FRANCHISE DISCLOSURE DOCUMENT

Hardee's Restaurants LLC
A Delaware Limited Liability Company
6700 Tower Circle
Suite 1000
Franklin, Tennessee 37067
(615) 538-9400
hfslegal@ckr.com
www.hardees.com

The franchisee will operate a quick service restaurant under the name "Hardee's," offering a limited menu of breakfast, lunch and dinner products and featuring charbroiled 100% Black Angus Thickburger sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits, and other related quick serve menu items ("Hardee's Restaurant") at either a Travel Center Location or a Gas and Convenience Location. A location is considered a "Travel Center Location" if it is located off an interstate and limited highway exit and provides a range of services to the trucking industry, including fuel, showers, restrooms, convenience items, food and truck parking & services (a "Travel Center Location"). A location is considered a "Gas and Convenience Center" if its primary focus is on non-commercial fuel service and convenience items including freshly made foods (a "Gas and Convenience Location").

The total investment necessary to begin the operation of a Hardee's Restaurant at a Travel Center Location or a Gas and Convenience Location ranges from approximately $688,000 to $1,143,000. This includes $57,000 to $97,000, which must be paid to us. The total investment range does not include the cost of buying or renting the business location.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Danell Caron at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067, (615) 339-4794.

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

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

Issued: May 24, 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 Exhibits H & I.
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 Hardee's business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Hardee's franchisee?	Item 20 or Exhibits H & I lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Tennessee. 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 Tennessee than in your own state.

2. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at a price the franchisor or they set. The prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

NOTICE REQUIRED
BY
STATE OF MICHIGAN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The fact that there is a notice of this offering on file with the Attorney General does not constitute approval, recommendation, or endorsement by the Attorney General.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

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

TABLE OF CONTENTS

ITEM **PAGE**

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

ITEM 2 BUSINESS EXPERIENCE 13

ITEM 3 LITIGATION 14

ITEM 4 BANKRUPTCY 18

ITEM 5 INITIAL FEES 19

ITEM 6 OTHER FEES 20

ITEM 7 ESTIMATED INITIAL INVESTMENT 27

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 30

ITEM 9 FRANCHISEE'S OBLIGATIONS 33

ITEM 10 FINANCING 35

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING 35

ITEM 12 TERRITORY 48

ITEM 13 TRADEMARKS 50

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION 52

ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 53

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 54

ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION 55

ITEM 18 PUBLIC FIGURES 60

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS 60

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION 62

ITEM 21 FINANCIAL STATEMENTS 75

ITEM 22 CONTRACTS 76

ITEM 23 RECEIPTS 76

Exhibits

A. List of State Administrators

B. Agents for Service of Process

C. Development Agreement

D. Franchise Agreement (including Guarantee and Assumption, Franchise Information (Appendix A), Weekly Royalty Fee (Appendix B), Franchisee's Advertising and Promotion Obligation (Appendix C), Ownership Interests (Appendix D), Acknowledgement Addendum (Appendix E), Commencement Date Agreement (Appendix F), Lease Addendum (Appendix G), ACH Authorization Form (Appendix H), Star University License Agreement (Appendix I)

E. Preliminary Agreement

F-1. Software Support Agreement for PAR Brink and CrunchTime

F-2. OLO Authorized Operator Agreement

G. Operation Procedures Manual Table of Contents

H. List of Franchisees That Closed/Transferred Franchised Restaurants in Last Fiscal Year

I. List of Franchisees and Franchised Locations

J. Addenda Required by Certain States

K. Financial Statements

L. Development Incentive Program Addenda to Franchise Agreement

M. Renewal Addendum

N. Confidentiality Agreement

O. State Effective Dates Page

Receipts

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, "we," "us" and "HR" refer to Hardee's Restaurants LLC, the franchisor. "You" refers to the person or legal entity who buys the franchise. If you are a corporation, partnership, limited liability company or other business entity, certain provisions of this disclosure document also apply to your owners and will be noted.

