estimate assumes that the space you lease was previously used as a restaurant while the high estimate assumes that you take possession of an empty shell.

Depending on the particular market where you chose to locate your Big Chicken restaurant and other relevant variables, actual costs for construction and leasehold improvements may be higher than the high estimates shown in the chart. You are responsible for investigating the various factors in your market area influencing construction and leasehold improvement costs.

NOTE 8. Equipment. We specify the equipment that you must install in your Big Chicken restaurant, which includes refrigerators, shelving, cooking equipment, range hoods, walk-ins, and Ansul system, as well as custom stainless steel sinks, prep tables, and countertops in the kitchen, service counter, and dining room areas.

NOTE 9. Smallwares and Supplies. Smallwares and supplies include knives, chopping boards, food processors, spoons, ladles, and stainless steel pans.

NOTE 10. Interior and Exterior Signage, Menu Boards and Graphics. This category includes exterior and interior signs, menu boards and graphics, which will range in cost depending on location type. Some locations, like shopping mall food courts, may not require or permit exterior signs.

NOTE 11. Computer, POS, & Audio/Visual Equipment. We describe our mandatory computer system in Item 11, for which we recommend you purchase integrated security cameras, although this is not required.

NOTE 12. Initial Inventory. The low and high opening inventory estimates cover your expenses for an initial supply of ingredients, foods, cleaning supplies, plastic ware, serving containers, napkins, and take-away boxes, containers, and alcoholic (if alcohol is served at the Restaurant) and non-alcoholic beverages sufficient to cover the immediate Opening Day period until depletion. We include expenses to replenish inventory during the remainder of the initial period under Additional Funds. Your inventory needs will vary substantially according to the size of the Restaurant, whether you have a full bar or drive thru window, and the actual sales levels that you achieve during the initial period, which we cannot estimate.

NOTE 13. Grand Opening Expenses. You must spend a minimum of $10,000 on approved Grand Opening Marketing activities that you conduct to publicize the opening of your Big Chicken restaurant during the 120-day period beginning 30 days before the Opening Date and continuing through the first 90 days after the Opening Date. We will credit up to $5,000 in retail food costs on free food that you choose to give away to restaurant guests as part of the approved Grand Opening Marketing activities, and such amount will not be included in the total amount of exclusions from Gross Sales described in Item 6, Note 1. These amounts are paid to third parties, not us. These estimates exclude any opening advertising fees payable to the landlord under the lease for the Restaurant at the Approved Location. We credit any amount that your lease requires you to pay to the landlord for opening advertising fees towards your minimum grand opening marketing obligation.

NOTE 14. Insurance. Insurance costs for the mandatory insurance at the minimum coverage amounts that we describe in Item 6 will vary according to your insurability and the location of the Restaurant. We make no representation that the minimum coverage that we specify will be sufficient for your business. The estimate includes insurance costs for the initial phase of business (for the first month after the Opening Date). Some insurance companies may require payment of the annual premium in advance, which is not contemplated in the estimates given.

NOTE 15. License to Serve Beer/Wine or Full Bar. This category reflects the cost to secure a state or local license to serve beer and wine only or a full bar, which can vary considerably by jurisdiction. Your actual costs may also depend on the local resale market. In jurisdictions that use a quota-based system, if a new license is not available because the quota has been reached, the cost to acquire a license from an existing franchisee can be substantially higher than the high range that we show and cannot be estimated. In jurisdictions that do not use a quota-based system, the estimates reflect filing fees and fees for the services of any attorney or another professional who specializes in procuring liquor licenses. We reserve the right to waive the requirement that Big Chicken restaurants offer beer and wine or a full bar, such determination to be made in our sole discretion and on an individualized basis.

NOTE 16. Additional Funds – Initial Period. This category includes miscellaneous expenses that you are likely to incur during the first three months after the Opening Date that we do not cover elsewhere, like costs for employee uniforms, additional inventory and supplies during the initial period (to maintain reasonable inventory on hand to service customers), janitorial services, telephones and internet connections, and employee salaries.

We do require delivery services, for which you must use a third-party delivery company designated by us. We also require catering services, for which we assume that you already have a suitable vehicle and the high estimate for additional funds includes only incremental vehicle-related costs for a magnet sign for the sides of your delivery vehicle. We reserve the right to change these delivery and catering requirements in the future.

This category also includes an estimate of the working capital you will need for the initial period to cover other operating expenses. Working capital needs are in addition to cash flow from operations. We cannot estimate your cash flow from operations.

The Additional Funds figures exclude payments of Royalty Fees, Brand Marketing Fees, and local advertising expenditures (each, as applicable) since the amounts that you pay or spend will depend upon your actual Gross Sales. We do not forecast what your actual Gross Sales will be. However, you should allow for these fees when you make your own calculations of working capital requirements.

The Additional Funds category includes an allowance for payroll expenses during the first three months of operations for all opening employees but excludes an allowance for a draw or salary to your owners even if they are actively involved in day-to-day operation of your Big Chicken restaurant.

The Additional Funds category does not include any allowance for payments made to a bank or financing company on any loan that you may obtain to finance initial investment expenses. It also does not include the cost to purchase integrated security cameras, which we recommend but do not require.

NOTE 17: Total. All figures in Item 7 are estimates only. You may have additional expenses, or other categories of expenses, to open and begin operating your Big Chicken restaurant. You should not plan to draw income from operations during the initial period. You should have additional funds available in reserve, either in cash or through a bank line of credit, or have other assets which you may liquidate or against which you may borrow, to cover other expenses, losses or unanticipated events during the start-up and development stage or beyond. In estimating what your initial investment expenses will be, you should allow for inflation, discretionary expenditures, fluctuating interest rates and other financing costs, the unpredictability of costs for ingredients, and local market conditions, all of which are highly variable factors that can result in sudden and unexpected increases in costs. You must bear all cost escalations and budget for these contingencies.

We rely on the general experience of our management with respect to restaurant operations and their experience owning and operating Big Chicken restaurants in compiling these Item 7 estimates.

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ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General Comments.

In operating the Restaurant, you must adhere to our comprehensive business methods, standards, policies and specifications comprising the System that we describe in Item 1 of this Disclosure Document.

We may identify and change at any time the specifications and requirements of the System by (i) designating the specific equipment, ingredients, food items, menu designations, beverage products or supplies that you must or may use or sell by brand name, manufacturer, supplier, model number or minimum features or comparable specifications; (ii) providing minimum standards for freshness or appearance; (iii) supplying you with standard design documents and specifications for the design, appearance, trade dress elements, equipment, layout, construction, and leasehold improvements; (iv) providing detailed operating instructions and procedures; or (v) a combination of these approaches. If you lease any equipment, products, or other components of the System from a third-party, we must approve the lease in writing before it is signed. We will not approve the lease unless it permits your interest in the lease to be assigned to us if the License Agreement is terminated or expires.

These specifications promote uniformity among Big Chicken restaurants, ensure consistency in the quality of the products and service that Big Chicken restaurants offer guests, and strengthen guest confidence in the Big Chicken brand name. We explain these specifications in the Confidential Manual. We may revise our mandatory specifications and requirements in our discretion as frequently as we believe are necessary through written or electronic bulletins or supplements to the Confidential Manual. You must conform to all changes in our specifications at your cost, within the time we allow.

We estimate that the proportion of required purchases and leases to all purchases and leases that you will make of products and services to (i) establish and open the Restaurant, and (ii) operate the Restaurant is, in each case, approximately 90% to 100%.

Designated Goods/Services.

"***Designated Goods/Services***" collectively refers to any ingredients, sauces, food products, beverages (both alcohol and non-alcohol), supplies, equipment, collateral logo merchandise, other goods or any services to support the build-out or operation of your Big Chicken restaurant or anything else that are either (i) produced or fabricated by or for to our specifications or branded with our Licensed Marks (as defined in Item 13) and available only from one or more suppliers that we designate, or (ii) available only from suppliers with whom we have entered into a purchasing arrangement setting up purchasing terms for Big Chicken restaurants even if the particular goods or services that these suppliers sell are not produced, fabricated or branded by or for us to our particular specifications, formula, recipe or other proprietary information.

At this time, we are the only exclusive supplier for spices (which we currently sell at-cost to you), Edward Don Company is the exclusive supplier for paper and smallwares, Restaurant Technologies is the exclusive supplier for oil, PepsiCo is the exclusive direct store deliverer for beverage products, and Sysco is the exclusive supplier for certain other Designated Goods/Services. Except as described above, neither we or our affiliates are a designed or exclusive supplier of any other Designated Goods/Services or receive compensation or other material benefits from designated third party suppliers on account of their transactions with our franchisees.

We may modify the list of Designated Goods/Services at any time, in which case we will allow you a reasonable amount of time to exhaust current inventories and begin purchasing new Designated Goods/Services from an approved or designated supplier. If we expand the list of Designated Goods/Services, we may designate ourselves or our affiliates as the exclusive supplier or as a recommended supplier or may identify third-party suppliers that will pay us revenue or other compensation on account of their transactions with our franchisees.

We classify all of the other equipment, food and beverage products, ingredients, fixtures and furnishings, packaging, supplies, signs, and other merchandise that you must use to prepare menu items or operate your Big Chicken restaurant or offer and sell to your guests as "***Non-Designated Goods/Services***." In some cases, we will specify Non-Designated Goods/Services by brand name or by other identifying characteristics. You may purchase or lease Non-Designated Goods/Services from any recommended or approved supplier. We do not provide material benefits (for example, renewal or granting additional franchises) to you based on your purchase of particular Non-Designated Goods/Services from particular suppliers.

At this time, neither we nor any affiliate of ours is an exclusive or recommended supplier of any Non-Designated Goods/Services nor do we have any arrangement in place by which we or an affiliate of ours will derive revenue or other material benefits from recommended or approved suppliers of Non-Designated Goods/Services on account of your transactions with the supplier. We reserve the right to designate ourselves or our affiliates as a recommended supplier and may identify third-party suppliers that will pay us revenue or other compensation on account of their transactions with our franchisees.

You must use the computer hardware and software, including the point-of-sale system, product purchasing system, online ordering system, and payment system, that we periodically designate to operate your Big Chicken Franchise. You must procure DSL, cable, fiber, or equivalent wired (no satellite, microwave, or point to point) or 4G internet service capable of receiving data at a minimum of 30 Mbps and sending data at a minimum of 3Mbps. You must obtain the computer hardware, software, systems, maintenance and support services, and other related services that meet our specifications from the suppliers we specify. You must use our designated merchant services provider for debit and credit cards. You must use our designated supplier for installation, support and hosting of the computer system and software. You will be required to use our designated supplier for our Restaurant reporting system. You must also use our designated online ordering system vendor. We will install an application on your POS system that allows us to view and download your sales and product mix information.

We currently require you to use Smith and Greene for the design, purchase, and installation of kitchen equipment at the Restaurant, unless we otherwise approve in writing.

The Confidential Manual includes a separate section with specifications for ingredients, beverages and recipes.

Purchasing Arrangements.

In the future, we may negotiate special purchasing arrangements with designated suppliers of Designated Goods/Services. These arrangements may include price discounts based upon the collective volume of purchases by all Big Chicken restaurants (including purchases by affiliates of ours that own Big Chicken restaurants). We make no representation about our ability to secure certain prices, payment or credit terms, or delivery conditions. To our knowledge, all designated suppliers will offer the same purchase terms to our franchisees subject to differences in volumes and in shipping costs.

We have entered into agreements with certain suppliers for which we or our affiliates receive rebates of between 1% and 6% of the cost of purchases by our franchisees.

Aside from these agreements, we have no arrangements in place with any designated, recommended or approved suppliers to make payments or provide material benefits to us on account of franchisee transactions. We may arrange with other designated, recommended or approved suppliers to pay us revenue or non-cash benefits on account of transactions with our franchisees. We have no obligation to notify you of these arrangements in advance or obtain your prior consent. We may condition our approval of a particular supplier on their willingness to pay us revenue or non-cash benefits on account of their transactions with our franchisees. In the future, we or our affiliates may be a designated or exclusive supplier.

In the future, we may offer support with other aspects of the onboarding process by recommending one or more pre-approved vendors or suppliers in any or all of the following categories: (i) commercial real estate to assist with site location and lease negotiation; (ii) fabricators for finished cabinetry; (iii) kitchen equipment; (iv) signs; (v) a fixtures package; (vi) architecture and general contractor services; and (vii) lighting. In some cases, we may indicate that use of a designated supplier is mandatory.

At this time, there are no purchasing or distribution cooperatives in existence applicable to this franchise.

During the fiscal year ended December 31, 2024, we received approximately $80,964 in rebates from third party suppliers from purchases made by our franchisees. Our affiliates did not receive any rebates from third party suppliers from purchases made by our franchisees. These figures were derived from Big Chicken's internal accounting system.

Alternative Suppliers – Approval Process.

If you wish to purchase or lease any Non-Designated Goods/Services from a supplier who is not pre-approved by us or to use other Non-Designated Goods/Services besides the ones that we specify, you must request our approval in writing before you may use or buy the Non-Designated Goods/Services from the proposed supplier. In some cases, we may ask you to submit samples or information about the supplier so that we can make an informed decision about whether the products, services, equipment, fixtures, furnishings, signs, inventory and supplies, or proposed supplier, meet our specifications and quality standards. In evaluating a supplier that you propose to us, we consider not only the quality of the particular Non-Designated Goods/Services, but the supplier's production and delivery capability, overall business reputation, financial condition and overall impact to the Big Chicken supply chain. We may inspect a proposed supplier's facilities and test its products and charge a testing fee per request equal to our actual costs, but not to exceed $2,500 per request.

We will notify you in writing within 30 days after we receive all supporting information from you and complete our inspection or testing to advise you if we approve the proposed item and/or supplier. However, our failure to send you written notice by the end of 30 days signifies that we disapprove the proposed item and/or supplier. Each supplier that we approve must comply with our usual and customary requirements regarding insurance, indemnification and confidentiality of competitive or proprietary information.

We may re-inspect or revoke our approval of a supplier or item at any time to protect the best interests of the Big Chicken brand reputation and the Intellectual Property. Revocation is effective immediately when you receive written notice from us, and following receipt of our notice, you may not place any new orders for the item or with the supplier.

We will communicate any changes or additions to our purchasing standards or procedures in writing or electronically through supplements to the Confidential Manual. We may modify our specifications, recommended suppliers and purchasing procedures in our discretion and you must promptly conform to all changes at your sole expense. We do not provide material benefits to franchisees (for example, renewal or granting additional franchises) based on the fact that you purchase Non-Designated Goods/Services from a particular recommended supplier. We may, however, terminate your franchise if you purchase or use unapproved products, or buy Designated Goods/Services or Non-Designated Goods/Services from suppliers that are not designated, recommended or approved by us.

Mandatory Addendum to Lease.

You, we and the landlord of the franchise premises will sign our Addendum to Lease (Exhibit F). The Addendum is a contract that gives us the option to assume your lease if the License Agreement expires or terminates for any reason. We do not derive any revenue by requiring the Addendum to Lease.

Insurance.

Before you open the Restaurant, you must purchase and throughout the License Agreement term maintain in full force and effect insurance policies naming us as an additional insured in the minimum coverage amounts and meeting the other specifications that we prescribe in the Confidential Manual. The current types, amounts and coverage limits as follows:

(1) Comprehensive general liability insurance combined single limit (including broad form product, contractual and owned and non-owned vehicle liability coverage) with a maximum deductible of $5,000, insuring you, us and any of our affiliates that we designate against claims for personal injury or property damage combined from your business operations. Minimum coverage must not be less than $2 Million Dollars per occurrence and $3 Million in the aggregate. Coverage must also include dram shop liability for alcohol service if alcohol is served at the Restaurant.

(2) Workers' compensation and employer's liability insurance, together with any other insurance required by law at the minimum limits required by law.

(3) "All risk" property damage insurance with a maximum deductible of $10,000 for the full replacement cost of the Restaurant at the Approved Location to the then-current specifications for the design, appearance, equipment, signs and construction costs of a Big Chicken restaurant, with no co-insurance clause and with a replacement cost clause attached.

(4) Plate glass insurance and, if applicable, boiler insurance.

(5) Cyber security insurance.

(6) Employment practices liability insurance providing minimum coverage of $1 Million per occurrence and $1 Million aggregate.

(7) Additional insurance if required by the lease for the Restaurant at the Approved Location.

(8) Business interruption insurance sufficient to cover your expenses (including payments due to us), profits and losses for a minimum period of 12 months from the date of a closure due to an insured loss.

While we may be a beneficiary of your insurance, we do not derive any revenue from the insurance policies that you obtain for your business with one exception. If you fail to purchase required insurance, we may, at our election (and without waiving our right to terminate the License Agreement because of your breach, purchase the insurance coverage for you and collect a service fee from you equal to 25% of the cost of the replacement insurance).

Gift Card, Loyalty and Other Network Marketing Programs.

You must participate in our system-wide electronic gift card and loyalty programs. We explain the gift card and loyalty program rules in the Confidential Manual including addressing how we treat gift card and loyalty program transactions and redemptions in the calculation of Gross Sales. We do not derive any revenue from the sale of authorized gift cards except if gift card transactions take place at a Big Chicken restaurant that we or an affiliate of ours owns. You may not issue any type of gift or loyalty card that is redeemable at your Restaurant only.

There may be other types of marketing programs that we require or recommend that you participate in, like limited time offers and promotional windows, various online restaurant order and delivery services, social media, and types of cooperative marketing. Some requirements may only apply to franchisees owning a Big Chicken restaurant in a geographic area that we designate. We will provide you with at least 30 days written notice before imposing any mandatory requirements for participation in marketing programs. Your costs to participate in mandatory marketing programs will only be credited to your local advertising obligations if agreed to in advance by us.

Additional Disclosure re: Suppliers.

In the future, we or an affiliate may be a designated or approved supplier in which case our officers may own an interest in the supplier. In addition, at this time one or more officers of BCIP LLC hold an interest in TransparencyX Credit Card Processing. Otherwise, at this time, no officer of our company owns an interest in any required, recommended or approved supplier other than a nominal interest in a supplier that is a public company.

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ITEM 9

FRANCHISEE'S OBLIGATIONS

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

	OBLIGATION	SECTION IN THE LICENSE AGREEMENT (LA)	DISCLOSURE DOCUMENT ITEM
a.	Site selection and acquisition/lease	IV	Items 5, 6, 7, 11
b.	Pre-opening purchases/leases	VII	Items 7, 8
c.	Site development and other pre-opening requirements	VII	Items 6, 7, 11
d.	Initial and ongoing training	VIII	Items 6, 11
e.	Opening	VII	Item 11
f.	Fees	XII	Items 5, 6
g.	Compliance with standards and policies/Confidential Manual	XIV	Items 8, 11, 14, 16
h.	Trademarks and proprietary information	IX	Items 13, 14
i.	Restrictions on products/services offered	XIV	Items 8, 16
j.	Warranty and guest service requirements	XIV	Not Applicable
k.	Territorial development and sales quotas	V	Item 12
l.	Ongoing product/service purchases	XIV	Items 8, 11
m.	Maintenance, appearance and remodeling requirements	XIV	Items 6, 8
n.	Insurance	XVI	Items 6, 7, 8
o.	Advertising	XI	Items 6, 11
p.	Indemnification	XXI	Item 6
q.	Owner's participation/management/staffing	XIV	Item 15
r.	Records and reports	XIII	Items 8, 11
s.	Inspection and audits	XVIII; XV	Items 6, 11, 13
t.	Transfer	XX	Items 6, 17
u.	Renewal	VI	Item 17
v.	Post-termination obligations	XIX	Item 17

	OBLIGATION	SECTION IN THE LICENSE AGREEMENT (LA)	DISCLOSURE DOCUMENT ITEM
w.	Non-competition covenants	XVII	Item 17
x.	Dispute resolution	XXIII	Item 17
y.	Guaranty	XXII	Not Applicable

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ITEM 10

FINANCING

We and our affiliates do not offer direct or indirect financing. Neither we nor our affiliate will guarantee your note, lease, or other obligation.

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ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Before Opening:

Before you open the Restaurant, we will provide you with the following assistance:

1. We will provide you with access to the Confidential Manual during the term of the License Agreement. The Confidential Manual contains mandatory and suggested specifications, standards and operating procedures. (License Agreement, Section X). We may furnish the Confidential Manual in written or electronic format. The Confidential Manual is confidential and remains our property. When your License Agreement expires or terminates, you must return your copy of any portion of the Confidential Manual that we furnish to you in written format and permanently remove any electronic content from your computer systems following our instructions. We may modify the Confidential Manual as frequently as we determine is necessary by written or electronic supplements and will promptly share all updates with you. We attach as Exhibit E a copy of the table of contents of our current version of the Confidential Manual, which consists of: (i) operations manual (189 pages), (ii) design guide (201 pages), (iii) new restaurant opening guide (10 pages), (iv) team member training programs (65 pages), (v) safety and food safety training programs (37 pages), (vi) management training programs (30 pages), and (vii) job aids, checklists and logs (60 pages). The Confidential Manual is available electronically through Opus.

2. After you execute the Development Agreement (or if you are not an area developer, after you execute a License Agreement), we will provide you with our then-current written site selection criteria and specifications for the design, appearance, trade dress elements, equipment, layout, construction, and leasehold improvements for the standard restaurant design, to aid your evaluation of potential sites. The sample materials are based upon Big Chicken restaurants that have already been built and show leasehold improvements and equipment, kitchen layout, and other design features, but may not reflect the requirements of applicable laws, local building codes, zoning restrictions, permit requirements or special lease restrictions and are intended to provide only general guidance about important demographic and physical characteristics of Big Chicken restaurants so that you can focus your site investigation on properties meeting the minimum characteristics that we require. (License Agreement, Section VII). You are solely responsible for investigating potential sites meeting our then-current site selection criteria within your Development Territory or, if you purchase a single unit franchise, a geographic area available for franchise development. You must present us with one or more proposed sites by completing a comprehensive written site package that includes all of the information identified in the Confidential Manual. Your site package must demonstrate that the proposed site meets our general demographic and physical criteria. Your site proposal must also include a letter of intent or comparable agreement with the landlord of the site indicating that the landlord is willing to enter into a lease and our Addendum to Lease in the form of Exhibit F. (License Agreement, Section IV). You must submit the proposed lease for the proposed site to us for our review as part of our

site approval review process. After we receive your written site proposal, we may visit the area at our expense if we feel it is necessary to inspect the physical or demographic conditions of the proposed site and neighboring area to evaluate your proposal. We have 30 days after we receive all required site and lease information to consent to or reject the proposed site in writing. If we believe that a proposed site should include a full bar, drive thru window, pick up window and/or bar, and/or breakfast, based on the site's size, demographic qualities, local laws, location or proximity of competitors that offer such services, we may reject the proposed site unless you agree to operate such services at the proposed site. If you propose more than one site, we only need to approve one site. If we do not consent to any of the sites that you propose within the 30-day period, it means that we reject the site (or all sites if you propose more than one). While we may offer you one or more possible sites for your Big Chicken restaurant, we have no obligation to do so. If you fail to obtain site approval (or if you are an area developer, you fail to open the Restaurant by the specific Development Deadline), we may terminate the License Agreement for that Big Chicken restaurant (Sections IV and XVIII of the License Agreement).

3. When we approve the location for the Restaurant, we will designate the Protected Area. (License Agreement, Section III). You must meet your Development Quota by the specific development deadlines. Failure to do so may result in our termination of the Development Agreement. (Section II of the Development Agreement).

4. We will provide you with written specifications for all restaurant equipment and supplies, fixtures, furnishings, exterior and interior signs, opening inventory and supplies, and a list of the suppliers that we currently designate or recommend. This includes both Designated Goods/Services and Non-designated Goods/Services. We do not provide these items directly, and we do not deliver or install these items ourselves. We will review your requests for approval of other suppliers of Non-Designated Goods/Services in exchange for payment of the testing fee that we disclose in Item 6 and help you establish purchasing arrangements with designated suppliers. (License Agreement, Section XIV).

5. During the build-out, we will address your questions about the development and construction process, but you are solely responsible for procuring building permits, complying with any lease conditions and applicable law, purchasing or leasing fixtures and equipment, making leasehold improvements and supervising all aspects of the build-out of the Restaurant. You must complete construction at your expense in conformity with the construction drawings that we approve and applicable building codes and other laws governing retail food establishments in the area where you locate the Restaurant. (License Agreement, Section VII).

6. After you sign the License Agreement, we schedule the Owner Orientation Certified Manager Training. We provide a Certified Manager Training Program for each Restaurant that you own, but provide the Owner Orientation only once without charge in connection with the opening of the first Restaurant and provide the New Restaurant Opening module without charge only in connection with the opening of each of the first three Restaurants. We have designed the New Restaurant Opening module to help you train your opening staff in best practices for implementing our operating procedures. After the first three Restaurants, we expect that you and your Certified Managers will have sufficient experience to conduct your own on-site opening training and orientation for the Restaurant's opening staff. Upon request, we will provide a New Restaurant Opening Module for each additional Restaurant that you open after the

first three at the fees that we disclose in Item 6 and further describe elsewhere in this Item 11 (License Agreement, Section VIII).

7. We will offer advice and advertising strategies for your grand opening advertising program. (License Agreement, Section XV).

After Opening:

After you open the Restaurant, we provide you with the following assistance:

1. We will regularly consult with you and provide advice in response to your inquiries about specific administrative and operating issues at any of the Restaurants. In our discretion, we decide how best to communicate our consultation and advice, whether by telephone, in writing, other electronic format like email, or in person. The method we choose in your case may be different than the methods we use for another franchisee. (License Agreement, Section XV).

2. Upon your request or at our request, if we identify operating deficiencies or areas for improvement where we believe additional training may benefit performance, we will provide additional on-site training to address specific operating issues or deficiencies. You must pay us our then-current training fee and reimburse us for our reasonable expenses in providing on-site instruction, including expenses for air and ground transportation, lodging, meals, and personal charges. (License Agreement, Section VIII).

3. We may periodically offer refresher training at an operating Big Chicken restaurant that we designate in the United States. (License Agreement, Section VIII). For each Restaurant that you own, we may require that at least one Certified Managers attend specific additional training sessions, but we will not require that more than two persons per Restaurant attend more than 5 days of additional training each per 12 months including any training completed at an Annual Meeting. We may charge a per person training fee for any additional training programs that we offer.

4. Conduct an annual business meeting of franchisees to address new Designated Goods/Services and supplier relationships, recently implemented changes in the System, refresher and continuing training programs, and other topics of common interest to our franchisees, including guest relations, new recipes and menu offerings, new purchasing arrangements, and local promotions and marketing strategies. We will determine the length and location of the annual meeting and may require that at least one Primary Owner and at least one Certified Manager attend. The annual meeting will not exceed 3 days in length nor require attendance by more than two persons. We may require you and the persons who attend the annual meeting with you to stay at the host hotel or resort that we designate if we negotiate a group room rate that requires a minimum number of room nights. You must pay for all travel expenses for you and your employees and independent contractors who attend the annual meeting. (License Agreement, Section XV).

5. We will periodically revise the Confidential Manual. (License Agreement, Section X).

6. We will review your request to use or sell Non-Designated Goods/Services not already approved by us or to purchase Non-Designated Goods/Services meeting our specifications from a supplier not on our recommended list. (License Agreement, Section XIV).

7. We or our designee will periodically visit the Restaurant to inspect your operations, observe and interview your employees and review your books and records (including data stored on your computer system) in order to verify your compliance with the License Agreement and the Confidential Manual. These inspections may be recorded on video or audio tape. If you fail any inspections from us or a third-party mystery shopper or supplier based on the then-current standards set forth in the Confidential Manual, then you are responsible for the reasonable fees imposed by us or the third-party mystery shopper or supplier for any re-inspections. If you fail 3 consecutive inspections or 6 inspections in a 12-month period, you must undergo remedial training performed by us at your sole expense. (License Agreement, Section XV).

8. Under the Big Chicken restaurant gift card program, you will purchase from us, and offer for sale to your guests, Big Chicken restaurant electronic gift cards that your guests may redeem at any Big Chicken restaurant. You must honor the gift card if a guest presents one in paying for their order. You may not issue, redeem or otherwise authorize any other gift or loyalty cards, except those that we approve of in advance. (License Agreement, Section XIV).

9. When we reach sufficient size, we may implement a franchisee advisory council ("***FAC***") to provide us with input and feedback on different initiatives and programs. We will determine the FAC's governance rules, including the number of franchisee representatives and method for conducting elections. The reasonable expenses that we incur to conduct FAC meetings, other than the salary costs of our staff who attend FAC meetings, will be paid out of the Brand Marketing Fee. We may use the Brand Marketing Fees to support the cost of running FAC meetings and may reimburse ourselves and FAC members for their reasonable travel costs to attend FAC meetings.

Advertising Services.

1. Brand Marketing Fee. See generally, License Agreement, Section XI.

You must pay Brand Marketing Fees to us equal to 2% of the Gross Sales of your Restaurant. We deposit Brand Marketing Fees into a separate brand marketing fund. We direct all advertising and promotional programs and have sole discretion over all creative concepts, materials and endorsements and the geographic market and media placement of all advertising and marketing programs. We do not promise that we will spend the Brand Marketing Fee or any other amount on advertising in any given specific geographic region or that the benefits you receive will be in proportion to your contributions. We do not currently audit Brand Marketing Fees.

We may use the Brand Marketing Fee to pay for the cost to prepare and produce advertising materials; purchase media space or time; administer local, regional and national advertising programs, including promoting Big Chicken restaurants on social media sites; employ advertising, public relations and media buying agencies to assist us in these activities; pay the salaries, benefits and direct overhead of any of our or our affiliates' employees whose job duties are dedicated to marketing and promoting the brand (in proportion to the total time that they spend on marketing

out of their total time on the job); and support general public relations, market research and other advertising and marketing activities. Additionally, we may use the Brand Marketing Fee to furnish our franchisees with advertising and promotional formats and materials, like advertising art, radio and television commercials, print advertisements, outdoor advertising, point of sale materials, promotional graphics and videos, coupons, and social networking website content in our discretion. We may also use the Brand Marketing Fee to pay for any direct expenses that we incur to support our gift card and loyalty programs or to conduct FAC meetings (including reimbursing ourselves and FAC members for their reasonable travel costs), if any. Upon request, we may agree to provide you with reprints of Brand Marketing Fee marketing, advertising and promotional materials if you pay us to reproduce the materials for you.

We may also use the Brand Marketing Fee to support the cost of maintaining the https://www.bigchicken.com/ website, conduct publicity and engage in other types of marketing events. We may charge the Brand Marketing Fee for our cost of maintaining a toll-free telephone number and system-wide Intranet to the extent we use each to provide our franchisees with marketing assistance.

We do not use the Brand Marketing Fee for marketing expenses that we incur to recruit new franchisees.

Out of the Brand Marketing Fee, we may pay ourselves for the direct costs, salaries, travel expenses, administrative costs and other direct overhead that we incur to administer the Brand Marketing Fee, including expenses to collect Brand Marketing Fees from delinquent franchisees, costs to develop and design specific marketing and advertising programs (including costs for market research and production) and costs to fund any annual meeting of franchisees.

In any given year, we may spend more or less than the total amount of Brand Marketing Fees that we collect for that year. In that case, we will carry-forward any Brand Marketing Fee surplus or deficit to a future fiscal period. We treat interest paid on Brand Marketing Fee balances as additional Brand Marketing Fee revenue.

We do not prepare any statements or provide an accounting showing Brand Marketing Fee collections or expenditures, although we may provide an annual unaudited statement or other materials showing Brand Market Fee collections or expenditures in the future.

We may terminate, and resume, the Brand Marketing Fee periodically during your franchise term; however, any decision to terminate or resume the Brand Marketing Fee will apply to all current franchisees equally. We will not terminate the Brand Marketing Fee before making arrangements to spend or rebate to then current Licensees any Brand Marketing Fees previously collected after payment of all expenses. We may also adjust the Brand Marketing Fee at any time; provided, however, we will not raise the Brand Marketing Fee in an amount greater than 0.5% of Gross Sales during any calendar year.

If we resume the Brand Marketing Fee, we will collect Brand Marketing Fees at the rate specified in your License Agreement at that time.

Over time, we may change the Brand Marketing Fee percentage contribution rate and existing franchisees who purchase another Big Chicken franchise at a later point in time may pay a different percentage contribution rate for each Big Chicken restaurant that they or an affiliate of theirs owns.

During the fiscal year ended December 31, 2024, we spent Brand Marketing Fees as follows: 13% on production (print, freelancers), 16% on media placement, 4% on administrative expenses, and 67% on other (technology and public relations).

2. Local Advertising.

You may not use any materials in any format (print, electronic, broadcast, or the like) that we classify as local advertising or engage in local advertising or promotional and marketing activities to promote the Restaurant without our prior written approval. Among other forms of advertising, "local advertising" includes social media. At this time, we intend to control all social media activities by franchisees, but in individual cases with our prior approval, we may allow you to engage in social media activities consistent with our social media policies that we explain in the Confidential Manual.

We also forbid you to solicit sponsorships or endorsements or enter into other types of strategic marketing alliances without our prior approval.

To apply for our approval of proposed local advertising, you must submit a copy or transcript of any local advertising materials in the exact form you intend to use them together with information that explains your proposed media plan, promotional event or other intended use. We have 10 days to review your request. If you do not receive our written approval within 10 days, that means we do not approve your materials or proposed local advertising (unless we notify you that we need additional time to review your materials). If you use or conduct local advertising that we approve, you must do so in the exact format or as represented to us in your approval request. (License Agreement, Section XI). As a condition of our approval, you must permit us and other franchisees that we authorize to use your materials without compensation.

We require you to spend a minimum of 1.5% of Gross Sales annually on local advertising. So that we may monitor your local advertising aggregate expenditures, upon request, you must submit appropriate documentation to us to substantiate the expenditures that you want us to count towards the minimum local advertising obligation. By the end of each year, your average local advertising expenditures are required to average at least 1.5% of Gross Sales. If the average over the course of a year is less than 1.5%, then you must promptly pay us the difference, plus an amount equal to 25% of the difference. Your failure to spend 1.5% of Gross Sales on local advertising each year during the term of the License Agreement is a material breach of the License Agreement.

We will not credit sums that you spend on grand opening marketing to your minimum local marketing requirement for the first year.

We treat all website or ecommerce activities as local advertising and forbid you to have your own website with its own URL address to promote the Restaurant.

3. Grand Opening Marketing.

We will work with you to design a grand opening marketing program including opening day activities for the Restaurant that focuses on features in your market including the number of factors including local competition and the proximity of other Big Chicken restaurants.

During the period beginning 30 days before the Opening Date and ending 90 days after the Opening Date, you must spend a minimum of $10,000 in local advertising and marketing activities to publicize the opening of your Big Chicken restaurant. As with any local marketing, grand opening promotional activities require our prior written approval.

Within 30 days after we request the information, you must furnish us with documentation substantiating that you have spent at least the minimum required on grand opening marketing. If your lease requires you to pay grand opening fees to the landlord, we credit those payments towards your minimum obligation. (See generally, License Agreement, Section XI).

4. Advertising Councils.

At this time, there is no advertising council composed of franchisees that advises us regarding advertising and promotional programs or policies for promoting Big Chicken restaurants generally.

In the future, we may implement a FAC to provide us with input and feedback on different initiatives and programs. We may use the FAC to provide us with strategic input on system-wide marketing initiatives or may form a separate franchisee advertising council consisting of franchisees who do not then serve on the FAC. If we form a franchisee advertising council, at our discretion we will either appoint the members or implement a representative election process whereby franchisees may elect their own representatives to the council. The franchisee advertising council will serve in an advisory capacity only. The council will not have operational or decision-making authority and its recommendations will not be binding on us. We may alter the function and/or composition of the franchisee advertising council at any time and may dissolve the council upon 30 days written notice.

Although none currently exist, there may be other types of cooperative marketing that we require or recommend that you participate in. Some requirements may only apply to franchisees owning a Big Chicken restaurant in a geographic area that we designate. We will provide you with at least 30 days written notice before imposing any mandatory requirements for participation in marketing programs.

Additional Disclosures re: Site Selection.

Unless you own or are leasing retail or restaurant space that meets our demographic and other site selection criteria that you would like to adapt to the design, appearance, trade dress and leasehold improvement elements of a Big Chicken restaurant and which we approve for conversion to a Big Chicken restaurant, you will begin the site selection process immediately after you and we sign the License Agreement.

You alone must evaluate potential sites, subject to our site approval process. We use real estate AI site tools, such as Borne, to asses sites quantitatively and consider a variety of demographic factors in approving locations for Big Chicken restaurants, including the following: (i) population and household size, average household income, median age of the market area, residential and commercial usage and comparable market data; (ii) general cleanliness and security of the area; (iii) parking availability; (iv) lighting, visibility of signs and general street exposure; (v) rental rates and lease terms; (vi) compatibility of neighboring and adjacent retail tenants; (vii) the proposed site's location within a larger shopping mall or complex in terms of pedestrian flow and pedestrian visibility; (viii) square footage, existing condition and adaptability of the space for retail food service; (ix) proximity of competitors; (x) convenient ingress and egress and foot and vehicular traffic; (xi) local economic conditions; (xii) building, health, sign and other applicable codes, ordinances, regulations and restrictions; and (xiii) kitchen fit. Our approval signifies only that the site meets our current site criteria.

In obtaining site approval, you may propose two or more sites for our approval simultaneously, but in order for us to consider any site request, you must submit a complete site package for each site that you propose that includes a letter of intent or other suitable evidence confirming your ability to obtain a lease for the site and the landlord's willingness to sign our Addendum to Lease. (License Agreement, Section IV).

We have 30 days after we receive all required site information to consent to or reject the proposed site. If you propose more than one site, we will review a second or additional site only if we reject the first site and allow you to specify a priority for our site review. If we do not consent to any of the sites that you propose within the 30-day period, it means that we reject the site (or all sites if you propose more than one). After we give our consent to a site, you and the landlord must enter into a lease and our form Addendum to Lease (Exhibit F). We may condition site approval on our review and approval of the lease for the Restaurant before you may enter into the lease with the landlord.

Typical Length of Time between Signing License Agreement and Opening Date.

Within 180 days after you sign the License Agreement, you must obtain site approval and sign a lease for the Restaurant at the Approved Location or we may terminate the License Agreement. The typical length of time between signing the License Agreement and when you should complete the construction of your Restaurant and open and begin operating to the public is 270 days. Of course, the actual length of time that it takes you to open the Restaurant after you sign the License Agreement will depend on a number of factors. These factors include the actual time it takes you to find a satisfactory site; secure needed financing; obtain our approval of construction drawings; secure all necessary building and zoning permits; obtain a state or local license to serve beer and wine or a full bar, if applicable; and complete the build-out process. Your actual time may also be longer due to contingencies like weather, acts of God, material shortages and labor stoppages that are beyond your control. However, you must open the Restaurant for business to the public within 365 days after signing the License Agreement or by the deadlines mutually agreed to in the development schedule in the Development Agreement or we may terminate the License Agreement.

Computer System.

You are required to purchase a computer and point-of sale system that consists of the following hardware, software and services (collectively the "***Computer System***"): (a) a computer (laptop or desktop) of any brand for use by the management of the restaurant, a back office computer, monitor, keyboard, mouse, and firewall with all necessary software required to run the approved POS system, which shall include a minimum, subject to the size of your Restaurant, of two POS terminals, two cash drawers, two receipt printers, two scanners, two credit card readers, a kitchen display system and a remote printer; (b) required software consisting of our then-current version of the approved POS system, Network security (Firewall, antivirus), TransparancyX Credit Card Processing, PAR PAY, Ovation reputation management software, kitchen display system software, as well as all monthly subscription access to the Computer System; (c) an installation and service package, an annual 24/7 help desk support package, an annual hardware maintenance package, and various hosted solutions required by our merchant services provider; (d) FranConnect software and CRM systems; (e) OLO software and system for digital ordering; and (f) Data Central for all back of house systems to include purchasing, payroll, inventory management, scheduling and other operational systems. The Computer System will manage the daily workflow of the Big Chicken Restaurant, coordinate the customer ordering experience and other information. You must record all sales on the Computer System. We also recommend you purchase integrated security cameras, but this is not required.

Restaurants will also be required to comply with EMV standards for credit cards. EMV is a technical standard for smart payment cards and for payment terminals and automated teller machines that can accept them. We estimate that each Restaurant will require two EMV terminals which are approximately $400 to $1,000 each. We estimate that the EMV software will have an activation fee of approximately $150 and an ongoing fee of $45 to $100 per month, per terminal.

You must store all data and information in the Computer System that we designate, and report data and information in the manner we specify. The Computer System will generate reports on the Gross Sales of your Big Chicken Franchise and must run programs designated by us to allow us to extract the sales and product mix information of your Big Chicken Franchise. You must also maintain a business class Internet connection at the Restaurant. Business class Internet consists of a service with a service level agreement of minimal speed guarantee, uptime, and static IP, which guarantees service when needed.

We estimate the cost of purchasing the Computer System will be between $14,500 and $25,000. In addition to offering and accepting Big Chicken gift cards, you must use any credit card vendors and accept all credit cards and debit cards that we determine. The term "***credit card vendors***" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet").

We will have unlimited remote access to review financial and operating information about the Restaurant that you store on the computers that you use to manage your Big Chicken restaurant. We may require you to provide us with all passwords, access keys and other security devices as necessary to permit our remote access.

You are solely responsible for all costs to maintain all of the hardware equipment to run the technology software that we specify. We cannot predict what your expenses may be in the future to maintain, replace or upgrade computer hardware since we cannot predict future changes that designated software providers may make to their software programs.

You are solely responsible for training new employees who do not participate in the New Restaurant Opening segment of the initial training program in the proper use of the computer software systems.

Upon 30 days written notice, we may require you to replace obsolete or outdated hardware components or software with newer technology. We may require designated software tools, including proprietary software. There are no contractual limitations on the frequency or cost of future updates, upgrades or replacement components or systems. However, we will not impose changes to the computer system unless we determine that the changes are in the best interest of the System, taking into account the operating efficiencies to be gained by the availability of new technologies and programs and the costs to implement the proposed modification. Changes in the mandatory specifications may include, without limitation, (i) replacing all of the hardware and software systems with new technology, which may be proprietary; and (ii) designating a specific vendor. In no event will changes that we impose to the mandatory specifications for our computer system apply just to your Restaurant. We or our Affiliate may be a designated software solutions vendor.

We will endeavor to provide you with reasonable written notice of all upgrades, updates and replacement specifications to allow you sufficient time to implement changes. We cannot estimate the future cost of maintaining, updating, upgrading or replacing the computer software or hardware, and note that these costs might not be fully amortizable over the time remaining in the term of your License Agreement. Nevertheless, we may require you to implement these changes that we determine are in the best interest of the System and network as a whole since a uniform point-of-sale and recordkeeping system is essential to our ability to evaluate individual store and network-wide performance.

In addition to the computer hardware and software that we require you to purchase and use to operate the Restaurant, you must use a personal computer with high-speed internet and an active e-mail address capable of running non-proprietary software applications so that you can prepare and print operating and financial reports, communicate through e-mail, receive, send and store documents and perform other back-office business functions. You must use bookkeeping services provided by Data Central for all food, beverage, and paper invoices. You may seek our approval to use other accounting services. We may, but need not, approve your request if we are satisfied that your requested accounting service can furnish required reports and other financial information in compliance with our minimum standards.

You must maintain on-line communication between your personal computer and our computer system and permit us independent access to, and retrieval of, data from your computer system on which you store the financial and operational data for the Restaurant at all times. Nothing limits our right to access or use the data we retrieve. (License Agreement, Section XIII). We estimate that the cost to purchase a basic computer hardware system, printer and non-proprietary financial accounting software will cost less than $2,000 initially, and annual repair,

maintenance and upgrade costs (other than to replace outdated hardware) will cost approximately $500/year.

Training:

TRAINING PROGRAM

TRAINING MODULE	HOURS OF CLASS-ROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Owner Orientation At least one Primary Owner must attend. Attendance is limited to persons who qualify as a Primary Owner.	14	2	Operating Big Chicken restaurant in Las Vegas, Nevada and the Big Chicken Corporate Office in Las Vegas, Nevada
Certified Manager Training Program Certified Manager Training Program – 9.5 days At least one management-level employee (may be a Primary Owner at your discretion) must attend, who must be the individual whom you wish to qualify as the Certified Manager of the Restaurant, and the designated General Manager. You must send a minimum of two members of your initial management team to the Certified Manager Training Program for your first location.	20	56	Operating Big Chicken restaurant in Las Vegas, Nevada
New Restaurant Opening Who must attend: All managers and other opening employees	8	160	At your Restaurant during the 11 days before and 10 days after the Opening Date based on a 5-day week.

Owner Orientation

The Owner Orientation module is limited to persons who qualify as a Primary Owner and covers a variety of topics germane to the franchise relationship including a review of your contractual duties under the License Agreement; the philosophy and culture of the System; guest service; use and protection of the Licensed Marks (as defined in Item 13) and Confidential Manual; and reporting obligations. Depending on when we actually conduct Owner Orientation relative to your progress with the build-out of the Restaurant, we will also address questions regarding build-out issues during Owner Orientation.

The Owner Orientation module will be offered at least twice a year, but could be offered more frequently as we determine.

There is no training fee to provide the Owner Orientation as part of the initial training program for your first Restaurant. We do not offer the Owner Orientation for new Primary Owners that join you after the Opening Date or for other Restaurants that you open.

Certified Manager Training Program

The Certified Manager Training Program, a 15-day program, presents an overview of the System and restaurant concept to your initial management team and highlights the distinguishing features of the System and provides The Working Session consists of three separate segments that are each 5 days in length for each key management role in the Restaurant and provides in-depth hands-on experience covering subjects including general restaurant management, menu preparation and guest interaction. Together, the various Working Session segments cover back-of-the-house and front-of-the-house responsibilities; shift-specific responsibilities (opening, mid-day and closing); inventory management; labor scheduling; purchasing and receiving; product quality; restaurant evaluations and inspections; facilities management; local marketing activities; restaurant accounting and reporting. All individuals whom you desire to qualify as a Certified Manager must attend this module.

The Certified Manager Training Program will be held at a mutually convenient time typically within three months before the anticipated Opening Date.

There is no training fee for the Certified Manager Training Program. However, by mutual arrangement, we will conduct an additional 15-day Certified Manager Training Programs after the Opening Date of a Restaurant for new management level employees (, Certified Manager and Lead Manager) at $5,000/Certified Manager Training Program for up to four trainees. We do not prorate the fee for less than 5 days of training, for a partial day or for training fewer than 4 trainees at a time.

New Restaurant Opening

For your first Restaurant, we will send at least two of our trainers to your Restaurant, and for your second and third Restaurants we will send at least two of our trainers to your Restaurant, in each case to conduct the three-week New Restaurant Opening module. We expect all opening employees of the Restaurant to participate in the New Restaurant Opening module.

Any additional on-site training that you require or request or that we provide, whether in connection with the opening of an additional Restaurant, because of operating deficiencies or otherwise, is by mutual arrangement and subject to paying us our then-current training fee, as we disclose in Item 6.

This training will typically occur during the 11 days immediately before the Opening Date and 10 days after opening, although the exact schedule will be mutually agreed upon by us and may vary.

There is no training fee for the providing New Restaurant Opening training in connection with each of your first three Restaurants.

By mutual arrangement, we will provide New Restaurant Opening for a later Restaurant after the first three, or additional on-site training for any of your Restaurants after their Opening Date, at our then-current per diem training fee, which at this time is $400/day/trainer.

Training Program

Before you open the Restaurant, we will provide you with a comprehensive multi-module initial training program as we outline above and which you must complete to our satisfaction. For no additional fee above and beyond the Initial Franchise Fee, we provide a Certified Manager Training Program before the Opening Date of each Franchise Restaurant that you open. Additionally, for no additional fee above and beyond the Initial Franchise Fee, we provide Owner Orientation in connection with your first Restaurant and provide the three-week New Restaurant Opening module for each of the first three Restaurants that you open. By mutual arrangement, we will repeat different modules or will repeat different segments of the Certified Manager Training Program for you and your employees for the additional fees that we describe in the above chart re: Additional Information and in Item 6.

We may modify our training programs at any time by adding, deleting or revising the modules, curriculum, training instructors, training locations, duration of training and other requirements. The above charts summarize who must attend each segment of the initial training program and the location and duration of each segment. Our Confidential Manual serves as our instructional materials. See generally, License Agreement, Section X. At this time, all training is scheduled by mutual arrangement, but in the future we may publish a schedule of training classes and modules and allow you to enroll your employees subject to space availability.

In all cases, for any training that you and your employees receive, you are responsible for paying all personal expenses for yourself and your employees to attend training, including transportation, lodging, food, salary and other personal charges. Additionally, for extra on-site training beyond the New Restaurant Opening training that we provide for each of your first three Restaurants before and in connection with their Opening Date, you must reimburse us for our reasonable coach-class airfare, hotels, airport transfers and a per diem of $100/day per trainer.

Currently, Trisha Bovell (née Durham), our Head of Training, oversees all of our training programs and training curriculum. Trisha Bovell (née Durham) has 14 years of relevant experience in the food and beverage field and 7 years' experience with us. See Item 2.

You are responsible for training your hourly employees and key supervisors whom you do not enroll in our training classes.

After your initial Big Chicken restaurant has been operating for at least 12 months or after you have opened your third Big Chicken Restaurant, whichever comes first, you may apply to have us certify your training team and receive a Training Store Certification if you meet and maintain specific benchmarks that we identify in the Confidential Manual. Training Store Certification enables your Certified Manager to train your new management hires as a Certified Manager instead of enrolling them in our training program. See Item 6 for a discussion of these benchmarks and the Training Store Certification Application Fee. We may periodically review your Training Store Certification to verify that you continue to meet our then-current minimum requirements. If you

own multiple Big Chicken restaurants, we expect one of your Certified Managers to run the initial training program and provide grand opening support services for the fourth and each subsequent Big Chicken restaurant that you open.

We intend to periodically offer refresher programs and may require that you, your Primary Owner and your Certified Managers may attend. As the need develops, we may offer special training if we introduce new Designated Goods/Services, services or programs or to address particular changes in the System, promotional programs, vendor relationships, purchasing programs, or other matters of common interest to our franchisees. We will not require that more than two persons each complete more than 3 days of additional training during any 12-month period. See Item 6 regarding training fees for additional training classes. We intend to conduct all continuing training courses at an operating Big Chicken restaurant or other facility that we designate, or at the same time that we hold any regional or national franchisee meetings.

Prices:

We will provide suggested retail prices based on competitive pricing near your Restaurant's location. At this time, you may set your own prices; provided, however, that the minimum and maximum prices at which you may advertise and sell approved menu items or other approved goods and services must be no less than 10% below our suggested retail prices and no greater than 10% above our suggested retail prices.

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ITEM 12

TERRITORY

Development Agreement.

By becoming an area developer and signing our Development Agreement (Exhibit D), you receive the right, subject to certain exclusions, to open a specific number of Big Chicken restaurants in an agreed-upon geographic area if you satisfy the development obligations by the development deadlines that we mutually establish. You and we will together agree on the boundaries of your Development Territory and your development commitment, or Development Quota, through negotiation before you sign the Development Agreement. We will describe the boundaries of the Development Territory by street names, geographical or political boundaries, like street name references, or other recognizable demarcations in an exhibit to the Development Agreement. The minimum size of a Development Territory will depend on demographic characteristics of the region, our evaluation of its development potential and the minimum Development Quota that you accept, which we mutually agree upon before you sign the Development Agreement.

We reserve development opportunities in Non-traditional Venues in your Development Territory. "***Non-traditional Venue***" refers to the location of a Big Chicken restaurant in a larger public or privately-owned destination or complex which includes restaurants or food services as an accommodation to a captive market. Examples of Non-traditional Venues include grocery stores (including club stores, convenience stores and other venues that sell groceries), airports, mass transit stations, professional sports stadiums and arenas, ghost and/or virtual kitchens, hotels and other types of lodging facilities, military bases, entertainment centers, amusement parks, casinos, universities and other types of schools, hot vending machines, hospitals and other types of health care institutions, and similar types of captive market locations that we may designate.

We may terminate the Development Agreement if you do not meet your Development Quota by the specific development deadlines or fail to keep a minimum number of Big Chicken restaurants open and operating during the Development Agreement term. Other than this requirement, the development rights that we award to you under a Development Agreement do not depend on your achieving or maintaining a minimum volume of sales.

Subject to certain rights that we reserve, neither we nor our affiliates will establish or award franchise rights to anyone else to operate a Big Chicken restaurant in the Development Territory during the term of the Development Agreement. We may engage in development and other activities in your Development Territory during the term of the Development Agreement pursuant to our reserved rights, as we explain in this Item 12.

You will sign our then-current License Agreement for the first Big Chicken restaurant when you sign the Development Agreement, and sign our then-current form of License Agreement (Exhibit C) for each additional Big Chicken restaurant in your Development Quota when you obtain site approval for the new Big Chicken restaurant based on our then-current standards for site approval. Under the License Agreement, we assign each Big Chicken restaurant its own Protected Area, subject to certain rights that we reserve and describe in this Item 12. We have 30

days after we receive all required site and lease information to consent to or reject the proposed site in writing.

License Agreement.

The License Agreement gives you the right to open only one Big Chicken restaurant at the Approved Location before you enter into a lease for the location.

Except as we disclose in this Item 12, we will assign each Restaurant at an Approved Location a protected area ("***Protected Area***") that will not be smaller than a one-mile radius drawn more or less as a radius approximately from the center of the Restaurant at the Approved Location depending on the demographics in the area with the boundaries identified by street names, political boundaries, zip code boundaries, or similar designations. However, we may engage in certain activities in your Protected Area during the term of the License Agreement as we explain in this Item 12.

Our designation of specific boundaries for each Protected Area depends on various local market considerations including population density, demographic factors (age; household income; total population and daytime business versus residential population; number of competitors in the market; availability of new sites and potential population growth; driving times within the Protected Area; traffic patterns during peak purchasing periods of the day; and similar factors). We do not represent that the geographic size or population in the Protected Area that we assign to your Restaurant will be identical to or as large as the Protected Area that we assign to another franchisee.

If the Restaurant at the Approved Location is in any one of the top 20 Metropolitan Statistical Areas when you obtain site approval, we draw the boundaries of the Protected Area to include no less than 10,000 daytime population. In this case, your Protected Area may be smaller than one mile. "MSA" is the name that the Federal Office of Management and Budget gives to high density urban core areas according to uniform statistical criteria. The Office of Management and Budget publishes geographic, statistical and population data relying on the most recent U.S. census data.

In all cases, your Protected Area excludes Non-traditional Venues located within the boundaries of the Protected Area and is subject to certain other rights that we reserve, which we describe in this Item 12.

When we award site approval, we will notify you of the boundaries of the Big Chicken restaurant's Protected Area. Once we identify the boundaries of the Protected Area, neither we nor our affiliates will establish or award franchise rights to anyone else to operate a Big Chicken restaurant in the Protected Area that we assign to your Restaurant, subject to our reserved rights (i.e., development if Non-traditional Venues). The Protected Area will not change due to later population or demographic changes in the general market area that you serve or for any other reason.

You may not relocate the Restaurant except to a location that we approve in writing. Relocation is at your sole expense and subject to certain conditions that we specify in the License Agreement. If we approve the new premises that you propose, you must improve the new location consistent with our then-current trade dress and construction requirements for new Big Chicken restaurants and use your best efforts to complete relocation without any interruption in the continuous operation of the Restaurant unless you obtain our written consent beforehand to close your Restaurant for business. The new location need not be within the original Protected Area, but the new location (i) must be approved by us according to the site selection procedures in the License Agreement; (ii) be in the same general market or trade area, which we will identify, in order for us to treat the change of location as a relocation; and (iii) will be subject to the rights of any existing Restaurant owner. Once we approve the new location, we will assign it a new Protected Area according to the same criteria that we describe in this Item 12. As a condition of consenting to a temporary closure until you complete relocation, we may require you to pay Royalty Fees and Brand Marketing Fees based on the average fees paid during the six months before the closure or shorter period that the Restaurant was open for business. Additionally, we may require you to spend the then-current minimum amount on grand opening marketing that we then require of new franchisees to publicize the new Big Chicken restaurant location.

The License Agreement permits you to engage only in retail transactions of authorized goods and services to guests either for dine-in or take-out consumption. We allow you to offer catering services and delivery services through a third-party restaurant delivery service within your Protected Area or, with our prior approval, in areas immediately adjacent to your Protected Area if they are not within the Protected Area of another franchisee. For catering services, we may set minimum requirements covering the following subjects: (i) food handling and storage requirements during transport or for food prepared outside of the Restaurant; and (ii) areas within which a franchisee may offer delivery and provide catering services. You may accept catering jobs from guests outside of your Protected Area if the location where you will provide catering is not within the Protected Area assigned to another Big Chicken restaurant and is within an authorized delivery zone that we designate. We may establish outside limits on the distance from the Franchise Restaurant where you may offer catering services based on considerations like traffic and driving distance that may affect product quality issues. For delivery services, we may notify you of certain third-party restaurant delivery services that we do not approve in which case you may not use them. You may not sell, nor may you authorize any third parties to effectuate sales, of Big Chicken products from mobile food trucks, kiosks, ghost kitchens or any other sales platforms other than from the Restaurant at the Approved Location without our express prior written consent.

Your territorial rights relate strictly to our agreement not to operate of a franchise of another Big Chicken restaurant in the Protected Area, subject to our reserved rights. The terms "***Development Territory***" and "***Protected Area***" do not mean that you have the exclusive or superior right to service guests who reside or work in the Development Territory that we assign to your Restaurant. A guest who resides or works in your Development Territory or Protected Area may frequent any other Big Chicken restaurant without the owner of the other Big Chicken restaurant having to pay you compensation.

We do not restrict your advertising activities for prospective guests to your Development Territory or Protected Area. You may use the Internet and third-party social media sites to advertise and promote your Restaurant only with our prior written approval, but you may not use other channels of distribution to sell goods or merchandise that we authorize for sale at the Restaurant. By "other channels of distribution," we mean that you may not use channels like the Internet or catalog sales to sell goods or merchandise associated with the Licensed Marks (as defined in Item 13), like Designated Goods/Services that bear the Licensed Marks (as defined in Item 13).

You may not engage in wholesale sales of any kind without our written consent beforehand. "***Wholesale sales***" includes the sale or distribution of products or services to a third party for resale, retail sale or other method of distribution (for example, supplying a local restaurant or grocery store with chicken sandwiches or other products that we authorize for sale at your Restaurant or require you to use to prepare authorized products).

The franchise rights that we award to you do not give you the exclusive or preferential right to use the Licensed Marks (as defined in Item 13) or the System in the trade area where you do business and do not in any way limit our use of the Licensed Marks (as defined in Item 13) or the System anywhere or for any purpose.

You may advertise your Restaurant in any geographic area. Likewise, we do not limit other licensees of ours from engaging in advertising activities outside of their Development Territory or Protected Area and do not promise that they will not engage in activities soliciting guests who reside or work in your Development Territory or Protected Area.

Our Reserved Rights.

Except as otherwise set forth herein, we reserve all rights to exploit the System and the Licensed Marks (as defined in Item 13) and engage in all types, methods and channels of distribution in your Development Territory and in the Protected Area that we assign to your Restaurant. During the term of the Development Agreement, we may pursue our reserved rights in your Development Territory and during the term of each License Agreement, we may pursue our reserved rights in the Protected Area that we assign to a Restaurant.