HR is offering, in connection with this disclosure document, the opportunity to purchase a franchise to operate one or more Hardee's Restaurants from either a Travel Center Location or a Gas and Convenience Location (as defined below). The franchise described in this disclosure document is for all franchisees who desire to operate a Hardee's Restaurant at a Travel Center Location or a Gas and Convenience Location.

In addition to offering franchises for the operation of Hardee's Restaurants from Travel Center Locations and Gas and Convenience Locations, HR offers franchises to operate Hardee's Restaurants at traditional locations and nontraditional locations under one or more separate disclosure documents. That offer will be on terms and conditions different from those described in this disclosure document. Nontraditional locations include, but are not limited to, airports, train stations, bus stations, stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos, "ghost" or "dark" kitchens or any similar captive market or non-traditional "brick and mortar" location.

Hardee's Restaurants are quick service restaurants offering a limited menu of breakfast, lunch and dinner products. The Hardee's Restaurants feature charbroiled 100% Black Angus Thickburger sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items.

The Franchise. If you are approved as a franchisee, you can buy a franchise to develop and operate one Hardee's Restaurant at a Travel Center Location or Gas and Convenience Location (each, a "Franchised Restaurant") under a Franchise Agreement (the current form is attached as Exhibit D) or, if you and the area in which you are interested meet certain qualifications, you can buy the rights to develop multiple (at a minimum, three) Franchised Restaurants at Travel Center Locations or Gas and Convenience Locations under a Development Agreement (the current form is attached as Exhibit C).

A Travel Center is a facility located off an interstate or limited highway exit that focuses on services to the trucking industry, including fuel, showers, restrooms, convenience items, food and truck parking & services. A Gas and Convenience Center Location is a facility primarily focused on non-commercial fuel service and convenience items including freshly made foods. The Franchised Restaurant may be a newly developed restaurant or the conversion of an existing quick service restaurant brand (at times referred to as a "Conversion Restaurant").

If you are not currently a franchisee, HR also may require you to sign a Preliminary Agreement (the current form is attached as Exhibit E) under which you must agree to keep confidential the information provided by HR to you during Discovery Day. During Discovery Day, you must attend a 2-day meeting at HR's offices and at a Hardee's Restaurant during which you will meet with, and be evaluated by, various HR personnel. In addition, we may require that your 10% Owners (as defined in Item 15) complete, as we deem necessary and to our satisfaction, an operations overview, which lasts approximately 10 business days ("10-Day Operations Overview").

Your receipt of this disclosure document does not mean that you will be approved as a franchisee or that you may develop or open a Franchised Restaurant. Before you may develop and open a Franchised Restaurant, HR must approve you as a franchisee (or, if you already are a franchisee, approve you for expansion), HR must accept the location of your proposed Franchised Restaurant, you and those of your employees whom you hire for certain designated positions must attend and successfully complete HR's training programs and HR and you must sign the Franchise Agreement. You should not acquire any interest in a site for a Franchised Restaurant until, at the earliest, you are approved by HR as a franchisee (or, if you already are a franchisee, approved for expansion), and HR accepts the site for your Franchised Restaurant.

Development Incentive Programs. Franchisees who sign a Development Agreement or Franchise Agreement for one or more Hardee's Restaurant(s) to be located at a Travel Center Location or Gas and Convenience Location may qualify for our Hardee's Restaurant Travel Center Development Incentive Program (the "2025 HR Travel Center Development Incentive Program") or our Standard Development Incentive Program (the "2025 Development Incentive Program").

To be eligible for the 2025 HR Travel Center Development Incentive Program, the following requirements must be satisfied: (i) the Travel Center Location or Gas and Convenience Location must be located within ½ mile of an interstate or limited access highway and must include a combination of high rise pylon sign, billboard or other highway sign (the "Travel Center Program"), (ii) the Travel Center Location or Gas and Convenience Location must be opened pursuant to a Development Agreement dated no later than May 24, 2026, that includes the development of at least three (3) newly-constructed Hardee's Restaurant(s), (iii) franchisee must open the Franchise Restaurants from a Travel Center Location or Gas and Convenience Location by the date(s) outlined in the corresponding Development Agreement, (iv) franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (v) franchisee must be approved for growth by HR and its affiliates, (vi) franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (vii) franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the 2025 HR Travel Center Development Incentive Program.

For Franchisees who develop 3 or more Hardee's restaurants or the conversion of an existing restaurant to a Hardee's restaurant as part of the 2025 HR Travel Center Development Incentive Program, we will reduce or waive the initial franchisee as set forth in Item 5 and reduce the royalty fee and APO fee as set forth in Item 6.

If you qualify for the 2025 HR Development Incentive Program, simultaneously with your execution of the qualifying Franchise Agreement, you will sign a 2025 HR Travel Center Development Incentive Program Addendum to the Franchise Agreement (Exhibit K), which memorializes your right to receive the development incentives described above for the applicable Franchised Restaurant(s). If you sign the HR 2025 Development Incentive Program Addendum to Franchise Agreement, you will not be entitled, with respect to the applicable Franchised Restaurant(s) covered by the 2025 HR Travel Center Development Incentive Program, to any other incentives that have been or may be offered by us.

If the requirements for the 2025 HR Travel Center Development Incentive Program are not satisfied, then the Travel Center Location or Gas and Convenience Location may be eligible for the 2025 Development Incentive Program provided the following requirements are satisfied: (i) franchisee signs a Franchise Agreement for the development of a newly-constructed Hardee's Restaurant by no later than May 24, 2026 or franchisee signs a Franchise Agreement for the development of a newly constructed Hardee's Restaurant pursuant to the terms of a Development Agreement dated no later than May 24, 2026, (ii) franchisee must open the newly-constructed Hardee's Restaurant(s) by the date(s) outlined in the corresponding Development Agreement or Franchise Agreement, (iii) franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (iv)

franchisee must be approved for growth by HR and its affiliates, (vi) franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (v) franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the 2025 Development Incentive Program.

For Franchisees who are eligible for the 2025 Development Incentive Program, we will reduce the initial franchise fee as set forth in Item 5 and reduce the royalty and APO fee as set forth in Item 6 for the first three years of the franchise term.

If you qualify for the 2025 Development Incentive Program, simultaneously with your execution of the qualifying Franchise Agreement, you will sign a 2025 DIP Addendum to the Franchise Agreement (Exhibit L), which memorializes your right to receive the development incentives described above for the applicable Franchised Restaurant(s). If you sign the 2025 DIP Addendum to Franchise Agreement, you will not be entitled, with respect to the applicable Franchised Restaurant(s) covered by the 2025 Development Incentive Program, to any other incentives that have been or may be offered by us.

Licenses; Permits; Applicable Laws: and Competition. It is your sole and absolute obligation to research all applicable federal, state and local laws and regulations governing the operation of your business and to ensure that such operation does not violate any federal, state or local law or regulation. For example, there are various federal laws that could affect your business and that you must comply with such as the American with Disabilities Act (ADA), the CAN-SPAM Act, the Telephone Consumer Protection Act (TCPA), the Telemarketing Sales Rule (TSR), and other federal and state anti-solicitation laws regulating marketing phone calls; and federal and state laws that regulate data security and privacy (including but not limited to the use, storage, transmission, and disposal of data regardless of media type). You should investigate these laws to understand your potential legal obligations. Further, you must comply with all local, state and federal laws and regulations applicable to the operation of your Hardee's Restaurant, including health, sanitation, food handling, food preparation, waste disposal, smoking restrictions and advertising and point-of-sale disclosures, including statements concerning the nutritional and dietary characteristics of the food served at your Restaurant. You should consult with your attorney concerning all laws and regulations that may affect your Restaurant operations.

In addition, all newly-developed Hardee's Restaurants must contain a charbroiler. The charbroiler has been the subject of regulation in certain areas of the country, including California where, in some regions, chain-driven charbroilers must have catalytic converters. The possibility exists that other states may require that air pollution control equipment be installed in connection with the use of a charbroiler. You would be expected to comply with these regulations, if applicable to your Restaurant, and pay all costs of installation and maintenance of the control equipment.