By illustration, our reserved rights give us the right to engage in the following activities in the Development Territory and Protected Area directly or indirectly through an affiliate, franchisee or other type of licensee:

1. Use or authorize others to use all, or parts, of the System and exploit the Licensed Marks (as defined in Item 13) in any manner, method or channel of distribution including the right to engage in Wholesale Sales.

2. Directly or indirectly sell goods or services of any kind or pre-packaged ingredients or foods through any retail or wholesale channel of distribution, including by means of the Internet, mail order catalogues, direct mail advertising, or from supermarkets, convenience stores, and other retail stores of any kind that do not do business under the Big Chicken name. For example, we may sell chicken sandwiches in packaging and containers identified by the Licensed Marks (as defined in Item 13) from supermarkets located in your Development Territory or Protected Area.

3. Open or license others to open a Big Chicken restaurant identified by the Licensed Marks (as defined in Item 13) in a Non-traditional Venue located in your Development Territory or Protected Area.

4. Purchase or be purchased by, or merge or combine with, competing businesses wherever located.

5. Purchase or be purchased by, or merge or combine with another Restaurant Chain and afterwards convert any restaurant in the Restaurant Chain in your Development Territory or Protected Area to a Big Chicken restaurant. We define a "***Restaurant Chain***" as a network of three or more restaurants (regardless of whether some locations in the Restaurant Chain are in and others are outside of your Development Territory or Protected Area) that all use a common trade name and common operating methods to identify themselves to the public. The Restaurant Chain may, or may not, feature chicken sandwiches as the predominant menu item. However, after the acquisition event, if any locations of the Restaurant Chain are in your Development Territory or Protected Area, then the following consequences shall apply:

a. At our election, we may offer to sell the assets of the operating restaurant to you on mutually acceptable terms and conditions as a going concern. In this case, you must agree to execute our then-current form of License Agreement and operate the former Restaurant Chain location as a Big Chicken restaurant, which will require you to remodel the premises to our then-current design standards for new Big Chicken restaurants at your own expense; or

b. If we cannot offer to sell, or do not wish to offer to sell, to you the assets of the former Restaurant Chain location in your Development Territory or Protected Area, or if we cannot reach a mutual agreement with you on the terms and conditions for sale within 30 days after we first offer the former Restaurant Chain assets to you despite our respective good faith efforts to negotiate mutually acceptable terms, then we will operate the former Restaurant Chain location in your Development Territory or Protected Area directly or through an Affiliate or a third-party licensee under a name that is not confusingly similar to the Licensed Marks (as defined in Item 13).

6. Open or license others to open any type of restaurant or food service business in your Development Territory or Protected Area, including a restaurant or food services business that features chicken sandwiches as its predominant menu item, under a name that is not confusingly similar to the Licensed Marks (as defined in Item 13).

Outside of the Development Territory, and outside of the Protected Area that we assign to your Restaurant, we may open or award franchise rights to any person of our choosing to open a Big Chicken restaurant regardless of how close their Big Chicken restaurant may be located to the boundaries of the Development Territory or Protected Area.

Your franchise rights are not contingent on achieving any minimum sales level or other kind of sales or market penetration contingency. We will not modify the Development Territory or Protected Area depending on your performance or due to changes in the population or other demographic characteristics of your market area. We may award any type of right of first refusal or preferential right to acquire additional franchises for areas immediately adjacent to, or abutting, the boundaries of your Development Territory or Protected Area.

Item 1 describes our current affiliated franchise systems, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. These affiliated brands maintain offices and training facilities that are physically separate from our franchise network's offices and training facilities. The Budlong Franchise Nevada LLC, as described in Item 1, has offered and will continue to offer franchises under the Budlong Hot Chicken trademark for Budlong Hot Chicken franchises, which offer similar chicken-related menu items as we do. All businesses that our affiliates and their franchisees operate, including those operated by The Budlong Franchise Nevada LLC, may solicit and accept orders from customers near your business. We have no obligation to resolve any perceived conflicts that might arise between our system and our affiliated franchise systems, including The Budlong Franchise Nevada LLC, regarding territory, customers, or support.

Exclusivity.

Due to the rights that we reserve for ourselves and our affiliates to engage in activities in your Development Territory and Protected Area, neither the Development Territory nor the Protected Area is an exclusive territory. Consequently, you will not receive an exclusive territory under the Development Agreement or the License Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we or our affiliates own or control.

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ITEM 13

TRADEMARKS

Our Parent Company owns all of the following registrations of Licensed Marks that are registered on the Principal Register of the United States Patent & Trademark Office ("***USPTO***"):

MARK	SERIAL/REGISTRATION NUMBER	FILING/REGISTRATION DATE	USPTO REGISTER
BIG CHICKEN	Serial Number 97383217	Filed April 26, 2022	Principal
BIG CHICKEN	Serial Number 97347174	Filed April 5, 2022	Principal
BIG CHICKEN	Serial Number 97347161	Filed April 5, 2022	Principal
BIG CHICKEN	Serial Number 97347138	Filed April 5, 2022	Principal
BIG CHICKEN	Serial Number 97347123	Filed April 5, 2022	Principal
BIG CHICKEN	Serial Number 97347088	Filed April 5, 2022	Principal
	Registration Number 7019486	Registered April 4, 2023	Principal
	Registration Number 6783096	Registered July 5, 2022	Principal
	Registration Number 6342451	Registered May 4, 2021	Principal
BIG CHICKEN	Serial Number 97347123	Filed April 5, 2022	Principal
BIG CHICKEN	Registration Number 6783095	Registered July 5, 2022	Principal

MARK	SERIAL/REGISTRATION NUMBER	FILING/REGISTRATION DATE	USPTO REGISTER
BIG CHICKEN	Registration Number 7019485	Registered April 4, 2023	Principal
	Registration Number 6783096	Registered July 5, 2022	Principal
	Registration Number 6342451	Registered May 4, 2021	Principal
	Registration Number 6342452	Registered May 4, 2021	Principal
	Registration Number 7183162	Registered October 3, 2023	Principal
	Registration Number 6336288	Registered April 27, 2021	Principal
	Registration Number 6336287	Registered April 27, 2021	Principal
BIG CHICKEN	Registration Number 5933008	Registered December 10, 2019	Principal

Pursuant to a license agreement, dated October 1, 2018, by and between our Parent Company and ABG-Shaq, LLC (the "***Shaq License Agreement***"), our Parent Company has been granted the right and license to utilize (i) the right of publicity of Shaquille O'Neal and (ii) the 'SHAQ' and 'SHAQUILLE O'NEAL' trademarks, whether registered under applicable laws and/or protected under common law (the "***Shaq Intellectual Property***") in connection with implementation and exploitation of the Big Chicken restaurant menus and imprints of Shaquille O'Neal's footprints at Big Chicken Restaurants and in-context use of the Shaq Intellectual Property in connection with the advertising and promotion of Big Chicken restaurants (the "***Shaq Licensed Rights***"). The Shaq License Agreement permits our Parent Company to sublicense to us and allows us to franchise the Shaq Licensed Rights to third parties to operate Big Chicken restaurants. The Shaq License Agreement provides for a term until December 31, 2023, which term is automatically renewed for another period of 5 years for up to 3 times (*i.e.,* a total of 15 years), unless earlier terminated by either our Parent Company or ABG-Shaq, LLC, for cause. The Shaq License Agreement has been automatically renewed with the current term ending on December 31, 2028.

Our Parent Company has granted us the non-exclusive right to grant sublicenses to third parties to operate Big Chicken restaurants under the System and to administer marketing and support programs for our franchisees in an amended and restated trademark, copyright, and know-how license agreement dated as of February 13, 2020 (the "***Internal License Agreement***"). The Internal License Agreement provides for an indefinite term, unless earlier terminated by either our Parent Company or us upon 120 days' prior written notice to the other party. Apart from the Shaq License Agreement and Internal License Agreement, no agreement significantly limits our right to use or license the use of all of the elements and features of the System, including the Intellectual Property, in any manner material to the franchise. However, you will lose your right to the Shaq Intellectual Property and Shaq Licensed Rights if ABG-Shaq, LLC, terminates the Shaq License Agreement or if our Parent Company terminates the Internal License Agreement.

All necessary affidavits to keep the federal registrations in force have been filed or the time for filing affidavits has not yet been reached. As of the effective date of this Disclosure Document, we are not aware of any (i) currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court; (ii) pending infringement, opposition or cancellation proceedings; or (iii) pending material litigation, involving the Licensed Marks.

Under the License Agreement, we grant you a non-exclusive license to use the System under specific conditions. The System refers collectively to all of the distinctive business methods, Designated Goods/Services, Confidential Information, and the Intellectual Property that distinguish Big Chicken restaurants. You may use only the elements of the System that we designate.

The term "***Intellectual Property***" refers to all of the rights that we have in the Licensed Marks, the Shaq Intellectual Property, in any Designated Goods/Services and Confidential Information arising under any patent, trade secret, copyright, trade dress, design protection, database protection, trademark, or similar laws of the United States or any other country in which we or our affiliates operate. The term "***Licensed Marks***" identifies the specific names, trademarks, service marks, commercial symbols and logos that we identify and permit you to use to identify and promote the Restaurant to the public.

You must follow our rules when you use the Licensed Marks. Among other rules and requirements, we forbid you to use any portion or feature of the Licensed Marks in your corporate, fictitious or other business entity name or with any prefix, suffix or other modifying words, terms, designs, colors or symbols. You may not use the Licensed Marks to sell any unauthorized products or services, in a way contrary to our instructions, or in any way that could result in our liability for your debts or cause us to be deemed to be the employer of your employees. You must use the Licensed Marks in the form and manner that we specify and follow our instructions for identifying yourself as the independent owner of the Restaurant. You must maintain appropriate trade name or fictitious name registrations. You may not use any other trademarks or service marks in combination with the Licensed Marks without our written approval beforehand. When you use the Licensed Marks, you must apply the special trademark symbols and ownership information that we designate. All use of the Licensed Marks is subject to our prior written authorization.

There are no infringing or previous superior uses that we or our principals know of that could materially affect your use of the Licensed Marks in the state where you will operate the Franchised Business.

In the License Agreement, you acknowledge that, between the two of us, we own superior rights in the Licensed Marks. You agree that you will not do anything inconsistent with our rights. You may not challenge our ownership, rights or the validity of the Licensed Marks. You must permit reasonable inspection of your operations and supply us with specimens of all uses of the Licensed Marks upon request. You may not use the Licensed Marks in advertising or marketing materials unless and until we approve the materials beforehand.

You agree that the nature and quality of all products and services that you sell at or from the Restaurant and all related advertising, promotional, and other activities that you engage in that associate you and the Restaurant with the Licensed Marks must conform to the standards for quality and other specifications that we establish.

You must notify us immediately if you learn about (i) any improper use of the Licensed Marks, (ii) a third party's use of a mark or design that is confusingly similar to any of the Licensed Marks, or (iii) any challenge to your use of any of the Licensed Marks. We will take whatever action we think is appropriate under the circumstances (including taking no action), and will control the prosecution, defense or settlement of any legal action. You must cooperate and assist us in defending our rights in the Licensed Marks with regard to any third-party claims. You and your owners and management must agree not to communicate with any person other than us and our counsel about any infringement, challenge or claim. You may not take any action in your own name. Unless we establish that a third-party claim is due to your misuse of the Licensed Marks, we will defend you in matters relating to your proper use of the Licensed Marks. However, we will not reimburse you for any lost profits or consequential damages of any kind and will only reimburse you for any actual expenses that you incur to change your signs and other uses of the Licensed Marks if we agree to cease using all, or particular elements of the Licensed Marks as part of the resolution of the third-party claim.

You must modify or discontinue using any aspect of the Licensed Marks, and add new names, designs, logos or commercial symbols to the Licensed Marks as we instruct. We may at our sole discretion, impose changes whenever we believe the change is advisable. We do not have to compensate you for any costs you incur to make the changes we require. You will receive written notice of any change, and will be given a reasonable time to conform to our directions (including changing signs, menu boards, paper products that display the Licensed Marks and marketing displays, at your expense).

We forbid you to use the Licensed Marks in any electronic mail address or in any domain name. You may not maintain your own website to promote the Restaurant. You may not maintain a presence or advertise on the Internet or on any other public computer network, or any other kind of public modality, using the Licensed Marks or referencing Big Chicken restaurants without our written consent beforehand, which may be withheld in our sole judgment. As we note above, we will identify all operating Big Chicken restaurants on our website, https://www.bigchicken.com/.

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ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

There are no patents that are material to the franchise. Although we have not filed an application with the United States Copyright Office to copyright the Confidential Manual or any of the advertising or marketing materials that we have developed, we claim common law copyright rights in these materials and regard them as our proprietary information.

You may use the Confidential Manual, our advertising and marketing materials and any other confidential or proprietary information that we choose to share with you only to operate and promote the Restaurant during the term of the License Agreement and only in the manner that we authorize. You may not duplicate, copy, disclose or disseminate the contents of the Confidential Manual or other proprietary or confidential information without our consent beforehand.

We may modify the Confidential Manual at any time. We will notify you of all changes in writing or through electronic communications and you must promptly adopt the changes at your cost. When the License Agreement expires or terminates, depending on the format that we furnish the Confidential Manual, you must physically return all copies in your possession or delete electronic content from your computers and not retain any copies. You must keep the Confidential Manual updated and, depending on the format that we furnish it, in a secure or locked receptacle when not in use. If there is a dispute over the current version of the Confidential Manual, the terms of our master copy will control.

We are not aware of any agreements or third-party claims of infringement that might limit our, or your, use of the Confidential Manual or any other confidential or proprietary materials that we allow you to use. We are not aware of any current determinations of the Copyright Office or any court, or any pending interference, opposition or cancellation proceedings or material litigation involving any materials in which we claim a copyright or regard as proprietary or as our trade secret.

You may not divulge confidential information about the System or the results of the Restaurant's operations to any person, except to your employees and professional advisors who must know the information in order to carry on their employment duties or render professional advice to you. If you must disclose confidential information, you must have the employee or advisor sign our form of Confidentiality Agreement that includes the non-disclosure provisions in Exhibit I, which gives us the right to seek equitable remedies, including restraining orders and injunctive relief, to prevent the unauthorized use of our confidential information.

You are encouraged to bring your own ideas and suggestions to us for our consideration as to whether we wish to implement the idea or improvement into the System. You may not implement ideas or improvements that materially alter the System without our prior written consent. As a condition of our approval, the License Agreement provides that you must quitclaim to us all rights that you may have in and to the idea or improvement as our exclusive property. You must execute the agreements that we believe are necessary to give us exclusive ownership of the improvements, without compensation, and agree that we may use and incorporate the improvements and any ideas that you may originate in the System.

The disclosures that we make in Item 13 regarding your duty to notify us about improper uses, infringement claims and challenges to your use of the Licensed Marks apply to all other intellectual property rights that we include in the term "***Intellectual Property***." This includes claims involving any proprietary recipes, distinctive trade dress, and any information that we designate as Confidential Information including the content of our Confidential Manual and any source or programming codes relevant to any proprietary software that we may introduce later as part of the System. If you bring a third-party claim to our attention that involves other Intellectual Property besides the Licensed Marks, we will take whatever action we think is appropriate under the circumstances (including taking no action), and will control the prosecution, defense or settlement of any legal action. You must cooperate and assist us in defending our rights in the materials or information that we claim is our property. You and your owners and management must agree not to communicate with any person other than us and our counsel about any infringement, challenge or claim. You may not take any action in your own name. Unless we establish that a third-party claim is due to your misuse of the Confidential Manual or any other confidential or proprietary materials that we allow you to use, we will defend you in matters relating to your use of the System. However, we will not reimburse you for any lost profits or consequential damages of any kind and will only reimburse you for the amount of any settlement or liability imposed by the court and for any actual expenses that you incur to change your operations to discontinue use of any infringing materials if we agree to do so as part of the resolution of the third-party claim.

See Item 17 for additional information regarding confidentiality and covenants against competition.

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ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

You must devote the requisite time, energy, and best efforts to meet your obligations to us under the License Agreement. Although we emphasize previous retail food service or restaurant experience in considering prospective franchisees, we do not require you or a Primary Owner personally to devote full time and attention to managing and supervising all administrative and operational activities of your Restaurant or perform the duties of a Certified Manager. However, we do require you or a Primary Owner to complete the Owner Orientation module of our initial training program and recommend that you or a Primary Owner also complete the Certified Manager Training Program module that we describe in Item 11.

At all times, your Restaurant must be under the direct, full-time supervision of a Certified Manager. If you own more than one Restaurant, each one must be under the direct, full-time supervision of a different Certified Manager unless we otherwise approve in writing. A Certified Manager may, but need not, be a Primary Owner. We define a Certified Manager as a full-time management level employee who devotes full-time and attention to supervising the day-to-day operations of the Restaurant and who qualifies as a Certified Manager. To qualify as a Certified Manager, you or the management-level employee must successfully complete the Certified Manager Training Program and Working Session modules to our satisfaction and demonstrate proficiency in restaurant management subjects. Each Restaurant you own must be open on all of the days and during the hours prescribed in the Confidential Manual, unless you receive our prior written approval of different days or hours or otherwise prohibited by the Lease.

The Certified Manager must also complete ServSafe® food protection and alcohol service (if alcohol is served at the Restaurant) training and hold ServSafe® food protection and alcohol service certificates (if alcohol is served at the Restaurant) and secure all permits that may be required by applicable law with respect to food service and alcohol service(if alcohol is served at the Restaurant).

If you earn a Training Store Certification, the Certified Manager is who successfully passes "train-the-trainer" instruction, which we conduct at an operating Big Chicken restaurant that we designate in the United States, and demonstrates his or her proficiency in being able to communicate and teach the standards and operating methods of the System to your other employees. Additionally, your Restaurant must meet certain benchmarks (see Item 6). We will periodically review your Training Store Certification to verify that you continue to meet the current minimum requirements and may modify the minimum requirements for maintaining Training Store Certification at any time upon no less than 30 days' notice, but will give you a reasonable amount of time to attain the new requirements. If we revoke your Training Store Certification, you may reapply for Training Store Certification once you meet the then-current benchmarks.

As the independent owner of the Restaurant, you control the manner and means of operating the Restaurant and have sole responsibility for your employees including your Certified Manager. As the employer, you alone will make all hiring and firing decisions and establish your own employment policies. All employees that you hire must be competent, conscientious, and properly trained by you to perform their duties. You are ultimately responsible for the performance of your employees and agents.

You must keep us informed of the identity of your employees at the level of Certified Manager.

You must prominently display appropriate notices in a format that we designate to inform the public that you independently own and operate the Restaurant under a license from us and are not our agent.

Each of your owners, employees, independent contractors, and agents who is given access to any information that we deem to be proprietary or confidential must enter into a written confidentiality agreement either with us or with you. We designate the form of contract and attach a copy of our current contract as Exhibit I.

If you are a corporation, limited liability company or other business entity, we may require each person who owns 15% or more of the equity or voting interests of the business entity to sign a Guaranty (Exhibit H) agreeing to be jointly and individually liable for all of your obligations under each License Agreement, undergo a background check and, if you are an area developer, the Development Agreement. This may also apply to persons who acquire a 15% or greater interest after you sign the applicable contract.

You are an independent contractor and not our representative, partner or employee. You have no authority to make any contract, agreement, warranty or representation or to create any obligation binding on us.

If you are married, your spouse will be asked to execute a Spousal Consent (Exhibit F to the License Agreement) acknowledging that your obligations under the License Agreement and Development Agreement (if any) are binding upon the marital community.

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ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

In operating the Restaurant, you must offer all of the menu items and other goods and services that we designate are part of the System and nothing else except with our prior written approval. Among other changes that we may implement, we may require you to (i) change, add or discontinue certain recipes, menu items or other goods or services; (ii) add, modify and discontinue certain designated vendors of Designated Goods/Services or recommended vendors of Non-Designated Goods/Services; or (iii) modify menu designations, appearance and trade dress elements and sign requirements. For example, at a later date, we may implement a delivery program and require that you offer delivery services to guests in the delivery area that we designate. These changes may increase your operating expenses. We communicate all changes by written or electronic bulletins or revisions to the Confidential Manual. There is no limit on the frequency that we may impose these modifications. You will be given a reasonable time period after notice from us in which to implement these changes and discontinue any practices which we delete from the System. You may not place new orders with any vendors whom we remove from our approved list.

You may sell only to retail guests for their personal consumption. We forbid you to engage in wholesale sales and distribution as we explain in Item 12. Otherwise, we do not impose any restrictions regarding the guests to whom you may sell authorized products and services.

We will provide suggested retail prices. At this time, you may set your own prices; provided, however, that the minimum and maximum prices at which you may advertise and sell approved menu items or other approved goods and services must be no less than 10% below our suggested retail prices and no greater than 10% above our suggested retail prices.

Your operations must comply with all applicable laws. These include the laws and licensing requirements that we describe in Item 1 and laws pertaining to the sale of food, beverages (including alcoholic beverages, if alcohol is served at the Restaurant), food handling and storage, health and sanitation, and the Americans with Disabilities Act. You must investigate what laws apply to your business and ensure that you comply with them.

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ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Chart 1 – License Agreement

Provision	Section in License Agreement	Summary
A. Length of the franchise term	VI.A	The term begins on the date that you sign the License Agreement and expires 10 years from the Opening Date of your Restaurant.
B. Renewal or extension of the term	VI.B	Two options for additional 5-year terms so long as we are awarding new Restaurant franchises in the United States at the time you exercise your renewal option.
C. Requirements for franchisee to renew or extend	VI.B, VI.D	Your right to exercise the renewal option depends on whether we are still awarding new franchises for Big Chicken restaurants in the United States at the time that you give us notice that you wish to exercise the renewal option. We may discontinue the franchise program at any time. In that case, your franchise rights will expire at the end of the original 10-year franchise term. In order to exercise the renewal option, you must be in good standing under the expiring License Agreement; sign the then-current License Agreement; satisfy our then-current design, appearance and trade dress elements for the Restaurant; pay the renewal fee; complete any training that we require for renewing franchisees; and sign a general release. You must negotiate with the landlord to extend your occupancy rights for the entire renewal term or relocate the Restaurant at the Approved Location to a new location with our approval. In each case, the landlord must sign our then-current Addendum to Lease. The then-current License Agreement that you sign may contain materially different terms and conditions from the expiring License Agreement.
D. Termination by franchisee	XVIII.A	You may terminate the License Agreement only if we fail to cure an alleged material breach of the License Agreement or do not begin to cure the alleged breach within the cure period we are allowed under the License Agreement or otherwise allowed by law. Note, however, that termination provisions are subject to state law.

Provision	Section in License Agreement	Summary
E. Termination by franchisor without cause	N/A	Termination without cause is only possible by mutual agreement.
F. Termination by franchisor with cause	IV.C, XVIII.B, XVIII.C	We may only terminate the License Agreement for good cause based on your material default.
G. "***Cause***" defined – curable defaults	XVIII.C	Except for defaults that the License Agreement identifies are not curable, you have 30 days after notice to cure all defaults, except that you have 10 days after notice to cure a monetary default.
H. "***Cause***" defined – non-curable defaults	XVIII.B	The License Agreement identifies non-curable defaults. They include the following: Your failure to obtain site approval and sign a lease for the Restaurant at the Approved Location, deliver an executed Lease and Addendum to Lease, and execute Exhibit A of the License Agreement to identify the street address of the Restaurant at the Approved Location all by the end of the first 180 days from the effective date of the License Agreement; your failure to open the Restaurant within 365 days from the effective date of the License Agreement; your breach of the lease or loss of the right to occupy the Restaurant at the Approved Location for cause; your bankruptcy or insolvency; your assignment for the benefit of creditors; if a liquidator or receiver is appointed for all or substantially all of your Restaurant assets unless the appointment is dismissed within 60 days; a material misrepresentation or omission in your application for the franchise rights; your conviction or plea of no contest to a crime or offense that we reasonably believe is likely to adversely affect the reputation of the Licensed Marks; if you fail to comply with any law within 10 days after being notified of non-compliance; an unauthorized transfer; misuse of the Confidential Manual, the Licensed Marks or any other Confidential Information; receipt of 2 or more notices of default within any 24-month period; the unauthorized closure of the Restaurant or failure to actively operate the Restaurant for any length of time under circumstances making it reasonable for us to assume you have abandoned the Restaurant; false reporting; your acts or inactions resulting in an imminent danger to public health or safety at the Restaurant; or your unauthorized use of the name, image, and/or likeness of Shaquille O'Neal. Termination of a License Agreement will not automatically result in the termination of any other License Agreements then in effect between us, or a

Provision	Section in License Agreement	Summary
		Development Agreement, unless the same material breach constitutes a breach of the other contracts and we follow the termination procedures in each of the other contracts.
I. Franchisee's obligations on termination/non-renewal	XIX.A	Your obligations include the following: You must de-identify the Restaurant; upon request, you must assign any equipment leases to us; you must remove or stop using any property including signs and interior décor items that suggest or imply that you are, or were, an authorized franchisee or a former Restaurant or are still associated with us or the System; you must sign a general release; you must allow us to exercise our right to assume your lease under the terms of the Addendum to Lease (Exhibit F); upon request, you must assign your telephone numbers and business listings to us; you must pay us all sums that you owe to us or our affiliates through the effective date of termination and any damages that we sustain in enforcing the termination provisions of the License Agreement; and you must return the Confidential Manual and any other Confidential Information to us. We will repurchase your salable inventory of any Designated Goods/Services on hand on the effective date of termination or expiration of the License Agreement at your original cost, but may offset from what we pay any amounts that you owe to us. The License Agreement gives us a right of first refusal to purchase the non-fixture physical assets of the Restaurant upon termination. If we exercise our option, we may offset any other fees or sums that you owe to us from the purchase price.
J. Assignment of contract by franchisor	XX	There are no restrictions on our right to assign the License Agreement, except that our obligations must be fully assumed by the assignee.
K. "***Transfer***" by franchisee: definition	XX	The License Agreement is a personal service contract. We forbid any kind of Event of Transfer, whether done voluntarily or by operation of law, unless you first obtain our written consent. An "***Event of Transfer***" includes the sale, assignment or disposal of any interest in the License Agreement, the transfer of substantially all of your Restaurant assets, or a change in ownership of a controlling interest of a franchisee that is a corporation, limited liability company or partnership. An Event of Transfer also includes a Public or Private Offering.

Provision	Section in License Agreement	Summary
L. Franchisor approval of transfer by franchisee	XX	Any Event of Transfer requires our written consent beforehand, which we agree not to unreasonably withhold.
M. Conditions for franchisor approval of transfer	XX	The proposed buyer must submit an application to us and meet our qualifications. If we are not awarding new franchises in the United States at the time of the proposed Event of Transfer, we will allow the proposed buyer to assume your existing License Agreement for the remainder of your franchise term and any unexercised renewal term. In this case, you or the proposed buyer must pay us a transfer fee. If we are awarding new franchises in the United States at the time of the proposed Event of Transfer, the proposed buyer must agree to sign our then-current License Agreement and related agreements (which may materially vary from your License Agreement) for a term equal in duration to the balance of the term of the selling franchisee's License Agreement plus any unexercised renewal options. The proposed buyer must complete the Owner Orientation and qualify at least one person as a Certified Manager (if the buyer employs someone who has previously qualified as a Certified Manager, the buyer does not have to qualify a second person as a Certified Manager). You must sign a general release.
N. Franchisor's right of first refusal to acquire franchisee's business	XX.C	We can match any third-party offer to buy your franchise rights, assets or controlling interest which is the subject of a proposed Event of Transfer. We have 30 days in which to exercise our right of first refusal. We do not have a right of first refusal when the Event of Transfer is a Qualified Transfer.
O. Franchisor's option to purchase your business	XIX	Upon termination or expiration of the License Agreement, we may, at our option, purchase the tangible assets of the Restaurant and require you to assign us your leasehold interest under the terms of the Addendum to Lease (Exhibit F).
P. Death or disability of franchisee	XX.G	Because the License Agreement is a personal service contract, we treat the death of a Primary Owner that results in a change in the ownership of a controlling interest of a franchisee that is a business entity as an Event of Transfer subject to all transfer conditions. We also regard a permanent incapacity of a Certified Manager as an Event of Transfer if there is no other Certified Manager employed by you at the time. You

Provision	Section in License Agreement	Summary
		must replace a Certified Manager who is unable to fulfill his or her duties due to disability with another Certified Manager who qualifies within 180 days immediately following death or a permanent incapacity. The License Agreement gives us the option to manage the Restaurant for up to 180 days immediately following death or a permanent incapacity if we believe the remaining members of your management team lack the financial ability or business skills to operate a Big Chicken restaurant in accordance with the License Agreement. We retain the right to manage the Franchised Business in order to facilitate an orderly transition of ownership with minimal disruption to the Franchised Business's continuous operation or damage to the brand reputation. If we assume management responsibility, you must pay us a Management Fee. We may extend this management period for up to a year by mutual agreement.
Q. Non-competition covenants during the term of the franchise	XVII.A.1	The License Agreement forbids you and each Covered Person during the term of the License Agreement from directly or indirectly engaging in a Competitive Business. The License Agreement defines a Competitive Business as any business that sells chicken sandwiches as its primary menu item (whether sold in a fresh, frozen or ready-to-bake state or at a restaurant, non-restaurant retail store or through wholesale sales or distribution). We define "***Covered Person***" in the License Agreement. The restriction against competition applies world-wide during the term of the franchise or for 2 years after a Covered Person severs his or her relationship with you. Note, however, that non-competition provisions are subject to state law.
R. Non-competition covenants after the franchise terminates or expires	XVII.A.2	The License Agreement forbids you and each Covered Person from directly or indirectly engaging in a Competitive Business that is located within the Development Territory or within 5 miles of another Big Chicken restaurant anywhere in the world whether or not the Big Chicken restaurant was open for business on the date your License Agreement terminates or expires or opens at a later date. This restriction applies for 2 years after the termination or expiration of the License Agreement. Note, however, that non-competition provisions are subject to state law.
S. Modification of the agreement	XXV.G	No modifications generally, but Confidential Manual is subject to change.

Provision	Section in License Agreement	Summary
T. Integration/merger clause	XXV.I	Only the terms of the License Agreement are binding (subject to state law). However, nothing in the License Agreement or any related agreement is intended to disclaim our representations made in this Disclosure Document.
U. Dispute resolution by arbitration or mediation	XXIII	With limited exceptions pertaining to claims for (i) damages under $10,000; (ii) injunctive relief or other forms of provisional remedies; or (iii) unlawful detainer or similar remedy available to a landlord, all disputes arising out of the License Agreement must first be submitted to mediation, subject to state law. If mediation does not resolve the dispute, the matter must be resolved in court.
V. Choice of forum	XXIII.C	The License Agreement has a forum selection provision which requires that a lawsuit be filed in the state or federal courts located closest to our headquarters, which at this time are in Las Vegas, Nevada. Certain states have laws that supersede the choice of forum in the License Agreement and require that a lawsuit be brought in the state or federal courts in the franchisee's home state. See the State Addendum, Exhibit J.
W. Choice of law	XXIII.F	Nevada law applies. Certain states have laws that supersede the choice of law provision in the License Agreement. See the State Addendum, Exhibit J.

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Chart 2 – Development Agreement

Provision	Section in Development Agreement	Summary
A. Length of the franchise term	I.D	Depends on Development Quota and Development Deadlines that we negotiate.
B. Renewal or extension of the term	II.A	If you satisfy the entire Development Quota, you may renew the Development Term for 1 additional Development Term of 5 years subject to the terms of the Development Agreement.
C. Requirements for franchisee to renew or extend development deadline	II.A	You must not have been in material default under any License or Development Agreement more than 2 times during the Development Term and provide notice of your intent to exercise the option for renewal at least 1 year before the expiration of the Development Term, but not earlier than 18 months before the expiration of the Development Term. We must also must mutually agree upon the number of new Big Chicken restaurants to be opened by you in the Development Territory along with the Development Deadlines for the opening of the new Big Chicken restaurants. You may extend a Development Deadline for a period of up to 90 days no more than 2 times (in the aggregate and not on a per location basis) under the Development Agreement in exchange for payment to us the sum of $10,000 for each such extension.
D. Termination by franchisee	V.B	You may terminate the Development Agreement only if we fail to cure an alleged material breach of the Development Agreement or do not begin to cure the alleged breach within the cure period we are allowed under the Development Agreement. Note, however, that termination provisions are subject to state law.
E. Termination by franchisor without cause	N/A	N/A
F. Termination by franchisor with cause	N/A	N/A
G. "***Cause***" defined – curable defaults	V	Except for defaults that the Development Agreement identifies are not curable, you have 30 days after notice to cure all defaults.

Provision	Section in Development Agreement	Summary
H. "***Cause***" defined – non-curable defaults	V	The Development Agreement identifies non-curable defaults. They include the following: Your failure to meet a Development Deadline; your refusal to pay by the payment due date; your bankruptcy or insolvency; your assignment for the benefit of creditors; if a liquidator or receiver is appointed for all or substantially all of your assets unless the appointment is dismissed within 60 days; a material misrepresentation or omission in your application for the area development or franchise rights; your conviction or plea of no contest to a crime or offense that we reasonably believe is likely to adversely affect the reputation of the Licensed Marks; if you fail to comply with any law within 10 days after being notified of non-compliance; your material breach of the License Agreement; misuse of the Confidential Manual, the Licensed Marks or any other Confidential Information; receipt of 2 or more notices of default within any 24-month period; your failure to cure within 30 days of notice of default. Termination of the Development Agreement will not automatically result in the termination of any License Agreements then in effect between us unless the same material breach constitutes a breach of the License Agreement and we follow the termination procedures in the License Agreement.
I. Franchisee's obligations on termination/non-renewal	VI	You will lose your right to further development and must sign a general release.
J. Assignment of contract by franchisor	VI	There are no restrictions on our right to assign the Development Agreement, except that our obligations must be fully assumed by the assignee.
K. "***Transfer***" by franchisee: definition	VI	The Development Agreement is a personal service contract. We forbid any kind of Event of Transfer, whether done voluntarily or by operation of law, unless you first obtain our written consent. The Development Agreement adopts the same definition for an "Event of Transfer."
L. Franchisor approval of transfer by franchisee	VI	Any Event of Transfer requires our written consent beforehand, which we agree not to unreasonably withhold.

Provision	Section in Development Agreement	Summary
M. Conditions for franchisor approval of transfer	VI	The proposed buyer must submit an application to us and meet our qualifications. The proposed buyer must assume your existing Development Agreement for the remainder of your Development Term. We may condition our consent to an Event of Transfer involving the Development Agreement to the buyer also acquiring the assets of at least one of your Big Chicken restaurants in the Development Territory and satisfying the separate conditions applicable to an Event of Transfer under the License Agreement. You must pay us a transfer fee. See Item 6. You must sign a general release.
N. Franchisor's right of first refusal to acquire franchisee's business	VI	We can match any third-party offer to buy your franchise rights, assets or controlling interest which is the subject of a proposed Event of Transfer. We have 30 days in which to exercise our right of first refusal. We do not have a right of first refusal when the Event of Transfer is a Qualified Transfer.
O. Franchisor's option to purchase your business	N/A	N/A
P. Death or disability of franchisee	VI	Because the Development Agreement is a personal service contract, we treat the death of a Primary Owner that results in a change in the ownership of a controlling interest of a franchisee that is a business entity as an Event of Transfer subject to all transfer conditions.
Q. Non-competition covenants during the term of the franchise	N/A	Once you sign the Development Agreement, you are subject to the same non-compete covenant during the term of the Development Agreement as you are during the term of the License Agreement.
R. Non-competition covenants after the franchise terminates or expires	V.C	The Development Agreement forbids you and each Covered Person from directly or indirectly engaging in a Competitive Business that is located within the Development Territory or within 5 miles of another Big Chicken restaurant anywhere in the world whether or not the Big Chicken restaurant was open for business on the date your Development Agreement terminates or expires or opens at a later date. This restriction applies for 2 years after the termination or expiration of the Development Agreement. Note, however, that non-competition provisions are subject to state law.

Provision	Section in Development Agreement	Summary
S. Modification of the agreement	XI	The Development Agreement may not be modified except by a written agreement that both of us sign.
T. Integration/merger clause	XI	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises outside of this Disclosure Document and the License Agreement may not be enforceable. Nothing in the Development Agreement requires you to waive or disclaim any of the representations that we make in this Disclosure Document.
U. Dispute resolution by arbitration or mediation	IX	Same dispute resolution provisions as the License Agreement.
V. Choice of forum	IX	The Development Agreement has a forum selection provision which requires that a lawsuit to be filed in the state or federal courts located closest to our headquarters, which at this time are in Las Vegas, Nevada. Certain states have laws that supersede the choice of forum in the Development Agreement and require that a lawsuit be brought in the state or federal courts in the franchisee's home state. See the State Addendum, Exhibit J.
W. Choice of law	IX	Nevada law applies. Certain states have laws that supersede the choice of law provision in the Development Agreement. See the State Addendum, Exhibit J.

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ITEM 18

PUBLIC FIGURES

Shaquille O'Neal holds an ownership interest in (i) ABG-Shaq, LLC and (ii) SONOFBUTCHY, LLC, each of which holds an ownership interest in our Parent Company. O'Neal has no direct investment in us. As one of the ultimate owners of our Parent Company, O'Neal is involved in brand development, expansion, public relations, and advertising of the System. Other than benefits received in connection with his ownership interest in (i) ABG-Shaq, LLC and (ii) SONOFBUTCHY, LLC, O'Neal receives no compensation or other benefit from us or our Parent Company in exchange for his involvement in those activities.

Ndamukong Suh holds an ownership interest in CW, which holds an ownership interest in our Parent Company. Suh has no direct investment in us. As one of the ultimate owners of our Parent Company, Suh is involved in brand development, expansion, public relations, and advertising of the System. Other than benefits received in connection with his ownership interest in CW, Suh receives no compensation or other benefit from us or our Parent Company in exchange for his involvement in those activities.

Except as stated above, no public figure appears in the franchise name or symbol, endorses or recommends the franchise to prospective franchisees, is involved in our actual management or control, or has invested in us.

[*remainder of page intentionally blank*]

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Samuel Stanovich, Senior Vice President, Franchise Leadership, BC Licensing LLC, 10845 Griffith Peak Drive, Suite 520, Las Vegas, NV 89135 (telephone: 702-214-5585), the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20

OUTLETS AND FRANCHISEE OWNER INFORMATION

Table 1 System-wide Outlet for Years 2022 to 2024				
Column 1 Outlet Type	**Column 2 Year**	**Column 3 Outlets at the Start of the Year**	**Column 4 Outlets at the End of the Year**	**Column 5 Net Change**
Franchised	2022	0	3	3
	2023	3	10	7
	2024	10	22	12
Company-Owned	2022	2	2	0
	2023	2	3	1
	2024	3	2	-1
Total Outlets	2022	2	5	3
	2023	5	13	8
	2024	13	24	11

Table 2 Transfers of Franchised Outlets from Franchisees to New Owners (other than the Franchisor) for Years 2022 to 2024		
Column 1 State	**Column 2 Year**	**Column 3 Number of Transfers**
California	2022	0
	2023	1
	2024	0
Ohio	2022	0
	2023	0
	2024	1
Totals	2022	0
	2023	1
	2024	1

Table 3 Status of Franchised Outlets for Years 2022 to 2024								
Column 1	**Column 2**	**Column 3**	**Column 4**	**Column 5**	**Column 6**	**Column 7**	**Column 8**	**Column 9**
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations-Other Reasons**	**Outlets at End of the Year**
Arizona	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Arkansas	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	2	3	0	0	0	0
California	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
Florida	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	4	4	0	0	0	0
Illinois	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Massachusetts	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Michigan	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
Mississippi	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Nevada	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
New Jersey	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Ohio	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Pennsylvania	2022	0	0	0	0	0	0	0

	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Tennessee	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Texas	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	3	1	0	0	0	4
Washington	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	2	0	0	0	0	4
Totals	2022	0	3	0	0	0	0	3
	2023	3	7	0	0	0	0	10
	2024	10	21	9	0	0	0	22

TABLE 4

Status of Company-Owned Outlets for Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
California	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	1	0	0
Nevada	2022	1	0	0	0	0	1
	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
Totals	2022	2	0	0	0	0	2
	2023	2	1	0	0	0	3
	2024	3	0	0	1	0	2

Table 5 Projected New Franchised Outlets for the 2025 Fiscal Year			
Column 1 State	**Column 2 License Agreements Signed but Outlet Not Opened as of December 31, 2024**	**Column 3 Projected New Franchised Outlets in the Next Fiscal Year**	**Column 4 Projected New Company – Owned Outlets in the Next Fiscal Year**
Illinois	1	1	0
Florida	1	1	0
Louisiana	2	1	0
Maryland	0	1	0
Massachusetts	2	2	0
Pennsylvania	1	0	0
Totals	7	6	0

Exhibit L lists franchisees who had a franchise terminated, cancelled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under the License Agreement during the most recently completed and current fiscal years, including (i) 3 franchisees who signed a total of 5 License Agreements but never opened for business and the License Agreements were terminated in 2024, (ii) 2 franchisees who signed a total of 8 License Agreements, opened for business, and the License Agreements were terminated for non-compliance with the franchise system in 2024, (iii) 1 franchisee who abandoned its franchise and the License Agreement was terminated in 2024, (iv) 1 franchisee who transferred its franchise in 2024, (v) 2 franchisees who signed a total of 4 License Agreements, opened for business, and the License Agreements were terminated for non-compliance with the franchise system in 2025, and (vi) 1 franchisee who abandoned its franchise in 2025, or who have not communicated with us within 10 weeks of the Issuance Date of this Franchise Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. Exhibit L lists current and former franchisees.

In the past year, franchisee(s) have signed confidentiality clauses. In some instances, current and former franchisee(s) sign provisions restricting their ability to speak openly about their experience with the Big Chicken franchise system. You may wish to speak with current and former franchisee(s), but be aware that not all such franchisee(s) will be able to communicate with you.

There are no trademark-specific franchisee organizations at this time that are associated with the franchise system which we have created, sponsored or endorsed.

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ITEM 21

FINANCIAL STATEMENTS

We have attached as Exhibit K our (i) audited financial statements, which comprise the balance sheet as of December 31, 2024, and the related statements of operations, members' equity, and cash flows for the fiscal year then ended; (ii) audited financial statements, which comprise the balance sheet as of December 31, 2023, and the related statements of operations, members' equity, and cash flows for the fiscal year then ended; and (iii) audited financial statements, which comprise the balance sheet as of December 31, 2022, and the related statements of operations, members' equity, and cash flows for the fiscal year then ended. December 31 serves as the fiscal year-end.

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ITEM 22

CONTRACTS

The material agreements that we use in this state are exhibits to this Franchise Disclosure document as follows:

EXHIBIT C – License Agreement
- Exhibit A Approved Location and Protected Area
- Exhibit B Addresses for Notice
- Exhibit D Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name
- Exhibit E Guaranty
- Exhibit F Consent of Spouse
- Exhibit G Entity Ownership

EXHIBIT D – Development Agreement
- Exhibit 1 Term Sheet: Development Territory, Development Quota, and Development Deadlines
- Exhibit 2 License Agreement
- Exhibit 3 Spousal Consent
- Exhibit 4 Entity Ownership

EXHIBIT E – Confidential Manual Table of Contents
EXHIBIT F – Lease Addendum
EXHIBIT G – General Release
EXHIBIT H – Guaranty
EXHIBIT I – Confidentiality and Non-Competition Agreement
EXHIBIT J – State Addendum and Amendment to Franchise Contracts for Certain States
EXHIBIT M – Closing Acknowledgement (Declaration of Franchisee Applicant)

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ITEM 23

RECEIPTS

The last 4 pages of this Disclosure Document are detachable receipt pages (Exhibit O). Please insert the name, address and telephone number of the franchise seller, and date and sign both copies. Detach the last 2 pages and return them to us promptly upon execution. Retain the other copy of the receipt pages for your records.

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EXHIBIT A

LIST OF STATE ADMINISTRATORS

Listed here is the contact information for each of the state agencies responsible for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA

Office of the Commissioner
California Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(866) 275-2677

HAWAII

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs,
Business Registration Division,
Securities Compliance Branch
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2744

ILLINOIS

Chief – Franchise Bureau
Office of Attorney General
State of Illinois
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Franchise Section
Indiana Securities Commission
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN

Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
G. Mennen Williams Building, 1st Floor
525 W. Ottawa Street
Lansing, Michigan 48913
(517) 373-7117

MINNESOTA

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1500

NEW YORK

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street, 15th Floor
New York, New York 10271-0332
(212) 416-8236 Phone
(212) 416-6042 Fax

NORTH DAKOTA

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fourteenth Floor
Department 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Dept. of Consumer & Business Services
Division of Finance and Corporate Securities
350 Winter St. NE, Rm. 410
Salem, OR 97301-3881
(503) 378-4140

RHODE ISLAND

Division of Securities
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, Rhode Island 02920
(401) 222-3048

SOUTH DAKOTA

Department of Labor and Regulation
Division of Insurance – Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

Department of Financial Institutions
Securities Division
150 Israel Road Southwest
Tumwater, WA 98501
(360) 902-8760

WISCONSIN

Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-0448

EXHIBIT B

LIST OF STATE AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed.

CALIFORNIA

Commissioner of the Department of Financial Protection and Innovation:
Toll Free: 1 (866) 275-2677

Los Angeles
Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento
2101 Arena Boulevard
Sacramento, California 95834
(916) 445-7205

San Diego
1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco
One Sansome Street, Suite 600
San Francisco, California 94105-2980
(415) 972-8565

HAWAII

Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Attorney General of the State of Illinois
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Department of Attorney General
Corporate Oversight Division
P.O. Box 30755
Lansing, Michigan 48909
(517) 373-7117

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1600

NEW YORK

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Ave., 6th Floor
Albany, New York 12231
(518) 473-2492

NORTH DAKOTA

Securities Commissioner, State of North Dakota
600 East Boulevard Avenue, 5th Floor
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Oregon Division of Finance and Corporate Securities
350 Winter Street NE, Room 410
Salem, Oregon 97301-3881
(503) 378-4387

RHODE ISLAND

Director of Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex – Building 68-2
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Department of Labor and Regulation
Division of Insurance - Securities Regulation
124 S. Euclid Ave., Suite 104
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

Director, Department of Financial Institutions
Securities Division – 3rd Floor
150 Israel Road Southwest
Tumwater, Washington 98501
(360) 902-8760

WISCONSIN

Administrator, Division of Securities
Department of Financial Institutions
345 West Washington Avenue
Madison, Wisconsin 53703
(608) 266-8557

EXHIBIT C

LICENSE AGREEMENT

BC LICENSING LLC

LICENSE AGREEMENT

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EXHIBITS

LICENSE AGREEMENT

This License Agreement ("***Agreement***") is made this __ day of _____, 20__ ("***Effective Date***") by and between BC Licensing LLC, a Nevada limited liability company ("***Company***") and _____, a _____ ("***Licensee***").

RECITALS

A. Company awards licenses for the right to own and operate a restaurant concept that does business to the public using the Big Chicken trademarks (collectively the "***Licensed Marks***") featuring freshly-prepared chicken sandwiches and chicken tenders along with an assortment of side dishes, salads, ice cream, and non-alcoholic and alcoholic beverages and following Company's comprehensive business methods and following Company's comprehensive business description methods (the "***System***"). In this License Agreement, each Big Chicken restaurant is referred to as a "***Restaurant***."

B. Licensee desires to obtain a license to use the System to operate a Restaurant at the Approved Location identified in this Agreement, and Company is willing to grant a license to Licensee on the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

TERMS AND CONDITIONS

I. DEFINITIONS

In addition to definitions incorporated in the body of this Agreement, the following capitalized terms in this Agreement are defined in this Section. Additionally, if the parties are also parties to a Development Agreement, capitalized terms that are used, but not defined, in this Agreement shall have the meaning given to them in the Development Agreement and the parties incorporate those definitions by this reference. For purposes of incorporating Development Agreement definitions as part of this Agreement, any references in the Development Agreement to "Developer" shall, in this Agreement, mean Licensee.

A. "***Accounting Period***" means the specific period that Company designates from time to time in the Confidential Materials or otherwise through written or electronic communications for purposes of Licensee's financial reporting or payment obligations described in this Agreement. For example, an Accounting Period may, in Company's sole discretion, be based on a seven-day week (e.g., Monday through Sunday), a Calendar Month, a Calendar Quarter, a Calendar Year, or another period of time which may be subdivided into blocks of 4 or 5 weeks, or a shorter or longer time period that Company selects in its sole discretion. Company may designate different Accounting Periods for purposes of paying fees and for discharging reporting obligations under this Agreement. Currently, the Accounting Period is based on a 5-4-4 week period.

B. "***Addendum to Lease***" means the written agreement by and between Licensee and the landlord of the Restaurant at the Approved Location that adds specific terms and conditions required by Company to the Lease and grants Company the right, but not the obligation, to request an assignment of the Lease under stated conditions without the Landlord's consent. At a minimum, the terms and conditions shall (i) require the landlord to provide concurrent written notice to Company if the landlord serves Licensee with notice of default under the Lease; (ii) give Company the right, but not impose the obligation, to cure the default under the Lease; (iii) establish the conditions under which Licensee may offer to assign its interest in the Lease to Company without the landlord's consent; (iv) provide that the Lease may not be materially modified with Company's prior written consent; and (v) allow Company to enter the Approved Location premises to inspect and verify Licensee's compliance with this Agreement.

C. "***Affiliate***" means an entity that controls, is controlled by, or is under common control with, a party to this Agreement.

D. "***Anti-Terrorism Laws***" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future Applicable Law and requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war.

E. "***Applicable Law***" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any governmental authority with jurisdiction over the operation of the Restaurant that are in effect on or after the Effective Date, as they may be amended from time to time. Applicable Law includes, without limitation, those relating to building permits and zoning requirements applicable to the use, occupancy and development of the Restaurant at the Approved Location; business licensing requirements; hazardous waste; occupational hazards and health; alcoholic beverages; consumer protection; privacy; trade regulation; worker's compensation; unemployment insurance; withholding and payment of federal and state income taxes and social security taxes; collection and reporting of sales taxes; and the American With Disabilities Act.

F. "***Approved Location***" means the business premises approved by Company for the operation of the particular Restaurant that is the subject of this Agreement.

G. "***Business Entity***" means a corporation, limited liability company, partnership, limited liability partnership, trust or other type of legal entity which, under Applicable Law, may enter into contracts in its own name.

H. "***Calendar Month***" means any one of the 12 Calendar Months of the Calendar Year starting on the first day of the Calendar Month.

I. "***Calendar Quarter***" means the 3-Calendar Month period ending on March 31, June 30, September 30 or December 31 of each Calendar Year.

J. "***Calendar Year***" means the 12-Calendar Month period starting on January 1 and ending on December 31.

K. "***Certified Manager***" identifies each management-level employee who devotes full-time and attention to performing general management and supervisory responsibilities for one or more Restaurants and who (i) successfully completes to Company's reasonable satisfaction in the exercise of Company's reasonable business judgment all segments of Company's then-current Initial Training Program that Company then requires as a condition of designating a manager as a Certified Manager; (ii) passes a Certified Manager exam given at the end of the training course; (iii) holds a ServSafe® Food Protection Manager Certification from the American National Standards Institute Conference for Food Protection or an equivalent certification relating to food safety from a certifying body that Company approves; and (iv) devotes full-time and attention to supervising the day-to-day operations of the Restaurant.

L. "***Change of Control***" means a transaction or series of related transactions that result in the sale of all or substantially all of the assets of the Restaurant. If Licensee is a Business Entity, "Change of Control" also means: (i) a transaction or series of related transactions that result in a transfer of 50% or more of the outstanding voting power of Licensee or Licensee Affiliate, whether voluntarily or by operation of law or due to a merger or consolidation; (ii) a change in the person identified on the Effective Date as the Primary Owner; or (iii) the right to appoint, or cause to be appointed, a majority of the directors, officers or managers of the Business Entity.

M. "***Competitive Business***" means any other type of restaurant or food service business that sells chicken sandwiches or chicken tenders as its primary menu item (whether sold in a fresh, frozen or ready-to-bake state or at a restaurant, non-restaurant retail store or through wholesale sales or distribution).

N. "***Computer System***" means, collectively, the computer hardware equipment, operating software, communications equipment and supporting peripherals devices that Company specifies by brand, model, supplier, features, functions or other type of specifications and that Licensee must use to operate the Restaurant whether or not it incorporates Company's Confidential Information. Company may revise the specifications as frequently as Company deems necessary in its sole discretion during the Term and may replace non-proprietary hardware or operating software with proprietary hardware or software applications created or developed specifically for the benefit of Restaurants.

O. "***Confidential Information***" includes, without limitation, knowledge and information which Licensee knows, or should reasonably know, Company regards as confidential concerning (i) ingredients, formulas, and food storage and preparation procedures; (ii) Company's relationships with designated, recommended and approved suppliers; (iii) inventory requirements and control procedures; (iv) pricing, sales, profit performance or other results of operations of any individual Restaurant, including the Restaurant, or group of Restaurants or the entire chain; (v) demographic data for determining Approved Locations; (vi) strategic growth and competitive strategies; (vii) the design and implementation of marketing initiatives and the results of customer surveys and marketing and promotional programs; (viii) decisions pertaining to Designated Goods/Services; (ix) non-public information pertaining to the Intellectual Property and any proprietary software applications that Company incorporates into the Computer System and requires Licensee to use to operate the Restaurant; and (x) in general, business methods, ideas, trade secrets, specifications, customer and supplier data, plans, cost data, procedures, information

systems and knowledge about the operation of Restaurants or the System, whether the knowledge or information is now known or exists or is acquired or created in the future, patentable, included in the Confidential Materials, or Company expressly designates the information as confidential. Confidential Information does not include (x) information that Licensee can demonstrate lawfully came to its attention independent of entering into this Agreement and not as a result of Licensee's wrongful disclosure (whether or not deliberate or inadvertent), or (y) information that Company agrees is, or has become, generally known in the public domain.

P. "***Confidential Materials***" refers to any confidential operating manuals, recipe manuals, training and operations guides and any other Confidential Information which Licensor provides to Licensee, in confidence, during the Term.

Q. "***Covered Person***" means (i) the individual executing this Agreement as Licensee; (ii) each officer, director, shareholder, member, manager, trustee or general partner of Licensee and each Licensee Affiliate if Licensee is a Business Entity; and (iii) the spouse, adult children, parents or siblings of the individuals included in (i) and (ii). Covered Person shall mean an individual who falls within the identified categories whether on the Effective Date or later during the Term of this Agreement.

R. "***Designated Goods/Services***" collectively refers to all of the ingredients, sauces, food products, beverages, supplies, equipment, collateral logo merchandise, services to support the build-out of the Restaurant, and any other goods or services for which Company designates a mandatory supplier. Designated Goods/Services typically fall into these categories: (i) goods or services that Company regards as proprietary because they are produced or fabricated to Company's specifications; (ii) goods or services that Licensee must use or sell in operating the Restaurant that display the Licensed Marks whether or not the goods or services are proprietary; and (iii) goods or services that are only available from a designated, exclusive supplier with whom Company has entered into a purchasing arrangement providing special purchasing terms for Restaurants in a specified geographic region.

S. "***Development Agreement***" refers to that certain written agreement which the parties may have entered into on or before the Effective Date of this Agreement in which Company has awarded Licensee the right to open a mutually agreed upon number of Restaurants in a geographic area identified as the Development Territory according to specific Development Deadlines. All provisions in this Agreement that refer to a Development Agreement shall apply to the parties only if they have, in fact, executed a Development Agreement on or before the Effective Date of this Agreement; otherwise those provisions shall be of no force or effect.

T. "***Effective Date of Expiration of this Agreement***" is the last day of the Term.

U. "***Effective Date of Termination of this Agreement***" means one of the following depending on the particular circumstances: (i) with respect to an event of default that this Agreement identifies is not curable, the date when a party is deemed to receive written notice of default and termination or the later effective date specified by the non-breaching party in the written notice as the effective date of termination; (ii) with respect to an event of default that this Agreement identifies is curable, the date on or after the end of a cure period that is specified by

the non-breaching party as the effective date of termination; (iii) the date of termination of the Sublease; or (iv) the closing date of an Event of Transfer.

V. "***Effective Date of Termination or Expiration of this Agreement***" means either the Effective Date of Termination of this Agreement or the Effective Date of Expiration of this Agreement as the context requires.

W. "***Event of Transfer***" means any actual or attempted transaction or series of related transactions that, directly or indirectly, voluntarily or by operation of law that results or, if completed would result, in (i) the sale, assignment, transfer, pledge, gift, encumbrance or alienation of any interest in this Agreement or the right to use the System or any portion or components; (ii) the offer to sell or sale of securities of a Licensee that is a Business Entity pursuant to a transaction subject to registration under federal or state securities laws or by private placement pursuant to a written offering memorandum; or (iii) a Change of Control. For purposes of illustration, an Event of Transfer includes, without limitation: (a) an order dissolving the marriage of a Licensee that is an individual; (b) the issuance of additional equity or voting interests of a Business Entity resulting in a Change of Control; (c) a financial restructuring or recapitalization that is secured by a sufficient number of equity or voting interests of a Business Entity such that, if foreclosed upon, would result in a Change of Control; or (d) the death or Incapacity of Licensee if an individual or any person owning enough equity or voting interests of a Business Entity to result in a Change of Control.

X. "***Force Majeure***" includes, without limitation, an event caused by or resulting from an act of God, labor issues, failure of suppliers or other industrial disturbance, war (declared or undeclared), riot, epidemic, pandemic, fire or other catastrophe, epidemic or quarantine restrictions, material shortages or rationing, act of any government, and any other similar cause that is not within the control of the party whose performance is required.

Y. "***Grand Opening Marketing***" means Local Advertising, the primary purpose of which is to publicize the opening of the Restaurant and develop consumer awareness of the Licensed Marks in the local market area.

Z. "***Gross Sales***" means the aggregate amount of all revenues generated from the sale of all products and services sold and all other income of every kind related to the Restaurant, whether for cash, credit or the redemption of authorized Big Chicken gift cards (and regardless of collection in the case of credit), whether from sales on the Restaurant premises, by delivery, from catering, or other sales methods (whether the sales method is permitted or not). Gross Sales exclude: (i) sales taxes or other taxes collected from guests for transmittal to the appropriate taxing authority; (ii) employee tips; (iii) refunds to customers made in good faith to arms' length guests; (iv) proceeds from the sale of authorized Big Chicken gift cards; and (v) the value of discounted or complimentary meals that you furnish to employees, guests, family members and other business entities that you own and control; provided however, any exclusions under this subpart (v) shall be capped at a maximum of four percent (4%) of Gross Sales in connection with calculating any payments due and owing to us.

AA. "***Guarantor***" means [_____].

BB. "***Incapacity***" is the inability due to medical reasons to devote full time and attention to duties of a Certified Manager or Lead Manager due to a cause that continues for at least 120 days in the aggregate during any rolling 12 Calendar Month period during the Term, based upon the examination and findings of a physician selected by a hospital located within 20 miles of the Restaurant at the Approved Location, as selected by Company. A period of Incapacity shall continue without interruption unless and until the person suffering the Incapacity resumes his or her duties on a full-time basis for 30 consecutive days.