The restaurant business, including the quick service segment, is highly competitive. You will be competing with other quick service restaurants, including national and regional restaurant chains, fast-casual restaurants, full-service casual-dining restaurants, budget restaurants, health and nutrition-oriented restaurants, delicatessens and prepared food restaurants, take-out food service companies, supermarkets, coffee shops and convenience stores. The ability of each Hardee's Restaurant to compete depends on its location, ingress and egress, signage, parking, service, employee attitudes, overhead, changing local market and economic conditions, and many other factors both within and outside your control.

The Franchisor and Its Predecessor. HR is a Delaware limited liability company organized on January 30, 2013. HR's principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067. HR's agents for service of process in various states are listed in Exhibit B. We do business under the name "Hardee's." We have operated, and offered franchises for, Hardee's Restaurants since April 1, 2013. We have operated, and offered franchises for, Hardee's Restaurants since April 1, 2013. As of January 27, 2025, there were 202 company-operated Hardee's restaurants, and there were 1,369 domestic

franchised Hardee's restaurants, including 129 Dual Concept restaurants. Dual Concept Restaurants are quick service Hardee's Restaurants that also offer certain Red Burrito Mexican food products. In addition, as of January 27, 2025, there were the following international franchised Hardee's Restaurants: Bahrain – 17; Egypt – 41; Iraq – 12; Jordan – 4; Kazakhstan – 19; Kenya – 1; Kuwait – 60; Oman – 13; Pakistan – 30; Palestine – 5; Qatar – 24; Saudi Arabia – 146; United Arab Emirates – 98; and Uzbekistan – 3. We do not engage in any other business or offer franchises in any other line of business.

Our predecessor is Hardee's Food Systems, Inc., a North Carolina corporation incorporated on December 7, 1960, whose principal place of business was 100 N. Broadway, Suite 1200, St. Louis, Missouri 63102-2706. On March 26, 2013, it was converted from a corporation to a limited liability company, Hardee's Food Systems LLC, a Delaware limited liability company formed on February 25, 2013. Effective October 7, 2013, Hardee's Food Systems LLC was converted to a North Carolina limited liability company. Hardee's Food Systems LLC has the same principal place of business as ours. (Hardee's Food Systems, Inc. and Hardee's Food Systems LLC will be collectively referred to in this disclosure document as "HFS.") HFS operated Hardee's Restaurants from 1960 until March 31, 2013. HFS also offered franchises for Hardee's Restaurants from 1961 until March 31, 2013. HFS sold franchises for Roy Rogers Restaurants for a portion of the period between April 13, 1990 and July 15, 1997 and operated Roy Rogers Restaurants from April 13, 1990 until March 31, 2013. HFS has not engaged in any other business or offered franchises in any other line of business.

The Financing Transaction and the Management Agreement. On April 1, 2013, in connection with a financing transaction, HFS assigned to us all existing franchise agreements ("Franchise Agreements") and development agreements ("Development Agreements") governing franchised Hardee's Restaurants so that we could expand and administer the Hardee's Systems (through new franchises and other means). Pursuant to a Contribution Agreement, HFS also contributed to us its ownership of the "Hardee's" trade names, service marks and other trademarks that are associated with the Hardee's System (collectively, "Proprietary Marks"). In addition, as part of that transaction, substantially all of the real estate assets associated with the operation of company-owned Hardee's Restaurants that were previously owned or leased by HFS (or its affiliates) and substantially all of the real estate leases and subleases between HFS (or its affiliates) and franchisees were assigned to us, and we assumed the operation of substantially all of the company-owned Hardee's Restaurants.

Under an April 1, 2013 management agreement ("Management Agreement") among our indirect corporate parent, CKE Restaurants Holdings, Inc., us and several other parties, CKE Restaurants Holdings, Inc. may – at all times acting on our behalf – fulfill all of our duties and obligations under all existing and future Franchise Agreements and Development Agreements, including: managing the Hardee's Systems; marketing and offering new and renewal Franchise Agreements and Development Agreements as our franchise broker; training franchisees and their employees; and providing the required support to franchisees. CKE Restaurants Holdings, Inc. will act in conjunction with HFS in fulfilling our duties and obligations under the Franchise Agreements and Development Agreements.

If CKE Restaurants Holdings, Inc. fails to perform its obligations under the Management Agreement, it may be replaced as the franchise service provider. However, as the franchisor, we will always be ultimately responsible for fulfilling all of our duties and obligations under your Franchise Agreements and Development Agreements.

Our Parent and Certain Affiliates. Our direct corporate parent is Hardee's Funding LLC ("HF"), and HF's direct corporate parent is Hardee's SPV Guarantor LLC ("SPV"). HF and SPV are Delaware limited liability companies organized on January 30, 2013, with the same principal place of business as ours. Neither HF nor SPV offers franchises in any line of business or provides products or services to Hardee's franchisees.

SPV's direct corporate parent is HFS, and HFS' direct corporate parent is CKE Restaurants Holdings, Inc., which is a wholly-owned subsidiary of CKE Inc. Prior to March 26, 2013, we were an indirect wholly-owned subsidiary of CKE Restaurants, Inc., a Delaware corporation formed in March 1994, whose principal place of business was 6307 Carpinteria Avenue, Carpinteria, California 93013. On March 26, 2013, CKE Restaurants, Inc. was merged into CKE Restaurants Holdings, Inc., with CKE Restaurants Holdings, Inc. as the surviving entity. CKE Restaurants Holdings, Inc. is a Delaware corporation organized on February 22, 2013, whose principal place of business is the same as ours, and CKE Inc. is a Delaware corporation incorporated on April 15, 2010, whose principal place of business is the same as ours. On December 24, 2013, the substantial majority of all issued and outstanding shares of common stock of CKE Inc. was acquired by CKE Holding Corporation, a Georgia corporation incorporated on November 7, 2013, whose principal place of business is 1180 Peachtree Street, Suite 2500, Atlanta, Georgia 30309. Neither CKE Holding Corporation nor CKE Inc. or CKE Restaurants Holdings, Inc. offers franchises in any line of business, and neither CKE Holding Corporation nor CKE Inc. offers or provides products or services to Hardee's franchisees. (CKE Restaurants, Inc. and CKE Restaurants Holdings, Inc. will be collectively referred to in this disclosure document as "CKR.") Our direct affiliate that offers franchises or provide products or services to Hardee's franchisees, in addition to CKR, is CJR.

CJR is a Delaware limited liability company formed on January 30, 2013, whose principal place of business is the same as ours. As of January 27, 2025, there were 50 company-operated Carl's Jr. restaurants and there were 982 domestic franchised Carl's Jr. restaurants, including 218 Dual Concept restaurants. Dual Concept Restaurants are quick service Carl's Jr. Restaurants that also offer certain Green Burrito Mexican food products. In addition, as of January 27, 2025, there were the following international franchised Carl's Jr. Restaurants: American Samoa – 1; Australia – 28; Cambodia – 6; Canada – 18; Chile – 28; Denmark – 16; Dominican Republic – 1; Ecuador – 26; France – 6; Guatemala – 4; India – 3; Japan – 4; Malaysia – 5; Mexico – 408; New Zealand – 18; Nicaragua – 4; Panama – 12; People's Republic of China – 4; Puerto Rico – 2; Russia – 17; Singapore – 4; Spain – 44; Switzerland – 3; and Turkey – 22. (American Samoa and Puerto Rico are considered to be international locations even though they are U.S. territories.) CJR has operated, and offered franchises for, Carl's Jr. Restaurants since April 1, 2013. CJR has not engaged in any other business or offered franchises in any other line of business.

Affiliated Franchise Programs

Through control with private equity funds managed by Roark Capital Management, LLC, we are affiliated with the following franchise programs (**"Affiliated Programs"**). None of these affiliates operate a Hardee's Restaurants franchise.