CC. "***Intellectual Property***" means the following intangible property and similar types of proprietary rights, interests and protections however arising under Applicable Law related to Restaurant concept and business operations that currently exist or come into being after the Effective Date including without limitation all of the following and any equivalent rights under Applicable Law: (i) trademarks, service marks, trade names, brand names, logos, trade dress and other proprietary indicia of goods and services, whether registered, unregistered or arising by law, and all registrations and applications for registration of such trademarks, including intent-to-use applications, and all issuances, extensions and renewals of such registrations and applications; (ii) internet domain names, whether or not trademarks, registered in any generic top-level domain by any authorized private registrar or governmental authority; (iii) original works of authorship in any medium of expression, whether or not published, all copyrights (whether registered, unregistered or arising by law), all registrations and applications for registration of such copyrights, and all issuances, extensions and renewals of such registrations and applications; (iv) Confidential Information; (v) source codes for proprietary software that Company incorporates into the Computer System; (vi) business methods utilized by Company in operating Restaurants; (vii) moral rights under Applicable Law; and (viii) patented and patentable designs and inventions, all design, plant and utility patents, letters patent, utility models, pending patent applications and provisional applications and all issuances, divisions, continuations, continuations-in-part, reissues, extensions, re-examinations and renewals of such patents and applications. For the elimination of doubt, the term "Intellectual Property" includes all of the trade dress and other property rights subsumed within the defined terms Licensed Marks and Confidential Information.

DD. "***Internet***" means the global system of interconnected computer networks that utilize standard communication protocols, and any successor technology, whether now existing or developed after the Effective Date, accessible by the general public and other types of users linked by a broad array of electronic, wireless and optical networking technologies and that enables the general public, among other things, to obtain information and purchase goods or services from commercial, merchant-controlled websites.

EE. "***Intranet***" means the private, secure area on Company's networks using Internet communication protocols to which Company grants access to its licensees and certain Company employees for purposes of sharing information, including a copy of the Confidential Materials, relevant to the System.

FF. "***Lead Manager***" or "***Shift Lead***" identifies each management-level employee who devotes full time and attention to performing management and supervisory responsibilities for a Restaurant and who (i) successfully completes to Company's reasonable satisfaction in the exercise of Company's reasonable business judgment all segments of Company's then-current

Initial Training Program that Company then requires as a condition of designating a manager as a Lead Manager; (ii) passes a Lead Manager exam given at the end of the training course; and (iii) holds a ServSafe® Food Protection Manager Certification from the American National Standards Institute Conference for Food Protection or an equivalent certification relating to food safety from a certifying body that Company approves.

GG. "***Lease***" means the written agreement by and between Licensee and the owner of the business premises identified in this Agreement as the Approved Location that grants Licensee the right to occupy and use the Approved Location for the operation of a Restaurant.

HH. "***Licensed Marks***" collectively mean all of the trademarks, service marks, trade names, brand names, logos, trade dress and other proprietary indicia of goods and services, whether registered, unregistered or arising by Applicable Law, and all registrations and applications for registration of trademarks, including intent-to-use applications, and all issuances, extensions and renewals of registrations and applications that Company now or hereafter uses to identify, advertise or promote Restaurants generally or individual Restaurants and expressly authorizes or requires Licensee to use as a condition of this Agreement.

II. "***Local Advertising***" means, without limitation, all communications in all formats which Licensee creates or adapts and intends to use, directly or indirectly, to advertise and promote the Restaurant, Licensee's status as an authorized licensee, or which display the Licensed Marks. Local Advertising includes, without limitation: (i) written, printed and electronic communications; (ii) communications sent by email or equivalent electronic technology; (iii) communications by means of a recorded telephone message, spoken on radio, television or similar communication media; (iv) promotional items or promotional or publicity events; (v) listings in approved telephone or business directories; (vi) the use of the Licensed Marks on food containers, bags, stationery, business cards, order forms, signs, merchandise, brochures, flyers, outdoor billboards and other forms of outdoor advertising, point-of-sale materials, uniforms, and other tangible personal property (excluding, for the avoidance of doubt, the use of the Licensed Marks on any materials or personal property required by Company); and (vii) the use of the Licensed Marks on any Internet website or app including content that Licensee wishes to place on the web page that Company provides to Licensee on Company's Internet website to promote the Restaurant.

JJ. "***Local Advertising Obligation***" is an amount equal to 1.5% of the aggregate Gross Sales of the Restaurant.

KK. "***Local Law***" means the specific Applicable Law in the state where the Restaurant at the Approved Location is located.

LL. "***Non-Designated Goods/Services***" refers collectively to all goods, services, merchandise, supplies or property which Licensee may or must use, offer, sell or promote in operating the Restaurant that are not Designated Goods/Services.

MM. "***Non-traditional Venue***" refers to the location of a Restaurant in a larger public or privately-owned destination or complex where the real estate developer includes restaurant services as an accommodation to a captive market. For purposes of this Agreement, Non-traditional Venues include, without limitation, airports, mass transit stations, professional sports

stadiums and arenas, ghost and/or virtual kitchens, hotels and other types of lodging facilities, military bases, entertainment centers, amusement parks, casinos, universities, and other types of schools, hot vending machines, hospitals and other types of health care institutions, and similar types of captive market locations that Company may designate during the term.

NN. "***Opening Date***" is the date on which the Restaurant actually opens for business to the public.

OO. "***Primary Owner***" refers to, collectively, any person who owns or at any time during the Term acquires either legally or beneficially 15% or more of the outstanding equity or voting interests of a Licensee that is a Business Entity, or the person designated by Licensee for overseeing the development, construction, and operation of the restaurant generally, but not necessarily, in a day-to-day capacity.

PP. "***Protected Area***" is the area identified on Exhibit A.

QQ. "***Provisional Remedies***" mean any form of interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its sole discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo.

RR. "***Public or Private Offering***" is an Event of Transfer that involves the offer of a Controlling Interest of Licensee's shares to the public pursuant to an offering memorandum, registration statement or comparable documents.

SS. "***Restaurant***" means any restaurant that is identified to the public by the Licensed Marks or, for purposes of this Agreement, the particular restaurant that Licensee operates at the Approved Location identified in this Agreement.

TT. "***Qualified Transfer***" means (i) if Licensee is an individual, the transfer by Licensee of all of his or her rights under this Agreement to a newly-formed Business Entity if all of the equity or voting interests of the new Business Entity will be owned by the person or persons identified as the Licensee on the Effective Date; or (ii) if Licensee is a Business Entity, the sale, assignment, transfer, pledge, donation, encumbrance or other alienation of equity or voting interests not resulting in a Change of Control.

UU. "***System***" means, collectively, Company's then-current comprehensive business methods, standards, policies, requirements and specifications which cover the (i) the design, trade dress and build-out requirements for the Restaurant including kitchen layout, signs, dining room layout, and installation of our designated interior décor package; (ii) specifications for restaurant equipment and supplies; (iii) designation of standard menu items and menu names; (iv) instructions for handling, preparing, presenting, serving and storing ingredients, foods and beverages including proprietary recipes; (v) requirements for using or selling Designated Goods/Services; (vi) use of the Computer System, which includes record keeping, financial and operational reporting requirements; (vii) customer service and merchandising standards; (viii) advertising and branding strategies; (ix) comprehensive training programs; and (x) any

Intellectual Property or requirements its use and any Confidential Information, as modified at any time by Company during the Term as provided in this Agreement.

VV. "***Term***" is the period beginning on the Effective Date of this Agreement and expiring without notice at the close of business at the end of 10 years measured from the Opening Date unless soon terminated pursuant to the procedures stated in this Agreement.

WW. "***Training Program***" refers collectively to the training sessions that Licensor provides to Licensee before and in connection with the opening of the Restaurant, a summary of which is attached hereto as Exhibit C and incorporated by reference herein.

XX. "***Training Store Certification***" is the designation awarded by Company enabling Licensee to assume responsibility for providing training equivalent to Company's Training Program for any Restaurant that Licensee now or in the future opens so that, among other things, new managers that Licensee may hire for the Restaurant may fulfill the training requirements to qualify for Certified Manager or Lead Manager status without having to enroll the new hire in Company's own training programs.

YY. "***Wholesale Sales***" means the direct or indirect sale of ingredients, Designated Goods/Services or Non-Designated Goods/Services in association with the Licensed Marks under circumstances where Licensee knows, or after inquiry should reasonably suspect, the buyer is making the purchase with the intention of engaging in the further distribution and sale of the items to retail or wholesale customers through any trade method or distribution and to end-user customers for their consumption.

II. GRANT

A. Award of Rights.

1. Company hereby awards to Licensee, and Licensee accepts, the non-exclusive right and license to use the System in connection with the operation of one Restaurant at the Approved Location subject to the terms and conditions of this Agreement. Licensee may not relocate the Restaurant except in accordance with this Agreement.

2. As a condition of the award of License rights, concurrently with the execution of this Agreement, Licensee shall execute the form of Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name attached to this Agreement as Exhibit D.

3. During the Term, Licensee shall have the right of first refusal to purchase any Restaurant (excluding, for the avoidance of doubt, Non-traditional Venues) opened within two miles of the Licensee's Restaurant.

4. In accepting the award of rights, Licensee agrees at all times to faithfully, honestly and diligently perform its obligations under this Agreement and to continuously exert its best efforts to maximize Gross Sales of the Restaurant and promote and enhance the Restaurant and the reputation and goodwill associated with the System.

B. Limitations.

1. Company grants Licensee no rights other than the rights expressly stated in this Agreement. Licensee's use of the System for any purpose, or in any manner, not permitted by this Agreement shall constitute a breach of this Agreement.

2. Nothing in this Agreement gives Licensee the right to sublicense the use of the System, or any portion or component thereof, to others.

3. Nothing in this Agreement gives Licensee an interest in Company or the right to participate in Company's business activities, investment or corporate opportunities.

4. Nothing in this Agreement gives Licensee any rights in or to any Intellectual Property, other than the limited license expressly granted herein.

5. This Agreement authorizes Licensee to engage only in the sale of authorized goods and services to customers who complete transactions at the Restaurant at the Approved Location with the exception that, if Company authorizes delivery and catering services, Licensee may engage in delivery and catering services, but only in accordance with the specific conditions imposed by Company for delivery and catering services. Nothing in this Agreement gives Licensee the right to engage in Wholesale Sales of any kind or in any trade channel including, without limitation, from any Internet website or by mail order, catalog sales or comparable methods.

C. Improvements; Duty to Conform to Modifications.

1. Any improvements, modifications or additions which Company makes to the System, or which become associated with the System, including, without limitation, ideas suggested or initiated by Licensee, shall inure to the benefit, and become the exclusive property, of Company. Licensee hereby assigns to Company or its designee all intellectual property rights, including, without limitation, all copyrights, patent or other intellectual property rights, in and to any improvements or works which Licensee may create, acquire or obtain in operating the Restaurant. Licensee agrees that Company may use, and authorize others to use, improvements which Licensee suggests, initiates or originates without compensation to Licensee and without Licensee's permission. Licensee understands and agrees that nothing in this Agreement shall constitute or be construed as Company's consent or permission to Licensee to modify the System or any portion or component thereof. Any modification which Licensee desires to propose or make to the System shall require Company's prior written consent.

2. Licensee may provide suggestions, comments or other feedback (collectively, "Feedback") to Company with respect to the System. Feedback is voluntary. Licensee agrees that Company may use Feedback for any purpose without liability or compensation to Licensee or obligation of any kind and hereby grants Company an irrevocable, non-exclusive, perpetual, fully-paid-up, royalty-free, world-wide license to use the Feedback in connection with any business activities conducted by Company or Company's Affiliates, including, without limitation, to make improvements to the System.

3. Any goodwill resulting from Licensee's use of the System shall inure to the exclusive benefit of Company. This Agreement confers no goodwill or other interest in the System upon Licensee, except a license to use the System during the Term subject to the terms and conditions stated in this Agreement. This provision shall not be construed to prevent Licensee from receiving the proceeds on the sale of the Restaurant if the sale is conducted in compliance with the requirements of this Agreement applicable to an Event of Transfer.

4. Licensee understands and agrees that Company may modify the System and any of its components from time to time in its sole discretion as often, and in the manner, that Company believes, in its sole discretion, is necessary to best promote Restaurants, as a chain, to the public. Company shall give Licensee written notice of all changes either by supplements to the Confidential Materials, in writing or electrically, or otherwise. Licensee shall, at its own cost and expense, promptly adopt and use only those parts of the System specified by Company and shall promptly discontinue the use of those parts of the System which Company directs are to be discontinued, provided, however, that such expenses shall not exceed two percent (2%) of Gross Sales per year. Licensee shall not change, modify or alter the System in any way, except as Company directs.

5. Licensee recognizes that changes and modifications that Company may make to the System may necessitate that Licensee make capital expenditures during the Term in amounts that Company cannot forecast. Nothing in this Agreement limits the frequency or cost of future changes to the System that Company may require, provided, however, that Licensee shall only be obligated to make capital expenditures during the Term in an amount of up to two percent (2%) of Gross Sales per year. Licensee understands and agrees that Company has no ability to identify with specificity the nature of these future general improvements or their expected cost and accepts the risk that future general improvements may be imposed that will require significant capital expenditures in an amount that is unknown on the Effective Date and that cannot be fully amortized over the period of time then remaining in the Term, subject to the limitations contained in this section.

D. Deviations from the System. Company may allow other licensees to deviate from the System in individual cases in the exercise of Company's sole discretion. Licensee understands and agrees that it has no right to object to any variances that Company may allow to itself, Company's Affiliates or other licensees, and has no claim against Company for not enforcing the standards of the System uniformly. Licensee understands and agrees that Company has no obligation to waive, make any exceptions to, or permit Licensee to deviate from, the uniform standards of the System. Any exception or deviation that Company does allow Licensee must be stated in writing and executed by Company in order to be enforceable against Company.

III. PROTECTED TERRITORY AND RESERVED RIGHTS

A. Protected Area.

1. Except as otherwise provided in this Section, Company agrees not to open or operate, or grant others, including, without limitation, Company's Affiliates or unrelated persons, the right to open or operate, a Restaurant identified by the Licensed Marks anywhere in the Protected Area shown or described on Exhibit A.

2. Nothing in this Agreement gives Licensee the right to object to Company's award of franchises to others for locations outside the Protected Area regardless of how close it may be located to the boundaries of the Protected Area.

3. The Protected Area excludes all of the following types of properties that now, or in the future, are in the Protected Area:

a. Any Non-traditional Venue in the Protected Area.

b. Any restaurant properties in the Protected Area that Company acquires as part of, and contemporaneous with, the acquisition of a chain of at least 3 or more restaurants regardless of their location (whether within or outside of the Protected Area) if, at the time of the acquisition, all restaurants in the chain do business under a trade name other than the Licensed Marks. Following the acquisition, Company may convert any or all of the restaurant properties in the Protected Area to a Restaurant or permit any of Company's Affiliates, the then-current owner or any other third party to operate the restaurant properties as a Restaurant under a franchise license from Company.

4. Licensee understands and agrees that the significance of designating a Protected Area is solely to indicate the geographic area within which Company will not open or operate, or grant others the right to open or operate, a Restaurant except as expressly permitted under the exclusions and reserved rights set forth in this Section. The designation of a Protected Area does not give Licensee any superior right (i) to sell authorized goods or services to persons who reside or work in the Protected Area, or (ii) to market or advertise its Restaurant in media that circulates, broadcasts or otherwise is directed to or accessible by persons in the Protected Area. Furthermore, Licensee understands that its right to use the System in the Protected Area is non-exclusive.

B. Company's Reserved Rights.

1. In addition to the properties excluded from Licensee's Protected Area, Company reserves the right to engage in any and all activities in the Protected Area except opening or operating, or granting others, including, without limitation, Company's Affiliates or unrelated persons, the right to open or operate, a Restaurant identified by the Licensed Marks.

2. Company reserves the right to use all, or parts, of the System and to exploit the Licensed Marks in any manner, method or channel of distribution without prior notice or compensation to, or consent of, Licensee. Without limiting the foregoing, Company, on behalf of itself, Company's Affiliates and its or their other licensees, may directly or indirectly offer and sell any menu items through any retail or wholesale channel of distribution, including from any Internet website, mail order catalog, direct mail advertising, or from supermarkets, convenience stores, and other food service businesses.

IV. APPROVED LOCATION

A. Selection of Approved Location.

1. If Licensee owns or leases an existing retail location which Company has determined meets its demographic requirements and the landlord is willing to execute Company's form of Addendum to Lease, the parties shall mutually indicate the Approved Location's street address and the boundaries of the Protected Area on Exhibit A and execute Exhibit A at the same time they execute this Agreement, in which case the balance of this subsection A. shall not apply to Licensee.

2. If the parties have not identified the Approved Location on or before the Effective Date, Licensee shall be responsible for evaluating potential sites and selecting the Approved Location, subject to Company's approval, pursuant to the procedures stated in this Section. Following Company's written approval of Licensee's proposed site as the Approved Location, the parties shall amend this Agreement to set forth the Approved Location's street address and the boundaries of the Protected Area on Exhibit A.

3. The fact that Company may, in its sole discretion, offer Licensee advice, recommendations or site location services of any kind shall not constitute an admission on Company's part that it is responsible for identifying potential sites, and Licensee understands that site selection is Licensee's sole responsibility, subject to Company's right to approve the site. Consistent with Licensee's responsibility for site selection, Licensee is solely responsible for investigating and complying with Applicable Law concerning development, occupancy and use of the Approved Location and evaluating the suitability of a site as a Restaurant.

4. To assist Licensee with site selection, Company shall provide Licensee, without charge, with its current written site selection criteria and specifications for the construction, layout, design, appearance, trade dress elements, and leasehold improvements of a typical Restaurant. Licensee understands that Company's specifications may not reflect the requirements of Applicable Law governing public accommodations for persons with disabilities or similar rules, zoning restrictions, building codes, permit requirements or applicable Lease restrictions. Licensee is solely responsible for investigating and complying with all matters pertaining to Applicable Law at Licensee's sole expense.

a. To obtain Company's approval of a proposed site, Licensee shall submit a written site proposal to Company, in the form indicated in the Confidential Materials. Licensee's site proposal shall be accompanied by a letter of intent or other evidence satisfactory to Company which confirms the willingness of the owner or master tenant of the Approved Location to offer Licensee a Lease and to execute an Addendum to Lease in the form required by Company. Company will condition site approval on its review and approval of the Lease which Licensee proposes to enter into with the landlord of the proposed site.

b. Following receipt of Licensee's written site proposal, Company may, in its sole discretion and at its sole expense, make an on-site visit to the proposed site at Company's expense if Company reasonably believes that physical inspection of the demographic conditions of the area, or the proposed site, is necessary or desirable to evaluate Licensee's

proposal. Licensee understands and agrees that the on-site visit is at Company's option and not required by this Agreement.

c. Company shall have 30 days following receipt of Licensee's completed site proposal to make any site visit that it chooses to make and approve or disapprove the proposed site by giving written notice to Licensee (the "***Site Approval Notice***"). Licensee may request site approval for more than one site, but it shall not extend the time period for obtaining site approval. If Licensee proposes more than one site, Company need only approve one site, or it may disapprove all proposed sites. Company's failure to give timely notice of approval shall constitute Company's disapproval of all sites proposed by Licensee. Company's approval of a site signifies only that the site meets Company's current site criteria. Company's approval of a site does not certify that Licensee's development, use or occupancy of the site as a Restaurant will conform to Applicable Law or guaranty or warrant that operation of a Restaurant at the site will be successful or profitable. Company is not responsible if the site fails to meet Licensee's or Company's expectations.

5. Following Company's written approval of Licensee's proposed site as the Approved Location, the parties shall amend this Agreement to set forth the Approved Location's street address and the boundaries of the Protected Area on Exhibit A.

6. The parties' failure to execute Exhibit A shall not invalidate this Agreement, Company's site approval or the designation of the Protected Area.

7. Lease and Addendum to Lease. Promptly following the parties' execution of Exhibit A, Licensee shall execute a Lease and Addendum to Lease with the landlord of the Approved Location and deliver to Company a copy of the fully-executed Lease and Addendum to Lease.

B. Termination (This provision applies only if Licensee and Company have not executed a Development Agreement).

1. If Licensee and Company are not parties to a Development Agreement, Company may terminate this Agreement if Licensee fails to comply with the following deadlines:

a. Within 180 days from the Effective Date, Licensee must (i) obtain Company's written site approval and Company must issue a Site Approval Notice, (ii) deliver a copy of the executed Lease and Addendum to Lease to Company, and (iii) execute Exhibit A to identify the address of the Restaurant at the Approved Location. If Company elects to terminate this Agreement based on Licensee's failure to comply with this deadline, no portion of the Initial Franchise Fee is refundable; and

b. Within 365 days from the Effective Date, Licensee must open the Restaurant for business to the public (i.e., complete all requirements for the Opening Date to occur). If Company elects to terminate this Agreement based on Licensee's failure to comply with this deadline, no portion of the Initial Franchise Fee is refundable.

2. The parties understand that this provision has no application to them if they are parties to a Development Agreement because, in that case, the parties are bound by the requirements in Section V of this Agreement and the Development Agreement for applicable deadlines regarding the Opening Date of Licensee's Restaurant.

C. Relocation.

1. If (i) the Lease expires or terminates for reasons other than Licensee's breach; (ii) the Approved Location or building in which the Restaurant is located is destroyed, condemned or otherwise rendered unusable; or (iii) the parties mutually believe that relocation will increase the business potential of the franchise, Licensee shall relocate the Restaurant, at Licensee's sole expense, to a new location selected by Licensee, and approved by Company, in accordance with Company's then-current site selection procedures as specified in the Confidential Materials. Company shall indicate its approval of the new site by executing a new Site Approval Notice. The parties shall amend Exhibit A to reflect the address of the new Approved Location.

2. As a condition of approving Licensee's request to relocate the Restaurant, Company may require Licensee to conduct Grand Opening Marketing to publicize the new Approved Location's opening to the public. All of the terms and conditions in this Agreement pertaining to Grand Opening Marketing activities conducted at the original Approved Location in conjunction with the original Opening Date shall apply to Grand Opening Marketing activities at the new Approved Location including Licensee's obligations to spend no less than the minimum amount on Grand Opening Marketing set forth in this Agreement.

3. At Licensee's sole expense, Licensee shall construct and develop the new premises to conform to Company's then-current specifications for design, appearance, trade dress elements, equipment, layout, and leasehold improvements for new Restaurants, and remove any signs, trade dress, kitchen and other equipment, and similar property from the original Approved Location which identified the original Approved Location as belonging to the System. All of the terms and conditions in this Agreement regarding the process for preparing and approving Licensee's Design Plans for the original Approved Location shall apply equally to the new Approved Location.

4. Licensee shall use its best efforts to complete relocation without any interruption in the continuous operation of the Restaurant unless Company's prior written consent is obtained. As a condition to consenting to a disruption in operations, Company may impose maximum time periods, which shall be reasonable under the circumstances compelling relocation, in which Licensee must (i) obtain Company's site selection approval for the new Approved Location; and (ii) complete construction and development of the new Approved Location as expediently as reasonably possible in accordance with Company's then-current specifications. Licensee understands that if Company consents to a disruption in operations and operations temporarily cease, the Term of this Agreement shall not be extended and Licensee shall not remain liable to pay Royalty Fees or any Brand Marketing Fees. Licensee's failure to accept or abide by the relocation requirements shall constitute a material breach of this Agreement and grounds for termination.

V. DEVELOPMENT AGREEMENT – SPECIFIC PROVISIONS APPLICABLE ONLY IF COMPANY AND LICENSEES HAVE SIGNED A DEVELOPMENT AGREEMENT

A. Application. The provisions in this particular Section only apply to the parties if they are parties to a Development Agreement and this Agreement is executed by them pursuant to the Development Agreement.

B. Procedures for Selection of the Approved Location, Delivery of the Executed Lease. The provisions in the Development Agreement pertaining to selection of the Approved Location and delivery of the executed Lease and Addendum to Lease shall apply to the parties in place of the provisions in this Agreement addressing those subjects.

C. Termination Conditions Related to Site Approval, Delivery of the Executed Lease and Addendum to Lease and the Opening Date. The provisions of this Agreement establishing deadlines on Licensee to (i) obtain Company's written site approval and to deliver a copy of the executed Lease and Addendum to Lease to Company within 180 days after the Effective Date; and (ii) open the Restaurant for business within 365 days after the Effective Date shall not apply to Licensee when Licensee and Company are parties to a Development Agreement. Instead, the Opening Date for the Restaurant shall be no later than the specific Development Deadline applicable to the Restaurant according to the order in which the Restaurant is developed out of the entire Development Quota specified in the Development Agreement. Developer is solely responsible for planning its site evaluation, lease negotiation, permitting and other development activities to allow sufficient time to complete the entire site approval, document execution and build-out process and open the Restaurant by no later than the applicable Development Deadline in the Development Agreement.

VI. TERM AND RENEWAL

A. Term. This Agreement shall begin on the Effective Date and shall expire without notice 10 years from the Effective Date unless this Agreement is sooner terminated.

B. Renewal Term. Licensee shall have two options (each a "***Renewal Option***") to renew the license for a period of 5 years beginning on the first day after the last day of the Term or Renewal Term as applicable (the "***Renewal Term***"). Licensee understands that the Renewal Option is subject to the condition that Company must be awarding new Restaurant franchises in the United States at the time when Licensee is permitted to exercise the Renewal Option. To exercise the Renewal Option, Licensee must furthermore comply with the conditions contained in this Section VI.

C. Licensee must give Company written notice of Licensee's election to renew (the "***Renewal Notice***") at least 9 Calendar Months, but not more than 12 Calendar Months, before the end of the Term or the first Renewal Term, as applicable. The Renewal Option shall be cancelled if Licensee does not timely and effectively exercise the Renewal Option.

1. Licensee must not be in default under this Agreement or the successor License Agreement at the time it gives the Renewal Notice or on the first day of the Renewal Term. Further, Licensee must not have received more than 2 notices of default during any 24 Calendar

Month period during the Term or any Renewal Term, as applicable, whether or not the notices relate to the same or to different defaults, and whether or not the defaults have each been timely cured by Licensee.

2. Licensee shall pay Company a renewal fee in the amount of $5,000 and execute Company's then-current form of License Agreement for a 5 year term, which License Agreement shall supersede this Agreement or the successor License Agreement in all respects except as follows: (i) Licensee shall not have the renewal rights set forth in the successor License Agreement, but shall instead have the Renewal Options set forth in this Agreement; (ii) Licensee shall not be required to pay the Initial Franchise Fee stated in the successor License Agreement; and (iii) Licensee shall not be required to participate in the Initial Training Programs described in the successor License Agreement then offered by Company to new licensees, but shall comply with the renewal training requirements set forth in this Agreement. Licensee understands that the successor License Agreement may be materially different than this Agreement, including, without limitation, requiring payment of additional or different fees to Company.

3. Licensee shall satisfy Company's then-current training requirements, if any, for renewing licensees. Company may require that Licensee pay a training fee to complete mandatory training in connection with exercising the Renewal Option in an amount equal to the training fee that Company then charges other licensees who execute the renewal License Agreement contemporaneously.

4. Licensee shall conform the Restaurant to Company's then-current design, appearance, trade dress elements, layout, equipment, leasehold improvements, imaging requirements, signs, and accounting and recordkeeping systems that apply to new Restaurants, including, without limitation, making upgrades to the Computer System to the extent any areas do not meet Company's then-current requirements.

5. Licensee shall execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company, Company's Affiliates and their respective officers, directors, shareholders, employees and agents.

D. Ineffective Exercise of Renewal Option. Licensee's failure to execute and deliver the renewal License Agreement and release required by this Section within 30 days after Company delivers them to Licensee for execution shall be deemed an election by Licensee not to exercise the Renewal Option. If Licensee fails to satisfy any renewal condition in a timely manner, this Agreement will expire on the last day of the Term without further notice from Company; provided, however, Licensee shall remain obligated to comply with all provisions of this Agreement which expressly, or by their nature, survive the expiration or termination of this Agreement.

E. Extension. If Company is in the process of revising, amending or renewing its franchise disclosure documents or registration to sell franchises in the state where the Restaurant is located, or under Applicable Law cannot lawfully offer Licensee its then-current form of License Agreement at the time Licensee delivers the Renewal Notice, Company may, in its sole discretion, offer to extend the terms and conditions of this Agreement on a Calendar Month-to-Calendar Month basis following the expiration of the Term (or the first Renewal term, as applicable) for a maximum period of 12 months from the expiration date so that Company may lawfully offer its

then-current form of License Agreement. If (i) Company is granting new franchises for new Restaurants in the United States at the time when Licensee is permitted to exercise the Renewal Option, and (ii) Licensee has otherwise satisfied the conditions for renewal and is in compliance with the provisions of this Agreement, and if, after 12 months, Company still cannot lawfully offer its then-current form of License Agreement, the parties shall be deemed to have extended this Agreement for the remainder of the then-current Renewal Term. Nothing in this Section shall require Company to extend this Agreement if, at the time Licensee delivers the Renewal Notice Licensee is in material default under this Agreement.

VII. APPROVED LOCATION DEVELOPMENT AND OPENING DATE

A. Licensee's Construction Drawings.

1. Following the Effective Date, Company shall provide Licensee with one set of Company's specifications for the design, appearance, trade dress elements, equipment, layout and leasehold improvements of Restaurants, which Licensee shall use to evaluate potential sites for the Approved Location. Licensee understands that Company's specifications may not reflect the requirements of Applicable Law governing public accommodations for persons with disabilities or similar rules, zoning restrictions, building codes, permit requirements or applicable Lease restrictions.

2. At Licensee's sole expense, Licensee shall retain competent architectural, design and contracting services, including an architect with local experience and a certified general contractor, to prepare design and construction plans ("***Licensee's Construction Drawings***") that adapt Company's specifications to the specific dimensions, square footage and conditions of the Approved Location and to the requirements of the Lease and Applicable Law. Before engaging an architect, designer or contractor, Licensee shall submit to Company the name and supporting credentials of each person that Licensee desires to retain to demonstrate the individual's or firm's overall reputation and credentials for workmanship, timeliness of performance, financial solvency and experience with retail construction. Company shall have 30 days after receiving all supporting information in which to indicate its decision. Company's failure to respond within 30 days shall signify its approval. Company's approval of a particular firm or individual is not an endorsement or guaranty of the quality of workmanship, timeliness of completion or any other credential and Company shall have no liability whatsoever for the party's services.

3. At a minimum, Licensee's Construction Drawings shall address, without limitation, layout, signs, lighting, flooring, mechanical systems, electrical systems, plumbing, carpentry, wall coverings, finishes, ceiling treatments, exhaust/ventilation systems, customer seating, preparation and storage areas, general trade dress components and other improvements that Licensee intends to make or install, together with such other information as may be specified in the Confidential Materials. Licensee may only use Licensee's Construction Drawings for purposes of developing the Approved Location as a Restaurant.

4. Licensee is solely responsible for investigating the requirements of Applicable Law governing public accommodations for persons with disabilities or similar rules, zoning restrictions, building codes, permit requirements or applicable Lease restrictions and conforming Licensee's Construction Drawings to such requirements.

5. Licensee shall adhere to approved finishes schedule and submit samples prior to applying finishes as noted in the construction documents. Company shall have 20 days to review Licensee's submittals and notify Licensee in writing of its rejection or approval. Finish application must adhere to specifications identified and approved throughout the entirety of the Licensee agreement. Licensee must re-submit should any finish detail change between submittal approval and application. Company's failure to give Licensee timely notice shall constitute Company's disapproval of Licensee's finishes submittals.

B. Development of Approved Location.

1. Licensee shall cause all construction, development work, and installation of equipment to be carried out by a licensed, insured and bonded General Contractor in compliance with the version of Licensee's Construction Drawings that Company approves without any material variation. Licensee shall not make any material changes to the Licensee's Construction Drawings without first submitting the changes in writing to Company for its approval. Licensee must hire competent professionals, including an architect with local experience and a certified general contractor, in connection with the design and development of the Restaurant. Company currently requires Licensee to work with Smith and Greene, a kitchen equipment, design and installation distributor specified by Company, unless Company otherwise approves in writing. Company reserves the right to change such specifications upon prior written notice to Licensee or as otherwise set forth in the Confidential Materials.

2. Licensee shall cause all construction and development work to conform with the requirements of the Lease and Applicable Law, including, without limitation, all government and utility permit requirements (such as, for example, zoning, ADA compliance, sanitation, building, utility and sign permits). Licensee shall complete development of the Approved Location diligently, expeditiously and in a first-class manner at Licensee's sole expense.

3. Licensee is solely responsible for purchasing, leasing or licensing all of the equipment, fixtures, furniture, trade dress elements, signs, supplies, materials, and decorations required for development and operation of Restaurants from recommended, approved or required sources as directed by Company in the Confidential Materials and this Agreement. Licensee understands and agrees that Company may designate all, or particular items, of the equipment, fixtures, furniture, trade dress elements, signs, supplies, materials, and decorations as Designated Goods/Services in which case the items must be purchased from the sources that Company identifies. If Licensee leases any equipment, products, or other components of the System from a third-party, Company must approve the lease in writing before it is signed. Company will not approve the lease unless it permits Licensee's interest in the lease to be assigned to Company if this Agreement is terminated or expires.

4. Licensee understands and agrees that it is solely responsible for supervising, and for the acts and omissions of, the architect, design and construction personnel that it hires or retains. Licensee shall obtain all customary contractors' lien waivers for the work performed. The fact that Company may recommend an architect, designer or construction personnel to assist Licensee in preparing Licensee's Construction Drawings or with the performance of actual construction work shall not (i) excuse Licensee from the duty to obtain Company's approval of Licensee's Construction Drawings; (ii) constitute an admission on Company's part to

responsibility for preparing Licensee's Construction Drawings; or (iii) make Company liable for design or construction work, delays or defects of any kind.

5. Company shall have no responsibility for any delays in development or opening of the Restaurant or for any loss resulting from the design of the Approved Location or approval of Licensee's Construction Drawings. Company shall have access to the Approved Location to inspect the work and performance by Licensee's construction personnel, but is not obligated to inspect the project periodically during development or upon completion. Licensee understands and agrees that if Company inspects the work and performance of Licensee's construction personnel, the inspection is not for purposes of reviewing or certifying that development is in compliance with the Lease or Applicable Law, but solely to evaluate that development conforms with the version of Licensee's Construction Drawings that Company has approved and otherwise with Company's specifications for design, appearance, trade dress elements, equipment, layout and leasehold improvements.

C. Opening Date.

1. If the parties are not parties to a Development Agreement, Licensee must open the Restaurant at the Approved Location for business to the public within 365 days from the Effective Date. If the parties are parties to a Development Agreement, Licensee must open the Restaurant at the Approved Location for business to the public by no later than the specific Development Deadline specified in the Development Agreement, as provided in Section V of this Agreement.

2. In all cases, Licensee may not open the Restaurant at the Approved Location for business to the public under the Licensed Marks unless and until Company issues a written completion certificate, unless otherwise waived by Company. The certificate shall signify that Company finds that the Restaurant at the Approved Location, as built, substantially conforms to the version of Licensee's Construction Drawings that Company has approved and that Licensee has met all other pre-opening requirements including, without limitation: (i) completing the Training Program, having at least one person qualify as a Certified Manager and at least one person qualify as a Lead Manager; (ii) supplying Company with proof of all required insurance coverage all in accordance with the requirements of this Agreement; and (iii) implementing all of the other mandatory features of the System. Company may require that Licensee provide Company with photographs and video tapes showing the Restaurant at the Approved Location's physical readiness to open for business.

3. Company agrees to use its reasonable best efforts to review Licensee's Construction Drawings, conduct inspections of the work and performance by Licensee's personnel, and inspect the Restaurant at the Approved Location as built within time frames that will avoid causing an undue delay in Licensee's ability to open and operate the Restaurant.

VIII. TRAINING.

A. Initial Training Program.

1. After Licensee executes the Lease for Restaurant at the Approved Location, the parties shall mutually schedule the Training Program, an outline of which is attached hereto as Exhibit C and incorporated by reference herein.

2. If Licensee is executing this Agreement in connection with exercising the Renewal Option, Licensee shall be entitled to participate in any training program that Company then provides for renewing licensees on the same basis as other licensees renewing contemporaneously.

3. Licensee understands and agrees that Company may modify the Initial Training Program at any time without prior notice to Licensee. Although the Initial Training Program as of the Effective Date consists of separate modules, Company's modifications may involve adding, deleting, shortening or lengthening modules or tracks within modules, changing the location, duration, content or scope of the Initial Training Program, or changing instructors or mandatory training requirements.

B. Certified Manager Training Program.

1. After Licensee executes the Lease for Restaurant at the Approved Location, the parties shall mutually schedule the Certified Manager Training Program, an outline of which is attached hereto in Exhibit C and incorporated by reference herein.

2. If Licensee is executing this Agreement in connection with exercising the Renewal Option, Licensee shall be entitled to participate in any training program that Company then provides for renewing licensees on the same basis as other licensees renewing contemporaneously.

3. Licensee understands and agrees that Company may modify the Certified Manager Training Program at any time without prior notice to Licensee. Although the Certified Manager Training Program as of the Effective Date consists of separate modules, Company's modifications may involve adding, deleting, shortening or lengthening modules or tracks within modules, changing the location, duration, content or scope of the Certified Manager Training Program, or changing instructors or mandatory training requirements.

C. Management-Level Employees; Certified Manager Qualifications; Lead Manager Qualifications.

1. All newly hired and replacement personnel whose employment responsibilities include day-to-day management of the Restaurant shall demonstrate the requisite competency to operate and manage a Restaurant in Company's reasonable business judgment.

2. At all times after the Opening Date, the Restaurant must be under the direct supervision of at least one Certified Manager. Licensee's designated Certified Manager may, but need not, be a Primary Owner. Licensee shall notify Company in writing of the name of the Certified Manager of the Restaurant (or names of each Certified Manager if Licensee qualifies more than one person as a Certified Manager of the Restaurant) and any changes in the identity of the Certified Manager during the Term promptly after they occur. Upon a change in Certified Manager, Licensee must enroll and complete the new Certified Manager in the Certified training course within 90 days.

3. The Confidential Materials set forth Company's criteria for earning a Certified Manager and Lead Manager designation. Company may change the Certified Manager and Lead Manager qualification criteria at any time effective upon notice to Licensee. Company's notice shall specify any additional training or other requirements applicable to new Certified Managers or Lead Managers which an existing Certified Manager or Lead Manager must complete in order to maintain his or her designation as a Certified Manager or Lead Manager. Company shall allow each existing Certified Manager and Lead Manager 90 days after the new criteria become effective in which to satisfy the additional training and other requirements without suffering a lapse in their designation as a Certified Manager or Lead Manager.

4. The award of a Certified Manager or Lead Manager designation does not constitute a warranty, guaranty or endorsement by Company or its Affiliates of the person's skills, performance ability or business acumen. Neither Company nor its Affiliates shall have any responsibility for the operating results of the Restaurant or the performance of Licensee's employees or agents.

D. Additional Training. After the Opening Date, Licensee may request permission to enroll additional persons in any then-current module of the Initial Training Program or receive additional training and on-site assistance. Licensee understands and agrees that all additional training shall be at mutually scheduled times, subject to space availability and Company's other training commitments, and that, as a condition to receiving additional training, Licensee must pay Company's then-current per person training fees stated in the Confidential Materials. In connection with additional instruction provided at the Approved Location, Licensee shall also reimburse Company for Company's reasonable travel expenses, including, without limitation, expenses for coach-class airfare and ground transportation, lodging, and per diem of $100 per day per trainer. By mutual arrangement, we will conduct an additional 15-day Certified Manager Training Programs after the Opening Date of a Restaurant for new management level employees (Certified Manager and Lead Manager) at $5,000/Certified Manager Training Program for up to four trainees.

E. Continuing Training.

1. After the Opening Date, Company may periodically offer continuing education training programs at one or more designated locations and require attendance by Licensee, a Primary Owner of a Licensee that is a Business Entity, a Certified Manager, a Lead Manager, or a particular employee category, such as General Manager; provided, however, Company shall not require that more than 2 persons designated by Company each complete more than 3 days of continuing training during any 12 Calendar Month period. Licensee shall be solely

responsible for covering the personal expenses of its employees attending continuing and additional training programs, including transportation, lodging, food, salary and other personal charges.

2. In connection with any Event of Transfer, the proposed transferee or its Primary Owner must complete Company's then-current Initial Training Program to Company's satisfaction, qualify at least one management-level employee as a Certified Manager, and qualify at least one management-level employee as a Lead Manager. Before Licensee's payment of the transfer fee, the proposed transferee shall pay Company's then-current per person training fee as stated in the Confidential Materials before training begins. The transferee shall be solely responsible for all personal expenses that the transferee and its employees incur in connection with such training, including transportation, lodging, food, salary and other personal charges. Licensee shall remain responsible for operation and management of the Restaurant until the transferee qualifies at least one person as a Certified Manager and at least one person as a Lead Manager.

F. Training Store Certification.

Any time after the Restaurant has been open and operating for 12 months (i.e., any time after 12 months from the Opening Date), Licensee may apply to Company for Training Store Certification. In order to receive Training Store Certification, Licensee must meet Company's then-current minimum qualifications which may, without limitation, include the following requirements: (i) Licensee must not be in material default under this Agreement at the time of its application; (ii) one of Licensee's Certified Managers, who may be a Primary Owner, must complete Company's then-current "train-the-trainer" course at an operating Restaurant in the United States that Company designates and demonstrate proficiency in restaurant management-level responsibilities including demonstrating an ability to communicate and teach the standards and operating procedures of the System to other employees of Licensee; (iii) Licensee must achieve passing grades in any in-store inspections, customer service metrics and surveys, and mystery shopper and supplier scores during the last two calendar quarters; and (iv) the Restaurant's store level financial results must be in the top 25% of all domestic restaurants. Enrollment in Company's "train-the-trainer" course shall be at mutually scheduled times and subject to space availability and Company's other training commitments. At the time Licensee applies to Company for Training Store Certification and before Licensee may be enrolled in the "train-the-trainer" course, Licensee must pay Company a non-refundable $5,000 Training Store Certification Application fee.

1. In order to maintain the Training Store Certification, Licensee must continue to demonstrate its competency to train new management hires capably in Company's then-current initial and continuing training curriculum and meet Company's then-current standards for earning Training Store Certification.

2. Licensee is responsible for keeping abreast of any changes that Company may introduce to its initial and continuing training curriculum and incorporating those changes into the training curriculum that Licensee delivers to its new management hires. Company will notify Licensees of changes to the initial and continuing training curriculum that it may make during the Term, but is not responsible for helping Licensee incorporate those changes into Licensee's own management training program. As part of Company's general right to conduct

inspections, Company may enter the Restaurant to observe Licensee delivery of training to new management hires to verify that Licensee continues to merit the Training Store Certification.

3. Company may revoke the Training Store Certification at any time effective upon 30 days written notice based on (i) Company's evaluation that Licensee no longer meets Company's then-current standards to earn Training Store Certification or no longer demonstrates the requisite competency to train new management hires in Company's discretion; or (ii) Licensee's breach of this Agreement and Company's issuance of a notice of default even if the grounds of default cited in the notice are identified by this Agreement as a curable default and the cure period has not yet expired.

G. Additional Provisions.

1. Licensee understands and agrees that (i) it is solely responsible for all personal expenses that it and its employees incur to attend any of the training programs offered by Company whether before or after the Opening Date, including, without limitation, costs for air and ground transportation, lodging, meals, personal expenses and salaries, (ii) it is solely responsible for Company's transportation and lodging expenses, if any, incurred by Company in connection with Company's assistance to Licensee in the initial opening of the Restaurant, including, without limitation, the wages of any non-executive personnel providing such services, and (iii) Company will not pay compensation for any services performed by trainees during any training program provided by Company even if, for example and without limitation, the training program requires the Licensee or its employees to work at a Restaurant owned by Company or Company's Affiliates.

2. Licensee agrees to allow Company to train persons unaffiliated to Licensee at the Restaurant at a time mutually convenient to Licensee and Company without compensation or reimbursement to Licensee, for up to 30 days per Calendar Year.

IX. INTELLECTUAL PROPERTY

A. Ownership. Company owns all rights in the System and its various components, and Licensee owns no rights in the System except for the license granted by this Agreement. Licensee agrees not to contest, or assist any other person to contest, the validity of Company's rights and interest in the System, or any component thereof, either during the Term or after this Agreement terminates or expires.

B. Use of the System.

1. In operating the Restaurant, Licensee shall (i) use only the elements of the System designated by Company and only in the manner authorized and permitted by Company; (ii) use the System only in connection with the operation of the Restaurant and not in connection with other unrelated activities; (iii) display notices of trademark and service mark registrations in the exact manner that Company specifies; (iv) obtain fictitious or assumed name registrations as required by Applicable Law; and (v) prominently post notices to customers, suppliers and others with whom Licensee deals informing them that Licensee is the independent owner of the Restaurant operating under a license from Company.

2. Licensee shall not use any of the Licensed Marks or any part thereof: (i) in its corporate or legal name (if Licensee is a Business Entity); (ii) with any prefix, suffix or other modifying words, terms, designs, colors or symbols; (iii) in any modified form; (iv) in connection with the sale of any unauthorized goods or services; (v) in any manner not expressly authorized in writing by Company; or (vi) in any manner that may result in Company's liability for Licensee's debts or obligations.

3. Licensee shall not cover up, remove or alter any patent, copyright, trademark or other notices that Company requires Licensee to use to signify Company's ownership of, or rights in, the Intellectual Property.

4. Company reserves the right to: (i) modify or discontinue licensing any of the Intellectual Property or other features of the System; (ii) add new names, marks, designs, logos or commercial symbols to the Licensed Marks and require that Licensee use them and remove names, marks, designs, logos or commercial symbols from the Licensed Marks and require that Licensee discontinue their use within a reasonable time; (iii) modify or discontinue practices, components or requirements incorporated within the scope of the System as of the Effective Date; and (iv) require that Licensee introduce or observe new practices as part of the System in operating the Restaurant. Licensee understands that Company at any time, without notice to Licensee, may modify the System, in which case, Licensee shall comply, at Licensee's sole expense, with Company's directions regarding changes in the System within a reasonable time after written notice from Company. Company shall have no liability to Licensee for any cost, expense, loss or damage that Licensee incurs in complying with Company's directions and conforming to required changes to the System.

5. Licensee understands and agrees that any unauthorized use of the System or its components by Licensee shall constitute both a breach of this Agreement and an infringement of Company's intellectual property rights.

C. Assignment of Copyrights. Licensee and Company acknowledge that, during the Term, Company may authorize Licensee to use certain works, property or business methods in operating the Restaurant in which Company owns a copyright or patent or owns a license to use a copyrighted work or patented property or methods owned by a third party (collectively, "***Copyrighted/Patented Works***"). These works shall be treated as Intellectual Property for all purposes whether or not the particular work, property, method or materials is the subject of a valid registration. Copyrighted/Patented Works may include, without limitation, the Confidential Materials, advertising and promotional materials supplied by Company, business methods incorporated in the System, and other categories of works eligible for protection under federal trademark, patent or copyright laws that are created by, or for, Company and are designated by Company for use in connection with operating a Restaurant.

1. To the extent Licensee creates, or arranges to have created for Licensee's benefit, any improvement or work eligible for protection under federal trademark, patent or copyright laws, Licensee shall execute, or have the creator execute, all documents necessary to assign all intellectual property and ownership rights in the improvement or work to Company. Licensee understands and agrees that the consideration for the assignment is the grant of the franchise to Licensee.

2. Licensee understands and agrees that nothing in this Agreement shall constitute or be construed as Company's consent to Licensee modifying, or creating any derivative work based upon, any of the Copyrighted/Patented Works. Licensee must obtain Company's prior written consent before modifying or creating, directly or indirectly, any type of derivative work based on any Copyrighted/Patented Works.

D. Confidential Information. Licensee acknowledges that Company will disclose Confidential Information to Licensee throughout the Term in various ways which include, without limitation, by loaning Licensee a copy of Confidential Materials, providing other written instructions and bulletins, arranging for the supply of Designated Goods/Services, and otherwise through the performance of Company's obligations and the exercise of its rights under this Agreement. Licensee shall acquire no interest in Confidential Information, other than a license to utilize it in the operation of the Restaurant subject to the terms of this Agreement.

1. Licensee's use, publication or duplication of Confidential Information for any purpose not authorized by this Agreement constitutes an unfair method of competition by Licensee and, additionally, grounds for termination of this Agreement.

2. Licensee agrees to: (i) confine disclosure of Confidential Information to those of its management, employees and agents who require access in order to perform the functions for which they have been hired or retained; and (ii) observe and implement reasonable procedures prescribed from time to time by Company to prevent the unauthorized or inadvertent use, publication or disclosure of Confidential Information including, without limitation, requiring that any employees with access to Confidential Information, who are not otherwise required to sign a Confidentiality and Non-Competition Agreement, execute Company's current form of Confidentiality and Non-Competition Agreement with Licensee. Upon request from Company, Licensee shall deliver to Company a copy of each executed Confidentiality and Non-Competition Agreement for its records. Company may terminate this Agreement if Licensee, or any person required by this Agreement to execute a Confidentiality and Non-Competition Agreement with Company or Licensee, breaches the Confidentiality and Non-Competition Agreement. All agreements contained in this Agreement pertaining to Confidential Information shall survive the expiration, termination or Licensee's assignment of this Agreement.

3. The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding if Licensee has used its best efforts to provide Company a reasonable opportunity to obtain an appropriate protective order or other assurance satisfactory to Company of confidential treatment for the information required to be disclosed.

E. Defense of the System.

1. Company shall have the sole right to handle disputes with third parties challenging the rights of Company or Company's Affiliates, or their respective owners, in, or Licensee's use of, the System or its components.

2. Licensee shall immediately notify Company in writing if Licensee receives notice, or is informed, of any: (i) improper use of any of the components of the System; (ii) use by any third party of any mark, design, logo or commercial symbol which may be confusingly similar to any of the Licensed Marks; (iii) use by any third party of any business practice which unfairly simulates the System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Licensee based upon Licensee's use of any of the components of the System. A legal proceeding, use, demand or threat encompassing the subject matters described in (i), (ii), (iii) and (iv) is collectively referred to as a "***Third Party Claim***."

3. Company shall have sole discretion to take such action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of a Third-Party Claim.

4. Licensee shall not settle or compromise any Third-Party Claim and agrees to be bound by Company's decisions over how to handle a Third-Party Claim. Licensee shall cooperate fully with Company and execute such documents and perform such actions as may, in Company's sole discretion, be necessary, appropriate or advisable in the defense of a Third-Party Claim and to protect and maintain Company's or Company's Affiliates', or their respective owners', rights in, or Licensee's use of, the System or its components.

5. Except as provided in this Section, Company agrees to defend Licensee against the Third-Party Claim provided Licensee has notified Company immediately after learning of the Third-Party Claim and fully cooperates in the defense of the Third-Party Claim. Because Company will defend the third-party claim, Licensee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter. Notwithstanding Company's agreement to defend Licensee under the conditions stated in this Section, Licensee understands and agrees that Company is not liable to indemnify or reimburse Licensee for any liability, costs, expenses, damages or losses that Licensee may sustain as a result of the Third Party Claim, with the exception that Company shall (i) reimburse Licensee for Licensee's actual direct costs to change any signs, uniforms or other materials that bear the Licensed Marks or change any property incorporating any other feature of the System that is found to infringe the rights of a third party, and (ii) if a judgment is rendered against Licensee, indemnify Licensee for the amount of any damages awarded as part of the judgment. Licensee shall assign to Company any claims that it may have against the third party asserting the infringement claim. Licensee, on behalf of itself and its Affiliates hereby waives any claim against Company, Company's Affiliates, and their respective officers, directors, shareholders, employees and agents for lost profits or consequential damages of any kind based on Third Party Claims involving the System. The rights granted to Licensee under this Section shall be Licensee's sole and exclusive remedy in the event of any Third-Party Claim involving any element of the System.

6. Company's indemnity obligation set forth in this Section shall not extend to any Third-Party Claim which is based, directly or indirectly, upon Licensee's misuse of the System. Furthermore, Company's indemnity obligation set forth in this Section shall not extend to any Third Party Claim which arises out of or relates to: (i) any form of misuse of the System by any of Licensee's employees, agents, customers or other invitees; (ii) the unauthorized physical entry into the Approved Location or into the Computer System by a third party if Licensee has not

used due care to implement and enforce customary security measures to prevent unauthorized entry by third parties.

X. CONFIDENTIAL MATERIALS

A. Use.

1. Licensee has the limited right to use Company's Confidential Materials during the Term. The Confidential Materials is, and at all times will remain, Company's sole property. Licensee will cease accessing and, in accordance with Company's instructions, either promptly destroy or return to Company any physical copies that Licensee has made of any parts of the Confidential Materials upon expiration or termination of this Agreement or consummation of an Event of Transfer.

2. Licensee will treat all information contained in the Confidential Materials as confidential, and will use all reasonable efforts to keep the information secret. Without Company's prior written consent, Licensee will not copy, duplicate, print, record or otherwise reproduce the Confidential Materials, in whole or in part, or otherwise make them available to any Licensee employee or other person who is not required to have access to its contents in order to carry out his or her employment functions. To the extent that the Confidential Materials is furnished in a printed "hard" copy rather than electronically, Licensee shall take adequate precautions to ensure that when the Confidential Materials is not in use by authorized personnel, Licensee shall keep the Confidential Materials in a locked receptacle at the Restaurant at the Approved Location and shall only grant authorized personnel, as defined in the Confidential Materials, access to the key or lock combination of the receptacle.

3. To the extent that the Confidential Materials is furnished electronically or in an equivalent format, Licensee shall only share the access password with authorized personnel. Licensee will not share Licensee's password or other login information necessary to access the electronic version of the Confidential Materials or other information on the Intranet with any employee or other person who is not required to have access to its contents in order to carry out his or her employment functions. Licensee will furthermore take steps to ensure that Licensee employees who are entitled to have access to the Confidential Materials do not share their individual passwords or other login information with any other person. If any content is printed, Licensee will take steps to ensure that the copies are kept in a secure place to prevent their inadvertent disclosure to persons not authorized to have the information.

4. The Confidential Materials contains both mandatory and recommended specifications, standards, procedures, rules and other information pertinent to the System and Licensee's obligations under this Agreement. The Confidential Materials, as modified by Company from time to time, is an integral part of this Agreement and all provisions now or hereafter contained in the Confidential Materials or otherwise communicated to Licensee in writing are expressly incorporated in this Agreement by this reference and made a part hereof. Licensee shall fully comply with all mandatory requirements now or hereafter included in the Confidential Materials, and understands and agrees that a breach of any mandatory requirement shall constitute a breach of this Agreement and grounds for termination.

B. Updating. Company reserves the right to modify the Confidential Materials from time to time to reflect changes that it may implement in the mandatory and recommended specifications, components, standards and operating procedures of the System. All revisions will be reflected in written or electronic supplements to the Confidential Materials or in other written or electronic communications delivered to Licensee, and each supplement or communication shall become effective upon receipt or on the later date specified by Company. If updates are provided by "hard" copy (as opposed to electronically or in some comparable format), Licensee shall insert any updated pages in its copy of the Confidential Materials upon receipt and remove superseded pages and return them to Company within 5 days following receipt. Licensee shall adapt its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Company at Licensee's sole expense within the time period that Company's designates.

XI. MARKETING, ADVERTISING AND OTHER PROMOTIONAL ACTIVITIES

Recognizing the value and importance of engaging in and standardizing advertising, marketing and promotional activities to maximize the reputation of and goodwill in the Licensed Marks, enhance general consumer awareness of Restaurants, and promote the Restaurant, Licensee agrees as follows:

A. Brand Marketing Fee.

1. Beginning on and after the Opening Date, Licensee shall pay to Company, without offset, credit or deduction of any nature, a Brand Marketing Fee of 2% of Gross Sales (the "***Brand Marketing Fee***") which shall be due and payable for the same period and on the same date as the Royalty Fee.

a. Although Company intends to maintain the Brand Marketing Fee for the duration of the Term and any Renewal Term, Company reserves the right to terminate the Brand Marketing Fee at any time. Company may also adjust the Brand Marketing Fee at any time; provided, however, Company will not raise the Brand Marketing Fee in an amount greater than 0.5% of Gross Sales during any calendar year.

B. Local Advertising.

1. Beginning with the Opening Date and continuing for the remainder of the Term, Licensee shall spend during each Calendar Year an amount equal the Local Advertising Obligation, without offset, credit or deduction of any nature except as expressly provided in this Agreement. Licensee understands that the Local Advertising Obligation is a minimum obligation and not intended to limit Licensee's expenditures on Local Advertising.

a. Company shall monitor Licensee's compliance with the minimum Local Advertising Obligation each Calendar Quarter. Upon request, Licensee shall submit appropriate documentation to substantiate the expenditures that it wishes Company to count to demonstrate its compliance with the minimum Local Advertising Obligation.

b. In determining if Licensee is in compliance with the Local Advertising Obligation, Company shall give Licensee credit for the following expenditures: (i) the cost of advertising, marketing and other forms of promotional activities that Licensee undertakes to publicize and promote the Restaurant and increase customer awareness within Licensee's trade area; and (ii) Licensee's reasonable internal expenses that Licensee can substantiate were incurred specifically and directly to develop, produce or publish approved Local Advertising not to exceed 25% of Licensee's documented expenses during any Calendar Quarter paid to third parties directly related to Local Advertising.

c. The parties agree that if, at the end of any given Calendar Year, Licensee has not spent on Local Advertising, then, in addition to, and not in lieu of, Company's right to declare Licensee to be in breach of this Agreement, Licensee shall promptly pay the difference, plus an amount equal to 25% of the difference, to Company.

2. Licensee shall comply with the written guidelines for Local Advertising set forth in the Confidential Materials. Licensee understands that Company's written guidelines for Local Advertising may include (without limitation) the requirement that Local Advertising contain notices of Company's website domain name or similar information indicating the availability of Restaurant franchises from Company in the manner that Company designates. All Local Advertising must be clear, factual and not misleading and conform to both the highest standards of ethical advertising and marketing and Company's written guidelines and other marketing policies that Company prescribes from time to time.

3. Licensee shall not use, disseminate, broadcast or publish any Local Advertising in any media channel (whether print, broadcast, electronic or digital, including, but not limited to, third party and social media websites) without first obtaining Company's written approval of the copy, proposed media, method of distribution and marketing plan for the proposed Local Advertising. To apply for Company's approval of a proposed Local Advertising, Licensee shall submit a true and correct copy, sample or transcript of the proposed Local Advertising, together with a written business plan which explains the proposed media plan, promotional event or other intended use of the proposed Local Advertising. Company shall have 10 days from the date of receipt in which to approve or disapprove of the submitted materials. If written approval is not received by the end of 10 days, Company shall be deemed to have rejected the proposed Local Advertising. If written approval is given on or before the end of 10 days, Licensee may use the proposed Local Advertising, but only in the exact form submitted to Company. All social media and other forms of public or private online communications must comply with our social media networking policy that we include in the Confidential Materials.

4. Licensee shall observe Company's pricing policies, which Company may modify at any time. Company will provide suggested retail prices. At this time, Licensee may set its own prices; provided, however, that the minimum and maximum prices at which Licensee may advertise and sell approved menu items or other approved goods and services must be no less than 10% below Company's suggested retail prices and no greater than 10% above Company's suggested retail prices. Licensee recognizes that Company uses its pricing policies to differentiate Restaurants from competitors. Nothing in this Agreement limits Company's right to implement policies regarding (i) the minimum prices at which Licensee may advertise approved menu items

or other products, merchandise or services authorized for sale from the Restaurant; (ii) the minimum or maximum retail prices that Licensee may charge customers; or (iii) the obligation to participate in price promotions to the fullest extent permitted by Applicable Law. Licensee shall have the right to petition the Company for adjustments to the Company's pricing policies, and Company will notify Licensee in writing within 30 days after receiving all requested information if it approves the proposed pricing policy. Licensee waives any claims arising from or related to Company's prescription or suggestion of retail prices to the fullest extent permitted by Applicable Law.

5. At Licensee's expense, Licensee shall immediately remove from circulation and cease using any previously approved Local Advertising if Company determines, in its sole discretion, that continued circulation or use may, or will, damage the integrity or reputation of the Licensed Marks, is otherwise necessary to protect the goodwill of the System and Company's and Company's Affiliates' reasonable business interests, or otherwise violates this Agreement.

6. Licensee shall not maintain its own Internet website promoting the Restaurant or use the Licensed Marks in any domain name. Company shall identify the Restaurant in its list of Approved Locations on Company's Internet website and provide comparable information on its Internet website about the Restaurant as Company provides for other Restaurants that are in good standing.

C. Company's Website; Restaurant Subpage. Company alone shall own and control the design and functionality of Company's primary website and all subpages including the Restaurant subpage. Company shall identify the Restaurant in its list of Approved Locations on Company's website and technically support the Restaurant subpage for which Licensee may determine the content consistent with the guidelines in the Confidential Materials. Company shall not charge Licensee any type of initial subpage setup fee, but may charge Licensee for content changes that Licensee wishes to make that require input by Company's webmaster based on the then-current hourly rates and actual time spent by Company's webmaster to accomplish Licensee's requested changes. Fees that Licensee pays Company for content changes to the Restaurant subpage shall not be credited to the minimum Local Advertising Obligation.

D. Cooperative Advertising Programs. We may designate an advertising coverage area ("***ACA***") — local or regional — in which two (2) or more Restaurants are located in order to establish a cooperative advertising program ("***Cooperative Program***") for that ACA. An ACA is the area covered by the particular advertising medium recognized in the industry. All franchise owners in the ACA will be required to participate. Each Restaurant operating in the ACA will have one vote, including Restaurants operated by us or our affiliates.

Each Cooperative Program will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. Each Cooperative Program's purpose is, with our approval, to administer advertising programs and develop promotional materials for the area the Cooperative Program covers. If we establish a Cooperative Program for the geographic area in which the Restaurant is located, you must sign the documents we require to become a member of the Cooperative Program and participate in the Cooperative Program as those documents require.

If a Cooperative Program is established for your ACA, you will be required to contribute up to two percent (2%) of the Restaurant's Gross Sales to the Cooperative Program weekly, monthly, or as otherwise specified by fifty percent (50%) or more of the Restaurants operating in the ACA. You will not be required to contribute more than two percent (2%) of the Restaurant's Gross Sales to the Cooperative Program unless sixty-seven percent (67%) or more of the Restaurants operating in the ACA, including any Restaurants operated by us or our affiliates, vote to increase the contributions of all Restaurants operating in the ACA in excess of the two percent (2%).

You agree to send us and the Cooperative Program any reports that we require. The Cooperative Program and its members may not use any advertising or promotional plans or materials without our prior written consent.

XII. PAYMENTS

In addition to fees and payments identified elsewhere in this Agreement, in consideration of the franchise and license awarded to Licensee pursuant to this Agreement, Licensee shall make the following payments to Company:

A. Initial Franchise Fee.

1. Licensee shall pay to Company in full upon execution of this Agreement an initial license fee (the "***Initial Franchise Fee***") in (i) the amount $40,000 or (ii) the amount set forth in Exhibit 1 of the Development Agreement. The Initial Franchise Fee shall be fully earned when paid and no portion of it is refundable under any circumstance.

B. Royalty Fee. In consideration of the franchise and license awarded to Licensee, beginning on the Opening Date and for the remainder of the Term, Licensee shall pay to Company, without offset, credit or deduction of any nature, a Royalty Fee equal to 6% of the aggregate Gross Sales of the Restaurant. The Royalty Fee shall be due and payable weekly on the first Tuesday of each calendar week. Payment shall be accomplished following Company's automated clearing house procedures described in the Confidential Materials which may include payment by automatic direct debit or an equivalent system that eliminates delay in crediting Company's bank account with the Royalty Fees due for each period.

C. Method of Payment of Other Fees. Brand Marketing Fees and Technology Fees, if any, shall be due and payable in the same manner and for the same period as the Royalty Fee. All other payments required to be made to Company or Company's Affiliates pursuant to this Agreement shall be due and payable on the date indicated in this Agreement and in the same manner as the Royalty Fee.

D. Late Charge. If Licensee fails to pay any amount due to Company under this Agreement by the date payment is due, Licensee shall additionally be obligated to pay, as a late charge, the product of the total amount past due multiplied by 1.5% per Calendar Week (but not to exceed the maximum legal rate of interest then permitted under Applicable Law) calculated starting on the date payment was due and continuing until the entire sum and late charge is paid in full. Licensee understands and agrees that the late charge is not an agreement by Company to

accept any payment after the date payment is due or a commitment by Company to extend credit to, or otherwise finance, the Restaurant. Licensee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement in accordance with the requirements of this Agreement notwithstanding Licensee's obligation to pay a late charge.

E. Application of Payments. Notwithstanding any designation given to a payment by Licensee, Company shall have the sole discretion to apply any payments from Licensee to any past due indebtedness owed to Company or Company's Affiliates in the amounts and in such order as Company shall determine.

F. Gross Receipts or Equivalent Taxes. Licensee will pay to Company the amount of any state or local sales, use, gross receipts, or similar tax that Company may be required to pay now or in the future as determined by any state or local government on any Royalty Fees or other payments that Licensee pays to Company under this Agreement regardless of whether the state or local tax is imposed directly on Company, is required to be withheld by Licensee from amounts due to Company under this Agreement, or is otherwise required to be collected by Licensee from Company. Licensee's payment of taxes to Company must be paid on or before the date payment must be withheld by Licensee or paid by Licensee under Applicable Law and Licensee shall pay Company the amount of taxes due and owning in the same manner as payment of the Royalty Fee. Licensee's obligation under this Section will not be reduced or offset by any type of claim, credit or deduction of any kind. This provision will not apply to Company's liability for income or comparable taxes measured by income that Company receives on account of its relationship with Licensee.

XIII. ACCOUNTING AND RECORDS

A. Maintenance of Business Records. During the Term, Licensee shall maintain full, complete and accurate business records in accordance with the standards stated in the Confidential Materials or otherwise prescribed by Company in writing. Licensee shall keep all business records and required business equipment and business software systems together at the place where notices to Licensee are required to be sent, unless Company grants Licensee permission to keep its business records elsewhere. All business records that this Agreement requires Licensee to maintain shall be retained by Licensee for a minimum of 5 years during, and following, the expiration, termination, or Licensee's assignment, of this Agreement.

B. Reports.

1. After the Opening Date, Licensee shall submit to Company on or before the date specified in the Confidential Materials the financial, operational and statistical reports and information as Company may require to (i) provide Licensee with consultation and advice in accordance with this Agreement; (ii) monitor Licensee's performance under this Agreement and Licensee's purchases, revenue, operating costs, expenses and profitability; (iii) develop chain-wide statistics; (iv) develop new operating procedures; (v) develop new menu items including new Designated Goods/Services and remove unsuccessful menu items including unsuccessful Designated Goods/Services in the exercise of Company's reasonable business judgment; and (vi) implement changes in the System to respond to competitive and marketplace changes or to

improve and enhance the reputation of the Licensed Marks and consumer awareness and identity of Restaurants generally.

2. Without limiting the types of reports that Company may require, during the first year of the Term Licensee shall prepare and submit the financial reports listed below in accordance with the accounting, recordkeeping and bookkeeping procedures and in the format prescribed in the Confidential Materials. .

a. Reports summarizing Gross Sales which reports shall cover the same period and be due, and submitted with, all payments of continuing Royalty Fees and Brand Marketing Fees; and

b. Financial reports substantiating and documenting actual Gross Sales and the results of operation of the Restaurant, including a profit and loss statement and balance sheet, for each Accounting Period that Company designates, which, until further notice, shall be every 4- or 5-week period according to the schedule in the Confidential Materials. Each financial report shall include not only the financial results for the immediate Accounting Period just ended, but also cumulative information for the Calendar Year-to-date, together with such additional information as Company may request. All financial reports shall follow the format and accounting guidelines prescribed by Company in the Confidential Materials and be submitted to Company within 10 days after the end of each Accounting Period.

3. Company shall have the absolute right to remotely poll Licensee's Computer System and point of sale and other financial records daily, or more frequently, by electronic or other remote means and Licensee hereby grants Company authority to do so. Licensee shall observe the mandatory requirements set forth in the Confidential Materials to enable Company's remote access to Licensee's bank and operating records and, upon request, provide Company with all passwords, access keys and other security devices as necessary to permit Company's access to the information stored on Licensee's Computer System and other computers on which Licensee stores the Restaurant's financial records.

4. Licensee shall promptly comply with Company's requests for additional information. This obligation includes, without limitation: (i) supplying Company with an exact copy of all sales and income tax returns relating to the Restaurant at the time Licensee files them with governmental authorities or within 10 days after Company requests a copy, and (ii) complying with Company's inventory control procedures to enable Company to evaluate ingredients, suppliers, food, beverage or other operating costs and the efficiency of Licensee's operations.

5. Licensee certifies that all reports, forms, records, information and data that Licensee is required to maintain or submit, or voluntarily maintains or submits, or directs a third party to maintain or submit on its behalf, to Company, will be true and correct and not omit material facts that are necessary in order to make the information disclosed not misleading.

C. Recording of Transactions. Licensee shall use the Computer System prescribed by Company in the Confidential Materials, which Company may modify in its sole discretion from time to time, to track and record all sales and transactions with customers of the Restaurant. In addition to using the Computer System, Licensee shall use other business and accounting software programs that Company designates in order to record business activities, sales and inventories and prepare operating and financial reports and records in accordance with the requirements of this Agreement and the Confidential Materials. Licensee is solely responsible for maintaining and upgrading all computer equipment and software at Licensee's sole expense.

D. Audit Rights.

1. Company and its representatives shall have full access to examine, audit and copy Licensee's business records relating to the Restaurant, including Licensee's federal and state income tax returns and sales tax returns, bank statements (including deposit slips and canceled checks), data stored on Licensee's Computer System and any other documents and information that Company reasonably requests in order to verify Gross Sales and the other business activities of the Restaurant. When an examination or audit requires that Company or its representatives have access to the Approved Location or other place where Licensee keeps its business records, Licensee shall cooperate and provide access during normal business hours reasonably promptly following Company's request.

2. If any examination or audit conducted by Company reveals any understatement in the Gross Sales or other false information reported by Licensee to Company, then Licensee shall, within 10 days after notice from Company, pay to Company any additional Royalty Fees and Brand Marketing Fees which are owed, together with interest and late charges as provided in this Agreement. Additionally, Company may require that, until further notice from Company, all future reports and financial statements submitted by Licensee pursuant to this Agreement be prepared by an independent certified public accountant acceptable to Company.

3. If Company discovers that Licensee has underreported Gross Sales by an amount which is 2% or more of the actual Gross Sales for the period, Licensee shall also pay and reimburse Company for all expenses that Company incurs connected with Company's examination and audit, including, but not limited to, Company's accounting and legal fees and travel expenses.

E. Electronic Payment.

1. All required payments to Company and any of Company's Affiliates must be made through a payment system designated by Franchising that uses pre-authorized transfers from Licensee's designated operating account to Company through automated clearing house, or, if Company requests, by special checks or other equivalent payment system that Company designates in the Confidential Materials or otherwise in writing.

2. Licensee shall give its bank instructions in a form provided or approved by Company and obtain the bank's agreement to follow the instructions to effectuate the electronic payment system meeting Company's requirements. Without Company's prior written consent, the bank may not withdraw, modify or cancel its agreement to abide by the instructions provided by Licensee. Licensee must also execute any other documents or agreements relating to establishing

or maintaining an electronic payment system as Company or the bank may reasonably request from time to time. Licensee understands that Company may modify the electronic payment system at any time upon written notice and agrees to promptly conform to the changes at its sole expense, which may require changes to the bank's agreement.

3. Licensee shall deposit all revenue and income from the Restaurant into the designated operating account accessed by the electronic payment system by no later than the close of business on the day after receipt. Licensee shall maintain sufficient funds in the designated operating account at all times during the Term to ensure full payment of all fees and other payments required by this Agreement that are based upon the Gross Sales of the Restaurant, interest and all other obligations payable to Company and Company's Affiliates when due. In the event a payment cannot be made due to insufficient funds in Licensee's operating account, Company may, in its sole discretion or election, declare a breach of this Agreement in which case Company may (i) terminate this Agreement in accordance with the procedures for termination, or (ii) require that Licensee direct its bank to send Company a monthly or periodic statement showing all account activity at the same time that it sends such statements to Licensee or give Company electronic access to Licensee's account activity if the bank makes electronic access available to its account holders.

4. Licensee understands and agrees that its failure to report Gross Sales for any period will prevent Company from debiting Licensee's operating account with the appropriate amount due to Company. In that event, Licensee authorizes Company to debit its operating account for 120% of the last payment of the Royalty Fee and Brand Marketing Fee paid to Company (whether by debit or otherwise) together with the late fees and interest permitted by this Agreement. Unless Licensee notifies Company in writing within 3 days after Company debits Licensee's operating account of an error in the amount of the Royalty Fees and Brand Marketing Fees which Company debits for any Accounting Period, Licensee shall be barred from challenging the amount so debited at a later date. However, if at any time Company discovers that the amounts which Company has debited from Licensee's operating account are less than the amounts actually due to Company based on the Restaurant's actual Gross Sales for the relevant Accounting Period, Company may immediately debit Licensee's operating account for the balance. Company agrees that if the amounts which Company debits from Licensee's operating account exceed the amounts actually due to Company for the relevant Accounting Period, Company will credit the excess to the next payment of Royalty Fees and Brand Marketing Fees due from Licensee. Nothing in this Section is intended to excuse Licensee's obligation to report Gross Sales for any Accounting Period in a timely and accurate fashion.

5. Licensee shall bear all costs to establish and maintain the required electronic payment system meeting Company's requirements and all fees and charges resulting from insufficient funds being in Licensee's bank accounts at the time funds are withdrawn to pay obligations owed to Company or Company's Affiliates. The duty to maintain an electronic payment system shall not change the date on which payments are due under this Agreement.

XIV. STANDARDS OF QUALITY AND PERFORMANCE

A. General Provisions. Licensee understands and agrees that:

1. Its strict and punctual performance of all obligations set forth in this Agreement, the Confidential Materials or otherwise communicated to Licensee in writing is a condition of the franchise granted to Licensee.

2. Company's designation, recommendation or approval of a supplier of either Designated Goods/Services or Non-Designated Goods/Services does not constitute a representation or warranty of the supplier's ability to meet Licensee's purchasing requirements or of the fitness or merchantability of the items sold by the supplier and that Licensee's sole remedy in the event of any shortages, delays or defects in the items purchased shall be against the supplier and not against Company or Company's Affiliates unless Company or Company's Affiliate is the supplier, in which case Licensee's remedies are set forth in this Agreement.

B. Designated Goods/Services.

1. Licensee shall purchase, lease or license the particular Designated Goods/Services that Company identifies and introduces into the System from time to time only from the supplier that Company specifies. The designated supplier of any particular Designated Goods/Services may include, or be limited to, Company or Company's Affiliates.

2. Company may add new Designated Goods/Services and delete existing items from those that Company identifies as Designated Goods/Services and change the specifications, features, methods of use, formula, recipes, ingredients, designations, and other features of any Designated Goods/Services, or the designated supplier, as frequently as Company deems necessary in its sole discretion. Company may withdraw its designation of a particular item as Designated Goods/Services at any time in Company's sole discretion.

3. Licensee shall conform to all changes pertaining to Designated Goods/Services at its sole expense promptly following written notice from Company unless Company's written notice specifies a later implementation date. If Company withdraws its approval of a particular item of Designated Goods/Services for reasons relating to public health or safety, Licensee shall cease using or selling the Designated Goods/Services identified in Company's notice immediately or by the date indicated in Company's notice. Licensee shall not place a new order for Designated Goods/Services with a supplier after receiving written notice that Company's approval of the supplier has been withdrawn or revoked.

4. Nothing in this Agreement shall obligate Company to reveal the specifications, features, formulas, recipes, ingredients, or other non-public information regarding Designated Goods/Services or information regarding Company's relationship with suppliers of Designated Goods/Services, all of which Licensee understands and agrees constitute Confidential Information.

C. Non-Designated Goods/Services and Alternative Suppliers.

1. Company shall designate all Non-Designated Goods/Services which Licensee may, or must, use, offer, sell or promote in operating the Restaurant by brand name or other means of identification in the Confidential Materials or otherwise in writing.

2. Licensee shall purchase, lease or license Non-Designated Goods/Services meeting Company's specifications only from suppliers which Company recommends or approves, which Company may revise in its sole discretion at any time and which in certain cases may include Company and Company's Affiliates. All changes in specifications for Non-Designated Goods/Services, or to the list of approved suppliers, shall be communicated to Licensee by written supplements to the Confidential Materials or otherwise in writing. Specification changes to Non-Designated Goods/Services may include replacing Non-Designated Goods/Services with Designated Goods/Services that perform or satisfy the same or similar function or purpose or by adding, deleting or changing a particular brand specification. Licensee shall not place a new order for any Non-Designated Goods/Services with a supplier or broadliner after receiving written notice (i) of changes unless Licensee can demonstrate to Company's reasonable satisfaction, in the exercise of Company's reasonable business judgment, that the supplier will comply with Company's new requirements; or (ii) that Company's approval of the supplier has been withdrawn or revoked.

3. If Licensee desires to offer for sale or use at the Restaurant any item which does not, at that time, meet Company's specifications for Non-Designated Goods/Services, or desires to purchase any Non-Designated Goods/Services from a supplier who is not on Company's approved supplier list, Licensee shall submit a written request to Company identifying the proposed item or supplier, together with (i) samples of the item for examination and/or testing so that Company may evaluate if the item meets its specifications and quality standards, and/or (ii) information supporting the proposed supplier's financial capability, business reputation, delivery performance and credit rating. Company may charge a testing fee of up to $2,500 per request for approval of an alternative product, service or supplier. Licensee's payment of the testing fee shall be a condition to obtaining approval to offer for sale, or use, an item or buy from a supplier that is not at the time approved by Company and covers Company's direct costs incurred in processing Licensee's request.

a. Company will notify Licensee in writing within 30 days after receiving all requested information and the required testing fee and completing any inspection or testing if it approves the proposed item and/or supplier. Company's failure to timely respond shall constitute its disapproval. Each supplier designated or approved by Company must comply with Company's usual and customary requirements regarding insurance, indemnification and non-disclosure.

b. Licensee understands and agrees that it is generally advantageous to the System to limit the number of suppliers or broadliners of certain Non-Designated Goods/Services in any given market area and that, among the factors Company may consider in deciding whether, in its sole discretion, to approve a proposed supplier the effect its approval may have on the ability of Company and its licensees to obtain the lowest prices and on the quality and uniformity of Non-Designated Goods/Services used or sold from Restaurants.

c. At any time, Company may re-inspect the facilities of an approved supplier and revoke its approval of a supplier or item if, in Company's sole discretion, Company determines that doing so is in the best interests of Company or the System. Licensee shall conform to all changes pertaining to Non-Designated Goods/Services at its sole expense promptly following written notice from Company unless Company's written notice specifies a later implementation date. If Company withdraws its approval of a particular item of Non-Designated Goods/Services or a supplier for reasons relating to public health or safety, Licensee shall cease using or selling the Non-Designated Goods/Services identified in Company's notice immediately or by the date indicated in Company's notice.

d. While Company will use its reasonable best efforts to identify more than one recommended supplier per category of Non-Designated Goods/Services and to secure favorable pricing terms from third party suppliers whom Company recommends, Company makes no representation or warranty that the prices of Non-Designated Goods/Services offered for sale by recommended suppliers will be the lowest prices available from any supplier capable of furnishing the same Non-Designated Goods/Services meeting Company's specifications.

D. Purchases from Company or Company's Affiliate.

1. If Company or Company's Affiliate is designated as the supplier of Designated Goods/Services or as a recommended supplier of Non-Designated Goods/Services, Licensee understands and agrees that Company or Company's Affiliate, as supplier, shall have sole discretion to establish and change prices and other terms of sale, shipment and delivery, which shall be stated on their invoice or purchase order forms or communicated to Licensee by other means including by postings on the Intranet; provided, however, the prices that Licensee shall pay shall be the same as the prices charged to similarly situated licensees. Company and any Affiliate of Company may receive a profit from the sale of Designated Goods/Services or Non-Designated Goods/Services to Licensee. Company makes no representation or warranty that the prices of Non-Designated Goods/Services that it offers to sell as a recommended supplier will be the lowest price available from any other supplier capable of furnishing the same Non-Designated Goods/Services meeting Company's specifications. Company or Company's Affiliate, as supplier, may discontinue the sale of any Designated Goods/Services or Non-Designated Goods/Services for any reason upon reasonable notice to Licensee, however, in the case of any Designated Goods/Services, Company shall not discontinue sales until after providing written notice identifying an approved substitute supplier of the item.

2. As a supplier, Company or Company's Affiliate shall use reasonable commercial efforts to fill and ship Licensee's orders reasonably promptly, but shall not be (i) liable to Licensee for shortages, delays or defects due to causes beyond their control; or (ii) obligated to fill or ship any orders to Licensee if Licensee at the time is in material breach of any obligation under this Agreement.

E. Standards of Service.

1. Licensee shall (i) offer for sale, and sell, only the specific menu items designated by Company, which may include Designated Goods/Services and Non-Designated Goods/Services; (ii) label and identify all items offered for sale by the specific names and other designations given to them by Company; (iii) use only the equipment, supplies, containers, materials, signs, and menu boards that conform to Company's current specifications and standards; (iv) adhere to Company's business operating methods including, without limitation, Company's instructions for storing and handling ingredients and other inventory items, preparing, and serving menu items, requirements for public safety, guidelines for Local Advertising, and specifications for reproducing the Licensed Marks; (v) update the physical appearance of the Restaurant at the Approved Location to incorporate changes that Company may periodically make to the then-current specifications for the design, appearance and trade dress of Restaurants; (vi) utilize the Computer System and other accounting and recordkeeping systems specific specified in the Confidential Materials or otherwise by Company in writing; and (vii) operate the Restaurant in accordance with Company's customer service standards and specifications including, without limitation, any gift card and loyalty programs. All specifications shall be set forth in the Confidential Materials or otherwise communicated to Licensee and may be revised by Company as frequently as Company deems necessary in its sole discretion to promote the System and respond to competitive and marketplace changes. Licensee shall not offer for sale or sell any other kinds of products, merchandise or services, or otherwise deviate from Company's current operating standards or specifications for services, products or merchandise, except with Company's prior written consent.

2. Licensee shall maintain sufficient quantities of ingredients, raw materials, supplies and other inventory items in stock in order to meet reasonably anticipated consumer demand.

3. Licensee understands and agrees that (i) Company's authorized menu and menu formats may include, in Company's sole discretion, requirements concerning organization, graphics, use of brand names and other menu or product descriptions, illustrations and other design and content features; (ii) Company may vary the menu, menu format, descriptions and other designations by geographic market and other factors in Company's sole discretion; and (iii) Company may implement changes in (among other things) the menu, menu formats and customer service methods at certain Restaurants or within selected geographic regions, but not in all Restaurants in Company's sole discretion. Company may, from time to time, authorize Licensee to test specific new products, services or delivery systems and Licensee agrees to cooperate in test marketing programs in compliance with Company's guidelines without reimbursement or compensation of any kind.

4. Licensee shall operate the Restaurant on all of the days and during the hours prescribed in the Confidential Materials, unless Company's prior written approval of different days or hours is obtained or unless prohibited by the Lease. Before the Opening Date, Licensee shall advise Company of the Restaurant's operating hours and, after the Opening Date, Licensee shall promptly notify Company of any changes in its operating hours required by the Lease. Licensee shall prominently disclose its operating hours to the public in the manner required by the

Confidential Materials, and shall be open and fully prepared to conduct business during all posted operating hours.

5. Licensee shall, at its sole expense maintain (i) an active e-mail account and e-mail address with an established Internet service provider, keep Company informed of its current e-mail address and manage its e-mail account so that it does not become full or otherwise incapable of accepting new messages and downloads if Company elects to furnish all, or portions of, the Confidential Materials or other information or documents electronically by means other than by postings on the Intranet; and (ii) an electronic data exchange service designated by Company to enable Company to remotely retrieve sales, inventory and other operating data for the Restaurant as frequently as Company deems necessary. Company, in its sole discretion, may provide up to two (2) such e-mail accounts at no cost.

6. Licensee shall not install or maintain on the Restaurant at the Approved Location any newspaper racks, pay-to-play video or other types of gaming devices, ATM machines, juke boxes, vending machines rides or other similar devices except with Company's prior written consent. Licensee shall not display any "for-sale" signs or other words indicating or implying that the Restaurant is for sale or that Licensee is seeking or desires any form or type of Event of Transfer.

F. Operating Expenses. Licensee shall pay all of the operating expenses of the Restaurant in a timely manner and understands and agrees that its failure to do so could materially harm the reputation of the Licensed Marks and the ability of Company and other licensees to obtain the same favorable purchase, lease or finance terms. If Licensee has a bona fide dispute with any supplier or vendor which Licensee believes justifies non-payment or partial payment, Licensee must promptly notify the supplier or vendor of the particulars of its claim and diligently pursue resolution of the claim or prosecution of appropriate legal action. Any trade debt which remains unpaid for more than 60 days after the date it is due shall constitute a breach of this Agreement unless, before the end of the 60-day period (i) Licensee and the supplier or vendor agree to alternative payment terms; or (ii) Licensee initiates appropriate legal action to contest the trade debt. Company shall have no liability for Licensee's debts or obligations to third parties.

G. Computer System.

1. Licensee shall purchase or lease, and install all of the hardware components, and license the operating software that Company identifies as part of the Computer System before the Opening Date and cause the Computer System to be fully operational before the Opening Date from any supplier that Company designates or, if there is no designated supplier, from any recommended or approved supplier. Licensee shall additionally maintain a service contract in force for the Computer System with a designated or approved service provider that covers hardware maintenance, technical support, and software updates and upgrades.

2. Company may impose changes in the mandatory specification for the Computer System as frequently as Company deems to be in the best interest of the System, including, without limitation, (i) replacing all of the hardware and software systems with new technology, which may be proprietary to Company or Company's Affiliate; and (ii) designating a

specific vendor for the Computer System. Within a reasonable time following Company's written notice, Licensee shall conform to the changes that Company specifies at Licensee's sole expense.

H. Approved Location and Tangible Property.

1. Licensee shall, at its sole expense, maintain the condition and appearance of the Approved Location and all tangible property used to operate the Restaurant in the highest degree of cleanliness, orderliness and repair, consistent with the standards, specifications and requirements of the System and as Company may from time to time direct. Licensee shall promptly replace any tangible property used to operate the Restaurant which becomes worn, damaged and non-repairable, or mechanically impaired to the extent that it no longer adequately performs the function for which it was originally intended. All replacement items shall be of the same type, model and quality then specified in the Confidential Materials at the time replacement is required.

2. Licensee understands and agrees that its failure to repair or maintain the Approved Location and the tangible property of the Restaurant in accordance with Company's standards shall constitute a breach of this Agreement. Without waiving its right to terminate this Agreement for such reason, Company may notify Licensee in writing specifying the action to be taken by Licensee to correct the deficiency. If Licensee fails or refuses to initiate a bona fide program to complete any required repair, maintenance or corrective work within 30 days after receiving Company's written notice, Company shall have the right, in addition to all other remedies, to enter the Restaurant at the Approved Location and complete the required repair, maintenance or corrective work on Licensee's behalf. Company shall have no liability to Licensee for any work performed. If Company elects to perform required repair, maintenance or corrective work, or replace non-conforming property with conforming property, Licensee shall be invoiced for labor and materials, plus a 25% service charge and an amount sufficient to reimburse Company for Company's actual direct costs to supervise, perform and inspect the work and procure any replacement items, including, without limitation, labor, materials, transportation, lodging, meals, contractor fees and other direct expenses, all of which shall be due and payable upon receipt of invoice.

3. Licensee shall not alter or modify the Approved Location or any of the tangible property used to operate the Restaurant in a manner contrary to Company's then-current standards.

4. In addition to maintaining the Approved Location and tangible property in continuous good condition and repair in accordance with this Agreement, Licensee shall, at its sole expense, periodically make reasonable capital expenditures to remodel, modernize and redecorate the Approved Location so that the Restaurant at all times reflects the then-current image of the System.

I. Compliance With Laws. Licensee shall at all times operate the Restaurant in strict compliance with Applicable Law. At Licensee's sole expense, Licensee shall secure and maintain in good standing all necessary licenses, permits, deposits and certificates required to operate the Restaurant lawfully and shall provide Company with proof of compliance promptly following Company's request.

J. Credit Cards; Gift Card and Other System-Wide Marketing Programs. Licensee shall honor all credit cards designated by Company and enter into and maintain, at Licensee's sole expense, all necessary credit card agreements with the issuers of designated cards. Licensee shall participate in, and abide by, the gift card and loyalty programs described in the Confidential Materials, as Company may revise it from time to time. Licensee shall additionally participate in system-wide marketing programs identified by Company, including, without limitation, limited time offers and promotional windows, loyalty card programs, social networking programs, customer and marketing surveys, direct marketing programs and designated e-commerce programs.

K. Complaints and Other Actions. Licensee shall promptly report to Company any incidents involving personal injury or property damage sustained by customers of the Restaurant at the Approved Location. Licensee shall submit to Company promptly upon receipt copies of all customer complaints and notices and communications received from any government agency relating to alleged violations of Applicable Law and hereby authorizes the government agency to provide the same information directly to Company upon Company's request. Additionally, Licensee shall promptly notify Company of any written threat, or the actual commencement, of any action, suit or proceeding against Licensee, any person or entity who is required by this Agreement to guaranty Licensee's obligations to Company or involving the Restaurant at the Approved Location or the business assets which might adversely affect the operation or financial condition of the Restaurant, and provide Company with a copy of all relevant documents.

L. Grand Opening Marketing.

1. During the 120-day period beginning 30 days before the Opening Date and ending 90 days after the Opening Date, Licensee shall spend a minimum amount of $10,000 on approved Grand Opening Marketing activities to publicize the opening of the Restaurant. All Grand Opening Marketing activities shall constitute Local Advertising and therefore are subject to the same conditions applicable to Local Advertising including the requirement that requiring Licensee obtain Company's prior written approval regarding the media, materials, content, formats and activities proposed by Licensee for all activities that comprise Grand Opening Marketing.

M. Staffing.

1. The Restaurant shall at all times be under the direct, personal supervision of at least one Certified Manager and/or one Shift Lead at all times during the Term. Additionally, Licensee shall employ or retain a sufficient number of competent employees or independent contractors and cause each of them to receive appropriate training to perform their job or work duties in accordance with the standards and specifications of the System as Company may require. Licensee's Certified Manager shall be responsible for training Licensee's other employees and independent contractors who do not participate in the New Restaurant Opening module of the Initial Training Program.

2. All employees and independent contractors whose duties include customer service shall have sufficient literacy and fluency in the English language, in Company's judgment, to serve the public. All employees and independent contractors, while working in the Restaurant, shall present a neat and clean appearance and wear the uniforms that Company designates for their

jobs, in the color, style and design then specified by Company. Licensee shall be responsible for the acts and omissions of its employees, independent contractors and other agents, including, without limitation, its Certified Manager and Lead Manager, arising during the course of their employment or, as to independent contractors and agents, their engagement by Licensee.

3. Licensee is solely responsible for hiring, firing and establishing employment and engagement policies applicable to its employees and independent contractors, and understands and agrees that this Agreement does not impose any controls, or otherwise impinge, on Licensee's sole discretion to make decisions pertaining to its employees, independent contractors and other agents.

4. Licensee shall purchase logo uniforms for its employees and independent contractors from Company, from Company's designated vendor.

XV. COMPANY'S OPERATIONS ASSISTANCE

In addition to obligations stated elsewhere in this Agreement, and provided Licensee is not in default under the terms of this Agreement, Company shall provide the following services:

A. Grand Opening Marketing. Company shall assist Licensee in designing and implementing a Grand Opening Marketing program to publicize the opening of the Restaurant to the public and advise Licensee on strategies for developing local consumer awareness of the Licensed Marks.

B. Continuing Consultation and Advice.

1. As and to the extent required in Company's sole discretion, Company shall provide regular consultation and advice to Licensee in response to Licensee's inquiries about specific administrative and operating issues that Licensee brings to Company's attention. Company shall have sole discretion to determine the method for communicating the consultation or advice, which may differ from the methods used for other licensees. For example and without limitation, consultation and advice may be provided by telephone, in writing (in which case Company may furnish the written information electronically), on-site in person, or by other means.

2. If Licensee requests additional on-site instruction and assistance after the Opening Date and the completion of the New Restaurant Opening module of the Initial Training Program and if Company, in its discretion, agrees to furnish the additional on-site instruction and assistance, the parties shall mutually schedule the time for the additional instruction and training. In connection with post-Opening Date on-site training delivered at Licensee's request, Licensee shall pay Company its then-current per diem training fee set forth in the Confidential Materials and reimburse Company for Company's reasonable travel expenses, including, without limitation, expenses for air and ground transportation, lodging, meals, and miscellaneous travel-related personal charges.

C. Inspections.

1. In addition to Company's audit rights described in this Agreement, Licensee expressly authorizes Company and its representatives, at any reasonable time, and without prior notice to Licensee, to enter the premises of the Restaurant at the Approved Location and conduct regular inspections of the Restaurant and Licensee's methods of operation, including, without limitation, using digital and other monitoring services to observe and conduct discussions with Licensee's employees, observe customer interaction and services, and review Licensee's books and records (including, without limitation, data stored on the Computer System) in order to verify compliance with this Agreement and the Confidential Materials. In order to enable Company and its representatives to conduct inspections, Licensee shall provide free of charge reasonable quantities of ingredients or other inventory items, menu items, Local Advertising or other samples for inspection and evaluation purposes to make certain that the items conform with Company's then-current standards.

Company uses a mystery shopper program using the services of an outside mystery shopper company to perform regular mystery shopper visits at the Restaurant in order to provide Company and Licensee with critical feedback and insight into the effectiveness of Licensee's operations from a customer's perspective. Company will pay the reasonable fees imposed by the third-party mystery shopper supplier. However, if Licensee fails to achieve the then-current standards set forth in the Confidential Materials, then Licensee will be subject to a re-inspection no sooner than fifteen (15) days from the date of the original inspection. Licensee will pay the reasonable fees imposed by the third-party mystery shopper supplier for any re-inspections. If Licensee fails 3 consecutive inspections or 6 inspections in a 12-month period, Licensee must undergo remedial training performed by Company at Licensee's sole expense.

2. Licensee shall cooperate fully with Company's inspections and any mystery shopper or comparable programs that Company implements during the Term. At Licensee's sole expense, Licensee shall promptly cure all deviations from Company's standards, specifications and operating procedures of which Licensee is notified either orally or in writing. Licensee, on behalf of itself and, as applicable, its directors, officers, managers, employees, consultants, representatives and agents, hereby waives any claim that any inspections or recordings violate any person's rights of privacy.

D. Annual Meeting. In addition to additional training, conduct an annual meeting at a location that Company selects (the "***Annual Meeting***") to address recently-implemented changes in the System and other topics of common interest to licensees, including, without limitation, new merchandising approaches, changes in Designated Goods/Services and Non-Designated Goods/Services, vendor relationships, industry trends, customer relations, personnel administration, local advertising and promotional strategies, and competitive changes.

XVI. INSURANCE

A. Minimum Coverage. Before the Opening Date, Licensee shall procure, at its own expense, and maintain in full force and effect during the Term policies of insurance in accordance with the requirements of this Agreement, including the following terms and conditions:

1. Comprehensive general liability insurance combined single limit (including broad form product, contractual and owned and non-owned vehicle liability coverage) with a maximum deductible of $5,000, insuring you, us and any of our affiliates that we designate against claims for personal injury or property damage combined from your business operations. Minimum coverage shall not be less than $2 Million Dollars per occurrence and $3 Million in the aggregate. Coverage shall also include dram shop liability for alcohol service if alcohol is served at the Restaurant.

2. Workers' compensation and employer's liability insurance, together with any other insurance required by law at the minimum limits required by law.

3. "All risk" property damage insurance with a maximum deductible of $10,000 for the full replacement cost of the Restaurant at the Approved Location to the then-current specifications for the design, appearance, equipment, signs and construction costs of a restaurant, with no co-insurance clause and with a replacement cost clause attached.

4. Plate glass insurance and, if applicable, boiler insurance.

5. Cyber security insurance.

6. Employment practices liability insurance providing minimum coverage of $1 Million per occurrence and $1 Million aggregate.

7. Additional insurance if required by the lease for the Restaurant at the Approved Location.

8. Business interruption insurance sufficient to cover your expenses (including payments due to us), profits and losses for a minimum period of 12 months from the date of a closure due to an insured loss.

B. Additional Insurance Specifications.

1. Company shall specify the deductible limits for each required insurance policy and may, from time to time, increase the minimum insurance requirements, establish and change deductible limits, require that Licensee procure and maintain additional forms of insurance, and otherwise modify the insurance requirements contained in this Agreement based upon inflation, general industry standards, Company's experience with claims, or for other commercially reasonable reasons. Licensee shall comply with any change imposed by Company within 30 days after written notice from Company and shall submit written proof of compliance to Company upon request.

2. Each insurance policy required by this Agreement shall be written by insurance companies of recognized responsibility meeting the standards stated in the Manual. Before the Opening Date, or the earlier date specified in the Lease, and then not less than annually thereafter on or before January 1 of each Calendar Year after the Opening Date, Licensee shall submit to Company certificates of insurance showing compliance with Company's insurance requirements. Licensee shall not begin construction or development of, or install equipment in, the Approved Location pursuant to Licensee's Construction Drawings until Licensee submits proof of its general contractor's insurance required by this Agreement. All certificates of insurance shall state that the policy will not be canceled or altered without at least 30 days prior written notice to Company. Maintenance of required insurance shall not relieve Licensee of liability under the indemnity provisions set forth in this Agreement.

3. Company and any Affiliates that Company designates shall each be named as an additional insured on all required insurance. Licensee shall additionally cause each policy of insurance required by this Agreement to include a waiver of subrogation, which shall provide that Licensee, on the one hand, and Company, on the other hand, each releases and relieves the other, and each waives its entire right to recover damages, in contract, tort and otherwise, against the other for any loss or damage occurring to Licensee's property arising out of or resulting from any of the perils required to be insured against under this Agreement. The effect of these releases and waivers shall not be limited by the amount of insurance carried by Licensee or as otherwise required by this Agreement or by any deductible applicable thereto.

4. Should Licensee not procure or maintain the insurance required by this Agreement, Company may, without waiving its right to declare a breach of this Agreement based on the default, procure the required insurance coverage at Licensee's expense, although Company has no obligation to do so. Licensee shall pay Company an amount equal to the premiums and related costs for the required insurance in full upon receipt of invoice, plus a 25% service charge and an amount sufficient to reimburse Company for its actual direct costs in obtaining the required insurance.

5. Licensee understands and agrees that the minimum insurance requirements set forth in this Agreement do not constitute a representation or warranty by Company that the minimum coverage and specified types of insurance will be sufficient for the Restaurant. Licensee understands and agrees that it is solely responsible for determining if the Restaurant requires higher coverage limits or other types of insurance protection.

XVII. COVENANTS

A. Competition.

1. During the Term and any Renewal Term, it shall be a breach of this Agreement for Licensee, Licensee's Affiliates or any Covered Person, directly or indirectly, to own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, a Competitive Business located anywhere in the world; provided, however, the restrictions stated in this paragraph shall not apply to any Covered Person for a period longer than 2 years from the date

the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Licensee.

2. For a period of 2 years after expiration or termination of the last License Agreement between Licensee and Company, it shall be a breach of this Agreement for Licensee, Licensee's Affiliates or any Covered Person, directly or indirectly, to own (either beneficially or of record), engage in or render services to, either as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business (*i.e.,* any other type of restaurant or food service business that sells chicken sandwiches or chicken tenders as its primary menu item (whether sold in a fresh, frozen or ready-to-bake state or at a restaurant, non-restaurant retail store or through wholesale sales or distribution)) that is located anywhere within the Development Territory (if applicable) or within 5 miles of the Restaurant at the Approved Location or any other Big Chicken Restaurant anywhere in the world that is open for business on or after the Effective Date of Termination or Expiration of this Agreement or the effective date of an Event of Transfer; provided, however, the restrictions stated in this paragraph shall not apply to any Covered Person for longer than 2 years from the date that the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Licensee.

3. This Agreement does not prohibit Licensee, Licensee's Affiliates or any Covered Person from owning 5% or less of the voting stock of a Competitive Business whose shares are publicly traded on a national or foreign stock exchange.

4. Licensee acknowledges that the restrictions set forth in this Section are reasonable and necessary to protect Company's legitimate business interests which include taking reasonable measure to prevent Licensee, Licensee's Affiliates and Covered Persons from using Company's Confidential Information while this License Agreement is in full force and effect to engage in activities that directly or indirectly benefit a Competitive Business.

B. Interference. Neither Licensee nor any Covered Person shall, directly or indirectly, for itself or on behalf of any other person (i) divert, or attempt to divert, any business or customer of the Restaurant to any competitor by direct or indirect inducement or perform any act which directly or indirectly could, or may, injure or prejudice the goodwill and reputation of the Licensed Marks or the System; or (ii) employ or seek to employ any person who is at that time employed by Company, Company's Affiliates or another licensee of Company or otherwise directly or indirectly induce or seek to induce the person to leave his or her employment.

C. Written Agreement. As a condition of this Agreement, unless they have already done so, Licensee shall cause each Covered Person to execute Company's form of Confidentiality and Non-Competition Agreement with Company containing restrictions substantively identical to the provisions of this Agreement.

D. Survival. The covenants stated in this Section shall survive termination, expiration or the transfer of this Agreement.

E. Savings Clause. The parties acknowledge that the covenants set forth in this Section are independent of the other covenants and provisions of this Agreement. If any provision in this Section is void or unenforceable under Nevada law, but would be enforceable as written or as modified under the laws of the state in which the Territory is located (the "***Local Laws***"), the parties agree that the Local Laws shall govern any dispute concerning or involving the construction, interpretation, validity or enforcement of the provisions of this Agreement with respect to the subjects covered in this Section, but only with respect to those subjects. Licensee expressly authorizes Company to conform the scope of any void or unenforceable covenant in order to conform it to the Local Laws. Licensee expressly agrees, on behalf of itself and each Covered Person, to be bound by any modified covenant conforming to the Local Laws as if originally stated in this Agreement.

F. Enforcement. Licensee understands and agrees that Company will suffer irreparable injury not capable of precise measurement in money damages if Licensee or any Covered Person breaches the covenants set forth in this Section. Accordingly, in the event a breach occurs, Licensee, on behalf of itself and each Covered Person, hereby consents to issuance or entry of Provisional Remedies without the requirement that Company posts bond or comparable security. Licensee further agrees that the award of Provisional Remedies to Company in the event of such breach is reasonable and necessary for the protection of the business and goodwill of Company.

XVIII. DEFAULT AND TERMINATION

A. Termination by Licensee.

1. Licensee may terminate this Agreement by written notice to Company for any reason constituting good cause, provided termination is accomplished in accordance with the requirements of this Agreement. Any attempt by Licensee to terminate this agreement except on the grounds, or according to the procedures, stated in this Agreement shall be void.

2. Good cause means that Company has committed a material and substantial breach of this Agreement that it has not cured within the period allowed by this Agreement. Licensee's written notice must specify with particularity the matters cited to be in default and provide Company with a minimum of 30 days in which to cure the default. Additional time to cure must be provided as is reasonable under the circumstances if a default cannot reasonably be cured within the minimum 30-day period. Licensee's written notice of termination of this Agreement for good cause shall not excuse Licensee from continuing to perform its obligations under this Agreement during the cure period or entitle Licensee to a refund of any money that Licensee has paid to Company or Company's Affiliates pursuant to this Agreement.

B. Termination by Company Without Opportunity to Cure.

1. Company may terminate this Agreement, in its sole discretion and election, effective immediately upon Company's delivery of written notice of termination to Licensee based upon the occurrence of any of the following events which shall be specified in Company's written notice, and Licensee shall have no opportunity to cure a termination based on any of the following events listed below:

2. If Licensee and Company are not parties to a Development Agreement, should Licensee fail to obtain site approval (to be evidenced by Company issuing a Site Approval Notice), deliver an executed Lease and Addendum to Lease for Restaurant at the Approved Location to Company, and execute Exhibit A to this Agreement with all to be accomplished within 180 days after the Effective Date of this Agreement. This provision shall not apply to the parties if they are parties to a Development Agreement;

a. If Licensee and Company are not parties to a Development Agreement, should Licensee fail to open the Restaurant for business within 365 days from the Effective Date. This provision shall not apply to the parties if they are parties to a Development Agreement;

b. If Licensee and Company are parties to a Development Agreement, should Licensee fail to open the Restaurant by the specific Development Deadline for the Restaurant according to the order in which the Restaurant is developed out of the entire Development Quota specified in the Development Agreement. This provision shall not apply to the parties if they are not parties to a Development Agreement;

3. Company may terminate this Agreement, in its sole discretion and election, effective immediately upon Company's delivery of written notice of termination to Licensee based upon the occurrence of any of the following events which shall be specified in Company's written notice, and Licensee shall have no opportunity to cure a termination based on any of the following events listed below and all of these grounds shall apply to the parties whether or not they are parties to a Development Agreement:

a. Should Licensee fail or refuse to pay, on or before the date payment is due, all Royalty Fees, Brand Marketing Fees or any other amounts payable to Company or Company's Affiliates and should the default continue for a period of 10 days after written notice of default is given by Company to Licensee;

b. Should Licensee fail or refuse to submit any report or financial statement on or before the date due, and should the default continue for a period of 10 days after written notice of default is given by Company to Licensee;

c. Should any person or entity who is required by this Agreement to guaranty Licensee's obligations to Company fail or refuse to execute and deliver Company's form of Guaranty or deliver the financial statements required by this Agreement for a period of 10 days after written notice of default is given by Company to Licensee;

d. Should Licensee lose the right to occupy the Restaurant at the Approved Location due to Licensee's breach of the Lease based on a default which either cannot be cured or which Licensee fails to cure within the allowed time period;

e. Should Licensee commit an event of default under any other agreement by and between Licensee and Company pertaining to the Restaurant and franchise awarded by this Agreement which, by its terms, cannot be cured or which Licensee fails to cure within the allowed time period;

f. Should Licensee make any general arrangement or assignment for the benefit of creditors or become a debtor as that term is defined in 11 U.S.C. § 1101 or any successor statute, unless, in the case where a petition is filed against Licensee, Licensee obtains an order dismissing the proceeding within 60 days after the petition is filed; or should a trustee or receiver be appointed to take possession of all, or substantially all, of the assets of the Restaurant, unless possession of the assets is restored to Licensee within 60 days following the appointment; or should all, or substantially all, of the assets of the Restaurant or the franchise rights be subject to an order of attachment, execution or other judicial seizure, unless the order or seizure is discharged within 60 days following issuance;

g. Should Licensee, or any duly authorized representative of Licensee, make a material misrepresentation or omission in obtaining the franchise rights granted hereunder, or should Licensee, or any officer, director, shareholder, member, manager, or general partner of Licensee, be convicted of or plead no contest to a felony charge or engage in any conduct or practice that, in the exercise of Company's reasonable business judgment, reflects unfavorably upon or is detrimental or harmful to the good name, goodwill or reputation of Company or to the business, reputation or goodwill of the System;

h. Should Licensee fail to comply with the conditions governing the transfer of rights under this Agreement in connection with an Event of Transfer;

i. If Licensee is a Business Entity, should an order be made or resolution passed for the winding-up or the liquidation of Licensee or should Licensee adopt or take any action for its dissolution or liquidation;

j. Should Licensee have received from Company, during any consecutive 24-Calendar Month period, 2 or more notices of default (whether or not the notices relate to the same or to different defaults and whether or not each default is timely cured by Licensee);

k. Should Licensee make any unauthorized use, publication, duplication or disclosure of any Confidential Information or any portion of the Confidential Materials, or should any person required by this Agreement to execute a Confidentiality and Non-Competition Agreement with Company or Licensee breach the Confidentiality and Non-Competition Agreement during the time period that the person is employed or engaged by Licensee;

l. Should Licensee abandon or fail or refuse to actively operate the Restaurant for any period such that Company may reasonably conclude that Licensee does not intend to continue operating it, unless Licensee obtains Company's written consent to close the Restaurant for a specified period of time before Licensee ceases regular activities;

m. Should Licensee materially misuse or make an unauthorized use of any of the components of the System or commit any other act which does, or can reasonably be expected, in the exercise of Company's reasonable business judgment to impair the goodwill or reputation associated with any aspect of the System;

n. Should Licensee intentionally underreport Gross Sales under the criteria established in this Agreement;

o. Should Licensee fail to comply with any violation of federal, state or local law within 10 days after being notified of non-compliance, unless the violation involves public health and safety, in which case the length of the cure period shall be reasonable under the circumstances, but need not exceed 10 days;

p. Should Company make a reasonable determination in the exercise of Company's reasonable business judgment that Licensee's continued operation of the Restaurant will result in imminent danger to public health and safety; or

q. Should Licensee use the name, image, and/or likeness of Shaquille O'Neal in any unauthorized manner.

C. Termination by Company With Right to Cure.

1. Should Licensee breach, or refuse to fulfill or perform, any obligation arising under this Agreement not identified in Subsection B above, or fail or refuse to adhere to any mandatory operating procedure, specification or standard prescribed by Company in the Confidential Materials or otherwise communicated to Licensee, Company may terminate this Agreement, in its sole discretion and election, effective at the close of business 30 days after giving written notice of default to Licensee which specifies the grounds of default, if Licensee fails to cure the default cited in the notice by the end of the 30-day cure period. Company may indicate its decision to terminate by written notice given to Licensee any time before, or after, the end of the 30-day cure period including in the original notice of default.

2. If a default cannot reasonably be cured within 30 days, Licensee may apply to Company for additional time to complete the cure. The length of the additional cure period, if any, allowed by Company shall be stated in writing signed by Company. The additional cure period, if any, shall, in Company's estimation, be sufficient in duration to enable a reasonable person acting diligently to complete the cure within the extended period. If Company grants an extension and if Licensee does not complete the required cure within the extended cure period, termination of this Agreement shall be effective at the close of business on the last day of the extended cure period without further notice from Company.

3. In any proceeding in which the validity of termination of this Agreement is at issue, Company will not be limited to the reasons set forth in the notice of default or termination given to Licensee.

4. The termination or expiration of this Agreement shall result in the concurrent, and automatic, termination of any other agreements between Licensee and Company or Company's Affiliates specifically pertaining to the license to operate the Restaurant. However, all other contracts then in effect between the parties concerning other Restaurants owned by Licensee shall remain in full force and effect unless Company takes steps independently to terminate the other contracts pursuant to their terms.

D. Effect of Termination or Expiration.

1. In any proceeding in which the validity of termination of this Agreement is at issue, Company will not be limited to the reasons set forth in the notice of default or termination given to Licensee.

2. The termination or expiration of this Agreement shall result in the concurrent, and automatic, termination of any other agreements between Licensee and Company or Company's Affiliates specifically pertaining to the license to operate the Restaurant. However, all other contracts then in effect between the parties concerning other Restaurants owned by Licensee shall remain in full force and effect unless Company takes steps independently to terminate the other contracts pursuant to their terms.

XIX. RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION

A. Licensee's Obligations. On and after the Effective Date of Termination or Expiration of this Agreement, Licensee must comply with the following duties:

1. Licensee shall immediately pay all Royalty Fees, Brand Marketing Fees and other amounts owed to Company or Company's Affiliate, including, without limitation, amounts for purchasing goods or services and late charges and interest on any late payments. Royalty Fees and Brand Marketing Fees shall continue to be due and payable (and late charges thereon assessed) after the Effective Date of Termination or Expiration of this Agreement until the date that Licensee completes all post-termination obligations required by this Agreement. When termination is based upon Licensee's default, Licensee shall also pay to Company all damages, costs and expenses, and reimburse Company for its reasonable fees to retain attorneys, accountants or other experts which it incurs to enforce its rights under this Agreement in the event of a default and/or termination whether or not mediation or judicial action is commenced. Licensee's payments shall be accompanied by all reports required by Company regarding business transactions and the results of operations through the Effective Date of Termination or Expiration of this Agreement or until the date that Licensee completes all post-termination or expiration obligations required by this Agreement, whichever occurs later.

2. Licensee shall permanently cease using, in any manner whatsoever, all rights and property incorporated within or associated with the System in a manner that suggests or indicates that Licensee is, or was, an authorized licensee or continues to remain associated with the System. Licensee shall cancel all Local Advertising and other promotional activities that associate Licensee with the System. Licensee shall cancel all fictitious or assumed name or equivalent registrations relating to its use of the Licensed Marks. Continued use by Licensee of rights or other property incorporated within or associated with the System shall constitute willful trademark infringement and unfair competition by Licensee.

3. Company shall notify Licensee within 5 days after the Effective Date of Termination or Expiration of this Agreement if Company will either (i) demand an assignment of the telephone numbers and business directory listings for the Restaurant; or (ii) require Licensee to disconnect the telephone number and take all steps necessary to remove all telephone and other business directory listings that display any of the Licensed Marks. If Company gives timely notice that it will require an assignment, Licensee hereby grants Company a power of attorney to complete the necessary documentation on Licensee's behalf that the telephone company or listing services require in order to accomplish an assignment of the phone number and business listings. If Company gives timely notice that it will require Licensee to disconnect the phone number and remove all telephone and business directory listings, Licensee shall promptly furnish Company with evidence satisfactory to Company demonstrating Licensee's compliance with this obligation within 10 days after the Effective Date of Termination or Expiration of this Agreement. Licensee shall not be entitled to any compensation taking the actions required by this Section.

4. Licensee shall immediately cease using and, within 48 hours after the Effective Date of Termination or Expiration of this Agreement, return to Company all copies of any portion of the Confidential Materials in Licensee's possession or provide evidence satisfactory to Company that all information in Licensee's possession pertaining to Confidential Information have been permanently removed from Licensee's Computer System and permanently erased or destroyed.

5. If on the Effective Date of Termination or Expiration of this Agreement the Computer System includes proprietary software, Licensee agrees to immediately discontinue using the proprietary software and permanently remove the proprietary software from Licensee's computers. Licensee understands that Company will terminate Licensee's access to the Intranet on or after the Effective Date of Termination or Expiration of this Agreement. Continued use by Licensee of any proprietary software or Confidential Information after the Effective Date of Termination or Expiration of this Agreement will constitute violation of this Agreement and willful copyright or other intellectual property infringement. Licensee may not retain any copy or record of any of these materials.

6. Company shall give Licensee written notice of its election to accept an assignment of the Lease within 10 days after the Effective Date of Termination or Expiration. Company's failure to timely notify Licensee shall signify its decision not to accept an assignment of the Lease. If Company gives notice that it will accept an assignment of the Lease, Licensee shall promptly vacate the Restaurant at the Approved Location as required by the Addendum to Lease and leave the premises and all fixtures and equipment that are not capable of being removed

without damage to the Restaurant at the Approved Location, or which the Lease forbids to be removed, in good working order, condition and repair. If Company does not accept an assignment of the Lease, Licensee shall, at its sole cost and expense, within 20 days after the Effective Date of Termination or Expiration, remove all signs and other physical and structural features that readily identify the site as a Restaurant, in a manner acceptable to Company, so that the former Approved Location no longer suggests or indicates a connection with the System. Company's right to accept an assignment of the Lease is independent of Company's right to acquire the physical non-fixtures assets in the Restaurant at the Approved Location on the terms of this Agreement.

7. Licensee shall execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company, Company's Affiliates and their respective officers, directors, shareholders, employees and agents.

8. Licensee shall keep and maintain all business records pertaining to the business conducted at the Restaurant for 5 years after the Effective Date of Termination or Expiration of this Agreement. During this period, Licensee shall permit Company to inspect such business records as frequently as Company deems necessary.

B. Guaranty. The termination or expiration of this Agreement shall result in the concurrent, and automatic, termination of all agreements between the parties pertaining to the Restaurant or the franchise granted by this Agreement and shall also permit Company to enforce any Guaranty of Licensee's obligations given to Company as required by this Agreement. Notwithstanding the termination or expiration of this Agreement, the parties agree that any other License Agreements then in effect between the parties concerning other Big Chicken Restaurants owned by Licensee shall remain in full force and effect, unless the grounds which Company has relied upon to terminate this Agreement also constitute grounds for terminating the other License Agreements and Company has satisfied all requirements to terminate the other License Agreements.

C. Company's Right to Purchase Physical Assets of the Restaurant.

1. Company may exercise this option by giving Licensee written notice within 10 days after the Effective Date of Termination or Expiration of this Agreement, specifying in the notice the specific physical assets that it desires to purchase. Within 10 days following receipt of Company's written notice, Licensee shall furnish Company with documentation substantiating the original cost of each item identified by Company and depreciation taken as reported by Licensee in its federal and state income tax returns. Within 10 days following receipt of Licensee's documentation, Company shall notify Licensee of the particular assets it will purchase and calculate the purchase price for the items in accordance with this Section, and within 10 days after giving the notice, Company will pay Licensee the purchase price, less permitted set-offs.

2. Licensee shall deliver possession of the physical assets to Company upon Company's payment of the net purchase price free and clear of all liens and encumbrances not approved by Company in writing. If equipment is subject to an equipment lease and Company elects to accept an assignment, Licensee shall cooperate with Company in arranging for an assignment of the equipment lease to Company, which shall assume the obligations under the

equipment lease arising on or after the effective date of assignment. Company's failure to serve written notice of its election within 10 days after the Effective Date of Termination or Expiration of this Agreement shall signify its decision not to purchase any remaining non-fixture physical assets of Licensee.

3. With respect to the non-fixture physical assets that Company purchases, Company shall have the absolute right to set off from the purchase price all sums then owed by Licensee to Company or Company's Affiliates, including damages, costs and expenses and reasonable attorneys' fees in enforcing the default and termination. The right to set off shall not limit Company's remedies under this Agreement or Applicable Law.

D. Survival of Obligations. All obligations of the parties that expressly, or by their nature, survive the Effective Date of Termination or Expiration of this Agreement shall continue in full force and effect subsequent to the Effective Date of Termination or Expiration of this Agreement until they are satisfied in full. Licensee shall remain fully liable for any and all obligations of the Restaurant, whether incurred before, or after, the Effective Date of Termination or Expiration of this Agreement, including, without limitation, obligations arising under this Agreement, the Lease, and all obligations owed to Company and Company's Affiliates and other third parties including, without limitation, payments to designated or approved suppliers, independent contractors and salaries to employees and taxes.

E. Third Party Rights; Available Remedies.

1. No person acting for the benefit of Licensee's creditors or any receiver, trustee in bankruptcy, sheriff or any other officer of a court or other person in possession of Licensee's assets or business shall have the right to assume Licensee's obligations under this Agreement without Company's prior consent.

2. Company's right to terminate this Agreement shall not be its exclusive remedy in the event of Licensee's default, and Company shall be entitled, in its sole discretion and election, alternatively or cumulatively, to affirm this Agreement in the event of Licensee's default and obtain damages arising from the default, injunctive relief to compel Licensee to perform its obligations under this Agreement or to prevent Licensee from breaching this Agreement, and any other remedy available under Applicable Law.

XX. ASSIGNMENT AND TRANSFER

A. Assignment by Company. Licensee acknowledges that Company maintains a staff to manage and operate the System and that staff members can change from time to time. Licensee represents that it has not signed this Agreement in reliance on any shareholder, director, officer, or employee remaining with Company in that capacity. Company is free to transfer and assign all of its rights under this Agreement to any person or Business Entity without prior notice to, or consent of, Licensee if the assignee agrees in writing to assume Company's obligations under this Agreement. Upon the assignment and assumption, Company shall have no further obligation to Licensee.

B. Assignment by Licensee: In General. Licensee understands and agrees that the franchise rights awarded by this Agreement are personal and are awarded in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Licensee and, if Licensee is a Business Entity, that of its officers, directors, shareholders, LLC managers and members, trustees, partners and any Guarantors.

1. Without Company's prior written consent, Licensee shall not, directly or indirectly, attempt or complete an Event of Transfer either voluntarily or by operation of law except in accordance with this Agreement. Company agrees not to withhold its consent unreasonably if Licensee satisfies the conditions applicable to an Event of Transfer or a Qualified Transfer. Company shall exercise reasonable business judgment in evaluating if Licensee has satisfied all applicable conditions. Any attempted or purported transfer which fails to comply with the requirements of this Agreement shall be null and void and constitute a material default of this Agreement.

2. Company's consent to an Event of Transfer is not a representation of the fairness of the terms of any contract between Licensee and a transferee, a guarantee of the Restaurant's or transferee's prospects for success, or a waiver of any claims that Company or Company's Affiliates may have against Licensee or any Guarantor.

C. Company's Right of First Refusal.

1. Except with respect to Qualified Transfers, if Licensee, or the person to whom an offer is directed (the "***Individual Transferor***"), receives a bona fide written offer ("***Third Party Offer***") to purchase or otherwise acquire an interest which will result in an Event of Transfer, Licensee or the Individual Transferor, shall, within 5 days after receiving the Third Party Offer and before accepting it, apply to Company in writing for Company's consent to the proposed transfer. Additionally, the following conditions shall apply:

a. Licensee, or the Individual Transferor, shall attach to its application for consent to complete the proposed Event of Transfer a complete copy of the Third Party Offer together with (i) information relating to the transferee's experience and qualifications; (ii) a copy of the transferee's current financial statement; and (iii) any other information material to the Third-Party Offer, transferee, proposed Event of Transfer or that Company reasonably requests.

b. Company or its nominee shall have the right, exercisable by written notice ("***Notice of Exercise***") given to Licensee or the Individual Transferor, within 30 days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Licensee or the Individual Transferor that it will purchase or acquire the rights, assets, equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Company may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer, and (ii) deduct from the purchase price the amount of any commission or fee otherwise payable to any broker or agent in connection with the Third Party Offer and all amounts then due and owing from Licensee to Company or Company's Affiliates. If Company gives timely Notice of Exercise, the assets that Company purchases shall be free and clear of liens. If any asset is

pledged as security for financing that is then unpaid, Company may further deduct from the purchase price the remaining amount payable under the terms of financing.

c. The closing shall take place at Company's headquarters at a mutually agreed upon date and time, but not later than 90 days following Company's receipt of the Third-Party Offer, all supporting information, and the application for consent to transfer.

d. At the closing, Licensee or the Individual Transferor shall deliver to Company the same documents, affidavits, warranties, indemnities and instruments as would have been delivered by Licensee or the Individual Transferor to the transferee pursuant to the Third-Party Offer. Additionally, Licensee and the Individual Transferor shall deliver a general release, in form satisfactory to Company, of any and all claims against Company, Company's Affiliates and their respective officers, directors, shareholders, employees and agents.

e. All costs, fees, document taxes and other expenses incurred in connection with the transfer shall be allocated between Licensee and Company in accordance with the terms of the Third-Party Offer, and any costs not allocated shall be paid by Licensee or the Individual Transferor.

D. Conditions of Assignment to Third Party.

1. If Company does not exercise its right of first refusal, Licensee may not complete the Event of Transfer without Company's prior written consent. An Event of Transfer or attempt to complete an Event of Transfer that takes place in violation of this provision is a material breach of this Agreement. The requirements of this Section do not apply to a Qualified Transfer. As a condition to Company's consent to an Event of Transfer, the following conditions must be satisfied:

a. The proposed transferee must submit a completed franchise application to Company and meet Company's then-current qualifications for new licensees, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation. Company's evaluation of the proposed transferee's financial condition shall take into account the amount the proposed transferee is obligated to pay to Licensee to consummate the Event of Transfer.

b. As of the date consent is requested and through the date of closing of the proposed transfer and assignment, Licensee must not be in default under this Agreement, the Lease, or any other agreements with Company, and must be current with all monetary obligations owed to third parties, including, without limitation, Company's Affiliates.

c. The proposed transferee shall execute appropriate documentation agreeing to assume all of Licensee's obligations under this Agreement arising on or after the closing date of the Event of Transfer.

d. Licensee shall pay Company a transfer fee of $20,000 in full when Licensee requests written consent to the proposed Event of Transfer.

If Licensee owns and proposes to transfer more than one franchise simultaneously, as part of the same Event of Transfer transaction, to the same proposed transferee, Licensee shall pay a separate transfer fee for each of the separate franchises being transferred and comply with any additional transfer conditions set forth in the applicable License Agreements.

Once Licensee pays the transfer fee, it is fully-earned and non-refundable except if Company determines that the proposed transferee does not meet Company's then-current qualifications for new licensees and refuses to consent to the proposed Event of Transfer, in which case Company may retain up to 25% of the transfer fee (or of each transfer fee paid, if more than one franchise would be transferred as part of the same transaction).

If the Event of Transfer involves a Public or Private Offering, the transfer fee shall be an amount not to exceed $20,000 equal to Company's actual costs to review Licensee's offering memorandum, registration statement or comparable documents. Licensee understands and agrees that in reviewing Licensee's offering memorandum, registration statement or comparable documents, Company does not certify that the statements in Licensee's offering memorandum, registration statement or comparable documents are true, correct or not misleading or that Licensee's offering memorandum, registration statement or comparable documents comply with Applicable Law. Instead, Company's review is for the purpose of verifying the accuracy of Licensee's statements about Company, Restaurants, and the System.

e. Licensee must simultaneously transfer its rights under the Lease and all other contracts whose continuation is necessary for operation of the Restaurant to the same proposed transferee and satisfy any separate conditions to obtain any third-party consents required to accomplish the transfers, including, without limitation, the consent of the landlord of the Approved Location.

f. Licensee must execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company, Company's Affiliates and their respective officers, directors, shareholders, employees and agents.

g. The proposed transferee must execute all other documents and agreements required by Company to consummate the transfer of this Agreement. If the proposed transferee is a Business Entity, Company may require each person who at the time of the transfer, or later, owns or acquires, either legally or beneficially, 15% or more of the equity or voting interests of the proposed transferee to execute Company's then-current form of Guaranty unless the then-current License Agreement sets a lower percentage ownership threshold in which case the percentage in the then-current License Agreement shall control.

h. Licensee's right to receive the sales proceeds from the proposed transferee shall be subordinate to the proposed transferee's and Licensee's duties owed to Company and Company's Affiliates under, or pursuant to, this Agreement or any other agreement as of the effective date of the Event of Transfer. All contracts by and between Licensee and the proposed transferee shall expressly include a subordination provision permitting payment of the sales proceeds to Licensee only after any outstanding obligations that the proposed transferee owes to Company and Company's Affiliates are fully satisfied.

i. Until the proposed transferee satisfies minimum training requirements, Licensee shall remain responsible for day-to-day management of the Restaurant. At a minimum: (i) the proposed transferee or its Primary Owner must complete the next available Owner Orientation module (or equivalent); (ii) at least one management-level employee who has not previously done so must qualify as a Certified Manager and complete the next available training modules required to earn designation as a Certified Manager; and (iii) at least one management-level employee who has not previously done so must qualify as a Lead Manager and complete the next available training modules required to earn designation as a Lead Manager. Company shall schedule this training to start reasonably promptly following the closing date. Licensee shall remain responsible for operation and management of the Restaurant during the period following the closing date until the proposed transferee qualifies at least one person as a Certified Manager and one person as a Lead Manager. The proposed transferee shall be solely responsible for all personal expenses that it and its employees incur in connection with such training, including transportation, lodging, food, salary and other personal charges.

j. Company may condition consent on Licensee completing before the closing date specific improvements and repairs to the Approved Location in order to conform the Approved Location to Company's then-current appearance and design standards and equipment specifications.

k. Neither Company's exercise of its right of first refusal, its consent to an Event of Transfer, nor Licensee's consummation of a transfer shall operate to release Licensee of those obligations that expressly, or by their nature, survive the Effective Date of Termination or Expiration of this Agreement, including, without limitation, the provisions regarding non-disclosure of Confidential Information.

2. Licensee may only complete the Event of Transfer to the proposed transferee on the terms identified in the Third Party Offer or as otherwise stated in Licensee's application for consent. If there is any material change in the terms of the Third-Party Offer, Company has a right of first refusal to accept the new terms subject to the conditions stated in this Section.

3. If Company consents to the transfer to a third party, the transfer must close within 60 days from the date the Third-Party Offer is first submitted to Company unless Licensee requests in writing, and Company agrees to grant, an extension of time to close the transfer, which consent Company agrees not to unreasonably withhold. If Company refuses to grant the extension of time, Licensee must again offer Company the opportunity to exercise its right of first refusal subject to the conditions stated in this Section.

E. Business Entity Licensee.

1. If Licensee is a Business Entity, Licensee shall furnish to Company, upon execution of this Agreement or at such other time as transfer to the Business Entity is permitted, a copy of its articles of incorporation, by-laws, operating agreement, partnership agreement or other governing agreement, and a list of all persons owning an interest in the equity or voting interests of the Business Entity. Additionally, Licensee shall promptly provide Company with a copy of any amendments to, or changes in, the documents or other information during the Term. Licensee

shall also promptly provide Company with a list of all stockholders, partners, investors, and any other equity owners of Licensee, including all equity owners who own or hold a direct or indirect interest in Licensee, along with a description of the nature of their interest, in substantially the form attached hereto as Exhibit G.

2. Licensee shall maintain stop transfer instructions against the transfer on its records of any equity or ownership interests. Each certificate representing an ownership interest in Licensee shall bear a legend, in the form stated in the Confidential Materials, that it is held, and further assignment or transfer thereof is, subject to all restrictions imposed upon transfer set forth in this Agreement.

3. Licensee's Primary Owner shall deliver a certificate to Company annually, when Licensee's annual financial statements are delivered, which lists all owners of record and all beneficial owners of any interest in the equity or voting interests of Licensee and identifies all transfers of equity or voting interests in Licensee which have occurred during the period covered by the annual financial statement.

F. Qualified Transfers. Before completing a Qualified Transfer, Licensee must do all of the following: (i) provide Company with written notice of its intent to complete a Qualified Transfer; (ii) when the Qualified Transfer is to a newly-formed Business Entity, deliver the documents which this Agreement requires be delivered by a Business Entity that is the Licensee; (iii) pay a transfer fee of $1,500 per Qualified Transfer; and (iv) execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company, Company's Affiliates and their respective officers, directors, shareholders, employees and agents. The Qualified Transfer shall not be effective unless and until Licensee satisfies conditions (i)-(iv). Company shall not have a right of first refusal with respect to a Qualified Transfer, nor shall Company's prior written consent to a Qualified Transfer be necessary if Licensee satisfies the conditions stated in this Section.

G. Death or Incapacity.

1. Subject to the provisions of this Section, if an Event of Transfer occurs due to the death or Incapacity of a Licensee that is a natural person, or, if Licensee is a Business Entity, any person owning enough equity or voting interests of the Business Entity to result in a Change of Control, the spouse, heirs, executor or personal representative of the deceased or incapacitated person, or the Licensee's remaining shareholders, members, partners or owners, as appropriate to the circumstance (collectively referred to as the "***Successor***") shall have 180 days from the date of death to (i) qualify themselves; or (ii) complete the sale or assignment of the interest to a qualified, approved third party. In either (i) or (ii), the Successor must satisfy all of the conditions and obtains Company's consent to complete the Event of Transfer. At the end of the 180-day period, if the Successor has not obtained Company's consent to complete the Event of Transfer, Company may, at its election, terminate this Agreement.

2. Immediately following the date of death or Incapacity, if the Successor is unable to demonstrate to Company's reasonable satisfaction that the Successor has the financial ability and business skills to operate the Restaurant in accordance with the requirements of this Agreement during the interim period until the Successor is able to obtains Company's consent to

complete the Event of Transfer, Company shall have the absolute right to occupy the Restaurant at the Approved Location and assume day-to-day management of the Restaurant for the account of Licensee. In addition to receiving the fees due to Company under this Agreement, Licensee agrees that in exchange for Company's management services, Company shall be entitled to receive a reasonable management fee in the then-current amount published in the Confidential Materials and be reimbursed for all of its direct costs and expenses in rendering management services. This Agreement shall otherwise continue in full force and effect during the period of Company's day-to-day management. The Successor's failure or refusal to cooperate with Company's right to turn management of the Restaurant over to Company during the interim period if required by this Section shall constitute a material breach of this Agreement.

3. The parties recognize that Company's right to manage the Restaurant is primarily intended to facilitate an orderly transition of ownership with minimal disruption to the Restaurant's continuous operation. Company shall manage the Restaurant only until the Successor obtains Company's consent to the Event of Transfer, but in no event shall Company be required to manage the Restaurant for longer than 90 days. By mutual agreement of Company and the Successor, the period of Company's management may be extended for longer than 90 days, but in no event shall it extend beyond one year from the date of death or Incapacity. If the Successor cannot obtain Company's consent to a proposed transferee by the end of one year, Company may terminate this Agreement.

4. During the time that Company manages the Restaurant, Company shall periodically discuss the status of the Restaurant's operations and financial results with the Successor and provide suitable current information about the Restaurant's performance as the Successor may reasonably require.

XXI. RELATIONSHIP OF PARTIES: INDEMNIFICATION: SECURITY INTEREST

A. Independent Contractor. This Agreement does not create a fiduciary relationship between the parties, nor does it make either party a general or special agent, joint venturer, partner or employee of the other for any purpose. With respect to all matters, the Licensee relationship to Company is as an independent contractor. Licensee understands and agrees that it is the independent owner of the Restaurant and in sole control of all aspects of its operation, and shall conduct its business using its own judgment and sole discretion, subject only to the provisions of this Agreement. Licensee shall conspicuously identify itself in all advertising and all dealings with customers, suppliers and other third parties as the owner of the Restaurant operating under a license from Company.

B. Indemnification by Licensee.

1. Licensee shall indemnify and hold Company, Company's Affiliates and their respective officers, directors, shareholders, employees, agents, successors and assigns, harmless from and against any and all costs, expenses, losses, liabilities, damages, causes of action, claims and demands whatsoever, arising from or relating to the Restaurant or Licensee's occupancy of the Restaurant at the Approved Location, whether or not arising from bodily injury, personal injury or property damage, infringement (other than Third Party Claims within the scope

of Company's agreement to indemnify Licensee as set forth in his Agreement), or any other violation of the rights of others, or in any other way, subject to the provisions of this Agreement.

2. Company shall have the right to retain its own counsel to defend any third-party claim asserted against it which is covered by this indemnification agreement.

3. Licensee's indemnification and defense obligations shall survive the expiration, termination or assignment of this Agreement for any reason.

4. Licensee's indemnification obligations shall extend, without limitation, to (i) all claims for actual, consequential and punitive damages; (ii) claims for lost profits; (iii) costs of investigation; (iv) costs and expenses incurred in defending any claim within the scope of Licensee's indemnification including, without limitation attorneys and other professional fees, court costs, and travel and living expenses necessitated by the need or desire to appear before (or witness the proceedings of) courts or tribunals (including arbitration tribunals), or government or quasi-governmental entities (including those incurred by Company's attorneys, experts and advisors); (v) costs and expenses for any recalls, refunds, compensation or public notices; (vi) claims based on alleged "vicarious," "principal/agent," "joint employer," or other legal theories as a result of Company's status as franchisor; and (vii) costs and expenses that Company or any of the indemnified parties incur as a result of any litigation or insolvency proceedings involving Licensee (whether or not Licensee is a party in the proceeding).

5. The scope of Licensee's indemnification obligations shall apply regardless of whether a claim brought against Company, Company's Affiliates or any of the indemnified individuals is reduced to final judgment or results in settlement. The indemnified parties shall have the right to retain their own counsel to defend any third-party claim which is covered by this indemnification agreement. The scope of Licensee's indemnification obligations shall not be limited by decisions that an indemnified party makes in connection with their defense.

6. If a final judgment results in a finding that an indemnified party's liability is due to the indemnified party's gross negligence, willful misconduct or criminal acts, any costs or expenses paid or incurred by Licensee pursuant to Licensee's indemnification obligation shall promptly be reimbursed in full by the indemnified party to Licensee except to the extent that the final judgment finds Licensee jointly liable, in which event Licensee's indemnification obligation will extend to any finding of Licensee's comparative or contributory negligence.

7. Licensee shall give Company written notice of any claim, matter, inquiry or investigation that could be the basis for a claim for indemnification promptly after Licensee has actual knowledge or is deemed to have constructive knowledge of the claim, matter, inquiry or investigation. Licensee shall fully cooperate with Company in connection with Company's handling of the claim, matter, inquiry or investigation. Company shall have no duty to seek recovery from third parties to mitigate its losses or reduce Licensee's liability under its indemnification obligation.

C. Security Interest. To secure Licensee's performance under this Agreement, Licensee hereby grants to Company a security interest in and to all of Licensee's tangible and intangible property used to operate the Restaurant. Company shall record appropriate financing statements to protect and perfect Company's rights as a secured party under Applicable Law. Except with Company's prior written consent, which Company shall not unreasonably withhold, it shall be a breach of this Agreement for Licensee to grant another person a security interest in Licensee's tangible or intangible assets of the Restaurant even if subordinate to Company's security interest. Company agrees to subordinate Company's own security interest if requested by a lender providing financing to Licensee on commercially reasonable terms in connection with the purchase of the franchise.

XXII. GUARANTY

1. If Licensee is a Business Entity, Company may require each person who owns or at any time during the Term acquires, either legally or beneficially, 15% or more of the equity or voting interests of Licensee to furnish any financial information reasonably required by Company and execute Company's form of guaranty in the form attached to this Agreement as Exhibit E.

2. An event of default under this Agreement shall occur if any guarantor fails or refuses to deliver to Company, within 10 days after Company's written request: (i) evidence of the due execution of the guaranty, and (ii) current financial statements of guarantor as may from time to time be requested by Company.

3. Obligations Absolute.

a. The obligations and liabilities of Guarantor under the Guaranty (i) are primary obligations of Guarantor, (ii) are continuing, absolute, and unconditional, (iii) shall not be subject to any counterclaim, recoupment, set-off, reduction, or defense based upon any claim that Guarantor may have against Licensee, (iv) are independent of any other guaranty or guaranties at any time in effect with respect to all or any part of the Indebtedness (as defined in the Guaranty), and (v) may be enforced regardless of the existence of such other guaranty or guaranties.

b. The obligations and liabilities of Guarantor under the Guaranty shall not be affected, impaired, lessened, modified, waived or released by the invalidity or unenforceability of the Indebtedness (as defined in the Guaranty) or any ancillary or related document, or by the bankruptcy, reorganization, dissolution, liquidation or similar proceedings affecting Licensee or the sale or other disposition of all or substantially all of the assets of Licensee.

c. Guarantor hereby consents that at any time and from time to time, Company may, without in any manner affecting, impairing, lessening, modifying, waiving or releasing Guarantor's obligations or liabilities under this Agreement, do any one or more of the following, all without notice to, or further consent of, Guarantor:

(1) renew, extend or otherwise change the time or terms for payment of the principal of, or interest on, any of the Indebtedness or any renewals or extensions thereof;

(2) extend or change the time or terms for performance by Licensee of any other obligations, covenants or agreements;

(3) amend, compromise, release, terminate, waive, surrender, or otherwise deal with: (i) any or all of the provisions of the Indebtedness, (ii) any or all of the obligations and liabilities of Licensee or Guarantor, or (iii) any or all property or other security given at any time as collateral by Guarantor or Licensee;

(4) sell, assign, collect, substitute, exchange or release any or all property or other security now or hereafter serving as collateral for any or all of the Indebtedness;

(5) receive additional property or other security as collateral for any or all of the Indebtedness;

(6) fail or delay to enforce, assert or exercise any right, power, privilege or remedy conferred upon Company under the provisions of any Indebtedness or under applicable laws;

(7) grant consents or indulgences or take action or omit to take action under, or in respect of, the Indebtedness; and

(8) apply any payment received from Licensee or from any source, other than Guarantor, to the Indebtedness in whatever order and manner Company may elect, and any payment received, Guarantor for or on account of this Agreement may be applied by Company to any of the Indebtedness in whatever order and manner Company may elect.

4. Waiver by Guarantor. Guarantor unconditionally waives, to the extent permitted by applicable laws:

a. notice of acceptance of and reliance on this Agreement or of the creation of the Indebtedness;

b. presentment, demand, dishonor, protest, notice of non-payment and notice of dishonor of the Indebtedness;

c. notice of transfer or assignment of the Indebtedness and this Agreement; and

d. all notices required by statute or otherwise to preserve any rights against Guarantor hereunder, including, without limitation, any demand, proof, or notice of non-payment of any of the Indebtedness by Licensee and notice of any failure or default on the part of Licensee to perform or comply with any term of the Indebtedness.

XXIII. DISPUTE RESOLUTION

A. Agreement to Mediate Disputes. Except as otherwise provided in subparagraph B of this Section, neither party to this Agreement shall bring an action or proceeding to enforce or interpret any provision of this Agreement, or seeking any legal remedy based upon the relationship created by this Agreement or an alleged breach of this Agreement, until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this Agreement.

1. The mediation shall be conducted pursuant to the rules of JAMS (the "***Mediation Service***"). Either party may initiate the mediation (the "***Initiating Party***") by notifying the Mediation Service in writing, with a copy to the other party (the "***Responding Party***"). The notice shall describe with specificity the nature of the dispute and the Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with the Mediation Service's then-current rules, except to the extent the rules conflict with this Agreement, in which case this Agreement shall control.

2. The mediator must be either a practicing attorney with experience in business format franchising or a retired judge, with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

3. The fees and expenses of the Mediation Service, including, without limitation, the mediator's fee and expenses, shall be shared equally by the parties. Each party shall bear its own attorney's fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

4. The mediation conference shall commence within 30 days after selection of the mediator. Regardless of whether Company or Licensee is the Initiating Party, the mediation shall be conducted at Company's headquarters at the time, unless the parties otherwise required by Applicable Law.

5. The parties shall participate in good faith in the entire mediation, including the mediation conference, with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties.

6. The mediation conference shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes, after a minimum of 8 hours of mediation as required by subsection 8, and informs the parties in writing, that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation conference.

7. The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

8. If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation; and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

B. Exceptions to Duty to Mediate Disputes.

1. The obligation to mediate shall not apply to any disputes, controversies or claims (i) where the monetary relief sought is under $10,000, (ii) in which Company seeks to enforce its rights under any Addendum to Lease, or (iii) any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond.

2. Additionally, notwithstanding a party's duty to mediate disputes under this Agreement, a party may file an application before any court of competent jurisdiction seeking Provisional Remedies whether or not the mediation has already commenced. An application for Provisional Remedies shall neither waive nor excuse a party's duty to mediate under this Agreement. However, once a party files an application for Provisional Remedies, the time period for mediation set forth in this Agreement shall be tolled pending the court's ruling on the

application for Provisional Remedies. The party that is awarded Provisional Remedies shall not be required to post bond or comparable security.

C. Judicial Relief.

1. The parties agree that (i) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (ii) all claims which this Agreement expressly excludes from mediation, shall be brought exclusively in the Civil Division, Las Vegas Justice Court or, if required to be removed to federal court, in the United States District Court located closest to Company's headquarters. As of the date of this Agreement, the parties acknowledge that the Civil Division, Las Vegas Justice Court, and the United States District Court of the District of Nevada are, respectively, the state and federal courts that are located closest to Company's headquarters; however, the parties further acknowledge that Company may relocate its headquarters in its sole discretion at any time without notice to the undersigned party.

2. To the fullest extent that it may effectively do so under Applicable Law, Licensee waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this Section and agrees not to commence any action of any kind against Company, Company's Affiliates and their respective officers, directors, shareholders, LLC managers and members, employees and agents or property arising out of or relating to this Agreement except in the courts identified in this Section.

D. Expedited Discovery. In connection with any application for Provisional Remedies, each party may conduct discovery on an expedited basis.

E. WAIVER OF JURY TRIAL. COMPANY AND LICENSEE EACH HEREBY WAIVE THEIR RESPECTIVE RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER COMPANY OR Licensee ON ANY MATTER WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE PARTIES, THE USE OF THE SYSTEM, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY OR OTHERWISE, NOW OR HEREAFTER IN EFFECT, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW.

F. Choice of Law. Except as otherwise provided in this Agreement with respect to the possible application of Local Laws, the parties agree that Nevada law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

G. Limitations Period. To the extent permitted by Applicable Law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than one year from the date of the act, event, occurrence or transaction which constitutes or gives rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation which is initiated before the last day of the limitations period with the tolling beginning on the date that the Responding Party receives the Initiating Party's demand for mediation and continuing until the date that the mediation is either concluded, or suspended due to a party's failure or refusal to participate in the mediation in violation of this Agreement.

H. Punitive or Exemplary Damages. Company and Licensee, on behalf of themselves and their respective Affiliates, directors, officers, shareholders, members, managers, guarantors, employees and agents, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

I. Attorneys' Fees. Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and court costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

J. Waiver of Collateral Estoppel. The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and Licensee therefore each agree that a decision of an arbitrator or judge in any proceeding or action in which either Company or Licensee, but not both of them, is a party shall not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and Licensee. Company and Licensee therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

K. Waiver of Class Action Relief. Company and Licensee agree that any mediation or litigation initiated or brought by either party against the other will be conducted on an individual, not on a class-wide, basis, and there may be no consolidation or joinder of other claims or controversies involving any other franchisees. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and Licensee both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

XXIV. REPRESENTATIONS OF LICENSEE.

Licensee understands and agrees and represents to Company, to induce Company to enter into this Agreement, that:

A. Acceptance of Conditions. Licensee has read this Agreement and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Company's standards of service and quality and to protect and preserve Company's rights in the System and the goodwill of the Licensed Marks.

B. Independent Investigation. Licensee has conducted an independent investigation of the business contemplated by this Agreement. Licensee recognizes that the System may evolve and change over time and that Company may impose change to the System that Company believes, in its sole discretion, will benefit Restaurants generally and strengthen consumer awareness of, and confidence in, the Licensed Marks. Licensee is aware that Company cannot predict the nature of future changes to the System or the amount of Licensee's future investment to adopt future changes.

C. No Representations: Status of Licensee.

1. By executing this Agreement, Licensee represents and warrants that no person acting on Company's behalf has made any representations or promises to Licensee that are not contained in this Agreement, including, without limitation, representations or promises about actual or potential sales, earnings, gross profits or net profits that Licensee can expect to earn.

2. The person executing this Agreement as, or on behalf of, Licensee, and each Guarantor, if any, is a United States citizen or a lawful resident alien of the United States.

3. If Licensee is a Business Entity, Licensee understands that it is a material obligation of this Agreement that it remain duly organized and in good standing for as long as this Agreement is in effect and it owns the franchise rights.

4. All financial and other information provided to Company in connection with Licensee's application is true and correct and no material information or fact has been omitted which is necessary in order to make the information disclosed not misleading.

D. Success of Restaurant. Licensee understands and agrees that owning the Restaurant involves business risks and the success of the Restaurant will depend primarily on Licensee's investment of time, capital and personnel, the business abilities and experience of Licensee's management, Licensee's local marketing efforts, the desirability of the Restaurant at the Approved Location in Licensee's local market, local demographic factors, and other factors beyond Company's or Licensee's control including, without limitation, climate and weather conditions, local competition, consumer preferences, inflation, labor costs, prevailing economic conditions and similar types of market conditions, which may change over time and are difficult to anticipate. Licensee is not entering into this Agreement based upon any express or implied guaranty or assurance that the Restaurant at the Approved Location will be successful or profitable.

E. Anti-Terrorism Representations. Licensee represents that none of Licensee's assets are currently subject to being blocked under, and Licensee is not otherwise in violation of Applicable Law including, without limitation, Anti-Terrorism Laws. Additionally, Licensee agrees to comply with and assist Company to the fullest extent possible in Company's efforts to comply with Anti-Terrorism Laws. Any violation of, or "blocking" of assets under, any Anti-Terrorism Laws will constitute a breach of this Agreement and grounds for immediate termination without an opportunity to cure. Any violation of, or "blocking" of assets under, any Anti-Terrorism Laws shall constitute a material breach of this Agreement and grounds for immediate termination without an opportunity to cure.

XXV. MISCELLANEOUS

A. Notices.

1. All communications required or permitted to be given to either party hereunder shall be in writing and shall be deemed duly given if properly addressed on the earlier of (i) the date when delivered by hand; (ii) the date when delivered by fax or e-mail if confirmation of transmission is received or can be established by the sender; (iii) one business day after delivery to a reputable national overnight delivery service; or (iv) 5 days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. A "business day" means weekdays only, excluding Saturdays, Sundays and holidays. Notices shall be directed to the address shown in Exhibit B for the party and its representative. Either party may change its address for receiving notices by giving appropriate written notice to the other. All communications required or permitted to be given by a party in writing may be given electronically to the party's designated e-mail address in Exhibit B or as subsequently changed by appropriate written notice.

2. All payments and reports required to be delivered to Company shall be directed to Company at the above address or to an electronic address or account otherwise designated by Company. Notwithstanding the parties' agreement regarding when notices shall be deemed to be given, any required payment or report not actually received by Company on the date it is due shall be deemed delinquent.

B. Time of the Essence. Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

C. Waiver. Any waiver granted by Company to Licensee excusing or reducing any obligation or restriction imposed under this Agreement shall be in writing and shall be effective upon delivery of such writing by Company to Licensee or upon such other effective date as specified in the writing, and only to the extent specifically allowed in such writing. No waiver granted by Company, and no action taken by Company, with respect to any third party shall limit Company's right to take action of any kind, or not to take action, with respect to Licensee. Any waiver granted by Company to Licensee shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative. No delay on the part of Company in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Company of any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy. Company's acceptance of any payments made

by Licensee after a breach of this Agreement shall not be, nor be construed as, a waiver by Company of any breach by Licensee of any term, covenant or condition of this Agreement.

D. Section Headings: Language. The Section headings used in this Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Agreement. The language used in this Agreement shall in all cases be construed simply according to its fair meaning and not strictly for or against Company or Licensee. The term "***Licensee***" as used herein is applicable to one or more persons or Business Entities if the interest of Licensee is owned by more than one, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time the Licensee hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Company shall be joint and several. Nothing in this Agreement is intended, nor shall it be deemed, to confer any rights or remedies upon any person or Business Entity not a party hereto.

E. Binding on Successors. The covenants, agreements, terms and conditions contained in this Agreement shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the parties hereto.

F. Validity; Conformity With Applicable Law. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under Applicable Law, but if any provision of this Agreement shall be invalid or prohibited under Applicable Law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement. If the provisions of this Agreement provide for periods of notice less than those required by Applicable Law, or provide for termination, cancellation, non-renewal or the like other than in accordance with Applicable Law, such provisions shall be deemed to be automatically amended to conform them to the provisions of Applicable Law. If any provision of this Agreement is deemed unenforceable by virtue of its scope in terms of geographic area, business activity prohibited or length of time, but could be enforceable by reducing any or all thereof, the provision may be modified by a mediator or court so that it may be enforced to the fullest extent permissible under the choice of law adopted by this Agreement or other Applicable Law.

G. Amendments. No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on any party unless it is set forth in writing and duly executed by Company and Licensee.

H. Withholding of Consent; Company's Business Judgment.

1. Except where this Agreement expressly requires Company to exercise its reasonable business judgment in deciding to grant or deny approval of any action or request by Licensee, Company has the absolute right to refuse any request by Licensee or to withhold its approval of any action by Licensee in Company's sole discretion. Further, whenever the prior consent or approval of Company is required by this Agreement, Company's consent or approval must be evidenced by a writing signed by Company's duly authorized representative unless this Agreement expressly states otherwise.

2. The parties recognize, and any mediator or judge is affirmatively advised, that certain provisions of this Agreement describe the right of Company to take (or refrain from taking) certain actions in its sole discretion and other actions in the exercise of its reasonable business judgment. Where this Agreement expressly requires that Company make a decision based upon Company's reasonable business judgment, Company is required to evaluate the overall best interests of all Restaurants and Company's own business interests. If Company makes a decision based upon its reasonable business judgment, neither a mediator nor a judge shall substitute his or her judgment for the judgment so exercised by Company. The fact that a mediator or judge might reach a different decision than the one made by Company is not a basis for finding that Company made its decision without the exercise of reasonable business judgment. Company's duty to exercise reasonable business judgment in making certain decision does not restrict or limit Company's right under this Agreement to make other decisions based entirely on Company's sole discretion as permitted by this Agreement. Company's sole discretion means that Company may consider any set of facts or circumstances that it deems relevant in rendering a decision.

I. Complete Agreement. This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

J. Covenant and Condition. Each provision of this Agreement performable by Licensee shall be construed to be both a covenant and a condition.

K. Consent of Spouse. If Licensee enters into this Agreement in their individual capacity, Licensee's spouse shall execute a Consent of Spouse in the form of Exhibit F. The spouse of any personal Guarantor shall also execute a Consent of Spouse in the form of Exhibit F.

L. Submission of Agreement. The submission of this Agreement to Licensee does not constitute an offer to Licensee, and this Agreement shall become effective only upon execution by Company and Licensee.

M. Further Assurances. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

N. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

O. Electronic Signatures. The parties accept the use of an electronic signature in lieu of a manual signature and agree that an electronic signature will be binding on a party to the same extent as if the party signed this Agreement manually.

P. Confidentiality and Public Announcements. In addition to the provisions in this Agreement regarding Confidential Information, the parties agree that no public announcement or any other disclosure regarding the existence or terms of this Agreement, the names or any other identifying information regarding the parties or any individual member or owner of a party, or the nature of the parties' negotiations shall be disclosed in any way or made public unless the other party gives its prior written consent or if disclosure is required by Applicable Law.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of its Effective Date.

Company:	Licensee:
BC Licensing LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT A

APPROVED LOCATION AND PROTECTED AREA

The street address of the Restaurant at the Approved Location is as follows:

The Protected Area consists of the geographic area which is described below and/or shown in the map attached to this Exhibit A:

_____

Dated: _____

Company:	Licensee:
BC Licensing LLC	[_____]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT B

ADDRESSES FOR NOTICE

TO: COMPANY	**TO: Licensee**
BC Licensing LLC Attn: Samuel Stanovich 10845 Griffith Peak Drive, Suite 520 Las Vegas, NV 89135 sam.stanovich@bigchicken.com	[_____] [Address] [Address] [Email]
WITH A COPY TO:	**WITH A COPY TO:**
Greenberg Traurig, LLP Attn: Riley Lagesen 10260 SW Greenburg Road, Suite 400 Portland, OR 97223 Riley.Lagesen@gtlaw.com	[_____] [Address] [Address] [Email]

EXHIBIT C

TRAINING PROGRAM OVERVIEW

NRO TRAINING & SUPPORT GAME PLAN

TRAINING PROGRAM	FRANCHISEE ATTENDEES REQUIRED (SUGGESTED)	LOCATION	TIME	COMPLETION	AGENDA
Tip Off Call	**Owner, Project Manager** (Operations, Back Office)	Virtual	1 Hour	Within 14 days of execution of DA/LA	Team Owner Tip Off Call Agenda
Team Owner Training Camp	**Owner** (Operations, Back Office)	Las Vegas	2 Days	Within 60 days of execution of DA/LA	Team Owner Training Camp Game Plan
Weekly Project Call	**Project Manager** (Owner, Operations)	Virtual	1 Hour weekly	Begins after Tip Off Call and ends 30 days after opening.	FranConnect Live
Certified General Manager Training	**General Manager** (Owner for all or part)	Las Vegas	15 Days	Minimum of 30 days prior to projected Opening Day	General Manager Game Plan 1 - 5 General Manager Game Plan 6-10 General Manager Game Plan 11 - 15 General Manager Days 11-15 Sample
Pre-Opening Training	**All Staff**	On-site	14 Days	14 days prior to Opening Day	Pre-Opening Training Game Plan
Opening Training	**All Staff**	On-site	7 Days	7 days after Opening Day	Post Opening Training Game Plan

EXHIBIT D

COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, ADDRESSES, LISTINGS AND ASSUMED OR FICTITIOUS BUSINESS NAMES

("*Assignment*")

You, the undersigned, _____, a _____ are the "***Licensee***" in that certain License Agreement dated _____ ("***Agreement***") entered into with us, BC LICENSING LLC, a Nevada limited liability company (the "***Company***" or "us" or "we").

You and we are executing this Assignment concurrently with our execution of the Agreement and in accordance with the requirements of the Agreement. The Effective Date of this Assignment is the same as the Effective Date of the Agreement. All capitalized terms in this Assignment shall have the same meaning given to them in the Agreement and Franchisee incorporates those definitions into this Assignment by this reference.

You hereby irrevocably and unconditionally agree to assign and transfer to us on the Effective Date of Termination or Expiration of this Agreement (as defined in the Agreement) all of your right, title, and interest in and to all telephone numbers, email addresses, domain names and "URLs" (collectively, the "***Contact Information***") that you now or in the future use to operate the Franchised Business.

You may not revoke or modify this Assignment without our prior written consent. You understand and agree that this Assignment is for collateral purposes only and does not impose on us any liability or obligation of any kind to you or any third party arising from or in connection with the operation of the Franchised Business or your, or your employees' or agents' acts or omissions. Our execution of this Assignment does not create or impose any express or implied obligations on us with respect to the Contact Information or otherwise. Nothing in this Assignment modifies your indemnity agreement in the Agreement.

On the Effective Date of Termination or Expiration of this Agreement, you must immediately cease using the Contact Information and notify the third parties furnishing the Contact Information then in use by you (collectively referred to as "***Provider Companies***") to effectuate the assignment and transfer of all of your right, title and interest in and to the Contact Information to us pursuant to the terms of this Assignment. If you fail to do so, you agree that this Assignment gives us the absolute and unconditional authority to direct the Provider Companies on your behalf to effectuate the assignment and transfer of the Contact Information to us. You agree that the Provider Companies may accept our written notice, the Agreement or this Assignment as conclusive proof of our exclusive rights in and to the Contact Information as of the Effective Date of Termination or Expiration of this Agreement. You further agree that, if the Provider Companies require that you and we execute the Provider Companies' own assignment forms or other transfer documents following the Effective Date of Termination or Expiration of this Agreement, our execution of those forms or documentation on your behalf shall suffice as your consent and agreement to the assignment. For this purpose, you appoint us as your true and lawful attorney-in-fact to direct the Provider Companies to assign the Contact Information to us.

You agree to perform all additional acts and execute and deliver any documents as may be necessary to assist in or accomplish the purpose of this Assignment and cause the Provider Companies to complete the transfer and assignment to us or to our designee.

You furthermore agree to pay the Provider Companies any fees to complete the assignment and transfers in addition to paying the Provider Companies all sums due to them for making the Contact Information available to you during the Term of the Agreement. You agree to indemnify us for any expenses, including legal fees, that we incur if you fail to comply with the terms of this Assignment.

IN WITNESS WHEREOF, the parties have executed this Schedule as of the Effective Date.

Company:

BC LICENSING LLC
a Nevada limited liability company

By: _____

Name: _____

Title: _____

Licensee:

_____

By: _____

Name: _____

Title: _____

EXHIBIT E

GUARANTY

THIS GUARANTY AGREEMENT ("***Agreement***") is made as of _____, by_____ ("***Guarantor***") in favor of **BC LICENSING LLC**, a Nevada limited liability company (the "***Company***"), subject to the following recitals:

RECITALS

A. _____ ("***Debtor***") has applied to acquire the right and license to open and operate a Big Chicken Restaurant on the terms of a License Agreement ("***License Agreement***") in the form attached to the Franchise Disclosure Document ("***FDD***") that Company has delivered to Debtor before Debtor's execution of the License Agreement.

B. Debtor is a Business Entity other than a partnership duly organized under the laws of the State of _____.

C. Company requires that the undersigned execute a copy of this Agreement, agreeing to guaranty Debtor's obligations under the License Agreement for the benefit of Company.

NOW, THEREFORE, in order to induce Company to enter into the License Agreement with Debtor, Guarantor covenants and agrees with Company as follows:

Section 1. Definitions. Guarantor agrees that all capitalized terms in this Guaranty that are not defined in this Guaranty have the same meaning given to them in the License Agreement and agrees that those definitions are incorporated into this Guaranty by this reference. Guarantor represents that Guarantor is, or has had the opportunity to become, familiar with the definitions. Guarantor furthermore incorporates the Recitals as part of the substantive terms of this Agreement.

Section 2. Guaranty.

a. Guarantor hereby unconditionally and irrevocably guarantees to Company and Company's Affiliates the full and punctual payment and performance of all present and future amounts, liabilities, duties and obligations of Debtor to Company, Company's Affiliates, or to their successor under the License Agreement (collectively, the "***Indebtedness***").

b. Debtor's payments of any Indebtedness will not discharge or diminish Guarantor's obligations and liability under this Agreement for any remaining or future Indebtedness.

c. Guarantor's obligations under this Agreement are primary obligations of Guarantor.

d. If more than one guarantor executes a guaranty in favor of Company that covers the same, or any portion of, the Indebtedness, Guarantor's obligations under this Agreement are joint and several with the other guarantors.

e. If Debtor fails to pay or perform any of the Indebtedness, Company may proceed first and directly against Guarantor without first (i) proceeding against Debtor or any other Guarantor; (ii) exhausting any other remedies that Company may have under Applicable Law; or (iii) taking possession of any collateral pledged as security for this Agreement. Guarantor's obligations under this Agreement are not subject to any counterclaim, recoupment, set-off, reduction, or defenses based on claims that Guarantor may have against Debtor.

f. If Debtor fails to pay the Indebtedness when due for any reason, Company may give written notice demanding payment and Guarantor shall have 5 days after receiving Company's written demand to pay the entire amount of the Indebtedness then due to Company in immediately available funds to Company at its address specified in the Agreement for giving notices to Company. Guarantor will breach this Agreement if the amount demanded by Company is not received within 5 days following Guarantor's receipt of Company's written demand. Company's written demand to Guarantor shall not modify the terms of the License Agreement.

g. This Guaranty shall not be affected, impaired, modified, waived or released due to the (i) invalidity or unenforceability of any provision of the License Agreement; (ii) the bankruptcy, reorganization, dissolution, liquidation or similar proceedings affecting Debtor; or (iii) and Event of Transfer by Debtor or other sale or disposition of Debtor's assets. Additionally, none of the following actions if taken by Company will affect, impair, modify, waive, reduce or release Company's rights or Guarantor's obligations or liabilities under this Agreement: (i) renew, extend or otherwise change the time or terms for Debtor's payment of the Indebtedness; (ii) extend or change the time or terms for performance by Debtor; (iii) amend, compromise, release, terminate, waive, surrender, or otherwise modify the License Agreement; (iv) release, terminate, exchange, surrender, sell or assign any collateral that Company has accepted to secure Debtor's payment or performance of the Indebtedness; (v) accept additional property or other security as collateral for any or all of the Indebtedness; (vi) fail or delay to enforce, assert or exercise any right, power, privilege or remedy conferred upon Company under the License Agreement or Applicable Law; (vii) consent to Debtor taking certain action or not objecting to Debtor taking certain action regarding the Indebtedness; or (viii) apply any payment received from Debtor or from any other source, other than Guarantor, to the Indebtedness in any order that Company elects, which Guarantor acknowledges Company may do under the. License Agreement.

h. Guarantor unconditionally waives to the fullest extent permitted by Applicable Law all notices that Applicable Law may require Company to give to Guarantor in order for Company to enforce its rights under this Agreement. Guarantor shall not exercise any right to subrogation, reimbursement or contribution against Debtor.

i. If Guarantor lends money to Debtor, Guarantor's right to repayment is subordinate to Debtor's obligations to Company.

Section 3. Duration of Guaranty. This Guaranty shall survive termination of the License Agreement.

Section 4. Guarantor's Covenants. While the License Agreement is in effect, Guarantor shall furnish Company with complete financial information of Guarantor, including tax returns, promptly following Company's request.

Section 5. Notices. All communications required or permitted to be given to either party under this Agreement shall be in writing. Notices to Company shall be given in the manner required by the License Agreement and notices to Guarantor shall be directed to the address below Guarantor's signature. Notices shall be deemed duly given on the earlier of (a) the date when delivered by hand; (b) one business day after delivery to a reputable national overnight delivery service; or (c) 4 business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. Either party may change its address for receiving notices by appropriate written notice to the other.

Section 6. Guarantor's Contact Information: Guarantor shall notify Company immediately of any changes in its contact information shown below its signature so that Company has current contact information for Guarantor for as long as this Agreement is in effect.

Section 7. Dispute Resolution. Nevada law will govern the construction, interpretation, validity and enforcement of this Agreement. Guarantor agrees to resolve any dispute with Company arising out of the interpretation or enforcement of this Agreement exclusively in the Civil Division, Las Vegas Justice Court or, if required to be removed to federal court, in the United States District Court located closest to Company's headquarters. As of the date of this Agreement, the parties acknowledge that the Civil Division, Las Vegas Justice Court, and the United States District Court of the District of Nevada are, respectively, the state and federal courts that are located closest to Company's headquarters; however, the parties further acknowledge that Company may relocate its headquarters in its sole discretion at any time without notice to Guarantor. The prevailing party in a dispute shall be entitled to recover against the other its reasonable attorneys' fees and court costs in addition to any other relief awarded by the court.

Section 8. Miscellaneous. This Guaranty shall bind Guarantor's representatives, heirs and successors and shall inure to the benefit of Company and its successors and assigns. Any waiver granted by Company to Guarantor must be in writing and will be effective upon Company's delivery of the writing to Guarantor or upon the specific effective date specified in the writing, and only to the extent specifically allowed in such writing. No waiver granted by Company shall limit Company's right to take action of any kind, or not to take action with respect to Guarantor. Any waiver granted by Company to Guarantor is without prejudice to any other rights Company may have. No delay on Company's part in exercising any right or remedy shall constitute a waiver by Company, and no partial exercise by Company of any right or remedy shall preclude Company from fully exercising the same or any other right or remedy. This Guaranty may only be amended by a written agreement executed by Company and Guarantor. Upon request, Guarantor agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to perform this Agreement.

* * *

IN WITNESS WHEREOF, Guarantor has caused this Agreement to be duly executed as of the date first written above.

Guarantor:

Date:_____ By:_____

Print Name:_____

Guarantor address and contact information:

_____

_____

_____

EXHIBIT F

SPOUSAL CONSENT

The undersigned is the spouse of _____,

☐ The party identified as "***Licensee***" in that certain License Agreement dated _____ ("***License Agreement***") by and between BC Licensing LLC ("***Company***") and Licensee.

☐ _____, a Guarantor who has entered into a Guaranty of the obligations of _____, the Licensee under that certain License Agreement ("***License Agreement***") by and between BC Licensing LLC ("***Company***") and Licensee.

I hereby give my consent to my spouse's execution of the License Agreement, Guaranty, or both, depending on the box or boxes that I have marked off, and I agree that the actions and the obligations undertaken by my spouse under the referenced contract(s) shall be binding on the marital community and any interest I may have in any rights awarded to my spouse.

I declare that I have had the opportunity to request a copy of, and fully and carefully read, the License Agreement, Guaranty, or both, depending on the box or boxes that I have marked off, and have furthermore had the opportunity to seek the advice of independent counsel with respect to this Consent.

Dated: _____

Signature of Spouse: _____

Print Name: _____

EXHIBIT G

ENTITY OWNERSHIP

Owner	Ownership Percentage

EXHIBIT D

DEVELOPMENT AGREEMENT

DEVELOPMENT AGREEMENT

BY AND BETWEEN

BC LICENSING LLC

AND

[_____]

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("***Development Agreement***") is made this _____ day of _____, 20__ ("***Effective Date***") by and between BC Licensing LLC, a Nevada limited liability company ("***Company***") and _____, formed in _____ ("***Developer***").

R E C I T A L S

A. Company awards franchises for the right to own and operate a fast casual restaurant that does business with the public using the Big Chicken trademarks (collectively, the "***Licensed Marks***") featuring freshly-prepared chicken sandwiches and chicken tenders along with an assortment of side dishes, salads, ice cream, and non-alcoholic and alcoholic beverages and following Company's comprehensive business methods (the "***System***"). In this Development Agreement, each Big Chicken restaurant is referred to interchangeably as a "***Licensed Business***" or "***Restaurant***."

B. Company grants to persons who are able to meet Company's qualifications and are willing to undertake the necessary investment and effort the right to develop and operate a mutually agreed-upon number of Licensed Businesses within a designated development territory subject to complying with specific minimum development obligations.

C. Developer represents that it (i) has the expertise, financial resources, local marketing knowledge and know-how to open and operate multiple Licensed Businesses at the same time in the market area identified in this Development Agreement as the "***Development Territory***," and (ii) is willing to invest the necessary capital, time and skill to meet the development commitments in this Development Agreement.

NOW, THEREFORE, the parties agree as follows:

I. DEFINITIONS.

If a capitalized term is not defined in this Development Agreement, it shall have the same meaning assigned in the License Agreement, and the parties hereby incorporate the applicable definitions in the License Agreement by reference. For purposes of incorporating License Agreement definitions as part of this Development Agreement, any references in the License Agreement to "Licensee" shall, in this Development Agreement, mean Developer. In addition, the parties adopt the following definitions for purposes of this Development Agreement:

A. "***Approved Location***" means any one of the particular business premises in the Development Territory approved by Company in writing for Developer's operation of a Licensed Business under a License Agreement.

B. "***Development Deadline***" is each specific date shown on Exhibit 1 by which Developer must open a Restaurant in the Development Obligation.

C. "***Development Obligation***" refers as the context requires both to (i) the total number of Restaurants that Developer agrees to open by the last Development Deadline, and (ii) the minimum number of Restaurants that must be open for business by each Development Deadline shown on Exhibit 1.

D. "***Development Term***" is the period beginning on Effective Date of this Development Agreement and expiring on the last Development Deadline shown on Exhibit 1, unless this Development Agreement is sooner terminated or the last Development Deadline is extended in accordance with the terms of this Development Agreement.

E. "***Development Territory***" is the geographic area identified on Exhibit 1 excluding all Non-traditional Venues in the Development Territory that exist now or come into existence after the Effective Date.

F. "***Effective Date***" is the date appearing on page 1 and is the first day of the Development Term.

G. "***License Agreement***" means Company's then-current form of License Agreement, the current form of which is attached as Exhibit 2.

H. "***Opening Date***" is the date on which a Licensed Business actually opens to the public for business.

II. DEVELOPMENT RIGHTS AND OBLIGATIONS.

A. Grant of Rights.

1. Subject to the terms and conditions of this Development Agreement including, without limitation, Company's reserved rights, Company hereby grants to Developer, and Developer hereby accepts, the right to develop, open and operate Restaurants in the Development Territory by the Development Deadlines shown on Exhibit 1 (the "***Development Quota***"). As a result, subject to Company's reserved rights and provided Developer is not in default under this Development Agreement, Company agrees not to directly or indirectly operate, or grant any other person the right to operate, a Restaurant in the Development Territory during the Development Term. Developer may own each Restaurant in the Development Territory through an Affiliate as long as Developer retains control over the day-to-day management of each Restaurant in the Development Territory.

2. For purposes of determining Developer's compliance with the Development Obligation, only Restaurants that are actually open to the public and operating for regular business will be counted as "open." Consistent with the terms of the License Agreement, a Restaurant's "***Opening Date***" is the date on which the Restaurant opens for full service to the public.

3. Concurrently upon execution of this Development Agreement, the parties shall sign the License Agreement for the first Restaurant in the Development Obligation.

a. Subject to the provisions of this Development Agreement, Company shall offer Developer a license for each additional Restaurant in the Development Obligation after Company issues a Site Approval Notice for a new site that Developer proposes for Restaurant pursuant to the site approval procedures described in the License Agreement.

b. The offer shall be made by presenting Developer with a License Agreement promptly following issuance of the Site Approval Notice, and Developer shall signify its acceptance of the offer by executing the License Agreement within the time required by this Development Agreement.

c. In conjunction with Developer's request for approval of a new site for another Restaurant in the Development Obligation, Company may require that Developer and each Guarantor provide Company with current financial statements, budgets and other information to demonstrate to Company's reasonable satisfaction that Developer has access to sufficient capital to complete the development and opening of the proposed new Restaurant without undue risk of impairment to Developer's ability to continue to support the operations of the other Restaurants, if any, that are then open or under development. Company may choose to disapprove a proposed site and not offer Developer a license for an additional Restaurant if, based on the financial and other information supplied by Developer, Company determines that Developer does not have access to sufficient capital to complete the development, opening and operation of the proposed new Restaurant without undue risk of impairment to Developer's ability to continue to fulfill its obligations with respect to Restaurants, if any, that are then open or under development.

4. After the Development Term expires or this Development Agreement is terminated, whichever occurs first, other than allowing Developer to relocate a Licensed Business under the conditions in the License Agreement, Company shall have no obligation to offer Developer any further development or licensing rights, rights of first negotiation or rights of first refusal, or approve Developer's request to replace a Licensed Business that Developer permanently closes for any reason.

5. If Developer satisfies the entire Development Quota by the last Development Deadline shown on Exhibit 1 and is not currently in material default under any License Agreement then in effect between the parties and has not been in material default under this Agreement or any License Agreement more than two (2) times during the Development Term, Developer may, at its option, and subject to its compliance with the provisions of this Section II, renew the Development Term for one (1) additional Development Term of five (5) years (the "***Renewal Development Term***") subject to the following conditions:

a. Developer must provide Company with written notice of its intent to exercise the option for the Renewal Development Term at least one (1) year before the expiration of the Development Term, but not earlier than eighteen (18) months before the expiration of the Development Term.

b. The parties will mutually establish the number of additional Restaurants to be developed during the Renewal Development Term along with the Development Deadlines for the additional Restaurants and will amend this Agreement to set forth the new Development Deadlines and Renewal Development Term. Upon execution of the amendment,

Developer will pay a new Development Fee, which will be calculated based on the number of additional Restaurants in accordance with this Agreement. The Renewal Development Term will expire on the last day of the last Development Deadline agreed upon by the parties. For each additional Restaurant that Company approves, the parties will sign Company's then-current form of License Agreement, which Developer acknowledges may contain terms that differ materially from the form of License Agreement attached as Exhibit 2.

c. If the parties cannot agree upon a new Development Schedule for the Renewal Development Term, Developer's exclusive rights in the Development Territory will terminate upon written notice from Company. Developer's failure to timely exercise an option for the Renewal Development Term, or the failure of the parties to reach agreement on the terms of development for the Renewal Development Term, will result in the immediate termination of this Agreement.

B. Limited Grant.

1. Company grants Developer no rights other than the rights expressly stated in this Development Agreement.

2. Nothing in this Development Agreement gives Developer the right to sublicense the use of the Licensed Marks or System to others.

3. Nothing in this Development Agreement gives Developer the right to object to Company's grant of franchises to others for locations outside of the Development Territory.

4. Nothing in this Development Agreement gives Developer an interest in Company or the right to participate in Company's business activities, investment or corporate opportunities.

C. Development Fee.

1. Upon execution of this Development Agreement, Developer shall pay to Company a development fee shown on Exhibit 1 (the aggregate sum is the "***Development Fee***").

2. The Development Fee shall be fully earned when paid regardless of the number of Restaurants that Developer in fact opens or the length of time each Restaurant continues in operation.

3. If Developer does not satisfy a Development Deadline or this Development Agreement otherwise terminates based upon Developer's material default before expiration of the Development Term, Developer shall have no right to recover from Company, directly or indirectly, any portion of the unused Development Fee, it being agreed that the execution of this Development Agreement by Company and Company's agreement to forego other development opportunities in the Development Territory while this Development Agreement is in effect is adequate consideration for Developer's payment of the Development Fee, which is fully earned by Company upon the parties' execution of this Development Agreement and is not refundable under any condition.

D. End of Development Rights Following Expiration or Termination. After the Development Term expires or this Development Agreement is terminated, whichever occurs first, Company shall have the complete and unrestricted right to open, and award licenses to third parties to open, Restaurants anywhere in the Development Territory as long as the new Restaurants are located outside of the Protected Area that Company has assigned to a Licensed Business that is then-operating or under construction (and, in the case of Licensed Businesses under construction, the Approved Location of the Licensed Business must already be approved and a Protected Area must be assigned to the Licensed Business before expiration or termination of this Development Agreement). Other than allowing Developer to relocate a Restaurant under the conditions in the License Agreement, after the Development Term expires or this Development Agreement is terminated, whichever occurs first, Company shall have no obligation to offer Developer any further development or licensing rights or approve Developer's request to replace a Restaurant that Developer permanently closes for any reason.

E. Development Territory.

1. Subject to the provisions of this Development Agreement, Company agrees not to open or operate, or grant others, including, without limitation, Company's Affiliates or unrelated persons, the right to open or operate, a Restaurant identified by the Licensed Marks anywhere in the Development Territory shown or described on Exhibit 1 excluding any Non-traditional Venue that now, or in the future, is in the Development Territory.

2. The designation of a Development Territory does not give Developer the right to object to Company's award of franchises to others for locations outside the Development Territory regardless of how close the other Restaurant may be located to the boundaries of the Development Territory.

3. Developer understands and agrees that the significance of designating a Development Territory is solely to indicate the geographic area within which Company will not open or operate or grant others the right to open or operate a Restaurant subject to the exclusions and reserved rights set forth in this Section. The designation of a Development Territory does not give Developer the exclusive right to (i) sell authorized goods or services to persons who reside or work in the Development Territory; (ii) use the Licensed Marks in the Development Territory; or (iii) market or advertise its Restaurants in media that circulates, broadcasts or otherwise is directed to or accessible by persons in the Development Territory.

4. The designation of a Development Territory is not a guaranty that Licensed Businesses operating in the Development Territory will achieve a minimum level of Gross Sales or be successful or profitable.

F. Company's Reserved Rights. Company reserves to itself and its Affiliates all rights that it does not award to Developer. Developer understands that its right to develop Restaurants in the Development Territory is subject to Company's reserved rights described in this Section. Without limiting the scope of Company's reserved rights, Company, on behalf of itself, Company's Affiliates and its or their other franchisees or licensees, may directly or indirectly engage in any of the following activities in or outside of the Development Territory without prior notice or compensation to or consent of Developer:

1. Use or authorize others to use all or parts of the System and exploit the Licensed Marks in any manner, method or channel of distribution. Company's reserved rights include without limitation the right to engage in any type of retail or wholesale channel of distribution in or outside the Development Territory whether the channel now exists or is developed in the future including the right to engage in Wholesale Sales. This includes, without limitation, offering or selling any items that are now, or in the future, identified as Designated Goods/Services through any retail or wholesale channel of distribution, including, without limitation, from (i) an Internet site, mail order catalogue, direct mail advertising; or (ii) any type of grocery, specialty, supermarkets, convenience stores and other type of food service businesses or other retail stores of any kind.

2. Open and operate any other type of restaurant or food service business in the Development Territory (i) as long as the restaurant or food service business operates under a name dissimilar to the Licensed Marks, and (ii) does not sell chicken sandwiches or chicken tenders as its primary menu item (whether sold in a fresh, frozen or ready-to-bake state or at a restaurant, non-restaurant retail store or through wholesale sales or distribution).

3. Acquire restaurant properties in the Development Territory as part of, and contemporaneous with, the acquisition of a chain of at least three or more restaurants regardless of their location (whether within or outside of the Development Territory) if, at the time of the acquisition, all restaurants in the chain do business under a trade name other than the Licensed Marks. Following the acquisition, Company may convert any or all of the restaurant properties in the Development Territory to a Restaurant or permit any of Company's Affiliates, the then-current owner of the restaurant, or any other third party to operate the restaurant properties in the Development Territory as a Restaurant under a franchise license from Company. Company is not obligated to offer Developer the right to operate the former chain locations in the Development Territory as a Restaurant under a franchise license from Company.

4. Operate or license others to operate a Restaurant in a Non-traditional Venue in the Development Territory.

5. Purchase or be purchased by, or merge or combine with, competing businesses wherever located.

G. Development Agreement Not a Franchise. Developer acknowledges that this Development Agreement does not constitute a franchise and does not grant Developer any right to use the Licensed Marks or the System, and that Developer's right to use the Licensed Marks and System is derived solely from each License Agreement that may be entered into pursuant to this Development Agreement.

III. DEVELOPMENT OBLIGATIONS.

A. Development Obligation; Development Deadlines.

1. This Development Agreement awards Developer the right to open no more than the number of Restaurants in the Development Obligation by the last day of the Development Term. While Developer may exceed the number of Restaurants that must be opened and operating by each Development Deadline, the Development Obligation is not a minimum obligation, but

expresses the maximum number of Restaurants that Developer may open during the Development Term.

2. The Development Obligation will not be reduced if Developer decides to close a previously opened Restaurant before the end of the Development Term for any reason including events of Force Majeure. Consequently, if a Restaurant closes before the end of the Development Term that previously has been credited to the Development Obligation, Developer may be in jeopardy of not satisfying the Development Obligation by the next Development Deadline or may be in breach of this Development Agreement. Developer accepts all risks of closures.

3. Developer is solely responsible for planning its development activities to allow sufficient time to complete the entire site approval, document execution and build-out process in order to open each Licensed Business in the Development Obligation by no later than each Development Deadline shown on Exhibit 1.

B. If Developer does not satisfy a Development Quota by the applicable Development Deadline, Company may terminate this Agreement immediately upon written notice to Developer unless Developer agrees to pay a fee of $10,000 (the "***Extension Fee***"). Upon receipt of the Extension Fee, the Company shall extend the applicable Development Deadline by up to ninety (90) days. Developer may only extend a Development Deadline for a period of up to ninety (90) days no more than two (2) times (in the aggregate and not on a per location basis) in exchange for payment to Company in the sum of $10,000 for each such extension pursuant.

C. Selection of Approved Location. Each Restaurant shall be located in the Development Territory at an Approved Location with Developer obtaining Company's approval of the proposed site pursuant to the site selection procedures in the License Agreement, and the parties incorporate those procedures into this Development Agreement by this reference. Company will assign the Approved Location a Protected Area in accordance with the procedures and conditions in the License Agreement.

D. Lease and Addendum to Lease. Developer must deliver to Company a true and correct copy of the fully executed Lease and Addendum to Lease for the Restaurant at the Approved Location immediately after Developer and the landlord execute them. The Addendum to Lease must be in the form required by Company.

E. Execution of License Agreement.

1. Following Company's approval of the Approved Location, Company will promptly send Developer a copy of the License Agreement for execution which will identify the street address of the Restaurant at the Approved Location and describe the Protected Area that Company will assign to the Licensed Business if required by the License Agreement. Developer shall have 30 days after receiving the License Agreement in which to deliver a properly executed License Agreement together with payment in full of the balance of the Initial Franchise Fee for the particular Licensed Business as provided in this Development Agreement. The Effective Date of the License Agreement shall be the date that the License Agreement is countersigned by Company. Developer's failure to execute and deliver the License Agreement within 30 days after Company

delivers them to Developer for execution shall be deemed a material breach of this Development Agreement and grounds for its termination.

2. Developer may not begin construction and build-out of the Restaurant at the Approved Location before executing the License Agreement.

3. Once the parties execute a License Agreement for an approved site, the parties' relationship and mutual rights and obligations as to the construction, development, ownership and operation of Restaurant at that site shall be exclusively governed by the License Agreement.

4. The License Agreement Term shall begin on the Effective Date of the License Agreement and expire 10 years after the Opening Date unless the License Agreement is sooner terminated or renewed in accordance with the requirements in the License Agreement.

F. Force Majeure. If an event of Force Majeure materially threatens or prevents Developer from meeting a Development Obligation by the applicable Development Deadline, Company shall extend the remaining Development Deadlines for an amount of time that Company believes is reasonable under the circumstances given the nature of the event of Force Majeure. Alternatively, in Company's discretion, Company may reduce the aggregate Development Obligation.

IV. FULL TIME AND ATTENTION.

Developer shall devote sufficient time and attention and shall additionally devote its best efforts to the development obligations created by this Development Agreement.

V. DEFAULT AND TERMINATION OF DEVELOPMENT AGREEMENT.

A. Events Resulting in Termination by Company.

1. Company may terminate this Development Agreement, in its discretion and election, effective immediately upon Company's delivery of written notice of termination to Developer based upon the occurrence of any of the following events which shall be specified in Company's written notice, and Developer shall have no opportunity to cure a termination based on any of the following events:

a. Should Developer fail to satisfy any Development Obligation by the applicable Development Deadline;

b. Should Developer fail or refuse to pay, on or before the date payment is due, the balance of the Initial Franchise Fee that is payable when Developer executes a License Agreement and should the default continue for a period of 10 days after written notice of default is given by Company to Developer;

c. Should Developer make any general arrangement or assignment for the benefit of creditors or become a debtor as that term is defined in 11 U.S.C. § 1101 or any successor statute, unless, in the case where a petition is filed against Developer, Developer obtains

an order dismissing the proceeding within 60 days after the petition is filed; or should a trustee or receiver be appointed to take possession of all, or substantially all, of the assets of the Licensed Business, unless possession of the assets is restored to Developer within 60 days following the appointment; or should all, or substantially all, of the assets of the Licensed Business or the franchise rights be subject to an order of attachment, execution or other judicial seizure, unless the order or seizure is discharged within 60 days following issuance;

d. Should Developer, or any duly authorized representative of Developer, make a material misrepresentation or omission in obtaining the development rights granted by this Development Agreement, or should Developer, or any officer, director, owner, managing member, or general partner of Developer, be convicted of or plead no contest to a felony charge or engage in any conduct or practice that, in Company's reasonable opinion, reflects unfavorably upon or is detrimental or harmful to the good name, goodwill or reputation of Company or to the business, reputation or goodwill of the System or the Licensed Marks;

e. Should Company terminate any License Agreement between Developer and Company in accordance with its provisions based on a material breach of the License Agreement by Developer even if, after the termination, the number of operating Restaurants in the Development Territory remains equal to or greater than the Development Obligation at that time;

f. Should Developer fail to comply with the conditions governing the transfer of rights under this Development Agreement in connection with an Event of Transfer;

g. If Developer is a Business Entity, should an order be made or resolution passed for the winding-up or the liquidation of Developer or should Developer adopt or take any action for its dissolution or liquidation;

h. Should Developer fail to comply with Applicable Law within ten (10) days after being notified of non-compliance;

i. Should Developer violate any covenant in the License Agreement pertaining to use of Confidential Information;

j. Should Developer materially misuse or make an unauthorized use of any of the components of the System or commit any other act which does, or can reasonably be expected, in the exercise of Company's reasonable business judgment to impair the goodwill or reputation associated with any aspect of the System;

k. After curing any default under this Development Agreement, should Developer engage in the same noncompliance, whether or not the subsequent default is timely corrected after notice is delivered to Developer, or, alternatively, if on three or more occasions within any 24 consecutive months during the Development Term, should Developer fail to comply with one or more requirements of this Development Agreement whether or not each separate default (which need not be the same act of noncompliance) is timely corrected after notice is delivered to Developer; or

l. Should Developer fail to comply with any other provision of this Development Agreement and not correct the default within 30 days after Company gives Developer written notice of the default specifying the action that Developer must take to cure the default.

B. Event Resulting in Termination by Developer.

1. Developer may terminate this Development Agreement, in its discretion and election, effective immediately upon Developer's delivery of written notice of termination to Company should Company fail to comply with any provision of this Development Agreement and not correct the default within 30 days after Developer gives Company written notice of the default specifying the action that Company must take to cure the default.

C. Effect of Termination or Expiration of Agreement.

1. Upon termination or expiration of this Development Agreement, each License Agreement then in effect by and between Developer and Company pertaining to a Restaurant owned by Developer shall remain in full force and effect, unless, in the case of termination, the grounds upon which termination of this Development Agreement is predicated also constitute grounds permitting Company to terminate the License Agreement and Company has duly terminated the License Agreement in accordance with its terms. For a period of 2 years after expiration or termination of the last License Agreement between Developer and Company, it shall be a breach of this Agreement for Developer, Developer's Affiliates or any Covered Person, directly or indirectly, to own (either beneficially or of record), engage in or render services to, either as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business (*i.e.,* any other type of restaurant or food service business that sells chicken sandwiches or chicken tenders as its primary menu item (whether sold in a fresh, frozen or ready-to-bake state or at a restaurant, non-restaurant retail store or through wholesale sales or distribution)) that is located anywhere within the Development Territory or within 5 miles of the Restaurant at the Approved Location or any other Big Chicken Restaurant anywhere in the world that is open for business on or after the Effective Date of Termination or Expiration of this Agreement or the effective date of an Event of Transfer; provided, however, the restrictions stated in this paragraph shall not apply to any Covered Person for longer than 2 years from the date that the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Developer.

2. Upon either (i) the termination of this Development Agreement before the last day of the Development Term, or (ii) the expiration of the Development Term, Developer shall have no further right to develop additional Restaurants in the Development Territory, nor shall Developer have any right to prevent Company, or others, from owning and operating, or granting licenses to others to own and operate, Restaurants in the Development Territory outside of the Protected Area identified in any License Agreement that remains in effect between Company and Developer.

3. In the event of a breach or a threatened or attempted breach of any of the provisions of this Development Agreement, Company shall be entitled to exercise all remedies available under Applicable Law in addition to the remedies set forth in this Development Agreement, including, without limitation, to Provisional Remedies without the requirement that Company post bond or comparable security.

4. In any proceeding in which the validity of termination of this Development Agreement is at issue, Company shall not be limited to the reasons set forth in any notice of termination or default given to Developer;

5. Developer shall immediately cease using and return to Company any and all documents and confidential or proprietary materials provided to Developer pursuant to this Development Agreement, and shall retain no copy or record of any of the foregoing unless use of the materials is expressly authorized by the License Agreement. Continued use by Developer of any copyrighted material shall constitute willful copyright infringement and unfair competition by Developer; and

6. Developer shall execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company and its officers, directors, shareholders, employees and agents.

VI. EVENT OF TRANSFER.

A. Assignment or Delegation of Duties by Company.

1. Developer acknowledges that Company maintains a staff to manage and operate the System and that staff members can change from time to time. Developer represents that it has not signed this Development Agreement in reliance on any shareholder, director, officer, or employee remaining with Company in that capacity. Company is free to transfer and assign all of its rights under this Development Agreement to any person or Business Entity without prior notice to, or consent of, Developer if the assignee agrees in writing to assume Company's obligations under this Development Agreement. Upon the assignment and assumption, Company shall have no further obligation to Developer.

2. In addition to Company's right to assign this Development Agreement, Company has the absolute right to delegate performance of any portion or all of its obligations under this Development Agreement to any third-party designee of its own choosing, whether the designee is Company's Affiliate, agent or independent contractor. In the event of a delegation of duties, the third-party designee shall perform the delegated functions in compliance with this Development Agreement. When Company delegates its duties to a third party (in contrast to when Company transfers and assigns all of its rights under this Development Agreement to a third party that assumes Company's obligations), Company shall remain responsible for the performance of the third party to whom Company's duties are delegated.

B. Assignment by Developer.

1. Developer may not complete, or attempt to complete, an Event of Transfer of this Development Agreement that purports to subdivide the Development Territory or sublicense or assign part of Developer's right, title and interest under this Development Agreement and not Developer's entire right, title and interest.

2. Developer understands and agrees that the franchise rights awarded by this Development Agreement are personal and are awarded in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Developer and, if Developer is a Business Entity, that of its officers, directors, owners, LLC managing members, trustees, partners and Guarantors.

3. The parties hereby incorporate by reference the definitions, terms and conditions in the License Agreement that apply to an Event of Transfer with respect to Developer's desire to complete an Event of Transfer of or under this Development Agreement with the understanding that references in the License Agreement to "Licensee" shall mean Developer. The parties agree to be bound by the definitions, procedures, terms and conditions with respect to any Event of Transfer that Developer wishes to complete or attempts to complete including, without limitation, the provisions pertaining to Company's right of first refusal and the additional conditions that apply to an Event of Transfer under the following circumstances: (i) Developer's assignment of its rights under this Development Agreement to a third party; (ii) an Event of Transfer of this Development Agreement to a Business Entity; (iii) Qualified Transfers; and (iv) an Event of Transfer arising due to death or Incapacity.

4. If Company approves an Event of Transfer of this Development Agreement, the proposed transferee must assume Developer's obligations under this Development Agreement for a period equal to the remaining Development Term and pay a transfer fee of $20,000.

5. Additionally, the parties agree that Company may condition its approval of an Event of Transfer of or under this Development Agreement to Developer selling, and the proposed buyer agreeing to purchase, the assets of at least one of Developer's Restaurants in the Development Territory and satisfying the separate conditions applicable to an Event of Transfer under the License Agreement for that Restaurant.

VII. RELATIONSHIP OF PARTIES; INDEMNIFICATION.

A. Independent Contractor. This Development Agreement does not create a fiduciary relationship between the parties, nor does it make either party a general or special agent, joint venturer, partner or employee of the other for any purpose. With respect to all matters, the Developer relationship to Company is as an independent contractor. Developer acknowledges that it is the independent owner of the rights granted by this Development Agreement and shall conduct its business using its own judgment and discretion, subject only to the provisions of this Development Agreement. Developer shall conspicuously identify itself in all advertising and all dealings with guests, suppliers and other third parties as the owner of the Licensed Business operating under a license from Company.

B. Indemnification by Developer.

1. Developer shall indemnify and hold Company, Company's Affiliates and their respective officers, directors, shareholders, employees, agents, successors and assigns, harmless from and against any and all costs, expenses, losses, fines, penalties, liabilities, damages, causes of action, claims and demands whatsoever, arising from or relating to Developer's activities conducted pursuant to this Development Agreement, whether or not arising from bodily injury, personal injury or property damage, infringement (other than Third Party Claims within the scope of Company's agreement to indemnify Developer as set forth in his Agreement), or any other violation of the rights of others, or in any other way, subject to the provisions of this Development Agreement.

2. Company shall have the right to retain its own counsel to defend any third-party claim asserted against it that is covered by this indemnification agreement.

3. Developer's indemnification and defense obligations shall survive the expiration, termination or assignment of this Development Agreement for any reason.

4. Developer's indemnification obligations shall extend, without limitation, to (i) all claims for actual, consequential and punitive damages; (ii) claims for lost profits; (iii) costs of investigation; (iv) costs and expenses incurred in defending any claim within the scope of Developer's indemnification including, without limitation attorneys and other professional fees, court costs, and travel and living expenses necessitated by the need or desire to appear before (or witness the proceedings of) courts or tribunals (including arbitration tribunals), or government or quasi-governmental entities (including those incurred by Company's attorneys, experts and advisors); (v) costs and expenses for any recalls, refunds, compensation or public notices; (vi) claims based on alleged "vicarious," "principal/agent," "joint employer," or other legal theories as a result of Company's status as franchisor; and (vii) costs and expenses that Company or any of the indemnified parties incur as a result of any litigation or insolvency proceedings involving Developer (whether or not Developer is a party in the proceeding).

5. The scope of Developer's indemnification obligations shall apply regardless of whether a claim brought against Company, Company's Affiliates or any of the indemnified individuals is reduced to final judgment or results in settlement. The indemnified parties shall have the right to retain their own counsel to defend any third-party claim that is covered by this indemnification agreement. The scope of Developer's indemnification obligations shall not be limited by decisions that an indemnified party makes in connection with their defense.

6. If a final judgment results in a finding that an indemnified party's liability is due to the indemnified party's gross negligence, willful misconduct or criminal acts, any costs or expenses paid or incurred by Developer pursuant to Developer's indemnification obligation shall promptly be reimbursed in full by the indemnified party to Developer except to the extent that the final judgment finds Developer jointly liable, in which event Developer's indemnification obligation will extend to any finding of Developer's comparative or contributory negligence.

7. Developer shall give Company written notice of any claim, matter, inquiry or investigation that could be the basis for a claim for indemnification promptly after Developer has actual knowledge or is deemed to have constructive knowledge of the claim, matter, inquiry or investigation. Developer shall fully cooperate with Company in connection with Company's handling of the claim, matter, inquiry or investigation. Company shall have no duty to seek recovery from third parties to mitigate its losses or reduce Developer's liability under its indemnification obligation.

8. Developer's indemnification obligations shall survive the expiration, termination or assignment of this Development Agreement for any reason.

C. Security Interest. To secure Developer's performance under this Development Agreement, Developer hereby grants to Company a security interest in and to Developer's contract rights under this Development Agreement, and Company shall record appropriate financing statements to protect and perfect Company's rights as a secured party under Applicable Law. Except with Company's prior written consent, which Company shall not unreasonably withhold, it shall be a breach of this Development Agreement for Developer to grant another person a security interest in Developer's contract rights as a Developer even if subordinate to Company's security interest. Company agrees to subordinate Company's own security interest if requested by a lender providing financing to Developer on commercially reasonable terms in connection with the purchase of the franchise.

VIII. GUARANTY.

A. Scope. Each person or entity who is or becomes a Guarantor (as that term is defined in the License Agreement) anytime during the Development Term shall furnish any financial information reasonably required by Company and execute Company's form of guaranty attached to the License Agreement.

B. Default. An event of default under this Development Agreement shall occur if any guarantor fails or refuses to deliver to Company, within 10 days after Company's written request: (i) evidence of the due execution of the Guaranty, and (ii) current financial statements of guarantor as may from time to time be requested by Company.

IX. DISPUTE RESOLUTION.

Section XXIII of the License Agreement, entitled "Dispute Resolution," is incorporated by reference in this Development Agreement and will govern all aspects of this Development Agreement and Developer and Company's relationship as if fully restated within the text of this Development Agreement.

X. REPRESENTATIONS BY DEVELOPER.

Developer understands and agrees and represents to Company, to induce Company to enter into this Development Agreement, that:

A. Acceptance of Conditions. Developer has read this Development Agreement and Company's Franchise Disclosure Document and understands and accepts the terms, conditions and covenants contained in this Development Agreement as being reasonably necessary to maintain Company's standards of service and quality and to protect and preserve Company's rights in the System and the goodwill of the Licensed Marks.

B. Independent Investigation. Developer has conducted an independent investigation of the business contemplated by this Development Agreement. Developer recognizes that the System may evolve and change over time and that Company may impose changes to the System that Company believes, in its sole discretion, will benefit Restaurants generally and strengthen consumer awareness of, and confidence in, the Licensed Marks. Developer is aware that Company cannot predict the nature of future changes to the System or the amount of Developer's future investment to adopt future changes.

C. No Representations; Status of Developer. By executing this Development Agreement, Developer represents and warrants that:

1. No person acting on Company's behalf has made any representations or promises to Developer that are not contained in this Development Agreement, including, without limitation, representations or promises about actual or potential sales, earnings, gross profits or net profits that Developer can expect to earn. No representations have been made by Company, Company's Affiliates or their respective officers, directors, shareholders, employees or agents that are contrary to statements made in the Franchise Disclosure Document previously received by Developer or to the terms contained in this Development Agreement.

2. Neither the assets of each person executing this Development Agreement as, or on behalf of, Developer, nor the assets of each Guarantor are currently subject to being blocked under any Anti-Terrorism Laws. Furthermore, Developer is not otherwise in violation of Applicable Law including, without limitation, Anti-Terrorism Laws. Additionally, Developer agrees to comply with and assist Company to the fullest extent possible in Company's efforts to comply with Anti-Terrorism Laws. Any violation of, or "blocking" of assets under, any Anti-Terrorism Laws shall constitute a material breach of this Development Agreement and grounds for immediate termination without an opportunity to cure.

3. If Developer is a Business Entity, Developer understands that it is a material obligation of this Development Agreement that it remain duly organized and in good standing for as long as this Development Agreement is in effect and it owns the franchise rights. Additionally, Developer shall promptly provide Company with a copy of any amendments to, or changes in, the documents or other information during the Development Term. Developer shall also promptly provide Company with a list of all stockholders, partners, investors, and any other equity owners of Developer, including all equity owners who own or hold a direct or indirect interest in

Developer, along with a description of the nature of their interest, in substantially the form attached hereto as Exhibit 4.

4. All financial and other information provided to Company in connection with Developer's application is true and correct, and no material information or fact has been omitted which is necessary in order to make the information disclosed not misleading.

XI. MISCELLANEOUS.

A. Notices.

1. All communications required or permitted to be given to either party hereunder shall be in writing and shall be deemed duly given if property addressed on the earlier of (i) the date when delivered by hand; (ii) the date when delivered by e-mail if confirmation of transmission is received or can be established by the sender; (iii) one Business Day after delivery to a reputable national overnight delivery service; or (iv) 5 days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. A "***Business Day***" means weekdays only, excluding Saturdays, Sundays and holidays. Notices shall be directed to the address shown in the License Agreement's Exhibit C for the party and its representative. Either party may change its address for receiving notices by giving appropriate written notice to the other. All communications required or permitted to be given by a party in writing may be given electronically to the party's designated e-mail address in the License Agreement's Exhibit C or as subsequently changed by appropriate written notice.

2. All payments required to be delivered to Company shall be directed to Company at the above address or to an electronic address or account otherwise designated by Company. Notwithstanding the parties' agreement regarding when notices shall be deemed to be given, any required payment or report not actually received by Company on the date it is due shall be deemed delinquent.

B. Time of the Essence. Time is of the essence of this Development Agreement with respect to each and every provision of this Development Agreement in which time is a factor.

C. Waiver. Any waiver granted by Company to Developer excusing or reducing any obligation or restriction imposed under this Development Agreement shall be in writing and shall be effective upon delivery of such writing by Company to Developer or upon such other effective date as specified in the writing, and only to the extent specifically allowed in such writing. No waiver granted by Company, and no action taken by Company, with respect to any third party shall limit Company's right to take action of any kind, or not to take action, with respect to Developer. Any waiver granted by Company to Developer shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative. No delay on the part of Company in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Company of any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy. Company's acceptance of any payments made by Developer after a breach of this Development Agreement shall not be, nor be construed as, a waiver by Company of any breach by Developer of any term, covenant or condition of this Development Agreement.

D. Section Headings: Language. The Section headings used in this Development Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Development Agreement. The language used in this Development Agreement shall in all cases be construed simply according to its fair meaning and not strictly for or against Company or Developer. The term "***Licensee***" as used herein is applicable to one or more persons or Business Entities if the interest of Developer is owned by more than one, and the singular usage includes the plural, and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time the Developer hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Company shall be joint and several. Nothing in this Development Agreement is intended, nor shall it be deemed, to confer any rights or remedies upon any person or Business Entity not a party hereto.

E. Binding on Successors. The covenants, agreements, terms and conditions contained in this Development Agreement shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the parties hereto.

F. Validity; Conformity with Applicable Law. Wherever possible, each provision of this Development Agreement shall be interpreted in such manner as to be valid under Applicable Law, but if any provision of this Development Agreement shall be invalid or prohibited under Applicable Law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Development Agreement. If the provisions of this Development Agreement provide for periods of notice less than those required by Applicable Law, or provide for termination, cancellation, non-renewal or the like other than in accordance with Applicable Law, such provisions shall be deemed to be automatically amended to conform them to the provisions of Applicable Law. If any provision of this Development Agreement is deemed unenforceable by virtue of its scope in terms of geographic area, business activity prohibited or length of time, but could be enforceable by reducing any or all thereof, the provision may be modified by a mediator or court so that it may be enforced to the fullest extent permissible under the choice of law adopted by this Development Agreement or other Applicable Law.

G. Amendments. No amendment, change, modification or variance to or from the terms and conditions set forth in this Development Agreement shall be binding on any party unless it is set forth in writing and duly executed by Company and Developer.

H. Withholding of Consent; Company's Business Judgment.

1. Except where this Development Agreement expressly requires Company to exercise its reasonable business judgment in deciding to grant or deny approval of any action or request by Developer, Company has the absolute right to refuse any request by Developer or to withhold its approval of any action by Developer in Company's sole discretion. Further, whenever the prior consent or approval of Company is required by this Development Agreement, Company's consent or approval must be evidenced by a writing signed by Company's duly authorized representative unless this Development Agreement expressly states otherwise.

2. The parties recognize, and any mediator or judge is affirmatively advised, that certain provisions of this Development Agreement describe the right of Company to take (or refrain from taking) certain actions in its sole discretion and other actions in the exercise of its reasonable business judgment. Where this Development Agreement expressly requires that Company make a decision based upon Company's reasonable business judgment, Company is required to evaluate the overall best interests of all Restaurants and Company's own business interests. If Company makes a decision based upon its reasonable business judgment, neither a mediator nor a judge shall substitute his or her judgment for the judgment so exercised by Company. The fact that a mediator or judge might reach a different decision than the one made by Company is not a basis for finding that Company made its decision without the exercise of reasonable business judgment. Company's duty to exercise reasonable business judgment in making certain decisions does not restrict or limit Company's right under this Development Agreement to make other decisions based entirely on Company's sole discretion as permitted by this Development Agreement. Company's sole discretion means that Company may consider any set of facts or circumstances that it deems relevant in rendering a decision.

I. Complete Agreement. This Development Agreement, including all exhibits attached hereto, and all agreements or documents which by the provisions of this Development Agreement are expressly incorporated herein or made a part hereof, sets forth the entire agreement between the parties, fully superseding any and all prior agreements or understandings between them pertaining to the subject matter hereof. However, nothing in this Development Agreement or any related agreement is intended to disclaim the Company's representations made in the Franchise Disclosure Document.

J. Force Majeure.

1. Neither party is responsible for any failure to perform its obligations under this Development Agreement if its performance is prevented or delayed due to an event of Force Majeure. Upon completion of the event of Force Majeure, the party whose performance is affected must as soon as reasonably practicable recommence the performance of its obligations under this Development Agreement. Furthermore, the party whose performance is prevented or delayed shall use its reasonable efforts to mitigate the effect of the event of Force Majeure on its performance.

2. An event of Force Majeure does not relieve a party or a Guarantor from liability for an obligation that arose before the onset of the event of Force Majeure, nor does an event of Force Majeure affect the obligation to pay money in a timely manner for an obligation that arose before the onset of the event of Force Majeure.

3. When an event of Force Majeure occurs before the expiration of the Development Term, Developer may apply to Company for a reasonable extension of time in which to perform its remaining duties under this Development Agreement. Company agrees to extend the Development Term and each of the then-remaining Development Deadlines for a reasonable period of time that is equivalent to the period of Force Majeure during which Developer has been prevented from performing its duties. Company shall notify Developer of the new expiration date of the Development Term and each remaining Development Deadline in writing, and the writing shall operate as an amendment of this Development Agreement.

K. Covenant and Condition. Each provision of this Development Agreement performable by Developer shall be construed to be both a covenant and a condition.

L. Consent of Spouse. If Developer enters into this Development Agreement in their individual capacity, Developer's spouse shall execute a Consent of Spouse in the form of Exhibit 3. The spouse of any personal Guarantor shall also execute a Consent of Spouse in the form of Exhibit 3.

M. Submission of Agreement. The submission of this Development Agreement to Developer does not constitute an offer to Developer, and this Development Agreement shall become effective only upon execution by Company and Developer.

N. Further Assurances. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Development Agreement.

O. Survival. All obligations in this Development Agreement that expressly, or by their nature, survive the expiration or termination of this Development Agreement shall continue in full force and effect after expiration or termination.

P. Counterparts. This Development Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

Q. Electronic Signatures. The parties accept the use of an electronic signature in lieu of a manual signature and agree that an electronic signature will be binding on a party to the same extent as if the party signed this Development Agreement manually.

R. Confidentiality and Public Announcements. In addition to the provisions in this Development Agreement and the License Agreement regarding Confidential Information, the parties agree that no public announcement or any other disclosure regarding the existence or terms of this Agreement, the names or any other identifying information regarding the parties or any individual member or owner of a party, or the nature of the parties' negotiations shall be disclosed in any way or made public unless the other party gives its prior written consent or if disclosure is required by Applicable Law.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Development Agreement as of its Effective Date.

Company:

BC Licensing LLC
a Nevada Limited Liability Company

By: _____

Name: _____

Title: _____

Developer:

Entity Name: _____
State of Organization: _____

By: _____

Name: _____

Title: _____

EXHIBIT 1

**DEVELOPMENT TERRITORY,
DEVELOPMENT OBLIGATION AND DEVELOPMENT DEADLINES, AND
DEVELOPMENT FEE**

1. DEVELOPMENT TERRITORY.

The Development Territory consists of the geographic area which is described below and/or shown in the map attached to this Exhibit 1:

_____

_____

_____

2. DEVELOPMENT OBLIGATION AND DEVELOPMENT DEADLINES.

By each Development Deadline in **Column A**, Developer shall (i) open no fewer than the number of Licensed Businesses in the Development Obligation shown in **Column B**; and (ii) have in operation no fewer than the number of Licensed Businesses shown in **Column C**. On the last day of the Development Term, Developer must have open and operating the number of Licensed Businesses in the Development Obligation.

A.	B.	C.
Development Deadline:	**Development Obligation:** **Number of Licensed Businesses That Must Be Open and Operating**	**Aggregate Development Obligation** **Aggregate Number of Licensed Businesses That Must be Open and Operating as of each Development Deadline in Column A**

[Add additional rows if needed]

3. DEVELOPMENT FEE.

As consideration for the development rights we grant you in this Development Agreement, you must pay us, at the same time you sign this Development Agreement, a total of $_____ (the "***Development Fee***"), which equals (a) the $40,000 initial franchise fee due under the License Agreement plus (b) a deposit of $20,000 per Big Chicken Restaurant for the second and each additional Big Chicken Restaurant you agree to develop under this Development Agreement. Our initial franchise fee for the first and each additional Big Chicken Restaurant you develop pursuant to this Development Agreement is $40,000.

While the Development Fee is not refundable under any circumstances, when you (or your Affiliate) sign the License Agreement for the second and each additional Big Chicken Restaurant to be developed, we will apply $20,000 of the Development Fee toward the initial franchise fee due for that Big Chicken Restaurant (leaving a balance due of $20,000).

* * *

EXHIBIT 2

LICENSE AGREEMENT

EXHIBIT 3

SPOUSAL CONSENT

The undersigned is the spouse of _____,

☐ The party identified as "***Developer***" in that certain Development Agreement dated _____ ("***Development Agreement***") by and between BC Licensing LLC ("***Company***") and Developer.

☐ _____, a Guarantor who has entered into a Guaranty of the obligations of _____, the Developer under that certain Development Agreement ("***Development Agreement***") by and between BC Licensing LLC ("***Company***") and Developer.

I hereby give my consent to my spouse's execution of the Development Agreement, Guaranty, or both, depending on the box or boxes that I have marked off, and I agree that the actions and the obligations undertaken by my spouse under the referenced contract(s) shall be binding on the marital community and any interest I may have in any rights awarded to my spouse.

I declare that I have had the opportunity to request a copy of, and fully and carefully read, the Development Agreement, Guaranty, or both, depending on the box or boxes that I have marked off, and have furthermore had the opportunity to seek the advice of independent counsel with respect to this Consent.

Dated: _____

Signature of Spouse: _____

Print Name: _____

EXHIBIT 4

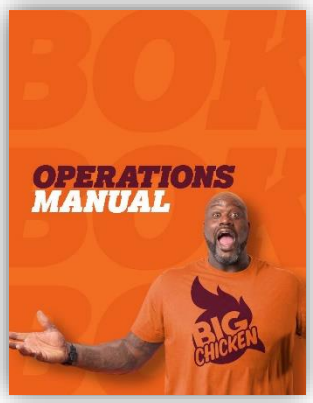
ENTITY OWNERSHIP

Owner	Ownership Percentage

EXHIBIT E

CONFIDENTIAL MANUAL TABLE OF CONTENTS

BIG CHICKEN MANUALS & TRAINING PROGRAMS

OPERATIONS MANUAL	SECTIONS	189 pages
	• Brand Standards • Quality Assurance • Raw Ingredients • Prepared Ingredients • Menu Build	

DESIGN GUIDE	SECTIONS	201 pages
Under Construction	• Accessories • Contact List • Doors & Hardware • Electronics • Finishes • Furnishings • Graphics & Signage • Kitchen Equipment • Lighting • Plumbing • Prototypes • Spec Sheets • Uniforms – Retail • Utilities	

NEW RESTAURANT OPENING GUIDE	SECTIONS	10 pages
Under Construction	• Master Calendar • Weekly Checklists by Task • Weekly Checklists by Discipline • Meeting Agendas • SOPs	

BIG CHICKEN MANUALS & TRAINING PROGRAMS

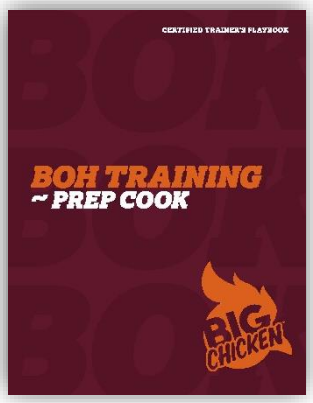
TEAM MEMBER TRAINING PROGRAMS	MATERIALS	65 pages

DINING ROOM ATTENDANT (DRA)

- Certified Trainer's Playbook
- Trainee's Guide
- Job Aids
- Knowledge Checks
- Performance Evaluations

BOH ~ LINE COOK

- Certified Trainer's Playbook
- Trainee's Guide
- Job Aids
- Logs
- Knowledge Checks
- Performance Evaluations



BOH ~ PREP COOK

- Certified Trainer's Playbook
- Trainee's Guide
- Job Aids
- Logs
- Knowledge Checks
- Performance Evaluations

SAFETY & FOOD SAFETY TRAINING PROGRAMS	MATERIALS	37 pages

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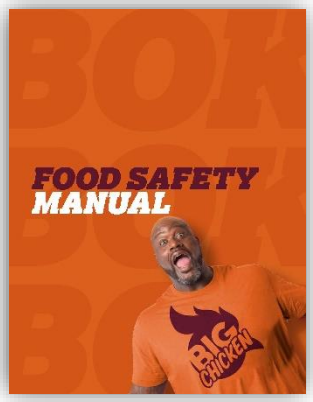
- 8 Modules
  - First Aid
  - Ladder Safety
  - Lifting Safely
  - Preventing Burns
  - Preventing Cuts
  - Preventing Electric Shock
  - Preventing Fires
  - Preventing Slips, Trips & Falls



FOOD SAFETY TRAINING

- Certified Trainer's Guide
- Trainee's Guide
- Training Manual

BIG CHICKEN MANUALS & TRAINING PROGRAMS

MANAGEMENT TRAINING PROGRAMS	MATERIALS	30 pages

SHIFT LEADER TRAINING

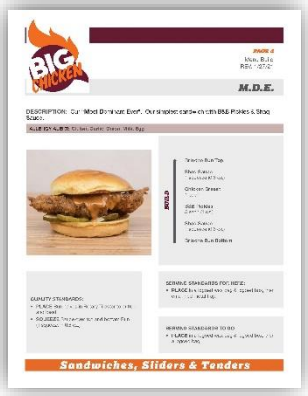
- Trainee's Guide
- 5 Day Training Agenda
- Soft Skill Self Paced Modules:
  - Shift Leader Orientation
  - Running the Shift
  - Building Sales
  - Controlling Costs
  - Training Your Team
  - Coaching For Performance
- Knowledge Checks
- Performance Evaluations

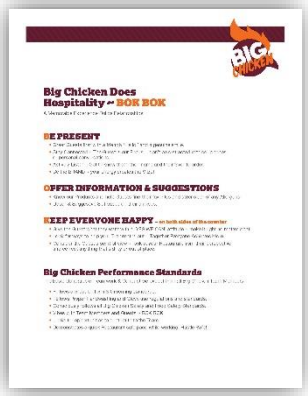
RESTAURANT MANAGER TRAINING

- Trainee's Guide
- 20 Day Training Agenda
- Soft Skill Self-Paced Modules:
  - Hiring 'A' Players
  - Managing & Delegating Priorities
  - Managing & Controlling Profit
- Knowledge Checks
- Performance Evaluations

BIG CHICKEN MANUALS & TRAINING PROGRAMS

JOB AIDS, CHECKLISTS & LOGS	MATERIALS	60 pages





JOB AIDS

- FOH & BOH
  - Menu Build
  - Flash Cards
  - Prepared Ingredients
  - Prepared Ingredients Passport
  - Food Safety

CHECKLISTS

- FOH & BOH
  - Open, Transition & Close
- Management
  - Open & Close
  - The BIG Walk
  - The Game Plan

LOGS

- FOH & BOH
  - Food Safety
  - Sanitation
  - Hygiene
  - Equipment & Maintenance

592 total pages

EXHIBIT F

LEASE ADDENDUM

ADDENDUM ("Addendum") TO LEASE DATED _____ ("Lease")

BY AND BETWEEN _____ ("Landlord")

AND _____ ("Tenant or Franchisee")

RE: RIGHTS OF BC LICENSING LLC ("Company")

1. WHEREAS, Company and Tenant are parties to a certain Franchise Agreement dated _____ (the "Franchise Agreement"), pursuant to which Company has granted Franchisee a franchise and license to use the Big Chicken System and the Big Chicken Licensed Marks in operating a Big Chicken Restaurant on the terms and conditions stated in the Franchise Agreement; and

2. WHEREAS, Company has approved Franchisee's request to locate its Big Chicken Restaurant in certain premises ("Premises") owned by Landlord which is the subject of the Lease attached hereto as **Schedule A** ("Lease") on the condition that all of the conditions and agreements set forth in this Addendum are made a part of the Lease.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A. Assignment of Lease. Franchisee irrevocably assigns and transfers to Company all of Franchisee's right, title, and interest in and to the Lease and all options contained therein. This assignment may not be revoked without the prior written consent of Company. The parties acknowledge that, until Company accepts the assignment made by Franchisee, Company has no obligations, liabilities, or responsibilities under the Lease of any kind, including, without limitation, as a guarantor or indemnitor of Tenant's obligations to Landlord. Company's signature below does not create or impose any obligations upon Company.

B. Use of Property. The Premises shall be used solely for the operation of a Big Chicken Restaurant. Company may enter the Premises at any time to inspect Franchisee's operations and engage in all activities expressly permitted by the Franchise Agreement.

C. Default in Franchise Agreement. Franchisee's default under the Franchise Agreement for any reason shall constitute an event of default under the Lease, which can only be cured if the Franchise Agreement default is timely cured by Franchisee.

D. Notices to Company. Landlord shall serve Company with a copy of any notice of default, breach or termination of Lease at the same time it serves Franchisee with such notice.

E. Incorporation by Reference. Landlord and Franchisee expressly incorporate the terms of this Addendum in, and make it part of, the Lease.

F. Default by Franchisee. Landlord agrees not to terminate the Lease based on Franchisee's breach or default until it has given Company written notice identifying the breach or default and at least ten (10) days to cure the breach or default. If Company chooses not to cure the breach or default, Landlord may terminate the Lease in the manner provided in the Lease, but shall have no remedy against Company.

G. Acceptance of Assignment by Company. Company may accept the assignment of the Lease at any time before the Lease expires if: (a) Company terminates the Franchise Agreement for any reason, or (b) Franchisee loses the right to occupy the Premises for any reason other than expiration of the Lease or condemnation or destruction of the Premises on the terms stated in the Lease. To accept the assignment, Company must give written notice to Landlord and Franchisee. If Company accepts the assignment, at Company's election, from and after the date of acceptance: (i) Company shall have all of the rights of Franchisee under the Lease and Franchisee shall be deemed to be a sublessee of Company on the terms and conditions contained in this Lease; (ii) Company shall have the right to assign or sublet all of any part of its interest in the Lease or in the Premises to another Big Chicken franchisee or an affiliate of Company without Landlord's prior consent; and (iii) Company shall be liable to perform only the obligations of Franchisee under the Lease arising from and after the date of Company's acceptance of the assignment and shall have no liability for obligations arising before Company's acceptance of the assignment.

H. Landlord's Agreements. In addition to agreements stated elsewhere in this Addendum, for the benefit of Company, Landlord agrees not to (a) accept Franchisee's voluntary surrender of the Lease without prior notice to Company, or (b) amend the Lease without Company's prior written consent.

I. Communications. Any notices required in this Addendum must be in writing and will be deemed given when actually delivered by personal delivery or 4 days after being sent by certified or registered mail, return receipt requested, if addressed as follows:

Company: BC Licensing LLC
Attn: Samuel Stanovich; Marci Rude
10845 Griffith Peak Drive, Suite 520
Las Vegas, NV 89135
Telephone: (702) 214-5585
Email: sam.stanovich@bigchicken.com; marci.rude@bigchicken.com

Landlord: _____
_____
_____

Tenant: _____
_____
_____

Any party may change its address for receiving notices by appropriate written notice to the other.

J. Miscellaneous. Any waiver excusing or reducing any obligation imposed by this Addendum shall be in writing and executed by the party who is charged with making the waiver and shall be effective only to the extent specifically allowed in such writing. The language used in this Addendum shall in all cases be construed simply according to its fair meaning and not strictly for or against any party. Nothing in this Addendum is intended, nor shall it be deemed, to confer any rights or remedies upon any person or entity not a party hereto. This Addendum shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs, and personal representatives of the parties hereto. This Addendum sets forth the entire agreement with regard to the rights of Company, fully superseding any and all prior agreements or understandings between the parties pertaining to the subject matter of this Addendum. This Addendum may only be amended by written agreement duly executed by each party. Any capitalized term which is not expressly defined in this Addendum shall have the same meaning assigned to the term in the Franchise Agreement.

K. WAIVER OF JURY TRIAL. LANDLORD, TENANT AND COMPANY HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM, OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER LANDLORD, TENANT OR COMPANY ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ADDENDUM, THE RELATIONSHIP OF LANDLORD, TENANT AND COMPANY, THE USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM OR INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY OR OTHERWISE NOW OR HEREAFTER IN EFFECT.

IN WITNESS WHEREOF, this Addendum is made and entered into by the undersigned parties as of _____, _____.

COMPANY: BC Licensing LLC

By: _____

Title: _____

LANDLORD: _____

By: _____

FRANCHISEE: _____

By: _____

SCHEDULE A

[attach copy of proposed Lease]

EXHIBIT G

GENERAL RELEASE

GENERAL RELEASE

This GENERAL RELEASE ("**Release**") is made this _____day of _____, _____, by _____ _____("**Releasor**"), with reference to the following facts:

A. The undersigned, Releasor:

[COMPLETE AND CHECK APPROPRIATE BOX OR BOXES]

□ is the Licensee under a License Agreement ("**License Agreement**") entered into by and between BC Licensing LLC ("**Company**") and Releasor, as Licensee, that permits Releasor to use the Big Chicken System to operate a Big Chicken Restaurant.

□ is an employee, officer, director, member, manager, partner or owner of an interest in the equity or voting interests of the party identified above as the "Releasor."

B. This Release is being executed pursuant to the requirements of the Franchise Agreement and as a condition of the rights granted by Company to Releasor, and for other good and valuable consideration, the receipt of which is acknowledged by Releasor.

NOW, THEREFORE, RELEASOR AGREES AS FOLLOWS:

1. General Release.

Releasor, for itself, himself or herself, and, if applicable, additionally, for Releasor's Affiliates, if any, and for each of their respective officers, directors, shareholders, members, managers, trustees, partners, employees, attorneys, heirs and successors (Releasor and such other persons are collectively referred to as the "**Releasing Parties**"), hereby release and forever discharge Company, Company's Affiliates, and their respective officers, directors, shareholders, agents, employees, representatives, attorneys, successors and assigns (collectively the "**Released Parties**"), and each of them, from any and all claims, demands, obligations, liabilities, actions, causes of action, suits, proceedings, controversies, disputes, agreements, promises, allegations, costs and expenses, at law or in equity, of every nature, character or description whatsoever, whether known or unknown, suspected or unsuspected or anticipated or unanticipated, which any of the Releasing Parties ever had, now has, or may, shall or can hereafter have or acquire (collectively referred to as "**Claims**"). This Release includes, but is not limited to, all Claims arising out of, concerning, pertaining to or connected with any agreement, tort, statutory violation, representation, nondisclosure, act, omission to act, fact, matter or thing whatsoever, occurring as of or prior to the date of this Release, so that after the date of this Release, none of the Releasing Parties shall have any claim of any kind or nature whatsoever against the Released Parties, directly or indirectly, or by reason of any matter, cause, action, transaction or thing whatsoever done, said or omitted to have been done or said at any time prior to the date of this Release. This Release does not waive any liability the Company may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder. The terms, "Company's Affiliates" and "Releasor's Affiliates," respectively include every entity that controls, is controlled by, or is under common control with Company or Releasor.

2. Waiver of Civil Code Section 1542.

This Release is intended by Releasor to be a full and unconditional general release, as that phrase is used and commonly interpreted, and to constitute a full, unconditional and final accord and satisfaction, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of Releasor or any of the other Releasing Parties against the Released Parties regardless of whether

any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned in this Release.

If California law has jurisdiction over Releasor or any of the other Releasing Parties, Releasor, for itself, himself or herself, for each of the other Releasing Parties hereby expressly, voluntarily and knowingly waives, relinquishes and abandons each and every right, protection and benefit to which Releasor or any of the Releasing Parties would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now existing or enacted after the date of this Release under the laws of California or any other applicable federal and state law with jurisdiction over Releasor. Releasor, for itself, himself or herself, for each of the other Releasing Parties, acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims that the creditor or the releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

In making this voluntary express waiver, Releasor acknowledges that claims or facts in addition to or different from those which are now known or believed to exist with respect to the matters mentioned in this Release may later be discovered and that it is Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. Releasor acknowledges and agrees that the foregoing waiver of Section 1542 is an essential, integral and material term of this Release.

This Release does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220.

3. Dispute Resolution. Releasor agrees to be bound by the dispute resolution provisions in the Franchise Agreement to the same extent as Franchisee, which are incorporated into this Release by this reference, and submits to the jurisdiction of the courts identified in the License Agreement. Releasor represents and warrants that it has had the opportunity to review and become familiar with the dispute resolution provisions.

4. Release Not Admission. Releasor understands and agrees that the giving or acceptance of this Release and the agreements contained in this Release shall not constitute or be construed as an admission of any liability by Company or an admission of the validity of any claims made by or against Company.

5. Authority of Releasor. Releasor warrants and represents that Releasor has authority to make this Release binding on behalf of each of the Releasing Parties.

6. No Prior Assignments. Releasor represents and warrants that Releasor has not previously assigned or transferred, or attempted to assign or transfer, to any third party any of the Claims which are the subject of this Release, all of such Claims being released.

7. Definitions. Any capitalized terms used in this Release that are not defined in this Release have the same definition assigned to the term in the Franchise Agreement. Releasor represents and warrants that Releasor has had the opportunity to review and become familiar with these definitions.

8. Further Assurances. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Release.

IN WITNESS WHEREOF, Releasor has executed this Release on the date first shown above.

Releasor:

_____

[IF APPLICABLE]

By:_____

Its:_____

EXHIBIT H

GUARANTY

GUARANTY

THIS GUARANTY AGREEMENT ("**Agreement**") is made as of _____, by_____ ("**Guarantor**") in favor of **BC LICENSING LLC**, a Nevada limited liability company (the "**Company**"), subject to the following recitals:

RECITALS

A. _____ ("**Debtor**") has applied to acquire the right and license to open and operate a Big Chicken Restaurant on the terms of a License Agreement ("**License Agreement**") in the form attached to the Franchise Disclosure Document ("**FDD**") that Company has delivered to Debtor before Debtor's execution of the License Agreement.

B. Debtor is a Business Entity other than a partnership duly organized under the laws of the State of _____.

C. Company requires that the undersigned execute a copy of this Agreement, agreeing to guaranty Debtor's obligations under the License Agreement for the benefit of Company.

NOW, THEREFORE, in order to induce Company to enter into the License Agreement with Debtor, Guarantor covenants and agrees with Company as follows:

Section 1. Definitions. Guarantor agrees that all capitalized terms in this Guaranty that are not defined in this Guaranty have the same meaning given to them in the License Agreement and agrees that those definitions are incorporated into this Guaranty by this reference. Guarantor represents that Guarantor is, or has had the opportunity to become, familiar with the definitions. Guarantor furthermore incorporates the Recitals as part of the substantive terms of this Agreement.

Section 2. Guaranty.

a. Guarantor hereby unconditionally and irrevocably guarantees to Company and Company's Affiliates the full and punctual payment and performance of all present and future amounts, liabilities, duties and obligations of Debtor to Company, Company's Affiliates, or to their successor under the License Agreement (collectively, the "Indebtedness").

b. Debtor's payments of any Indebtedness will not discharge or diminish Guarantor's obligations and liability under this Agreement for any remaining or future Indebtedness.

c. Guarantor's obligations under this Agreement are primary obligations of Guarantor.

d. If more than one guarantor executes a guaranty in favor of Company that covers the same, or any portion of, the Indebtedness, Guarantor's obligations under this Agreement are joint and several with the other guarantors.

e. If Debtor fails to pay or perform any of the Indebtedness, Company may proceed first and directly against Guarantor without first (i) proceeding against Debtor or any other Guarantor; (ii) exhausting any other remedies that Company may have under Applicable Law; or (iii) taking possession of any collateral pledged as security for this Agreement. Guarantor's obligations under this Agreement are not subject to any counterclaim, recoupment, set-off, reduction, or defenses based on claims that Guarantor may have against Debtor.

f. If Debtor fails to pay the Indebtedness when due for any reason, Company may give written notice demanding payment and Guarantor shall have 5 days after receiving Company's written demand to pay the entire amount of the Indebtedness then due to Company in immediately available funds to Company at its address specified in the Agreement for giving notices to Company. Guarantor will breach this Agreement if the amount demanded by Company is not received within 5 days following Guarantor's receipt of Company's written demand. Company's written demand to Guarantor shall not modify the terms of the License Agreement.

g. This Guaranty shall not be affected, impaired, modified, waived or released due to the (i) invalidity or unenforceability of any provision of the License Agreement; (ii) the bankruptcy, reorganization, dissolution, liquidation or similar proceedings affecting Debtor; or (iii) and Event of Transfer by Debtor or other sale or disposition of Debtor's assets. Additionally, none of the following actions if taken by Company will affect, impair, modify, waive, reduce or release Company's rights or Guarantor's obligations or liabilities under this Agreement: (i) renew, extend or otherwise change the time or terms for Debtor's payment of the Indebtedness; (ii) extend or change the time or terms for performance by Debtor; (iii) amend, compromise, release, terminate, waive, surrender, or otherwise modify the License Agreement; (iv) release, terminate, exchange, surrender, sell or assign any collateral that Company has accepted to secure Debtor's payment or performance of the Indebtedness; (v) accept additional property or other security as collateral for any or all of the Indebtedness; (vi) fail or delay to enforce, assert or exercise any right, power, privilege or remedy conferred upon Company under the License Agreement or Applicable Law; (vii) consent to Debtor taking certain action or not objecting to Debtor taking certain action regarding the Indebtedness; or (viii) apply any payment received from Debtor or from any other source, other than Guarantor, to the Indebtedness in any order that Company elects, which Guarantor acknowledges Company may do under the License Agreement.

h. Guarantor unconditionally waives to the fullest extent permitted by Applicable Law all notices that Applicable Law may require Company to give to Guarantor in order for Company to enforce its rights under this Agreement. Guarantor shall not exercise any right to subrogation, reimbursement or contribution against Debtor.

i. If Guarantor lends money to Debtor, Guarantor's right to repayment is subordinate to Debtor's obligations to Company.

Section 3. Duration of Guaranty. This Guaranty shall survive termination of the License Agreement.

Section 4. Guarantor's Covenants. While the License Agreement is in effect, Guarantor shall furnish Company with complete financial information of Guarantor, including tax returns, promptly following Company's request.

Section 5. Notices. All communications required or permitted to be given to either party under this Agreement shall be in writing. Notices to Company shall be given in the manner required by the License Agreement and notices to Guarantor shall be directed to the address below Guarantor's signature. Notices shall be deemed duly given on the earlier of (a) the date when delivered by hand; (b) one business day after delivery to a reputable national overnight delivery service; or (c) 4 business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. Either party may change its address for receiving notices by appropriate written notice to the other.

Section 6. Guarantor's Contact Information: Guarantor shall notify Company immediately of any changes in its contact information shown below its signature so that Company has current contact information for Guarantor for as long as this Agreement is in effect.

Section 7. Dispute Resolution. Nevada law will govern the construction, interpretation, validity and enforcement of this Agreement. Guarantor agrees to resolve any dispute with Company arising out of the interpretation or enforcement of this Agreement exclusively in the Civil Division, Las Vegas Justice Court or, if required to be removed to federal court, in the United States District Court located closest to Company's headquarters. As of the date of this Agreement, the parties acknowledge that the Civil Division, Las Vegas Justice Court, and the United States District Court of the District of Nevada are, respectively, the state and federal courts that are located closest to Company's headquarters; however, the parties further acknowledge that Company may relocate its headquarters in its sole discretion at any time without notice to Guarantor. The prevailing party in a dispute shall be entitled to recover against the other its reasonable attorneys' fees and court costs in addition to any other relief awarded by the court.

Section 8. Miscellaneous. This Guaranty shall bind Guarantor's representatives, heirs and successors and shall inure to the benefit of Company and its successors and assigns. Any waiver granted by Company to Guarantor must be in writing and will be effective upon Company's delivery of the writing to Guarantor or upon the specific effective date specified in the writing, and only to the extent specifically allowed in such writing. No waiver granted by Company shall limit Company's right to take action of any kind, or not to take action with respect to Guarantor. Any waiver granted by Company to Guarantor is without prejudice to any other rights Company may have. No delay on Company's part in exercising any right or remedy shall constitute a waiver by Company, and no partial exercise by Company of any right or remedy shall preclude Company from fully exercising the same or any other right or remedy. This Guaranty may only be amended by a written agreement executed by Company and Guarantor. Upon request, Guarantor agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to perform this Agreement.

IN WITNESS WHEREOF, Guarantor has caused this Agreement to be duly executed as of the date first written above.

Guarantor:

Date:_____ By:_____

Print Name:_____

Guarantor address and contact information:

_____

_____

_____

EXHIBIT I

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

Effective Date of this Agreement: _____.

WHEREAS, the undersigned *[CHECK AND COMPLETE APPROPRIATE BOX]*:

☐ is an employee, officer, director, member, manager, partner or owner of an interest in the equity or voting interests of _____, the Licensee under, and signatory to, that certain License Agreement dated _____, _____ (the "**License Agreement**") entered into with BC LICENSING LLC ("**Company**") granting Licensee the right to own and operate one Big Chicken restaurant on the terms and conditions stated therein.

☐ is an employee of _____, the individual Licensee who executed the License Agreement or Area Development Agreement as a Licensee or Developer.

☐ [if none of the above apply] is associated in the following capacity with the Licensee named above: _____

WHEREAS, the undersigned acknowledges that, in order to induce Company to enter into the License Agreement, Licensee must cause certain persons owning an interest in, or who are employed by or associated with, Licensee to execute this Confidentiality and Non-Competition Agreement ("**Agreement**") for the benefit of Company.

NOW, THEREFORE, the undersigned, having read this Agreement and understanding its terms, hereby agrees as follows:

1. Definitions.

(a) "**Big Chicken System**" means, collectively, Company's comprehensive business methods, standards, policies, requirements and specifications that cover the following subject matters: (i) the design, trade dress and build-out requirements for the Restaurant including kitchen and counter area layouts, signs, dining room layout, and installation of interior décor items; (ii) specifications for restaurant equipment and supplies; (iii) designation of standard menu items and menu names; (iv) instructions for handling, preparing, presenting, serving and storing ingredients, foods and beverages including methods for preparing chicken recipes; (v) specifications for Designated Goods/Services, including identifying mandatory suppliers and instructions for purchasing specific ingredients, foods and beverages from designated suppliers; (vi) guest service and merchandising standards; (vii) local marketing, advertising and branding strategies; (viii) comprehensive training programs; and (ix) requirements for using the Intellectual Property which includes the Licensed Marks and any

knowledge or information that Company identifies, or that you should reasonably know Company treats, as Confidential Information.

(b) "**Applicable Law**" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any governmental authority with jurisdiction over the operation of the Licensed Business that are in effect on or after the Effective Date, as they may be amended from time to time. Applicable Law includes, without limitation, those relating to building permits and zoning requirements applicable to the use, occupancy and development of the Approved Location; business licensing requirements; hazardous waste; occupational hazards and health; alcoholic beverages; consumer protection; privacy; trade regulation; worker's compensation; unemployment insurance; withholding and payment of Federal and State income taxes and social security taxes; collection and reporting of sales taxes; and the American With Disabilities Act.

(c) "**Collateral Logo Merchandise**" means collectively all merchandise that Company now or in the future authorizes Licensee to offer for sale from the Approved Location displaying any of Licensed Marks including, without limitation, t-shirts, sweatshirts, caps and other promotional items.

(d) "**Competitive Business**" means any other type of restaurant or food service business that sells chicken sandwiches or chicken tenders as its primary menu item (whether sold in a fresh, frozen or ready-to-bake state or at a restaurant, non-restaurant retail store or through wholesale sales or distribution).

(e) "**Confidential Information**" includes, without limitation, knowledge and information which Licensee knows, or should reasonably know, Company regards as confidential concerning (i) ingredients, formulas, and food storage and preparation procedures; (ii) Company's relationships with designated, recommended and approved suppliers; (iii) inventory requirements and control procedures; (iv) pricing, sales, profit performance or other results of operations of any individual Restaurant, including the Restaurant, or group of Restaurants or the entire chain; (v) demographic data for determining Approved Locations; (vi) strategic growth and competitive strategies; (vii) the design and implementation of marketing initiatives and the results of customer surveys and marketing and promotional programs; (viii) decisions pertaining to Designated Goods/Services; (ix) non-public information pertaining to the Intellectual Property and any proprietary software applications that Company incorporates into the Computer System and requires Licensee to use to operate the Restaurant; and (x) in general, business methods, ideas, trade secrets, specifications, customer and supplier data, plans, cost data, procedures, information systems and knowledge about the operation of Restaurants or the System, whether the knowledge or information is now known or exists or is acquired or created in the future, patentable, included in the Confidential Materials, or Company expressly designates the information as confidential. Confidential Information does not include (x) information that Licensee can demonstrate lawfully came to its attention independent of entering into this Agreement and not as a result of Licensee's wrongful disclosure (whether or not deliberate or inadvertent), or (y) information that Company agrees is, or has become, generally known in the public domain.

(f) "**Confidential Manual**" refers collectively to all volumes of the confidential operating manuals, recipe manuals, training and operations guides, documentation for any proprietary point of sale or other Big Chicken Computer System the use of which Company licenses to Licensee, and other written instructions given to Licensee by Company in confidence during the Term, which may be memorialized in written or electronic format and modified periodically to reflect changes in the Big Chicken System. To the extent Company introduces new policies and/or material changes to the Confidential Manual that are not in existence as of the Effective Date of this Agreement, Company agrees to give Licensee reasonable notice in advance of the implementation of such policies and/or material changes as they pertain to

Licensee, and to work collaboratively with Licensee with respect to the implementation of such policies or material changes.

(g) "**Covered Area**" means anywhere within the Development Territory, if applicable (as defined in the License Agreement) or within a 5 mile radius measured from: (i) the Licensee's Approved Location, and (ii) the Approved Location of every other Big Chicken Restaurant located anywhere in the world regardless of whether Big Chicken Restaurant is operating on the Effective Date or before or after the Effective Date of Termination or Expiration of this Agreement or is owned by Company, Company's Affiliate, or by another licensee of Company.

(h) "**Covered Person**" means (i) the individual executing this Agreement as Licensee; (ii) each officer, director, shareholder, member, manager, trustee or general partner of Licensee and each Licensee Affiliate if Licensee is a Business Entity; and (iii) the spouse, adult children, parents or siblings of the individuals included in (i) and (ii). Covered Person shall mean an individual who falls within the identified categories whether on the Effective Date or later during the Term of this Agreement.

(i) "**Designated Goods/Services**" collectively refers to all of the ingredients, sauces, food products, beverages, supplies, equipment, collateral logo merchandise, services to support the build-out of the Restaurant, and any other goods or services for which Company designates a mandatory supplier. Designated Goods/Services typically fall into these categories: (i) goods or services that Company regards as proprietary because they are produced or fabricated to Company's specifications; (ii) goods or services that Licensee must use or sell in operating the Restaurant that display the Licensed Marks whether or not the goods or services are proprietary; and (iii) goods or services that are only available from a designated, exclusive supplier with whom Company has entered into a purchasing arrangement providing special purchasing terms for Restaurants in a specified geographic region.

(j) "**Intellectual Property**" means the following intangible property and similar types of proprietary rights, interests and protections however arising under Applicable Law related to Restaurant concept and business operations that currently exist or come into being after the Effective Date including without limitation all of the following and any equivalent rights under Applicable Law: (i) trademarks, service marks, trade names, brand names, logos, trade dress and other proprietary indicia of goods and services, whether registered, unregistered or arising by law, and all registrations and applications for registration of such trademarks, including intent-to-use applications, and all issuances, extensions and renewals of such registrations and applications; (ii) internet domain names, whether or not trademarks, registered in any generic top-level domain by any authorized private registrar or governmental authority; (iii) original works of authorship in any medium of expression, whether or not published, all copyrights (whether registered, unregistered or arising by law), all registrations and applications for registration of such copyrights, and all issuances, extensions and renewals of such registrations and applications; (iv) Confidential Information; (v) source codes for proprietary software that Company incorporates into the Computer System; (vi) business methods utilized by Company in operating Restaurants; (vii) moral rights under Applicable Law; and (viii) patented and patentable designs and inventions, all design, plant and utility patents, letters patent, utility models, pending patent applications and provisional applications and all issuances, divisions, continuations, continuations-in-part, reissues, extensions, re-examinations and renewals of such patents and applications. For the elimination of doubt, the term "Intellectual Property" includes all of the trade dress and other property rights subsumed within the defined terms Licensed Marks and Confidential Information.

(k) "**Licensed Marks**" collectively mean all of the trademarks, service marks, trade names, brand names, logos, trade dress and other proprietary indicia of goods and services, whether registered, unregistered or arising by Applicable Law, and all registrations and applications for registration of trademarks, including intent-to-use applications, and all issuances, extensions and renewals of registrations and applications that Company now or hereafter uses to identify, advertise or promote Restaurants generally or individual Restaurants and expressly authorizes or requires Licensee to use as a condition of this Agreement.

(l) "**Non-Designated Goods/Services**" refer collectively to all goods, services, merchandise, supplies or property which Licensee may, or must, use, offer, sell or promote in operating the Restaurant that are not Designated Goods/Services.

(m) "**Provisional Remedies**" mean any form of interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its sole discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo.

2. Nondisclosure of Confidential Information.

(a) The undersigned agrees not to disclose, duplicate, sell, reveal, divulge, publish, furnish or communicate, either directly or indirectly, any Confidential Information to any other person, firm or entity, unless authorized in writing by Company.

(b) The undersigned agrees not to use any Confidential Information for his or her own personal gain or to further the purposes of others, whether or not the Confidential Information has been conceived, originated, discovered or developed, in whole or in part, by the undersigned or represents the undersigned's work product. To the extent the undersigned has assisted in the preparation of any information that Company considers Confidential Information or has prepared or created such information by himself or herself, the undersigned hereby assigns any rights that he or she may have in such information as creator to Company, including all ideas made or conceived by the undersigned.

(c) The undersigned acknowledges that the use, publication or duplication of the Confidential Information for any purpose not authorized by this Agreement constitutes an unfair method of competition by the undersigned.

(d) The provisions of this Section shall apply forever, surviving the expiration or termination of all contracts between Company and Licensee.

(e) The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding, provided the undersigned shall have used its best efforts, and shall have afforded Company the opportunity, to obtain an appropriate protective order or other assurance satisfactory to Company of confidential treatment for the information required to be disclosed.

3. Return of Proprietary Materials.

Upon expiration or termination of the License Agreement, the undersigned shall surrender to Licensee, or, if directed by Company, directly to Company, all materials in the possession of the undersigned relating or concerning any Confidential Information. The undersigned expressly acknowledges that such materials shall be and remain the sole property of Company.

4. Agreements Regarding Competition.

(a) For as long as Licensee is a party to any License Agreement with Company, the undersigned agrees that he or she shall not, directly or indirectly, own (neither beneficially nor of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business; provided, however, the restrictions stated in this paragraph shall not apply to the undersigned after two (2) years from the date that the undersigned ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Licensee.

(b) For a period of two (2) years after expiration or termination of the last License Agreement between Licensee and Company, or an Event of Transfer as defined in the License Agreement, whichever occurs first, it shall be a breach of this Agreement for the undersigned to directly or indirectly, own, engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business in the Covered Area; provided, however, the restrictions stated in this paragraph shall not apply to the undersigned after two (2) years from the date that the undersigned ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Licensee.

(c) The undersigned may engage in any activities not expressly prohibited by this Agreement. However, in connection with permitted activities, the undersigned shall not (i) use the Confidential Information or any of Intellectual Property; (ii) engage in any conduct or activity which suggests or implies that Company endorses, or authorizes, the undersigned's activities; or (iii) induce any person to engage in conduct prohibited by this Agreement.

(d) The undersigned acknowledges that the covenants regarding competition are independent of the other covenants and provisions of this Agreement. If any provision regarding competition is void or unenforceable under Nevada law, but would be enforceable as written or as modified under the laws of the state in which the Approved Location is located (the "**Local Laws**"), the parties agree that the Local Laws shall govern any dispute concerning or involving the construction, interpretation, validity or enforcement of the provisions regarding competition. Licensee expressly authorizes Company to conform the scope of any void or unenforceable covenant in order to conform it to the Local Laws.

5. Interference.

The undersigned agrees not to, directly or indirectly, for itself or on behalf of any other person:

(a) Divert, or attempt to divert, any business or customer of any Big Chicken restaurant to any competitor by direct or indirect inducement or perform any act which directly or indirectly could, or may, injure or prejudice the goodwill and reputation of Intellectual Property or Big Chicken System; or

(b) Employ or seek to employ any person who is at that time employed by Company, the Affiliate or another licensee of Company or otherwise directly or indirectly induce or seek to induce the person to leave his or her employment.

6. Irreparable Harm to Company.

The undersigned acknowledges and agrees that Company will suffer irreparable injury not capable of precise measurement in monetary damages if it discloses or misuses any Confidential Information, or if the undersigned breaches the covenants set forth in this Agreement. Accordingly, in the event of a breach of this Agreement by the undersigned, the undersigned consents to entry of Provisional Remedies without the requirement that bond be posted. The undersigned agrees that the award of Provisional Remedies to Company in the event of such breach is reasonable and necessary for the protection of the business and goodwill of Company.

7. Survival.

The agreements made by the undersigned shall apply forever, surviving the expiration or termination of all contracts between Company and Licensee.

8. Validity; Conformity With Applicable Law.

Wherever possible, each provision of this Agreement shall be interpreted in a manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited thereunder, the provision shall be ineffective only to the extent of the prohibition or invalidity without invalidating the remainder of this Agreement.

9. Dispute Resolution.

The parties adopt and incorporate by reference as part of this Agreement the dispute resolution provisions set forth in **Schedule A** attached hereto.

10. Miscellaneous.

(a) Any waiver granted to the undersigned by Company excusing or reducing any obligation or restriction imposed under this Agreement shall be evidenced by a writing executed by Company in order to be effective and shall only be effective to the extent specifically allowed in such writing. No waiver granted by Company shall constitute a continuing waiver. Any waiver granted by Company shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative. No delay on the part of Company in exercising any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy.

(b) This Agreement sets forth the entire agreement made by the undersigned pertaining to the subject matter hereof, fully superseding any and all prior agreements or understandings that may exist between the undersigned and the Company pertaining to such subject matter. No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on the undersigned unless it is set forth in a writing and duly executed by the undersigned and Company.

(c) This Agreement shall be binding on the undersigned's heirs, executors, successors and assigns as though originally executed by such persons.

[Signatures appear on following page]

IN WITNESS WHEREOF, the undersigned has entered into this Agreement as of the date shown above the undersigned's signature.

LICENSEE:

Dated:_____ By: _____

Name: _____

Company executes this Agreement to acknowledge its agreement to be bound by the dispute resolution provisions stated in **Schedule A**.

COMPANY:

Dated:_____

BC LICENSING LLC

By: _____

Name: _____

Title: _____

SCHEDULE A

DISPUTE RESOLUTION

1. Agreement to Mediate Disputes. Except as otherwise provided in this Schedule A, neither party to this Agreement shall bring an action or proceeding to enforce or interpret any provision of this Agreement, or seeking any legal remedy based upon the relationship created by this Agreement or an alleged breach of this Agreement, until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this Agreement.

a. The mediation shall be conducted pursuant to the rules of JAMS (the "**Mediation Service**"). Either party may initiate the mediation (the "**Initiating Party**") by notifying the Mediation Service in writing, with a copy to the other party (the "**Responding Party**"). The notice shall describe with specificity the nature of the dispute and the Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with the Mediation Service's then-current rules, except to the extent the rules conflict with this Agreement, in which case this Agreement shall control.

b. The mediator must be either a practicing attorney with experience in business format franchising or a retired judge, with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

c. The fees and expenses of the Mediation Service, including, without limitation, the mediator's fee and expenses, shall be shared equally by the parties. Each party shall bear its own attorney's fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

d. The mediation conference shall commence within 30 days after selection of the mediator. Regardless of which party is the Initiating Party, the mediation shall be conducted at Company's headquarters at the time, unless the parties otherwise required by applicable law.

e. The parties shall participate in good faith in the entire mediation, including the mediation conference, with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties.

f. The mediation conference shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes, after a minimum of 8 hours of mediation, and informs the parties in writing, that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation conference.

g. The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

h. If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation; and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

2. Exceptions to Duty to Mediate Disputes. The obligation to mediate shall not apply to any disputes, controversies or claims (i) where the monetary relief sought is under $10,000, or (ii) any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond. Additionally, notwithstanding a party's duty to mediate disputes under this Agreement, a party may file an application before any court of competent jurisdiction seeking Provisional Remedies whether or not the mediation has already commenced. An application for Provisional Remedies shall neither waive nor excuse a party's duty to mediate under this Agreement. However, once a party files an application for Provisional Remedies, the time period for mediation set forth in this Agreement shall be tolled pending the court's ruling on the application for Provisional Remedies. The party that is awarded Provisional Remedies shall not be required to post bond or comparable security.

3. Judicial Relief.

a. The parties agree that (i) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (ii) all claims which this Agreement expressly excludes from mediation, shall be brought exclusively in the Civil Division, Las Vegas Justice Court or, if required to be removed to federal court, in the United States District Court located closest to Company's headquarters. As of the date of this Agreement, the parties acknowledge that the Civil Division, Las Vegas Justice Court, and the United States District Court of the District of Nevada are, respectively, the state and federal courts that are located closest to Company's headquarters; however, the parties further acknowledge that Company may relocate its headquarters in its sole discretion at any time without notice to the undersigned party.

b. To the fullest extent that it may effectively do so under applicable law, the undersigned waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this Section and agrees not to commence any action of any kind against Company, Company's Affiliates and their respective officers, directors, shareholders, LLC managers and members, employees and agents or property arising out of or relating to this Agreement except in the courts identified in this Section.

4. WAIVER OF JURY TRIAL. COMPANY AND THE UNDERSIGNED EACH HEREBY WAIVE THEIR RESPECTIVE RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER COMPANY OR THE UNDERSIGNED ON ANY MATTER WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE PARTIES, THE USE OF THE SYSTEM, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY OR OTHERWISE, NOW OR HEREAFTER IN EFFECT, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW.

5. Choice of Law. Except as otherwise provided in this Agreement with respect to the possible application of local laws, the parties agree that Nevada law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

6. Limitations Period. To the extent permitted by applicable law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than one year from the date of the act, event, occurrence or transaction which constitutes or gives rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation which is initiated before the last day of the limitations period with the tolling beginning on the date that the Responding Party receives the Initiating Party's demand for mediation and continuing until the date that the mediation is either concluded, or suspended due to a party's failure or refusal to participate in the mediation in violation of this Agreement.

7. Punitive or Exemplary Damages. Company and the undersigned, on behalf of themselves and their respective affiliates, directors, officers, shareholders, members, managers, guarantors, employees and agents, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

8. Attorneys' Fees. Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and court costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

9. Waiver of Collateral Estoppel. The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and the undersigned therefore each agree that a decision of an arbitrator or judge in any proceeding or action in which either Company or the undersigned, but not both of them, is a party shall not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and the undersigned. Company and the

undersigned therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

10. Waiver of Class Action Relief. Company and the undersigned agree that any mediation or litigation initiated or brought by either party against the other will be conducted on an individual, not on a class-wide, basis, and there may be no consolidation or joinder of other claims or controversies involving any other franchisees. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and the undersigned both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

* * *

EXHIBIT J

STATE ADDENDUM AND AMENDMENT TO FRANCHISE CONTRACTS FOR CERTAIN STATES

STATE ADDENDUM TO FDD
AND STATE ADDENDA TO LICENSE AGREEMENT

Certain states require a franchisor to register with a state agency in order to offer or sell franchises to residents of the state or for locations in the state. We list these states below.

As a condition of registration in these states, a franchisor must disclose additional information required by the state. In some states, you must sign an amendment to the License Agreement. This exhibit includes all of the additional state-specific disclosures and Addendum to License Agreement that you must sign at the same time that you sign the License Agreement. Please refer to the separate state addendum pages in this Exhibit for the additional disclosures that may apply to you.

CALIFORNIA
HAWAII
ILLINOIS
INDIANA
MARYLAND
MICHIGAN
MINNESOTA
NEW YORK
NORTH DAKOTA
RHODE ISLAND
VIRGINIA
WASHINGTON

STATE SPECIFIC DISCLOSURES

ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES

REQUIRED BY THE STATE OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, VIRGINIA, WASHINGTON AND WISCONSIN

No Waiver of Disclaimer of Reliance in Certain States. The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, Virginia, Washington and Wisconsin:

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.

CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED WITH THE FRANCHISE DISCLOSURE DOCUMENT.

The following are added as additional RISK FACTORS to the State Cover Page of the Disclosure Document:

> THE TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.
>
> THE LICENSE AGREEMENT AND DEVELOPMENT AGREEMENT CONTAIN PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL.
>
> **PERSONAL GUARANTEE**: FRANCHISEES AND ALL OWNERS MUST SIGN A PERSONAL GUARANTEE, MAKING YOU AND YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT IF YOU ARE MARRIED. THE GUARANTEE WILL PLACE YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

Neither Company nor any person identified in Item 2 of this Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

The row entitled "Interest on Late Payments" in Item 6 of the Disclosure Document is amended to state that the maximum interest rate in California currently is 10% annually.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the License Agreement contains a provision that is inconsistent with state law, state law will control.

The License 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.).

The License Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the License Agreement restricting venue to a forum outside the State of California.

The License Agreement requires the application of the laws of Nevada. This provision may not be enforceable under California law.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations Code section 31512 voids a prospective waiver of your rights under the franchise investment law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a prospective waiver of your rights under the California Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The License Agreement may permit you to sell alcoholic beverages at your franchised business. There are no known obstacles in obtaining a liquor license and/or to the mandatory compliance with the California Department of Alcohol Beverage Control laws pertaining to the sale and consumption of alcoholic beverages. You must comply with the requirements set forth in California's Alcoholic Beverage Control Act and the California Code of Regulations for the sale of alcoholic beverages.

The License Agreement requires that we first submit any disputes (with limited exceptions) arising under the License Agreement to non-binding mediation, which will be conducted at our headquarters. If mediation does not result in a resolution of the dispute, the License Agreement requires that you file an action in the federal or state courts located closest to our headquarters, which at this time are in Clark County, Nevada.

The License Agreement provides that any payment not received by us when due will bear interest at ten percent (10%) per annum or at the highest rate allowed by applicable law on the date when payment is due, whichever is less. Article 15 of the California Constitution limits the maximum rate of interest that may be imposed on a loan or forbearance of money subject to California law. We will not collect interest at a rate that exceeds California law. The fact that we impose these charges is not a waiver of our right to timely payment.

Website:

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

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.

HAWAII

OUR FRANCHISE DISCLOSURE DOCUMENT HAS BEEN FILED WITH THE HAWAII DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS UNDER THE HAWAII FRANCHISE INVESTMENT LAW. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE HAWAII 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 (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE LICENSE AGREEMENT. THE LICENSE AGREEMENT AND OTHER EXHIBITS TO THE FRANCHISE DISCLOSURE DOCUMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE LICENSEE.

1. Section 482E-(3) of Hawaii Revised Statutes provides that you may be entitled to certain compensation upon termination or refusal to renew the License Agreement. If this Section applies to you, you shall have an interest in the franchise upon termination or refusal to renew as specified therein.

2. No release language set forth in the License Agreement shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising in the State of Hawaii.

3. The following is added to the State Cover Page of the Disclosure Document as an additional Risk Factor:

> THE FRANCHISOR HAS A NEGATIVE STOCKHOLDERS' EQUITY OF $(3,660,139) AS OF DECEMBER 31, 2024. AS A RESULT, FOR EACH FRANCHISE SOLD IN HAWAII, THE STATE OF HAWAII HAS REQUIRED US TO DEFER THE RECEIPT OF INITIAL FRANCHISE FEES AND OTHER PAYMENTS TO US AND OUR AFFILIATES UNTIL WE HAVE MET ALL OF OUR PRE-OPENING OBLIGATIONS AND YOU HAVE OPENED YOUR FRANCHISE BUSINESS.

4. The following is added to the State Cover Page of the Disclosure Document as an additional Risk Factor:

> 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, 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, 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.

5. The following paragraph is added to the end of Item 5 of the Disclosure Document:

Despite the payment provisions above, we will defer your payment of initial fees owed by you to us under the License Agreement until all of our pre-opening obligations have been satisfied and you commence doing business under the License Agreement.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF HAWAII

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of Hawaii or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Hawaii.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement, including all of the exhibits to the License Agreement. Reference to the "License Agreement" in this Addendum means the License Agreement together with the exhibits identified in the License Agreement.

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The following language is added to the end of Section XII.A.1 of the License Agreement:

> Despite the payment provisions above, we will defer payment of initial fees owed by you to us under this Agreement until all of our pre-opening obligations have been satisfied and you commence doing business under this Agreement.

3. This Addendum shall be effective only to the extent that jurisdictional requirements are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements are not met.

4. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

ADDENDUM TO DEVELOPMENT AGREEMENT
FOR THE STATE OF HAWAII

This ADDENDUM TO DEVELOPMENT AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the State of Hawaii or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Hawaii.

B. The parties enter into this Addendum simultaneous with their execution of that certain Development Agreement of even date. The purpose of this Addendum is to amend the Development Agreement. Reference to the "Development Agreement" in this Addendum means the Development Agreement together with the exhibits identified in the Development Agreement.

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Development Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The following language is added to the end of Section II.C.2 of the Development Agreement:

> Despite the payment provisions above, we will defer payment of initial fees owed by you to us under this Agreement until all of our pre-opening obligations have been satisfied and you commence doing business under this Agreement. In addition, all development fees and initial payments by area developers shall be deferred and collected proportionally with respect to each franchised business.

3. This Addendum shall be effective only to the extent that jurisdictional requirements are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements are not met.

4. The Development Agreement shall be given full force and effect as amended by this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

ILLINOIS PROVISIONS

1. The terms and conditions under which the License Agreement may be terminated and your rights upon non-renewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act (815 ILCS Sections 705/19 and 705/20).

2. The Illinois Franchise Disclosure Act (815 ILCS Section 705/4) provides that "any provision in a license agreement that designates jurisdiction or venue in a forum outside of this State Illinois is void provided that a license agreement may provide for arbitration in a forum outside of this State Illinois."

3. Illinois law governs the Agreement(s).

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

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

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF ILLINOIS

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of Illinois or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Illinois.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement, including all of the exhibits to the License Agreement, in order to conform the License Agreement to the requirements of the Illinois Franchise Disclosure Act (the "Act"). Reference to the "License Agreement" in this Addendum means the License Agreement together with the exhibits identified in the License Agreement.

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The Act declares that any provision in a license agreement that designates jurisdiction or venue in a forum outside of the State of Illinois void, except that a license agreement may provide for arbitration in a forum outside of the State of Illinois. To the extent that the License Agreement is inconsistent with the Act, the provisions of the Act shall control.

3. Illinois law shall be applied to, and govern, any claim between the parties.

4. Among other things, we acknowledge Section 41 of the Act, which provides: "Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code."

5. Franchisees' right upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

6. For info about obtaining a liquor license in Illinois, see: https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx

7. For info about obtaining TIPS certification in Illinois, see: https://www.tipscertified.com/tips-state-pages/illinois

8. See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

9. 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.

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

11. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

ADDENDUM TO DEVELOPMENT AGREEMENT
FOR THE STATE OF ILLINOIS

This ADDENDUM TO DEVELOPMENT AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the State of Illinois or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Illinois.

B. The parties enter into this Addendum simultaneous with their execution of that certain Development Agreement of even date. The purpose of this Addendum is to amend the Development Agreement in order to conform the Development Agreement to the requirements of the Illinois Franchise Disclosure Act (the "Act").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Development Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. Illinois law governs the Agreements.

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

4. Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

5. Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

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

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

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

9. The Development Agreement shall be given full force and effect as amended by this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

INDIANA PROVISIONS

1. Indiana has a statute, the Indiana Deceptive Practices Act (the "Act"), which makes it unlawful for a license agreement with an Indiana resident or nonresident who will operate a franchise in Indiana to contain any of the following provisions:

A. Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where the goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or service or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute the improper designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute an improper designation. This paragraph does not apply to goods, supplies, inventories, or services that are manufactured or trademarked by, or for, the franchisor.

B. Allowing the franchisor to establish a franchisor-owned business that is substantially identical to that of the franchisee within the exclusive territory granted the franchisee by the license agreement, or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

C. Allowing substantial modification of the license agreement by the franchisor without the consent in writing of the franchisee.

D. Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

E. Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by Indiana law or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This paragraph does not apply to arbitration before an independent arbitrator.

F. Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this paragraph.

G. Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the license agreement.

H. Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This paragraph shall not prohibit a license agreement from providing that the agreement is not renewable meets certain conditions specified in the agreement.

I. Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three (3) years or in an area greater than the exclusive area granted by the license agreement or, in the absence of an exclusive area provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

J. Limiting litigation brought for breach of the agreement in any manner whatsoever.

K. Requiring the franchisee to participate in any:

(i) Advertising campaign or contest;

(ii) Promotional campaigns;

(iii) Promotional materials; or

(iv) Display decorations or materials; at any expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the license agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

L. Requiring a franchisee to enter into an agreement providing the franchisor with any indemnification for liability caused by the franchisee's proper reliance on or use of procedures or materials provided by the franchisor or by the franchisor's negligence.

M. Requiring a franchisee to enter into an agreement reserving the right to injunctive relief and any specific damages to the franchisor, limiting the remedies available to either party without benefit of appropriate process or recognizing the adequacy or inadequacy of any remedy under the agreement.

2. It is unlawful for any franchisor who has entered into any license agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana to engage in any of the following acts and practices in relation to the agreement:

A. Coercing the franchisee to:

(i) Order or accept delivery of any goods, supplies, inventories, or services which are neither necessary to the operation of the franchise, required by the license agreement, required by law, nor voluntarily ordered by the franchisee.

(ii) Order or accept delivery of any goods offered for sale by the franchisee which includes modifications or accessories which are not included in the base price of those goods as publicly advertised by the franchisor.

(iii) Participate in an advertising campaign or contest, any promotional campaign, promotional materials, display decorations, or materials at an expense to the franchisee over and above the maximum percentage of gross monthly sales or the maximum absolute sum required to be spent by the franchisee provided for in the license agreement; and absent a maximum expenditure provision in the license agreement, no such participation may be required; or

(iv) Enter into any agreement with the franchisor or any designee of the franchisor, or do any other act prejudicial to the franchisee, by threatening to cancel or fail to renew any agreement between the franchisee and the franchisor. Notice in good faith to any franchisee of the franchisee's violation of the terms or provisions of a franchise or agreement does not constitute a violation of this paragraph.

B. Refusing or failing to deliver in reasonable quantities and within a reasonable time after receipt of an order from a franchisee for any goods, supplies, inventories, or services which the franchisor has agreed to supply to the franchisee, unless the failure is caused by acts or caused beyond the control of the franchisor.

C. Denying the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid license agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs, or estate maintains all standards and obligations of the franchise.

D. Establishing a franchisor-owned business that is substantially identical to that of the franchisee within the exclusive territory granted the franchisee by the license agreement, or if no exclusive territory is designated, competing unfairly with the franchisee within a reasonable area. However, a franchisor shall not be considered to be competing when operating a business either temporarily for a reasonable period of time, or in a bona fide retail operation which is for sale to any qualified independent person at a fair and reasonable price, or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the business operation and can reasonably expect to acquire full ownership of such business on reasonable terms and conditions.

E. Discriminating unfairly among its franchisees or unreasonably failing or refusing to comply with any terms of a license agreement.

F. Obtaining money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

G. Increasing prices of goods provided by the franchisor which the franchisee had ordered for retail consumers prior to the franchisee's receipt of a written official price increase notification. Price increases caused by conformity to a state or federal law, the revaluation of the United States dollar in the case of foreign-made goods or pursuant to the license agreement are not subject to this paragraph.

H. Using deceptive advertising or engaging in deceptive acts in connection with the franchise or the franchisor's business.

3. The franchisee does not waive any right under Indiana statutes with regard to prior representations made in the Franchise Disclosure Document.

4. The License Agreement is amended to provide that it will be governed and construed in accordance with the laws of the State of Indiana.

5. Any provision in the License Agreement that designates venue in a forum outside of Indiana for claims arising under the Act is unenforceable. Venue for claims arising under the Act shall be in Indiana.

6. Each provision of the License Agreement which is unlawful pursuant to the Act is deemed to be amended by the parties to conform with the Act.

7. 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.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF INDIANA

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the State of Indiana or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Indiana.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §23-2-2.7-1 to –7 (the "Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties expressly agree that to the extent the License Agreement conflicts with the Law, the parties hereby amend the License Agreement to the extent necessary to cause the License Agreement to conform with the Law.

3. Without limiting the scope of Paragraph 2, the parties expressly agree that (i) no general release given by Licensee shall operate to release, assign, waive or extinguish any liability arising under the Law; (ii) no provision in the License Agreement shall limit Licensee's right to sue in court for violations of the Law; (iii) no provision in the License Agreement that is intended to prevent Licensee from relying on any statement or representation made to Licensee before Licensee signs the License Agreement shall be applied, or extend, to statements contained in the Franchise Disclosure Document delivered to Licensee prior to Licensee's execution of the License Agreement; (iv) the choice of California law as the License Agreement's governing law shall not prevent the Law from applying to any claims arising under the Law; and (v) the venue provisions in the License Agreement shall not apply to claims arising under the Law to the extent the venue provisions are inconsistent with the Law.

4. Notwithstanding anything to the contrary contained in the License Agreement, Licensee shall have no duty to indemnify Company for any liability that Company may sustain as a result of Licensee's proper reliance on or use of any of the procedures or materials furnished by Company or for liability solely attributable to Company's negligence.

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. This State Addendum shall be effective only to the extent that the jurisdictional requirements of the Law are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Act are not met.

7. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	[NAME]
By:_____	By: _____
Its: _____	Its: _____

MARYLAND PROVISIONS

1. The following Risk Factor is added to the State Cover Page:

   Unopened Franchises. The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

2. Item 11 of the Franchise Disclosure Document is amended by adding the following language to the end of the seventh paragraph under the heading "Advertising Services – Brand Marketing Fee":

   You may obtain an accounting of expenditures of Brand Marketing Fees, if any, upon written request to us.

3. The following provisions amend anything to the contrary in Item 17 of the Disclosure Document:

   a. As indicated in Item 17, Maryland law (COMAR 02.02.08.16L) provides that a general release required as a condition of renewal or assignment of the franchise shall not operate to extinguish claims arising under the Maryland Franchise Registration and Disclosure Law (the "Maryland Law").

   b. The Maryland Law Section 14-226 prohibits a franchisor from requiring a franchisee to agree to a release, estoppel or waiver of liability as a condition of purchasing a franchise. None of the representations that you must make in purchasing the franchise are intended, or shall be construed, as a release, estoppel or waiver of claims arising under the Maryland Law.

   c. The Maryland Law Section 14-216(c)(25) requires us to file an irrevocable consent to be sued in the State of Maryland. If any provision in any of the contracts that you enter into with us requires venue to be in a state other than Maryland. Maryland Law supersedes such provision.

   d. Any claim arising under the Maryland Franchise Law must be brought within three years after the grant of the franchise.

4. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the license agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

5. Maryland residents and non-residents who own a franchise located in the State of Maryland will enter into the Addendum to License Agreement in the form attached to this Exhibit.

6. Maryland residents and non-residents who own franchises located in the State of Maryland pursuant to a Development Agreement will enter into the Addendum to Development Agreement in the form attached to this Exhibit.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF MARYLAND

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the State of Maryland or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Maryland.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the Maryland Franchise Registration and Disclosure Law (the "Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties acknowledge that the Law prohibits a franchisor from requiring a franchisee to agree to any release, estoppel or waiver of liability or claims arising under the Law as a condition of purchasing, selling, renewing or assigning a franchise that is subject to the Law. The parties agree that no provision in the License Agreement is intended to be, nor shall any provision act as, a release, estoppel or waiver of any liability or claims under the Law. The parties amend the License Agreement to the extent necessary to conform the License Agreement to the requirements of the Law. The parties agree that any release given by Licensee as a condition of renewal, sale or assignment of the franchise shall not constitute a release, estoppel or waiver of liability or claims under the Law. No representation made by Licensee in the License Agreement is intended to, nor shall it act as, a release, estoppel or waiver of any liability incurred under the Law.

3. The provisions in the License Agreement that provide for termination upon Licensee's bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

4. The parties amend the License Agreement to clarify that claims arising under the Law must be brought within three years from the Effective Date of the License Agreement. Therefore, any provision in the License Agreement that limits the time period for the parties to bringing a claim shall not act to reduce the period of time that the Law affords to a franchisee to bring a claim for violation of the Law.

5. Each provision in the License Agreement establishing venue for litigation outside of Maryland is void with respect to a cause of action that is otherwise enforceable in Maryland. As to causes of action enforceable in Maryland, venue shall be in Maryland.

6. Sections XXIV.A, B, C(1), and D of the License Agreement are hereby deleted in their entirety.

7. Based upon Company's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Licensees shall be deferred until Company completes its pre-opening obligations under the License Agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the Development Agreement opens.

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

9. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Law are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Law are not met.

10. The License Agreement shall be given full force and effect as amended by this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

ADDENDUM TO DEVELOPMENT AGREEMENT
FOR THE STATE OF MARYLAND

This ADDENDUM TO DEVELOPMENT AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the State of Maryland or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Maryland.

B. The parties enter into this Addendum simultaneous with their execution of that certain Development Agreement of even date. The purpose of this Addendum is to amend the Development Agreement in order to conform the Development Agreement to the requirements of the Maryland Franchise Registration and Disclosure Law (the "Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Development Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties acknowledge that the Law prohibits a franchisor from requiring a franchisee to agree to any release, estoppel or waiver of liability or claims arising under the Law as a condition of purchasing, selling, renewing or assigning a franchise that is subject to the Law. The parties agree that no provision in the Development Agreement is intended to be, nor shall any provision act as, a release, estoppel or waiver of any liability or claims under the Law. The parties amend the Development Agreement to the extent necessary to conform the Development Agreement to the requirements of the Law. The parties agree that any release given by Licensee as a condition of renewal, sale or assignment of the franchise shall not constitute a release, estoppel or waiver of liability or claims under the Law. No representation made by Licensee in the Development Agreement is intended to, nor shall it act as, a release, estoppel or waiver of any liability incurred under the Law.

3. The provisions in the Development Agreement that provide for termination upon Licensee's bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

4. The parties amend the Development Agreement to clarify that claims arising under the Law must be brought within three years from the Effective Date of the Development Agreement. Therefore, any provision in the Development Agreement that limits the time period for the parties to bringing a claim shall not act to reduce the period of time that the Law affords to a franchisee to bring a claim for violation of the Law.

5. Each provision in the Development Agreement establishing venue for litigation outside of Maryland is void with respect to a cause of action that is otherwise enforceable in Maryland. As to causes of action enforceable in Maryland, venue shall be in Maryland.

6. Sections X(A), X(B), X(C)(1), and X(C)(4) of the Development Agreement are hereby deleted and removed in their entirety.

7. Based upon Company's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Licensees shall be deferred until Company completes its pre-opening obligations under the Development Agreement. In addition, development fees and initial payments by area developers shall be deferred until the first franchise under the Development Agreement opens.

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

9. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Law are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Law are not met.

10. The Development Agreement shall be given full force and effect as amended by this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

MICHIGAN PROVISIONS

The following provisions apply to 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:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Michigan law provides that a franchisor whose most recent statements are unaudited and which show a net worth of less than $100,000 shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow. In the event that an escrow is so established, the escrow agent shall be a financial institution authorized to do business in the State of Michigan. The escrow agent may release to the franchisor those amounts of the escrowed funds applicable to a specific franchisee or subfranchisor upon presentation of an affidavit executed by the franchisee and an affidavit executed by the franchisor stating that the franchisor has fulfilled its obligation to provide real estate, improvements, equipment, inventory, training, or other items. This portion of the

Michigan law does not prohibit a partial release of escrowed funds upon receipt of affidavits of partial fulfillment of the franchisor's obligation.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO: DEPARTMENT OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ANTITRUST AND FRANCHISE SECTION, PO BOX 30213, LANSING, MI, 48909; TELEPHONE (517) 373-7117.

MINNESOTA PROVISIONS

For Minnesota residents and nonresidents acquiring a BIG CHICKEN RESTAURANT license for a location or territory or territory in Minnesota, the applicable sections of the Franchise Disclosure Document are amended to reflect the following wherever appropriate:

1. The following Risk Factor is added to the State Cover Page.

> **Unopened Franchises**. The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

2. We will not refuse to renew the License Agreement in order to convert your Franchised Business to an operation that will be owned by us or one of our affiliates.

3. Minn. Stat. Sec. 80C.21 declares void any condition, stipulation or provision purporting to bind a person to waive compliance with the Minnesota franchise law (Minn. Stat. sections 80C.01 to 80C.22) and the rules promulgated thereunder ("the Minnesota Act"). To the extent that any of the contracts that you sign with us contain a general release, or require you to sign a general release at a later date, in favor of us, the general release will not operate to extinguish claims arising under, or relieve any person from liability imposed by, the Minnesota Act.

4. The Minnesota Act protects your right to require that the venue of any dispute be in Minnesota and that Minnesota law govern all contracts with us. It furthermore protects your right to a jury trial. To the extent any contract that you sign with us is inconsistent with the Minnesota Act, the contract shall be modified to conform with the Minnesota Act.

5. If any contract that you sign with us contains procedures for terminating the contract that are inconsistent with the Minnesota Act, the contract shall be modified to add the following:

> "Provided, however, with respect to franchises governed by Minnesota law, Franchisor agrees to comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which, as of the date of this Agreement, require, except in certain specified cases enumerated in the referenced statute, that Franchisor give Franchisee a minimum of 90 days' notice of termination (with a minimum of 60 days to cure) and a minimum of 180 days' notice for non-renewal of the license agreement."

6. If any contract that you sign with us requires you to consent to our obtaining injunctive relief, the contract shall be amended to provide that, pursuant to Minn. Rule 2860.4400J, Licensee cannot give such consent; provided, however, nothing shall prevent us from applying to a forum for injunctive relief.

7. If any contract that you sign with us contains a limitations period for bringing claims against us that is shorter than the limitations period provided under the Minnesota Act, the contract shall be modified to conform to the Minnesota Act.

8. The Minnesota Act requires us to indemnify you from any loss, costs or expenses that you might incur arising out of a third party challenge to your authorized use of our service marks.

9. Minn. Stat. Sec. 604.113 caps service charges at $30 for any checks returned for insufficient funds.

10. Based upon the franchisor's financial condition, the Minnesota Department of Commerce has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the license agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

Minnesota residents and nonresidents owning a franchise to be operated in Minnesota will enter into the Minnesota Addendum to License Agreement in the form attached to this Exhibit.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF MINNESOTA

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of Minnesota or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Minnesota.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the Minnesota Franchise Act (Minn. Stat. Sections 80C.01 to 80C.22) and the rules promulgated thereunder ("the Minnesota Act").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties agree that any provision in the License Agreement that requires Licensee to provide Company with a general release in violation of Minnesota law is illegal and of no force or effect.

3. The parties agree that if any provision in the License Agreement requires venue for litigation to be in a state other than Minnesota, declares that the laws of a state other than Minnesota shall govern the License Agreement, or requires Licensee to waive its right to a jury trial, the applicable provision shall be amended to add the following:

> "Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, prohibit Franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in this Agreement shall in any way abrogate or reduce any rights of Franchisee under Minnesota Statutes, Chapter 80C, or require Franchisee to waive his or her right to a jury trial, or require Franchisee to waive any other rights to any procedure, forum or remedies provided for by Minnesota law."

4. The parties agree that if any provision in the License Agreement contains procedures for terminating the License Agreement that are inconsistent with the Minnesota Act, the applicable provision shall be amended to add the following:

> "Provided, however, with respect to franchises governed by Minnesota law, Franchisor agrees to comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which, as of the date of this Agreement, requires, except in certain specified cases, that Franchisor give Franchisee a minimum of

90 days' notice of termination (with a minimum of 60 days to cure) and a minimum of 180 days' notice for non-renewal of the license agreement."

5. The parties agree that any provision of the License Agreement that requires Licensee to consent to Company's obtaining injunctive relief is hereby modified to provide that, pursuant to Minn. Rule 2860.4400J, Licensee cannot give such consent; provided, however, nothing herein shall prevent Company from applying to a forum for injunctive relief.

6. If any provision in the License Agreement contains a limitations period for bringing claims against the Company that is shorter than the limitations period provided under the Minnesota Act, the applicable provision is amended to conform to the Minnesota Act.

7. If any provision in the License Agreement contains a service charge for any checks returned for insufficient funds, the applicable provision is amended to conform to Minn. Stat. Sec. 604.113, which caps service charges at $30 for any checks returned for insufficient funds.

8. To the extent required by the Minnesota Act, Company shall indemnify Licensee from any loss, costs or expenses that Licensee might incur arising out of a third party challenge to Licensee's authorized use of the Service Marks.

9. Based upon Company's financial condition, the Minnesota Department of Commerce has required a financial assurance. Therefore, all initial fees and payments owed by Licensees shall be deferred until Company completes its pre-opening obligations under the License Agreement.

10. 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.

11. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Minnesota Act are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Minnesota Act are not met.

12. The License Agreement shall be given full force and effect as amended by this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

NEW YORK PROVISIONS

The following information is required by New York's General Business Law (NY Gen. Bus. §680 et seq.) (Consol. 2001) ("New York Franchise Law") and supplements the information in this Disclosure Document:

1. The New York State Department of Law, by administrative rule, requires us to advise you of the disclosure question answered by our response in Item 3:

Neither we, any predecessor, any person identified in Item 2, nor any affiliate offering franchises under our principal trademark:

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. In addition, include 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. If so, disclose the names of the parties, the forum, nature, and current status of the pending action. Company may include a summary opinion of counsel concerning the action if the attorney's consent to the use of the summary opinion of counsel concerning the action if the attorney's consent to the use of the summary opinion is included as part of this Franchise Disclosure Document.

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 deceptive practices or comparable allegations. If so, disclose the names of the parties, the forum and date of conviction or date judgment was entered; penalty or damages assessed, and/or terms of settlement.

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. If so, disclose the name of the person; the public agency, association, or exchange; the court, or other forum; a summary of the allegations or facts found by the agency, association, exchange or court; and the date, nature, terms and conditions of the order or decree.

2. The New York State Department of Law, by administrative rule, requires us to advise you of the disclosure question answered by our response in Item 4:

State whether the franchisor, its affiliate, its predecessor, officers, or general partner during the ten-year period immediately before the date of the Franchise Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtain 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 or general partner of the franchisor held this position in the company or partnership. If so, disclose the name of the person and/or company that was the debtor under the Bankruptcy Code, the Date of the action and the materials facts.

3. In addition to the information disclosed in Item 5:

We use the Initial Franchise Fee to pay general administrative expenses it incurs in satisfying federal and state franchise sales rules, locating and evaluating prospective franchisees, and servicing franchisees pursuant to the License Agreement.

4. In addition to the information disclosed in Item 17:

A. The License Agreement contains a covenant not to compete which extends beyond the termination of the franchise. There may be court decisions in the State of New York limiting our ability to restrict your activities after the license agreement has ended.

B. The License 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. You may terminate the License Agreement upon any grounds available by law.

D. The fact that the License Agreement and other contracts that you will sign select California law as the governing law should not be considered a waiver of any right conferred upon the franchisor or franchisee by the New York Franchise Law.

E. The License Agreement does not restrict our right to assign the License Agreement. However, no assignment will be made except to an assignee who in the good faith judgment of Company is willing and financially able to assume our obligations under the License Agreement.

5. Revisions that we make to the Franchise System Manual as we are permitted to do under the License Agreement will not unreasonably increase your obligations or place an excessive economic burden on your operations.

6. The New York Franchise Law makes it unlawful for a franchisor to require a franchisee to assent to a release, assignment, novation, waiver or estoppel that would relieve a person from any duty or liability imposed by the New York Franchise Law.

NORTH DAKOTA PROVISIONS

The Summary column of Item 17, Chart 1, paragraph (u) of this Disclosure Document is amended to read as follows:

> "With limited exceptions pertaining to claims for (i) damages under $10,000; (ii) injunctive relief or other forms of provisional remedies; or (iii) unlawful detainer or similar remedy available to a landlord, all disputes arising out of the License Agreement must first be submitted to mediation in a mutually agreeable location in North Dakota, subject to state law. If mediation does not resolve the dispute, the matter must be resolved in court."

The Summary column of Item 17, Chart 1, paragraph (v) of this Disclosure Document is amended to read as follows:

> "The parties each agree to file an action arising out of the License Agreement in the courts located in North Dakota with the understanding, however, that either party may apply to any court with jurisdiction for equitable or interim relief."

The Summary column of Item 17, Chart 1, paragraph (w) of this Disclosure Document is amended to read as follows:

> "The License Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota to the extent required by the North Dakota Franchise Investment Law."

The Summary column of Item 17, Chart 2, paragraph (u) of this Disclosure Document is amended to read as follows:

> "The parties each agree to file an action arising out of the Development Agreement in the courts located in North Dakota with the understanding, however, that either party may apply to any court with jurisdiction for equitable or interim relief."

The Summary column of Item 17, Chart 2, paragraph (v) of this Disclosure Document is amended to read as follows:

> "The Development Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota to the extent required by the North Dakota Franchise Investment Law."

The North Dakota Securities Department requires us to defer payment of the Initial Franchise Fee and other initial payments owed by Licensees to the Franchisor until the Franchisor has completed its pre-opening obligations and the Licensee has commenced doing business under the License Agreement.

North Dakota residents and non-residents acquiring a BIG CHICKEN RESTAURANT license in the State of North Dakota will enter into the North Dakota Addendum to License Agreement in the form attached to this Exhibit.

North Dakota residents and non-residents acquiring a BIG CHICKEN RESTAURANT development license in the State of North Dakota will enter into the North Dakota Addendum to Development Agreement in the form attached to this Exhibit.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This FIRST ADDENDUM TO CONTRACTS ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of North Dakota or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the State of North Dakota.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the North Dakota Franchise Investment Law (the "Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The North Dakota Franchise Investment Law (the "**Law**") identifies certain practices as being unfair, unjust, or inequitable to franchisees. The parties hereby amend the License Agreement in the following respects in order to comply with the requirements of the Law:

(i) To the extent that the covenants in the License Agreement pertaining to a Competitive Business restrict competition in a manner contrary to the North Dakota Century Code Section 9-08-06, they may not be enforceable. A covenant not to compete that applies after the License Agreement ends for any reason may be unenforceable in the State of North Dakota.

(ii) Any provision in the License Agreement that requires Licensee to mediate a dispute with Company at a location outside of North Dakota is not enforceable. Any mediation proceeding must be conducted at a mutually acceptable location in North Dakota.

(iii) Any provision in the License Agreement that requires Licensee to consent to the jurisdiction of courts outside of North Dakota is not enforceable. The parties each agree to file an action arising out of the License Agreement in the courts located in North Dakota with the understanding, however, that either party may apply to any court with jurisdiction for equitable or interim relief.

(iv) The License Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota to the extent required by the Law.

(v) Any provision in the License Agreement that requires Licensee to waive the right to a jury trial or the right to collect exemplary or punitive damages is not enforceable under the Law.

(vi) Any provision in the License Agreement that requires Licensee to pay all of Company's costs and expenses to enforce the License Agreement is not enforceable. However, the License Agreement provision that awards attorney's fees to the prevailing party is enforceable.

(vii) Any provision in the License Agreement that requires Licensee to consent to a limitations period for bringing claims against Company is not enforceable and the statute of limitations under the Law shall apply to claims arising under the License Agreement.

(viii) Any provision in the License Agreement that requires Licensee to execute a general release in violation of the Law is not enforceable. However, you acknowledge that Company may, in its sole discretion, modify this requirement and require that Licensee and Company execute a mutual general release of claims.

(ix) Any provision in the License Agreement that requires Licensee to consent to liquidated damages or termination penalties is not enforceable.

3. The North Dakota Securities Department requires Company to defer payment of the Initial Franchise Fee and other initial payments owed by Licensee to Company until Company has completed its pre-opening obligations and Licensee has commenced doing business under the License Agreement.

4. 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.

5. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Law are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of Law are not met.

6. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY**:**	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

ADDENDUM TO DEVELOPMENT AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This FIRST ADDENDUM TO CONTRACTS ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of North Dakota or a non-resident who is acquiring a BIG CHICKEN RESTAURANT development license for a location or territory in the State of North Dakota.

B. The parties enter into this Addendum simultaneous with their execution of that certain Development Agreement of even date. The purpose of this Addendum is to amend the Development Agreement in order to conform the Development Agreement to the requirements of the North Dakota Franchise Investment Law (the "Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Development Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The North Dakota Franchise Investment Law (the "**Law**") identifies certain practices as being unfair, unjust, or inequitable to franchisees. The parties hereby amend the Development Agreement in the following respects in order to comply with the requirements of the Law:

(i) To the extent that the covenants in the Development Agreement pertaining to a Competitive Business restrict competition in a manner contrary to the North Dakota Century Code Section 9-08-06, they may not be enforceable. A covenant not to compete that applies after the Development Agreement ends for any reason may be unenforceable in the State of North Dakota.

(ii) Any provision in the Development Agreement that requires Licensee to mediate a dispute with Company at a location outside of North Dakota is not enforceable. Any mediation proceeding must be conducted at a mutually acceptable location in North Dakota.

(iii) Any provision in the Development Agreement that requires Licensee to consent to the jurisdiction of courts outside of North Dakota is not enforceable. The parties each agree to file an action arising out of the Development Agreement in the courts located in North Dakota with the understanding, however, that either party may apply to any court with jurisdiction for equitable or interim relief.

(iv) The Development Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota to the extent required by the Law.

(v) Any provision in the Development Agreement that requires Licensee to waive the right to a jury trial or the right to collect exemplary or punitive damages is not enforceable under the Law.

(vi) Any provision in the Development Agreement that requires Licensee to pay all of Company's costs and expenses to enforce the Development Agreement is not enforceable. However, the Development Agreement provision that awards attorney's fees to the prevailing party is enforceable.

(vii) Any provision in the Development Agreement that requires Licensee to consent to a limitations period for bringing claims against Company is not enforceable and the statute of limitations under the Law shall apply to claims arising under the Development Agreement.

(viii) Any provision in the Development Agreement that requires Licensee to execute a general release in violation of the Law is not enforceable. However, you acknowledge that Company may, in its sole discretion, modify this requirement and require that Licensee and Company execute a mutual general release of claims.

(ix) Any provision in the Development Agreement that requires Licensee to consent to liquidated damages or termination penalties is not enforceable.

3. The North Dakota Securities Department requires Company to defer payment of the Development Fee and other initial payments owed by Licensee to Company until Company has completed its pre-opening obligations and Licensee has commenced doing business under the License Agreement.

4. 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.

5. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Law are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of Law are not met.

6. The Development Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY**:**	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

RHODE ISLAND PROVISIONS

The Rhode Island Franchise Investment Act (the "Act") at Section 19-28.1-14 provides that "a provision in a license 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."

Rhode Island residents and non-residents acquiring a BIG CHICKEN RESTAURANT license in the State of Rhode Island will enter into the Rhode Island Addendum to License Agreement in the form attached to this Exhibit.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF RHODE ISLAND

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of Rhode Island or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Rhode Island.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the Rhode Island Franchise Investment Act (the "Act").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The Act at Section 19-28.1-14 provides that "a provision in a license agreement restricting jurisdiction or venue for litigation 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." To the extent that any provision in the License Agreement is inconsistent with the Act, the provisions of the Act shall control. This provision shall not modify the parties' agreement to mediate disputes at Company's headquarters at the time that a party initiates the mediation.

3. Rhode Island law shall be applied to, and govern, any claim that alleges violation of the Act.

4. 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.

5. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Act are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Act are not met.

6. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY**:**	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

SOUTH DAKOTA PROVISIONS

The following information is required by South Dakota's Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)) ("South Dakota Law") and supplements the information in this Disclosure Document:

1. Item 17 is supplemented by the addition of the following language immediately after the table:

> Despite anything to the contrary in the table, the law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota. Any non-binding mediation will be conducted at a mutually agreed upon site. You are not required to submit to venue or a forum outside the State of South Dakota for any claims you may have under the South Dakota Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)).

2. This Addendum is effective only to the extent that the jurisdictional requirements of the South Dakota Law are met independent of and without reference to this Addendum. This Addendum will have no effect if the jurisdictional requirements of the South Dakota Law are not met.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF SOUTH DAKOTA

This ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of South Dakota or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of South Dakota.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of South Dakota's Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)) ("South Dakota Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties acknowledge and agree that:

a. Notwithstanding anything to the contrary in the License Agreement, the law regarding franchise registration, employment, covenants not to compete, and other matters of local concern shall be governed by the laws of the State of South Dakota.

b. You are not required to submit to a venue or forum outside of the State of South Dakota for any claims that you may have against us under the South Dakota Law.

c. 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.

3. This Addendum is effective only to the extent that the jurisdictional requirements of the South Dakota Law are met independent of and without reference to this Addendum. This Addendum will have no effect if the jurisdictional requirements of the South Dakota Law are not met.

4. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY**:**	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

VIRGINIA PROVISIONS

Any provision in the License Agreement that provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et seq.).

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the license agreement.

Additional Disclosures. The following statements are added to the information that we disclose in Item 17:

1. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the License Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the License Agreement involves our use of undue influence to induce you to surrender any rights under the License Agreement, that provision may not be enforceable.

The following Risk Factor is added to the State Cover Page:

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from $681,500 to $1,535,500. This amount exceeds the franchisor's stockholders' equity as of December 31, 2024, which is $(3,660,139).

The following provision is added and incorporated by referenced to the Area Development Agreement:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the development agreement.

WASHINGTON PROVISIONS

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 license 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 license agreement or related agreements concerning your relationship with the franchisor. License 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 license 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 license 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 license 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 license agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in license agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the license 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 license 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 license 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 license 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 license 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 license 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 license 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 license 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 license 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.

19. Washington Franchises. Washington residents and non-residents who own a franchise located in the State of Washington will enter into the Washington Addendum to License Agreement in the form attached to this Exhibit for purposes of amending the License Agreement to comply with the provisions of the Act.

20. Fee Deferral. The franchisor will defer collection of the initial franchise fee until the franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchisee is open for business.

ADDENDUM TO LICENSE AGREEMENT AND RELATED AGREEMENTS FOR THE STATE OF WASHINGTON

This ADDENDUM TO LICENSE AGREEMENT AND RELATED AGREEMENTS ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Franchisee"), subject to the following recitals:

R E C I T A L S

A. Franchisee is a resident of the state of Washington or a non-resident acquiring a Big Chicken franchise for a location or territory in the state of Washington.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement and related agreements of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the Washington Franchise Investment Protection Act (the "Act").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. 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.

3. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the license 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 license agreement or related agreements concerning your relationship with the franchisor. License agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

4. 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 license 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.

5. General Release. A release or waiver of rights in the license 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).

6. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the license 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.

7. 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.

8. Termination by Franchisee. The franchisee may terminate the license agreement under any grounds permitted under state law.

9. Certain Buy-Back Provisions. Provisions in license agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the license agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

10. Fair and Reasonable Pricing. Any provision in the license 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).

11. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the license 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).

12. Franchisor's Business Judgement. Provisions in the license 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.

13. Indemnification. Any provision in the license 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.

14. Attorneys' Fees. If the license 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.

15. 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 license agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington. The License Agreement and the Confidentiality and Non-Competition Agreement each include a restriction that applies to Franchisee and each Covered Person for a period of 2 years after (i)

expiration or termination of the License Agreement (or if Franchisee and Company are parties to more than one License Agreement, after the last License Agreement); and (ii) 2 years from the date that a Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee, or otherwise associated in any capacity with Franchisee. The parties amend this restriction to reduce the duration of the period from 2 years to 18 months.

16. 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 license agreement or elsewhere are void and unenforceable in Washington.

17. 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.

18. Prohibitions on Communicating with Regulators. Any provision in the license 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).

19. 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.

20. Fee Deferral. Company will defer collection of the initial franchise fee and other initial payments owed by Franchisee to Company until Company has fulfilled its initial pre-opening obligations to Franchisee and Franchisee is open for business. In addition, all development fees and initial payments by area developers shall be prorated and collected as each franchise under the Development Agreement opens.

21. Section XII.A of the License Agreement does not apply to Washington franchisees.

22. Section XII.C.1 of the License Agreement does not apply to Washington franchisees. This Addendum shall be effective only to the extent that the jurisdictional requirements of the Act are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Act are not met.

23. Sections XXIV A., B., C.1. and D. of the License Agreement do not apply to Washington franchisees.

24. The License Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	FRANCHISEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

ADDENDUM TO DEVELOPMENT AGREEMENT AND RELATED AGREEMENTS FOR THE STATE OF WASHINGTON

This ADDENDUM TO DEVELOPMENT AGREEMENT AND RELATED AGREEMENTS ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Franchisee"), subject to the following recitals:

R E C I T A L S

A. Franchisee is a resident of the state of Washington or a non-resident acquiring a Big Chicken franchise for a location or territory in the state of Washington.

B. The parties enter into this Addendum simultaneous with their execution of that certain Development Agreement and related agreements of even date. The purpose of this Addendum is to amend the Development Agreement in order to conform the Development Agreement to the requirements of the Washington Franchise Investment Protection Act (the "Act").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Development Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. 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.

3. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the development 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 development agreement or related agreements concerning your relationship with the franchisor. Development agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

4. 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 development agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

5. General Release. A release or waiver of rights in the development 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).

6. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the development 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.

7. 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.

8. Termination by Franchisee. The franchisee may terminate the development agreement under any grounds permitted under state law.

9. Certain Buy-Back Provisions. Provisions in development agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the development agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

10. Fair and Reasonable Pricing. Any provision in the development 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).

11. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the development 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).

12. Franchisor's Business Judgement. Provisions in the development 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.

13. Indemnification. Any provision in the development 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.

14. Attorneys' Fees. If the development 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.

15. 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 development agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

16. 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 development agreement or elsewhere are void and unenforceable in Washington.

17. 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.

18. Prohibitions on Communicating with Regulators. Any provision in the development 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).

19. 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.

20. Fee Deferral. Company will defer collection of the initial franchise fee and other initial payments owed by Franchisee to Company until Company has fulfilled its initial pre-opening obligations to Franchisee and Franchisee is open for business. In addition, all development fees and initial payments by area developers shall be prorated and collected as each franchise under the Development Agreement opens.

21. Sections X A., B., and C.1 of the Development Agreement do not apply to Washington franchisees.

22. The Development Agreement shall be given full force and effect as amended by this State Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	FRANCHISEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

WISCONSIN PROVISIONS

The Wisconsin Fair Dealership Law ("Wisconsin Law") applies to most, if not all license agreements and prohibits the termination, cancellation, nonrenewal or substantial change of the competitive circumstances of a dealership agreement without good cause. The Wisconsin Law further provides that at least 90 days prior written notice of the proposed termination, cancellation, nonrenewal or substantial change must be given to the "dealer" as that term is defined by the Wisconsin Law. The Wisconsin Law gives the dealer 60 days to cure the deficiency and if the deficiency is timely cured, the notice is void. The Wisconsin Law may supersede and control the terms of your relationship with us with respect to these subject matters. To the extent that any provision of the License Agreement is inconsistent with the Wisconsin Law, the Wisconsin Law will control.

Wisconsin residents and non-residents acquiring a BIG CHICKEN RESTAURANT license for allocation in the state of Wisconsin will enter into the Wisconsin Addendum to License Agreement in the form attached to this Exhibit.

ADDENDUM TO LICENSE AGREEMENT
FOR THE STATE OF WISCONSIN

This FIRST ADDENDUM TO LICENSE AGREEMENT ("Addendum") is made and entered into on _____, _____ by and between BC LICENSING LLC, a Nevada limited liability company ("Company") and _____ ("Licensee"), subject to the following recitals:

R E C I T A L S

A. Licensee is a resident of the state of Wisconsin or a non-resident who is acquiring a BIG CHICKEN RESTAURANT license for a location or territory in the state of Wisconsin.

B. The parties enter into this Addendum simultaneous with their execution of that certain License Agreement of even date. The purpose of this Addendum is to amend the License Agreement in order to conform the License Agreement to the requirements of the Wisconsin Fair Dealership Law, Wis. Stats. Ch. 135, Sec. 32.06 et seq. (the "Law").

C. All capitalized terms in this Addendum shall have the same meaning assigned to them in the License Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The Law provides certain rights to franchisees, which extend to Licensee. In particular, and without limitation, the Law prohibits the termination, cancellation, nonrenewal or substantial change of competitive circumstances (as defined by the Law and by case law) of a dealership or license agreement without good cause. The Law further provides that 90 days prior written notice of the proposed termination, cancellation, nonrenewal or substantial change of competitive circumstances must be given to the "dealer" as that term is defined by the Law. The Law allows the dealer 60 days to cure the deficiency and if the deficiency is cured, the notice is void. To the extent that the Law conflicts with any provision of the License Agreement, the provisions of the Law shall control.

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.

4. The License Agreement shall continue in full force and effect, subject to the terms of this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

COMPANY:	LICENSEE:
BC LICENSING LLC, a Nevada limited liability company	**[NAME]**
By: _____	By: _____
Its: _____	Its: _____

EXHIBIT K

FINANCIAL STATEMENTS

BC Licensing LLC

Financial Statements

As of December 31, 2024 and 2023
and for the years ended December 31, 2024, 2023 and 2022

BC Licensing LLC

Financial Statements

As of December 31, 2024, 2023
and for the years ended December 31, 2024, 2023 and 2022

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A&G LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Member
BC Licensing LLC
Las Vegas, Nevada

Report on the Financial Statements

Opinion

We have audited the financial statements of BC Licensing LLC, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in member's equity (deficit) and cash flows for the years ended December 31, 2024, 2023 and 2022, and related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BC Licensing LLC as of December 31, 2024 and 2023, and the results of its operations, changes in member's equity (deficit) and cash flows for the years ended December 31, 2024, 2023 and 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BC Licensing LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BC Licensing LLC's ability to continue as a going concern within one year from the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness BC Licensing LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used, and the reasonableness of, significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BC Licensing LLC's ability to continue as a going concern for a reasonable period of time.

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

A+G LLP

A&G, LLP
Dallas, Texas
April 11, 2025

Balance Sheets

As of December 31,	**2024**	2023
Assets		
Current assets:		
Cash and cash equivalents	**$ 302,205**	$ 82,721
Restricted cash	**47,565**	10,954
Accounts receivable, net	**144,854**	287,534
Prepaid expenses	**23,561**	22,803
Total current assets	**518,185**	404,012
Property and equipment, net	**11,521**	15,471
Deferred costs, net	**20,000**	-
Total assets	**$ 549,706**	$ 419,483
Liabilities and Member's Deficit		
Current liabilities:		
Accounts payable	**$ 22,914**	$ 99,524
Accrued expenses	**59,725**	26,638
Due to parent	**4,643**	18,301
Due to affiliate	**360,000**	-
Deferred revenue	**80,872**	123,077
Total current liabilities	**528,154**	267,540
Deferred revenue, net	**3,681,691**	5,000,571
Total liabilities	**4,209,845**	5,268,111
Member's deficit	**(3,660,139)**	(4,848,628)
Total liabilities and member's deficit	**$ 549,706**	$ 419,483

Statements of Operations

For the years ended December 31,	**2024**	2023	2022
Revenues:			
Franchise and license fee revenue	**$ 1,770,191**	$ 166,344	$ 91,242
Royalty fee revenue	**1,708,616**	933,285	286,153
Brand marketing fee revenue	**266,976**	110,943	16,558
Other revenues	**242,965**	42,364	14,614
Total revenues	**3,988,748**	1,252,936	408,567
General and administrative expenses:			
Depreciation expense	**3,950**	3,950	329
Advertising and marketing	**9,819**	100,807	196,600
Brand marketing fee expense	**451,218**	232,292	15,088
Personnel costs	**1,582,380**	1,145,994	-
Professional fees	**468,361**	251,294	339,979
Technology expense	**246,169**	204,638	123,881
Travel expense	**413,956**	376,184	144,845
Other general and administrative expenses	**215,786**	175,210	104,369
Total general and administrative expenses	**3,391,639**	2,490,369	925,091
Net income (loss)	**$ 597,109**	$ (1,237,433)	$ (516,524)

Statements of Changes in Member's Equity (Deficit)

For the years ended December 31,	**2024**	2023	2022
Balance at beginning of year	**$ (4,848,628)**	$ (2,571,153)	$ 195,371.00
Net income (loss)	**597,109**	(1,237,433)	(516,524)
Contributions from member	**591,380**	-	-
Distributions to member	**-**	(1,040,042)	(2,250,000)
Balance at end of year	**$ (3,660,139)**	$ (4,848,628)	$ (2,571,153)

Statements of Cash Flows

For the years ended December 31,	**2024**	2023	2022
Operating Activities			
Net income (loss)	**$ 597,109**	$ (1,237,433)	$ (516,524)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:			
Depreciation	**3,950**	3,950	329
Changes in operating assets and liabilities:			
Restricted cash	**(36,611)**	(10,228)	(726)
Accounts receivable	**142,680**	(193,031)	(94,503)
Unbilled revenue	**-**	121,559	(31,559)
Prepaid expenses	**(758)**	(2,927)	(19,876)
Net advances from (to) parent	**(13,658)**	19,200	(899)
Deferred costs	**(20,000)**	-	-
Accounts payable	**(76,610)**	99,524	-
Accrued expenses	**33,087**	(11,801)	38,439
Deferred revenue	**(1,361,085)**	1,920,560	2,581,921
Net cash provided (used) by operating activities	**(731,896)**	709,373	1,956,602
Investing Activities			
Purchases of property and equipment	**-**	-	(19,750)
Net cash used by investing activities	**-**	-	(19,750)
Financing Activities			
Net advances from affiliate	**360,000**	-	-
Contributions from member	**591,380**	-	-
Distributions to member	**-**	(1,040,042)	(2,250,000)
Net cash provided (used) by financing activities	**951,380**	(1,040,042)	(2,250,000)
Net increase (decrease) in cash and cash equivalents	**219,484**	(330,669)	(313,148)
Cash and cash equivalents, beginning of year	**82,721**	413,390	726,538
Cash and cash equivalents, end of year	**$ 302,205**	$ 82,721	$ 413,390

1. Organization and Operations

Description of Business

BC Licensing LLC was formed in the State of Nevada on February 13, 2020. References in these financial statement footnotes to the "Company", "we", "us", and "our" refer to the business of BC Licensing LLC. We are a wholly owned subsidiary of BCIP LLC ("Parent" or "Member").

The Company is a limited liability company, and therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

The Company was formed for the purpose of granting franchises and licenses for the establishment and operation of fast-casual restaurants and non-traditional venues under the trade name and service mark "Big Chicken" ("Licensed Marks"). These restaurants and non-traditional venues feature freshly-prepared chicken sandwiches and chicken tenders along with an assortment of side dishes, salads, ice cream, basketball-sized chocolate chip cookies, and non-alcoholic and alcoholic beverages ("Big Chicken Restaurants").

Our Parent, pursuant to a license agreement, dated October 1, 2018, by and between our Parent and ABG-Shaq, LLC ("Shaq License Agreement"), has been granted the right and license to utilize (i) the right of publicity of Shaquille O'Neal and (ii) the 'SHAQ' and 'SHAQUILLE O'NEAL' trademarks ("Shaq Intellectual Property") in connection with implementation and exploitation of the Big Chicken restaurant menus and imprints of Shaquille O'Neal's footprints at Big Chicken Restaurants an in-context use of the Shaq Intellectual Property in connection with the advertising and promotion of Big Chicken restaurants ("Shaq Licensed Rights"). The Shaq License agreement permits our Parent to sublicense to the Company and allows us to franchise the Shaq Licensed Rights to third parties to operate Big Chicken Restaurants.

Our Parent owns the Licensed Marks and has the right to use the Shaq Licensed Rights utilized in the Big Chicken franchise system and has granted us the non-exclusive right to grant sublicenses of the Licensed Marks and Shaq Licensed Rights to third parties to operate Big Chicken Restaurants.

The table below reflects the status and changes in franchised restaurants, non-traditional venues and affiliate owned restaurants for the years ended December 31, 2024, 2023 and 2022.

Non-Traditional Venues

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2022	3	4	1	6
2023	6	7	0	13
2024	13	5	1	17

1. Organization and Operations (continued)

Affiliate Owned Restaurants

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2022	2	0	0	2
2023	2	1	0	3
2024	3	0	1	2

Going Concern
Management has evaluated our ability to continue as a going concern as of December 31, 2024. Due to the positive income for the year ended December 31, 2024, we have concluded that there is not significant doubt about our ability to continue as a going concern.

2. Significant Accounting Policies

Basis of Accounting
The Company uses the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States ("U.S. GAAP"). Under this method, revenue is recognized when earned and expenses are recognized as incurred.

Use of Estimates
The preparation of the financial statements and accompanying notes in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Estimates are used for the following, among others: revenue recognition, allowance for credit losses and useful lives for depreciation of long-lived assets. Actual results could differ from those estimates.

Comparative Financial Statements
Certain prior period amounts have been reclassified to conform to current year presentation.

Fair Value
Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial instruments consist primarily of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued expenses. The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued expenses are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Assets and liabilities that are carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data

Non-recurring fair value measurements include the assessment of property and equipment for impairment. As there is no corroborating market activity to support the assumptions used, the Company has designated these estimates as Level 3.

2. Significant Accounting Policies (continued)

Cash and Cash Equivalents
For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

Restricted Cash
Restricted cash consists of funds related to the Brand Marketing Fund and Gift Cards. Funds collected by the Company for the Brand Marketing Fund and Gift Cards are maintained in separate restricted cash accounts to cover the expenditures required to be made under those respective programs and are not available to be used for the normal recurring operations of the Company.

Accounts Receivable
The balance in accounts receivable consists of royalties, license fees and other fees due from franchisees and are stated at the amount the Company expects to collect. The Company maintains allowances for credit losses for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: customer credit worthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms. Past due balance over 90 days and other higher risk amounts are reviewed individually for collectability. If the financial condition of the Company's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to an allowance. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for credit losses.

Deferred costs
The Company capitalizes incremental contract costs associated with obtaining franchise contracts which include broker fees, sales commissions and general fees that would not have been incurred had the franchise sale not occurred. These balances are reported as deferred costs on the balance sheets and are amortized over the term of the related franchise agreements. Amortization is included as commissions in the statements of operations.

Property and Equipment
Property and equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives of the respective asset:

	Estimated Useful Life
Equipment	5 Years

Maintenance and repair costs are expensed in the period incurred. Expenditures for purchases and improvements that extend the useful lives of property and equipment are capitalized.

2. Significant Accounting Policies (continued)

Impairment of Long-Lived Assets
The Company assesses potential impairment of its long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that the Company considers important which could trigger an impairment review include, but are not limited to, significant under-performance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the Company's overall business, and significant industry or economic trends. When the Company determines that the carrying value of the long-lived assets may not be recoverable based upon the existence of one or more of the above indicators, the Company determines the recoverability by comparing the carrying amount of the asset to net future undiscounted cash flows that the asset is expected to generate. If the carrying value is not recoverable, an impairment is recognized in the amount by which the carrying amount exceeds the fair value of the asset. During the years ended December 31, 2024, 2023 and 2022, no impairment charges were recognized related to long-lived assets.

Gift Card Liability
The Company sells gift cards to its customers through its corporate office. The Company's gift cards do not have an expiration date and are not redeemable for cash except where required by law. Until redemption, outstanding customer balances are recorded as a liability. An obligation is recorded at the time of sale of the gift card and it is included in gift card payable on the Company's balance sheets. As of December 31, 2024 and 2023, the Company had liabilities of $2,467 and $0 in gift cards payable, respectively. These amounts are included in accrued expenses on the balance sheets. No gift card breakage has been recognized for the years ended December 31, 2024, 2023 and 2022.

Revenue Recognition

Franchise and license fee revenue
The Company recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") ASC 606-10-25, *Revenue from Contracts with Customers*. In January 2021, the FASB issued ASU 2021-02, "Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient." ASU 2021-02 provides a practical expedient that simplifies the application of ASC 606 about identifying performance obligations and permits franchisors that are not public entities to account for pre-opening services listed within the guidance as distinct from the franchise license. The Company has adopted ASU 2021-02 and implemented the guidance on its revenue recognition policy.

Franchise fee revenue
The Company enters into development agreements with certain franchisees. The development agreement generally provides the franchisee with the right to open a specified number of new Big Chicken Restaurants over a specified period of time. A franchise agreement is required for each Big Chicken Restaurant specified in the development agreement. The development agreements typically require the franchisee to pay an initial non-refundable fee upon execution of the agreement. The development fee is then applied proportionately to each franchise agreement.

The Company also sells individual franchises. The franchise agreements typically require the franchisee to pay an initial, non-refundable fee prior to opening the respective location(s), continuing royalty and other fees on a weekly basis based upon a percentage of franchisees gross sales. A franchise agreement establishes a Big Chicken Restaurant developed in one defined geographic area and provides for a 10-year initial term from the opening date of the Big Chicken Restaurant with the option to renew for 2 consecutive 5-year terms. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement. A franchise agreement is signed with the new franchisee.

2. Significant Accounting Policies (continued)

Revenue Recognition (continued)

Franchise fee revenue (continued)
Under the terms of our franchise agreements, the Company typically promises to provide franchise rights, pre-opening services such as site selections, operational materials and functional training courses, and ongoing services, such as management of the brand marketing fund. The Company considers certain pre-opening activities and the franchise rights and related ongoing services to represent two separate performance obligations. The franchise fee revenue has been allocated to the two separate performance obligations using a residual approach. The Company has estimated the value of performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin, and assigned the remaining amount of the initial franchise fee to the franchise rights and ongoing services. Revenue allocated to preopening activities is recognized when (or as) these services are performed, no later than the opening date. Revenue allocated to franchise rights and ongoing services is deferred until the Big Chicken Restaurant opens, and is recognized on a straight-line basis over the duration of the franchise agreement as this ensures that revenue recognition aligns with the franchisee's access to the franchise right. Renewal fees are recognized over the renewal term of the respective franchise from the start of the renewal period. Transfer fees are recognized over the contractual term of the franchise agreement.

License fee revenue
The Company enters into license agreements with licensees for non-traditional venues such as sports arenas, airports and casinos. The license agreements typically require the licensee to pay an initial, non-refundable fee prior to opening the respective location(s), continuing royalty fees on a weekly basis based upon a percentage of the licensee's gross sales. A license agreement establishes a Big Chicken Restaurant developed in one defined geographic area and provides for an initial term and renewal period as specified in the license agreement. Subject to the Company's approval, a licensee may generally renew the license agreement upon its expiration. If approved, a licensee may transfer the license agreement to a new or existing licensee.

Under the terms of our license agreements, the Company typically promises to provide license rights, pre-opening services such as, operational materials and functional training courses, and ongoing services. The Company considers certain pre-opening activities and the license rights and related ongoing services to represent two separate performance obligations. The license fee revenue has been allocated to the two separate performance obligations using a residual approach. The Company has estimated the value of performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin, and assigned the remaining amount of the initial license fee to the license rights and ongoing services. Revenue allocated to preopening activities is recognized when (or as) these services are performed, no later than the opening date. Revenue allocated to license rights and ongoing services is recognized on a straight-line basis over the duration of the license agreement beginning in the period the licensee has access to the license right. Renewal fees are recognized over the renewal term of the respective license from the start of the renewal period. Transfer fees are recognized over the contractual term of the license agreement.

Royalty fee revenue
Royalty revenue from Big Chicken Restaurants is based on a percentage of the franchisees' and licensees' gross revenue. Royalty revenue is recognized during the respective franchise and license agreement as earned each period as the underlying Big Chicken Restaurant sales occur.

2. Significant Accounting Policies (continued)

Revenue Recognition (continued)

Brand Marketing fee revenue
The Company started its brand fund in 2022 to promote general brand recognition of the services, and products sold by its franchisees and affiliates. Funds are collected from franchisees and affiliates based on an agreed-upon percentage of their monthly gross revenue and used to pay costs of, or associated with, marketing, advertising, digital marketing, contact tracing, promotions, brand building, commercial business development, retail growth strategies including merchandising, the look and feel of displays, merchandise, public relations and costs to administer the brand marketing fund. Although brand marketing fee revenue is not a separate performance obligation distinct from the underlying franchise right, the Company acts as the principal as it is primarily responsible for the fulfillment and control of the brand marketing fund services. As a result, the Company records brand marketing fund contributions in revenue and related brand marketing fund expenditures in expenses in the statements of operations. When brand marketing fund revenue exceeds the related brand fund expenses in a reporting period, brand marketing fund expenses are accrued up to the amount of the brand marketing fund revenue recognized. Brand marketing fee revenue is contributed by franchisees and affiliates based on two percent of the Big Chicken Restaurants gross sales and is recognized as earned.

Other revenues
Other revenues consist of technology fee, rebate income, sponsorship income and other fee revenue and are recognized when earned.

Advertising and marketing
All costs associated with advertising and marketing are expensed in the period incurred.

Income Taxes
The Company is treated as a partnership for tax purposes and, as such, is not liable for federal or state income tax. As a single-member limited liability company, and therefore a disregarded entity for income tax purposes, the Company's assets, liabilities, and items of income, deduction and credit are combined with and included in the income tax return of the Member. Accordingly, the accompanying financial statements do not include a provision or liability for federal or state income taxes. The Company recognizes income tax related interest and penalties in interest expense and other general and administrative expenses, respectively.

The Company's member, BCIP LLC, files income tax returns in the U.S. federal jurisdiction and the states in which it operates. The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examination for years prior to 2021.

In accordance with FASB ASC 740-10, *Income Taxes*, the Company is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2024 and 2023.

2. Significant Accounting Policies (continued)

Recent Accounting Pronouncements
We reviewed significant newly-issued accounting pronouncements and concluded that they either are not applicable to our operations or that no material effect is expected on our financial statements as a result of future adoption.

Subsequent Events
In accordance with FASB ASC 855, Subsequent Events, the Company has evaluated subsequent events through April 11, 2025, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. Certain Significant Risks and Uncertainties

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash or cash equivalents. The Company maintains its deposits in two financial institutions.

4. Revenue and Related Contract Balances

Disaggregation of Revenue
The following table disaggregates revenue by source for the years ended December 31:

	2024	2023	2022
Point in time:			
Franchise and license revenue	**$ 1,702,226**	$ 125,287	$ 75,900
Royalty fee revenue	**1,708,616**	933,285	286,153
Brand marketing fee revenue	**266,976**	110,943	16,558
Other revenues	**242,965**	42,364	14,614
Total point in time	**$ 3,920,783**	$ 1,211,879	$ 393,225
Over time:			
Franchise and license revenue	**67,965**	41,057	15,342
Total revenues	**$ 3,988,748**	$ 1,252,936	$ 408,567

Contract Assets
Contract assets consist of unbilled revenue. Unbilled revenue consists of royalties and brand marketing fees earned from its customers and franchise and license fees for which a billing has not occurred.

Contract Costs
Contract costs consist of deferred costs resulting from broker fees and commissions incurred when the franchise rights are sold to franchisees. The Company classifies these contract assets as deferred costs on the balance sheets. The following table reflects the change in contract assets for the years ended December 31:

	2024	2023
Deferred costs – beginning of year	**$ -**	$ -
Expense recognized during the year	**-**	-
New deferrals	**20,000**	-
Deferred costs – end of year	**$ 20,000**	$ -

4. Revenue and Related Contract Balances (continued)

Contract Costs (continued)

The following table illustrates estimated expenses expected to be recognized over the remaining term of the associated franchise agreements as of December 31, 2024:

2025	$ -
2026	2,000
2027	2,000
2028	2,000
2029	2,000
Thereafter	12,000
Total	$ 20,000

Contract Liabilities

Contract liabilities consist of deferred revenue resulting from initial franchise fees, renewal fees and transfer fees paid by franchisees and licensees. The Company classifies these contract liabilities as deferred revenue on the balance sheets. The following table reflects the change in contract liabilities for the years ended December 31:

	2024	2023
Deferred revenue – beginning of year	**$ 5,123,648**	$ 3,203,088
Revenue recognized during the year	**(1,770,191)**	(166,344)
New deferrals	**409,106**	2,086,904
Deferred revenue – end of year	**$ 3,762,563**	$ 5,123,648

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2024:

2025	$ 80,873
2026	78,319
2027	47,072
2028	45,000
2029	42,453
Thereafter	3,468,846
Total	$ 3,762,563

5. Accounts Receivable

Accounts receivable consisted of the following at December 31:

	2024	2023
Accounts receivable	**$ 144,854**	$ 287,534
Less: allowance for credit losses	**-**	-
Accounts receivable, net	**$ 144,854**	$ 287,534

For the years ended December 31, 2024, 2023 and 2022, the Company recognized $0 bad debt expense related to accounts receivable.

6. Property and Equipment

The major classes of property and equipment consisted of the following at December 31:

	2024	2023
Equipment	**$ 19,750**	$ 19,750
Less: accumulated depreciation	**(8,229)**	(4,279)
Property and equipment, net	**$ 11,521**	$ 15,471

For the years ended December 31, 2024, 2023 and 2022, depreciation expense was $3,950, $3,950 and $329, respectively.

7. Related Party Transactions

Transactions with parent
The Company's parent, BCIP LLC, is entitled to, and may elect at any time and from time to time, in its discretion, to receive for its services a management fee up to five percent of the net revenues of the Company. Such management fees and other similar compensation shall be treated as an expense of the Company and shall not be deemed to constitute a distribution to the Parent. For the years ended December 31, 2024, 2023 and 2022, the Parent did not elect to receive any management fees. The Company shares office space with its Parent. At December 31, 2024 and 2023, the Company had a balance due to its Parent in the amount of $4,643 and $18,301, respectively. The amount due to its Parent is unsecured, bears no interest, and is due on demand.

For the years ended December 31, 2024, 2023 and 2022 the Company recognized royalty fee revenue in the amount of $22,156, $41,847 and $28,458, respectively, from affiliates owned by its Parent.

Transactions with affiliate
During the year ended December 31, 2024, the Company received deposits for development fees on behalf of our affiliate, BC International Licensing LLC. At December 31, 2024 and 2023, the Company had an amount due to its affiliate in the amount of $360,000 and $0, respectively.

8. Credit Risk

Credit risk
Receivables consists primarily of amounts due from franchisees. The financial condition of these franchisees is largely dependent upon the underlying business trends of the Company's brands. This concentration of credit risk is mitigated, in part, by the large number of franchisees and the short-term nature of the receivables.

9. Commitments and Contingencies

Litigation
Various legal actions and claims which have arisen in the normal course of business may be pending against the Company from time to time. It is the opinion of management, based on consultation with counsel, that the ultimate resolution of these contingencies will not have a material effect on the financial condition, results of operations or liquidity of the Company.

BC Licensing LLC

Financial Statements

As of December 31, 2023 and 2022
and for the years ended December 31, 2023, 2022 and 2021

BC Licensing LLC

Financial Statements

As of December 31, 2023, 2022
and for the years ended December 31, 2023, 2022 and 2021

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Independent Auditor's Report

To the Member
BC Licensing LLC
Las Vegas, Nevada

Report on the Financial Statements

Opinion

We have audited the financial statements of BC Licensing LLC, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, changes in member's equity (deficit) and cash flows for the years then ended, and related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BC Licensing LLC as of December 31, 2023 and 2022, and the results of its operations, changes in member's equity (deficit) and 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 BC Licensing LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the Company for the year ended December 31, 2021, were audited by another auditor who expressed an unmodified opinion on those financial statements on April 19, 2022.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BC Licensing LLC's ability to continue as a going concern within one year from the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness BC Licensing LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used, and the reasonableness of, significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BC Licensing LLC's ability to continue as a going concern for a reasonable period of time.

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

A+G LLP

A&G, LLP
Dallas, Texas
April 25, 2024

Balance Sheets

As of December 31,	**2023**	2022
Assets		
Current assets:		
Cash and cash equivalents	**$ 82,721**	$ 413,390
Restricted cash	**10,954**	726
Accounts receivable, net	**287,534**	94,503
Unbilled revenue	**-**	121,559
Prepaid expenses	**22,803**	19,876
Due from parent	**-**	899
Total current assets	**404,012**	650,953
Property and equipment, net	**15,471**	19,421
Total assets	**$ 419,483**	$ 670,374
Liabilities and Member's Deficit		
Current liabilities:		
Accounts payable	**$ 99,524**	$ -
Accrued expenses	**26,638**	38,439
Due to parent	**18,301**	-
Deferred revenue	**123,077**	68,950
Total current liabilities	**267,540**	107,389
Deferred revenue, net	**5,000,571**	3,134,138
Total liabilities	**5,268,111**	3,241,527
Member's deficit	**(4,848,628)**	(2,571,153)
Total liabilities and member's deficit	**$ 419,483**	$ 670,374

Statements of Operations

For the years ended December 31,	**2023**	2022	2021
Revenues:			
Franchise and license fee revenue	**$ 166,344**	$ 91,242	$ -
Royalty fee revenue	**933,285**	286,153	25,390
Brand marketing fee revenue	**110,943**	16,558	-
Other revenues	**42,364**	14,614	-
Total revenues	**1,252,936**	408,567	25,390
General and administrative expenses:			
Depreciation expense	**3,950**	329	-
Advertising and marketing	**100,807**	196,600	-
Brand marketing fee expense	**232,292**	15,088	-
Personnel costs	**1,145,994**	-	-
Professional fees	**251,294**	339,979	8,845
Technology expense	**204,638**	123,881	-
Travel expense	**376,184**	144,845	17,026
Other general and administrative expenses	**175,210**	104,369	4,248
Total general and administrative expenses	**2,490,369**	925,091	30,119
Net loss	**$ (1,237,433)**	$ (516,524)	$ (4,729)

Statements of Changes in Member's Equity (Deficit)

For the years ended December 31,	**2023**	2022	2021
Balance at benining of year	**$ (2,571,153)**	$ 195,371	$ -
Net loss	**(1,237,433)**	(516,524)	(4,729)
Contributions from member	**-**	-	200,100
Distributions to member	**(1,040,042)**	(2,250,000)	-
Balance at end of year	**$ (4,848,628)**	$ (2,571,153)	$ 195,371

Statements of Cash Flows

For the years ended December 31,	**2023**	2022	2021
Operating Activities			
Net loss	**$ (1,237,433)**	$ (516,524)	$ (4,729)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation	**3,950**	329	-
Changes in operating assets and liabilities:			
Restricted cash	**(10,228)**	(726)	-
Accounts receivable	**(193,031)**	(94,503)	-
Unbilled revenue	**121,559**	(31,559)	-
Prepaid expenses	**(2,927)**	(19,876)	-
Net advances from (to) parent	**19,200**	(899)	-
Accounts payable	**99,524**	-	-
Accrued expenses	**(11,801)**	38,439	-
Deferred revenue	**1,920,560**	2,581,921	531,167
Net cash provided by operating activities	**709,373**	1,956,602	526,438
Investing Activities			
Purchases of property and equipment	**-**	(19,750)	-
Net cash used by investing activities	**-**	(19,750)	-
Financing Activities			
Contributions from member	**-**	-	200,100
Distributions to member	**(1,040,042)**	(2,250,000)	-
Net cash provided (used) by financing activities	**(1,040,042)**	(2,250,000)	200,100
Net increase (decrease) in cash and cash equivalents	**(330,669)**	(313,148)	726,538
Cash and cash equivalents, beginning of period	**413,390**	726,538	-
Cash and cash equivalents, end of period	**$ 82,721**	$ 413,390	$ 726,538

1. Organization and Operations

Description of Business

BC Licensing LLC was formed in the State of Nevada on February 13, 2020. References in these financial statement footnotes to the "Company", "we", "us", and "our" refer to the business of BC Licensing LLC. We are a wholly owned subsidiary of BCIP LLC ("Parent" or "Member").

The Company is a limited liability company, and therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

The Company was formed for the purpose of granting franchises and licenses for the establishment and operation of fast-casual restaurants and non-traditional venues under the trade name and service mark "Big Chicken" ("Licensed Marks"). These restaurants and non-traditional venues feature freshly-prepared chicken sandwiches and chicken tenders along with an assortment of side dishes, salads, ice cream, basketball-sized chocolate chip cookies, and non-alcoholic and alcoholic beverages ("Big Chicken Restaurants").

Our Parent, pursuant to a license agreement, dated October 1, 2018, by and between our Parent and ABG-Shaq, LLC ("Shaq License Agreement"), has been granted the right and license to utilize (i) the right of publicity of Shaquille O'Neal and (ii) the 'SHAQ' and 'SHAQUILLE O'NEAL' trademarks ("Shaq Intellectual Property") in connection with implementation and exploitation of the Big Chicken restaurant menus and imprints of Shaquille O'Neal's footprints at Big Chicken Restaurants an in-context use of the Shaq Intellectual Property in connection with the advertising and promotion of Big Chicken restaurants ("Shaq Licensed Rights"). The Shaq License agreement permits our Parent to sublicense to the Company and allows us to franchise the Shaq Licensed Rights to third parties to operate Big Chicken Restaurants.

Our Parent owns the Licensed Marks and has the right to use the Shaq Licensed Rights utilized in the Big Chicken franchise system and has granted us the non-exclusive right to grant sublicenses of the Licensed Marks and Shaq Licensed Rights to third parties to operate Big Chicken Restaurants.

The table below reflects the status and changes in franchised restaurants, non-traditional venues and affiliate owned restaurants for the years ended December 31, 2023, 2022 and 2021.

Franchised Restaurants

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2021	0	0	0	0
2022	0	3	0	3
2023	3	7	0	10

Non-Traditional Venues

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2021	0	3	0	3
2022	3	4	(1)	6
2023	6	7	0	13

1. Organization and Operations (continued)

Affiliate Owned Restaurants

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2021	2	0	0	2
2022	2	0	0	2
2023	2	1	0	3

Going Concern
Management has evaluated our ability to continue as a going concern as of December 31, 2023. Due to the positive cash flows from operations and liquidity position of the Company as of December 31, 2023, we have concluded that there is not significant doubt about our ability to continue as a going concern.

2. Significant Accounting Policies

Basis of Accounting
The Company uses the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States ("U.S. GAAP"). Under this method, revenue is recognized when earned and expenses are recognized as incurred.

Use of Estimates
The preparation of the financial statements and accompanying notes in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Estimates are used for the following, among others: revenue recognition, allowance for credit losses and useful lives for depreciation of long-lived assets. Actual results could differ from those estimates.

Comparative Financial Statements
Certain prior period amounts have been reclassified to conform to current year presentation.

Fair Value
Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial instruments consist primarily of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued expenses. The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued expenses are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Assets and liabilities that are carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data

Non-recurring fair value measurements include the assessment of property and equipment for impairment. As there is no corroborating market activity to support the assumptions used, the Company has designated these estimates as Level 3.

2. Significant Accounting Policies (continued)

Cash and Cash Equivalents
For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

Restricted Cash
Restricted cash consists of funds related to the Brand Marketing Fund. Funds collected by the Company for the Brand Marketing Fund is maintained in separate restricted cash account to cover the expenditures required to be made under those respective programs and are not available to be used for the normal recurring operations of the Company.

Accounts Receivable
The balance in accounts receivable consists of royalties, license fees and other fees due from franchisees and are stated at the amount the Company expects to collect. The Company maintains allowances for credit losses for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: customer credit worthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms. Past due balance over 90 days and other higher risk amounts are reviewed individually for collectability. If the financial condition of the Company's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to an allowance. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for credit losses.

Property and Equipment
Property and equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives of the respective asset:

	Estimated Useful Life
Equipment	5 Years

Maintenance and repair costs are expensed in the period incurred. Expenditures for purchases and improvements that extend the useful lives of property and equipment are capitalized.

Impairment of Long-Lived Assets
The Company assesses potential impairment of its long lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that the Company considers important which could trigger an impairment review include, but are not limited to, significant under-performance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the Company's overall business, and significant industry or economic trends. When the Company determines that the carrying value of the long-lived assets may not be recoverable based upon the existence of one or more of the above indicators, the Company determines the recoverability by comparing the carrying amount of the asset to net future undiscounted cash flows that the asset is expected to generate. If the carrying value is not recoverable, an impairment is recognized in the amount by which the carrying amount exceeds the fair value of the asset. During the years ended December 31, 2023, 2022 and 2021, no impairment charges were recognized related to long-lived assets.

2. Significant Accounting Policies (continued)

Revenue Recognition

Franchise and license fee revenue

The Company recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") ASC 606-10-25, *Revenue from Contracts with Customers*. In January 2021, the FASB issued ASU 2021-02, "Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient." ASU 2021-02 provides a practical expedient that simplifies the application of ASC 606 about identifying performance obligations and permits franchisors that are not public entities to account for pre-opening services listed within the guidance as distinct from the franchise license. The Company has adopted ASU 2021-02 and implemented the guidance on its revenue recognition policy.

Franchise fee revenue

The Company enters into development agreements with certain franchisees. The development agreement generally provides the franchisee with the right to open a specified number of new Big Chicken Restaurants over a specified period of time. A franchise agreement is required for each Big Chicken Restaurant specified in the development agreement. The development agreements typically require the franchisee to pay an initial non-refundable fee upon execution of the agreement. The development fee is then applied proportionately to each franchise agreement.

The Company also sells individual franchises. The franchise agreements typically require the franchisee to pay an initial, non-refundable fee prior to opening the respective location(s), continuing royalty and other fees on a weekly basis based upon a percentage of franchisees gross sales. A franchise agreement establishes a Big Chicken Restaurant developed in one defined geographic area and provides for a 10-year initial term from the opening date of the Big Chicken Restaurant with the option to renew for 2 consecutive 5-year terms. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement. A franchise agreement is signed with the new franchisee.

Under the terms of our franchise agreements, the Company typically promises to provide franchise rights, pre-opening services such as site selections, operational materials and functional training courses, and ongoing services, such as management of the brand marketing fund. The Company considers certain pre-opening activities and the franchise rights and related ongoing services to represent two separate performance obligations. The franchise fee revenue has been allocated to the two separate performance obligations using a residual approach. The Company has estimated the value of performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin, and assigned the remaining amount of the initial franchise fee to the franchise rights and ongoing services. Revenue allocated to preopening activities is recognized when (or as) these services are performed, no later than the opening date. Revenue allocated to franchise rights and ongoing services is deferred until the Big Chicken Restaurant opens, and is recognized on a straight line basis over the duration of the franchise agreement as this ensures that revenue recognition aligns with the franchisee's access to the franchise right. Renewal fees are recognized over the renewal term of the respective franchise from the start of the renewal period. Transfer fees are recognized over the contractual term of the franchise agreement.

License fee revenue

The Company enters into license agreements with licensees for non-traditional venues such as sports arenas, airports and casinos. The license agreements typically require the licensee to pay an initial, non-refundable fee prior to opening the respective location(s), continuing royalty fees on a weekly basis based upon a percentage of the licensee's gross sales. A license agreement establishes a Big Chicken Restaurant developed in one defined geographic area and provides for an initial term and renewal period as specified in the license agreement. Subject to the Company's approval, a licensee may generally renew the license

2. Significant Accounting Policies (continued)

Revenue Recognition (continued)

License fee revenue (continued)
agreement upon its expiration. If approved, a licensee may transfer the license agreement to a new or existing licensee.

Under the terms of our license agreements, the Company typically promises to provide license rights, pre-opening services such as, operational materials and functional training courses, and ongoing services. The Company considers certain pre-opening activities and the license rights and related ongoing services to represent two separate performance obligations. The license fee revenue has been allocated to the two separate performance obligations using a residual approach. The Company has estimated the value of

performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin, and assigned the remaining amount of the initial license fee to the license rights and ongoing services. Revenue allocated to preopening activities is recognized when (or as) these services are performed, no later than the opening date. Revenue allocated to license rights and ongoing services is recognized on a straight line basis over the duration of the license agreement beginning in the period the licensee has access to the license right. Renewal fees are recognized over the renewal term of the respective license from the start of the renewal period. Transfer fees are recognized over the contractual term of the license agreement.

Royalty fee revenue
Royalty revenue from Big Chicken Restaurants is based on a percentage of the franchisees' and licensees' gross revenue. Royalty revenue is recognized during the respective franchise and license agreement as earned each period as the underlying Big Chicken Restaurant sales occur.

Brand Marketing fee revenue
The Company started its brand fund in 2022 to promote general brand recognition of the services, and products sold by its franchisees and affiliates. Funds are collected from franchisees and affiliates based on an agreed-upon percentage of their monthly gross revenue and used to pay costs of, or associated with, marketing, advertising, digital marketing, contact tracing, promotions, brand building, commercial business development, retail growth strategies including merchandising, the look and feel of displays, merchandise, public relations and costs to administer the brand marketing fund. Although brand marketing fee revenue is not a separate performance obligation distinct from the underlying franchise right, the Company acts as the principal as it is primarily responsible for the fulfillment and control of the brand marketing fund services. As a result, the Company records brand marketing fund contributions in revenue and related brand marketing fund expenditures in expenses in the statements of operations. When brand marketing fund revenue exceeds the related brand fund expenses in a reporting period, brand marketing fund expenses are accrued up to the amount of the brand marketing fund revenue recognized. Brand marketing fee revenue is contributed by franchisees and affiliates based on two percent of the Big Chicken Restaurants gross sales and is recognized as earned.

Other revenue
Other revenue consists of other fee revenue and is recognized when earned.

2. Significant Accounting Policies (continued)

Advertising and marketing
All costs associated with advertising and marketing are expensed in the period incurred.

Income Taxes
The Company is treated as a partnership for tax purposes and, as such, is not liable for federal or state income tax. As a single-member limited liability company, and therefore a disregarded entity for income tax purposes, the Company's assets, liabilities, and items of income, deduction and credit are combined with and included in the income tax return of the Member. Accordingly, the accompanying financial statements do not include a provision or liability for federal or state income taxes. The Company recognizes income tax related interest and penalties in interest expense and other general and administrative expenses, respectively.

The Company's member, BCIP LLC, files income tax returns in the U.S. federal jurisdiction and the states in which it operates. The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Company is subject to examination for all years since inception.

In accordance with FASB ASC 740-10, *Income Taxes*, the Company is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2023 and 2022.

Recently Adopted Accounting Pronouncements
In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments", and subsequent amendments to the initial guidance, ASU 2019-10. This accounting standard changes the methodology for measuring credit losses on financial instruments, including trade accounts receivable, and the timing of when such losses are recorded. ASU No. 2016-13 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2022. The Company adopted this standard as of January 1, 2023, using the modified retrospective approach and it did not have a material impact on its financial statements.

Recent Accounting Pronouncements
We reviewed other significant newly-issued accounting pronouncements and concluded that they either are not applicable to our operations or that no material effect is expected on our financial statements as a result of future adoption.

3. Certain Significant Risks and Uncertainties

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash or cash equivalents. The Company maintains its deposits in two financial institutions.

4. Revenue and Related Contract Balances

Disaggregation of Revenue

The following table disaggregates revenue by source for the years ended December 31:

	2023	2022	2021
Point in time:			
Franchise and license revenue	**$ 125,287**	$ 75,900	$ -
Royalty fee revenue	**933,285**	286,153	25,390
Brand marketing fee revenue	**110,943**	16,558	-
Other revenues	**42,364**	14,614	-
Total point in time	**$ 1,211,879**	$ 393,225	$ 25,390
Over time:			
Franchise and license revenue	**41,057**	15,342	-
Total revenues	**$ 1,252,936**	$ 408,567	$ 25,390

Contract Assets

Contract assets consist of unbilled revenue. Unbilled revenue consists of royalties, brand marketing fees earned from its customers and franchise and license fees for which a billing has not occurred.

Contract Liabilities

Contract liabilities consist of deferred revenue resulting from initial franchise fees, renewal fees and transfer fees paid by franchisees and licensees. The Company classifies these contract liabilities as deferred revenue on the balance sheets. The following table reflects the change in contract liabilities for the years ended December 31:

	2023	2022
Deferred revenue – beginning of year	**$ 3,203,088**	$ 531,167
Revenue recognized during the year	**(166,344)**	(91,242)
New deferrals	**2,086,904**	2,763,163
Deferred revenue – end of year	**$ 5,123,648**	$ 3,203,088

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2023:

2024	$ 123,077
2025	50,271
2026	27,875
2027	22,648
2028	22,648
Thereafter	4,877,129
Total	$ 5,123,648

5. Accounts Receivable

Accounts receivable consisted of the following at December 31:

	2023	2022
Accounts receivable	**$ 287,534**	$ 94,503
Less: allowance for credit losses	**-**	-
Accounts receivable, net	**$ 287,534**	$ 94,503

For the years ended December 31, 2023, 2022 and 2021, the Company recognized $0 bad debt expense related to accounts receivable.

6. Property and Equipment

The major classes of property and equipment consisted of the following at December 31:

	2023	2022
Equipment	**$ 19,750**	$ 19,750
Less: accumulated depreciation	**(4,279)**	(329)
Property and equipment, net	**$ 15,471**	$ 19,421

For the years ended December 31, 2023, 2022 and 2021, depreciation expense was $3,950, $329 and $0, respectively.

7. Related Party Transactions

The Company's parent, BCIP LLC, is entitled to, and may elect at any time and from time to time, in its discretion, to receive for its services a management fee up to five percent of the net revenues of the Company. Such management fees and other similar compensation shall be treated as an expense of the Company and shall not be deemed to constitute a distribution to the Parent. For the years ended December 31, 2023, 2022 and 2021 the Parent did not elect to receive any management fees. The Company shares office space with its Parent. As of December 31, 2022 the Company had a balance due from its Parent in the amount of $899. At December 31, 2023 the Company had a balance due to its Parent in the amount of $18,301 and is unsecured, bears no interest, and is due on demand.

For the years ended December 31, 2023, 2022 and 2021 the Company recognized royalty fee revenue in the amount of $39,736, $28,458 and $6,219, respectively, from affiliates owned by its Parent.

8. Commitments and Contingencies

Litigation
Various legal actions and claims which have arisen in the normal course of business may be pending against the Company from time to time. It is the opinion of management, based on consultation with counsel, that the ultimate resolution of these contingencies will not have a material effect on the financial condition, results of operations or liquidity of the Company.

9. Subsequent Events

The Company has evaluated subsequent events through April 25, 2024, the date the financial statements were available to be issued.

EXHIBIT L

LISTS OF CURRENT AND FORMER FRANCHISEES

Franchisee-Owned Outlets Open and Operating as of the Prior Fiscal Year End:

Franchisee	Address	City	State	Zip Code	Phone Number
CRC Restaurant Group LLC	366 N. Gilbert Road, #106	Gilbert	AZ	85234	480-687-8964
Superior QSR LLC	9421 W. Higgins Road	Rosemont	IL	60018	331-308-6655
NE Chicken, LLC	210 Andover Street, Suite 109D	Peabody	MA	01960	978-982-1010
H&D Group Investments, LLC	11470 N. Linden Road	Clio	MI	48420	810-440-4041
H&D Group Investments, LLC	10490 Highland Road	Hartland	MI	48353	810-746-9442
H&D Group Investments, LLC	30130 Plymouth Road	Livonia	MI	48912	734-744-8808
TGA Holdings, LLC	6054 US Highway 98	Hattiesburg	MS	39402	601-564-0929
Little Chick, LLC	444 East William Street, Unit 20	Carson City	NV	89701	775-301-6223
Little Chick, LLC	913 Santa Anita Avenue	Minden	NV	89423	775-854-7427
NJ Foodies, Inc	640 Commons Way, Suite 4240	Bridgewater	NJ	08807	908-573-1407
Just a Chicken, LLC	10655 Innovation Drive	Miamisburg	OH	45342	937-247-5118
Memo II LLC	1000 Premium Outlets Drive, Suite C13	Tannersville	PA	18372	570-293-9933
GVR Hospitality, LLC	5118 Hixson Pike	Hixson	TN	37343	432-287-6177
GVR Hospitality, LLC	410 Broad Street	Chattanooga	TN	37402	423-287-6416
34 Franchise Group LLC	3415 FM 762, Suite 100	Richmond	TX	77469	281-738-3211
34 Franchise Group LLC	107 Yale Street, Suite 100	Houston	TX	77007	281-206-0870
JS One Development, LLC	7411 Milwaukee Avenue	Lubbock	TX	79424	806-701-2955
34 Franchise Group LLC	9755 N. Freeway	Fort Worth	TX	76177	817-349-3920
Jones3 LLC	11700 Mukilteo Speedway	Mukilteo	WA	98275	424-290-1080
Jones3 LLC	921-A N. 10th Street	Renton	WA	98057	425-207-8710
Luna Azul Restaurants, Inc	2601 N. Pearl Street, Suite 101	Tacoma	WA	98407	253-503-0914
Jones3 LLC	15515 Westminster Way North	Shoreline	WA	98133	206-775-4388

Franchisees who have signed a License Agreement but were not open as of the Prior Fiscal Year End:

Franchisee	Address	City	State	Zip Code	Phone Number
Superior QSR LLC	100 W. Rand Road, Suite 29	Arlington Heights	IL	60004	847-353-9999
Reddty & Mowa, LLC	8725 W. Linebaugh	Tampa	FL	33625	817-437-0517
LA Delights LLC	3760 Nelson Road	Lake Charles	LA	70605	337-263-2038
BokBok, LLC	399 Constitution Drive	West Monroe	LA	71292	318-816-1148
JBMM Hospitality	1 Premium Outlets Blvd., Suite 248	Wrentham	MA	02093	508-726-0013
JBMM Hospitality	19 Dodge Street	Beverly	MA	01915	508-726-0013
Sidhu QSR, LLC	480 East College Avenue	State College	PA	16801	570-494-6375

Former Franchisees that Departed the Franchise Network during the Prior Fiscal Year and Current Fiscal Year:

The name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of each franchisee who had an outlet terminated, canceled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under our License Agreement during the most recently completed fiscal year and current fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document, is listed below. The states listed below in which these former franchisees may be contacted are not necessarily the same states in which the former franchisee's franchised businesses were located. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Prior Fiscal Year:

Franchisee	City	State	Zip Code	Phone Number	Reason
Panhandle Restaurant Group	Fayetteville	AR	72701	479-332-4455	The license agreement was terminated for non-compliance with the franchise system
Panhandle Restaurant Group	Springdale	AR	72762	479-332-4455	The license agreement was terminated for non-compliance with the franchise system
Panhandle Restaurant Group	Springdale	AR	72762	479-332-4455	The license agreement was terminated for non-compliance with the franchise system
BC NoHo West, LLC	Valencia	CA	91355	661-481-0003	The license agreement was terminated for non-compliance with the franchise system
Slam Dunk Foods, LLC	North Hollywood	CA	91606	818-613-900	Signed a license agreement but never opened for business and the license agreement was terminated
DMD Chicken, LLC	Doral	FL	33166	954-727-9800	Signed a license agreement but never opened for business and the license agreement was terminated
DMD Chicken, LLC	Melbourne	FL	32940	954-727-9800	Signed a license agreement but never opened for business and the license agreement was terminated
DMD Chicken, LLC	Orlando	FL	32806	954-727-9800	Signed a license agreement but never opened for business and the license agreement was terminated
Panhandle Restaurant Group	Callaway	FL	32404	479-332-4455	The license agreement was terminated for non-compliance with the franchise system

Panhandle Restaurant Group	Lake City	FL	32055	479-332-4455	The license agreement was terminated for non-compliance with the franchise system
Panhandle Restaurant Group	Panama City	FL	32405	479-332-4455	The license agreement was terminated for non-compliance with the franchise system
Panhandle Restaurant Group	Panama City	FL	32405	479-332-4455	The license agreement was terminated for non-compliance with the franchise system
BCR Group LLC	Las Vegas	NV	89141	702-468-3454	Signed a license agreement but never opened for business and the license agreement was terminated
CRC Restaurant Group LLC	Miamisburg	OH	45342	937-247-5118	Transfer
34 Franchise Group LLC	Houston	TX	77063	346-223-6942	Abandoned business and the license agreement was terminated

Current Fiscal Year:

Franchisee	City	State	Zip Code	Phone Number	Reason
CRC Restaurant Group LLC	Gilbert	AZ	85234	480-687-8964	The license agreement was terminated for non-compliance with the franchise system
GVR Hospitality, LLC	Hixson	TN	37343	432-287-6177	Abandoned business and the license agreement was terminated
34 Franchise Group LLC	Richmond	TX	77469	281-738-3211	The license agreement was terminated for non-compliance with the franchise system
34 Franchise Group LLC	Houston	TX	77007	281-206-0870	The license agreement was terminated for non-compliance with the franchise system
34 Franchise Group LLC	Fort Worth	TX	76177	817-349-3920	The license agreement was terminated for non-compliance with the franchise system

EXHIBIT M

CLOSING ACKNOWLEDGEMENT
(DECLARATION OF FRANCHISEE APPLICANT)

DECLARATION OF FRANCHISEE APPLICANT

Do not sign this Declaration if you are a resident of California, Maryland, or Washington or the franchise will be operated in California, Maryland, or Washington.

To Applicant: On behalf of an existing or to-be-formed Business Entity ("**Applicant**"), by signing this Declaration below, you acknowledge that you have authority to represent Applicant in applying to purchase a Big Chicken franchise license to use the Big Chicken System to operate a Big Chicken Restaurant and have received a copy of the Big Chicken Restaurant Franchise Disclosure Document ("**FDD**") which includes the contracts that Applicant will be asked to sign if we offer Applicant a franchise.

As part of the process that we follow in reviewing an application to purchase a Big Chicken franchise license, you must execute this Declaration on Applicant's behalf to inform us if any statement or promise has been made to you by our representatives that we do not authorize or that you believe is or may be untrue, inaccurate or misleading. We also want to confirm that you understand the terms of the agreements that you will sign on Applicant's behalf. This Declaration does not have the effect of waiving any claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder, or disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor.

All capitalized terms in this Declaration that are not defined in this Declaration have the same meaning assigned to them in the FDD. You must look up any definitions not contained in this Declaration.

The following provision applies only to franchisees and franchises that are subject to state registration/disclosure laws in: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, Virginia, Washington and Wisconsin.

> 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.

Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed the FDD and each exhibit that the FDD identifies is attached to it?

   Yes _____ No _____

2. Do you understand all of the information contained in the contracts that you will be asked to sign and in the other exhibits to the FDD?

   Yes _____ No _____

   If no, what parts do you not understand? (Attach additional pages, if necessary.)

   _____
   _____
   _____
   _____

3. Did you receive the FDD together with a copy of all proposed agreements relating to the sale of a Big Chicken franchise at least 14 calendar days (or such earlier date as required by applicable state law - see State Addenda) before your execution of this document and at least 14 calendar days (or such earlier date as required by applicable state law - see State Addenda) before you paid any consideration in connection with this franchise?

   Yes _____ No _____

4. Did you sign a receipt for the FDD indicating the date that you received the FDD?

   Yes _____ No _____

5. Is the date on the FDD receipt the same date that you actually received the FDD?

   Yes _____ No _____

   If no, explain the relationship between the date you added to the Receipt and the actual date that you received the FDD. Be sure to identify the actual date that you received the FDD to the best of your recollection.

   (Attach additional pages, if necessary.)

   _____
   _____
   _____
   _____

6. Do you understand all of the information contained in the FDD?

   Yes _____ No _____

   If no, what parts do you not understand? (Attach additional pages, if necessary.)

   _____
   _____
   _____
   _____

7. Have you had the opportunity to discuss the benefits and risks of operating a Big Chicken franchise license with an attorney, accountant or other professional advisor?

   Yes _____ No _____

   If you have discussed the benefits and risks of operating a Big Chicken franchise license with an attorney, accountant or other professional advisor, do you understand these benefits and risks?

   Yes _____ No _____

   If you have not discussed the benefits and risks of operating a Big Chicken franchise license with an attorney, accountant or other professional advisor, why did you decide not to seek professional advice? (Attach additional pages, if necessary.)

   _____
   _____

8. Do you understand each of the following: (i) we retain the right to modify the Big Chicken System; (ii) the Big Chicken System may evolve and change over time; (iii) an investment in a Big Chicken franchise license involves business risks; and (iv) the success of your Big Chicken franchise business depends primarily upon your business ability and personal efforts as well as competition from other businesses, the location that you chose for your Big Chicken Restaurant, and other economic and business factors?

Yes _____ No _____

If no, what do you not understand? (Attach additional pages, if necessary.)

_____

_____

_____

_____

9. Has any employee or other person speaking on behalf of BC Licensing LLC made any statement or promise concerning the revenues, profits or operating costs you will or are likely to earn by owning and operating a Big Chicken Restaurant or that your franchise business may generate?

Yes _____ No _____

10. Has any employee or other person speaking on behalf of BC Licensing LLC made any statement or promise regarding the amount of money you may earn in owning and operating a Big Chicken Restaurant?

Yes _____ No____

11. Has any employee or other person speaking on behalf of BC Licensing LLC made any statement or promise regarding the costs you may incur in owning and operating the Big Chicken Restaurant other than disclosures appearing in the FDD?

Yes _____ No _____

12. Has any employee or other person speaking on behalf of BC Licensing LLC made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Big Chicken Restaurant?

Yes _____ No _____

13. Has any employee or other person speaking on behalf of BC Licensing LLC made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will or may furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

14. Has any employee or other person speaking on behalf of BC Licensing LLC made any statement, promise or agreement concerning the anticipated income, earnings and growth of BC Licensing LLC or of the Franchise Network?

Yes _____ No _____

15. If you have answered "Yes" to any of the questions, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below). If you have answered "No" to each of the foregoing questions, please leave the following lines blank.

_____
_____
_____
_____

16. Do you understand that we have the right to grant franchises to others on terms that may differ from those in the Big Chicken License Agreement?

Yes _____ No _____

17. Do you understand that we may approve or disapprove your franchise application for any reason in our discretion and that, if we approve your application to purchase a Big Chicken Restaurant, we have no obligation to approve subsequent applications that you may submit to us to purchase another Big Chicken Restaurant?

Yes _____ No _____

18. Are you authorized to make representations on behalf of the Business Entity that will sign the License Agreement with us if we approve Applicant's application to buy a Big Chicken Restaurant?

Yes _____ No _____

19. Do you understand that your answers are important to us and that we will rely on them in deciding whether or not to grant you a franchise?

Yes _____ No _____

[*Signature page follows*]

By signing this Declaration, you represent that you have responded truthfully based upon your personal knowledge and belief and have provided complete answers containing all material facts that are responsive to the above questions.

DATE: _____

SIGNATURE OF APPLICANT:

_____

PRINT NAME OF APPLICANT:

_____

BUSINESS ENTITY [COMPLETE ONLY IF BUSINESS ENTITY EXISTS ON THE DATE OF THIS DECLARATION]

PRINT NAME OF BUSINESS ENTITY AND STATE OF INCORPORATION OR FORMATION

_____

SIGNATURE OF APPLICANT OR PERSON EXECUTING THIS DECLARATION ON BEHALF OF APPLICANT:

_____

PRINT NAME OF PERSON SIGNING THIS DECLARATION AND TITLE:

EXHIBIT N

STATE EFFECTIVE DATES

The following states require that the Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin. This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws with the following effective dates:

State	Effective Date
California	*Pending*
Hawaii	*Pending*
Illinois	*Pending*
Indiana	April 30, 2025
Maryland	*Pending*
Michigan	April 30, 2025
Minnesota	*Pending*
New York	*Pending*
North Dakota	*Pending*
Rhode Island	*Pending*
South Dakota	April 30, 2025
Virginia	*Pending*
Washington	*Pending*
Wisconsin	April 30, 2025

EXHIBIT O

RECEIPTS
(2 COPIES)

RECEIPT
[Your Copy]

This Disclosure Document summarizes provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If BC Licensing LLC offers you a franchise, BC Licensing LLC must provide this Disclosure Document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, BC Licensing LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

New York requires that BC Licensing LLC gives you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that BC Licensing LLC 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 BC Licensing LLC does not deliver this Disclosure Document on time or if this Disclosure Document contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

The franchisor and the name, principal business address and telephone number of each franchise seller offering the franchise are as follows:

COMPANY:	FRANCHISE SELLERS:
BC LICENSING LLC 10845 Griffith Peak Drive, Suite 520 Las Vegas, NV 89135 Tel: (702) 214-5585	Joshua Halpern Samuel Stanovich _____ BC Licensing LLC 10845 Griffith Peak Drive, Suite 520 Las Vegas, NV 89135 Tel: (702) 214-5585 franchise@bigchicken.com

Issuance Date: April 30, 2025

BC Licensing LLC authorizes the respective state agencies identified on Exhibit B to receive service of process for it in the particular state.

I have received a Disclosure Document dated April 30, 2025, that included the following Exhibits on the date above my signature:

EXHIBIT A – List of State Administrators
EXHIBIT B – Agents for Service of Process
EXHIBIT C – License Agreement
- Exhibit A Approved Location and Protected Area
- Exhibit B Addresses for Notice
- Exhibit C Training Program Overview
- Exhibit D Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name
- Exhibit E Guaranty
- Exhibit F Consent of Spouse
- Exhibit G Entity Ownership

EXHIBIT D – Development Agreement
- Exhibit 1 Term Sheet: Development Territory, Development Quota, and Development Deadlines
- Exhibit 2 License Agreement
- Exhibit 3 Spousal Consent
- Exhibit 4 Entity Ownership

EXHIBIT E – Confidential Manual Table of Contents
EXHIBIT F – Lease Addendum
EXHIBIT G – General Release
EXHIBIT H – Guaranty
EXHIBIT I – Confidentiality and Non-Competition Agreement
EXHIBIT J – State Addendum and Amendment to Franchise Contracts for Certain States
EXHIBIT K – Financial Statements
EXHIBIT L – Lists of Current and Former Franchisees
EXHIBIT M – Closing Acknowledgement (Declaration of Licensee Applicant)
EXHIBIT N – State Effective Dates
EXHIBIT O – Receipts (2 copies)

Date: _____

(Do not leave blank)

_____

Signature of Prospective Franchisee

_____

Print Name

RECEIPT
[BC Licensing LLC Copy]

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EXHIBIT N – State Effective Dates
EXHIBIT O – Receipts (2 copies)

Date: _____

(Do not leave blank)

_____

Signature of Prospective Franchisee

_____

Print Name

Return this copy to BC Licensing LLC -- you may mail the executed original to BC Licensing LLC at the above address; fax us a signed copy of this receipt to the fax number shown above; or pdf the signed copy as an attachment to an e-mail directed to franchise@bigchicken.com.