GoTo Foods Inc. ("**GoTo Foods**") is the indirect parent company to seven franchisors, including: Auntie Anne's Franchisor SPV LLC ("**Auntie Anne's**"), Carvel Franchisor SPV LLC ("**Carvel**"), Cinnabon Franchisor SPV LLC ("**Cinnabon**"), Jamba Juice Franchisor SPV LLC ("**Jamba**"), McAlister's Franchisor SPV LLC ("**McAlister's**"), Moe's Franchisor SPV LLC ("**Moe's**"), and Schlotzsky's Franchisor SPV LLC ("**Schlotzsky's**"). All seven GoTo Foods franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, GA 30342 and have not offered franchises in any other line of business.

Auntie Anne's franchises Auntie Anne's® shops that offer soft pretzels, lemonade, frozen drinks, and related foods and beverages. In November 2010, the Auntie Anne's system became affiliated with GoTo Foods through an acquisition. Auntie Anne's predecessor began offering franchises in January 1991. As of December 31, 2024, there were 1,182 franchised and 11 affiliate-owned Auntie Anne's shops in the United States and 815 franchised Auntie Anne's shops outside the United States.

Carvel franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. The Carvel system became an Affiliated Program in October 2001 and became affiliated with GoTo Foods in November 2004. Carvel's predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2024, there were 336 franchised Carvel shoppes in the United States and 39 franchised Carvel shoppes outside the United States.

Cinnabon franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle's Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. In November 2004, the Cinnabon system became affiliated with GoTo Foods through an acquisition. Cinnabon's predecessor began franchising in 1990. As of December 31, 2024, there were 1,002 franchised and 28 affiliate-owned Cinnabon bakeries in the United States, 1,040 franchised Cinnabon bakeries outside the United States, and 193 franchised Seattle's Best Coffee units outside the United States.

Jamba franchises Jamba® stores that feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. Jamba has offered JAMBA® franchises since October 2018. In October 2018, Jamba became affiliated with GoTo Foods through an acquisition. Jamba's predecessor began franchising in 1991. As of December 31, 2024, there were 726 franchised Jamba stores and one affiliate-owned Jamba store in the United States and 61 franchised Jamba stores outside the United States.

McAlister's franchises McAlister's Deli® restaurants that feature deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. The McAlister's system became an Affiliated Program through an acquisition in July 2005 and became affiliated with GoTo Foods in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2024, there were 524 franchised and 36 affiliate-owned McAlister's restaurants in the United States.

Moe's franchises Moe's Southwest Grill® fast casual restaurants which feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with GoTo Foods through an acquisition. Moe's predecessor began offering Moe's Southwest Grill franchises in 2001. As of December 31, 2024, there were 591 franchised and five affiliate-owned Moe's Southwest Grill restaurants in the United States.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants that feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with GoTo Foods through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2024, there were 280 franchised and 28 affiliate-owned Schlotzsky's restaurants in the United States.

Inspire Brands, Inc. ("**Inspire Brands**") is a global multi-brand restaurant company, launched in February 2018 upon completion of the merger of the Arby's and Buffalo Wild Wings brands. Inspire Brands is a parent company to six franchisors offering and selling franchises in the United States, including: Arby's Franchisor, LLC ("**Arby's**"), Baskin-Robbins Franchising LLC ("**Baskin-Robbins**"), Buffalo Wild Wings International, Inc. ("**Buffalo Wild Wings**"), Dunkin' Donuts Franchising LLC ("**Dunkin'**"), Jimmy John's Franchisor SPV, LLC ("**Jimmy John's**"), and Sonic Franchising LLC ("**Sonic**"). Inspire Brands is also a parent company to the following franchisors offering and selling franchises internationally: Inspire International, Inc. ("**Inspire International**"), DB Canadian Franchising ULC ("**DB Canada**"), DDBR

International LLC ("**DB China**"), DD Brasil Franchising Ltda. ("**DB Brasil**"), DB Mexican Franchising LLC ("**DB Mexico**"), and BR UK Franchising LLC ("**BR UK**"). All of Inspire Brands' franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby's, have not offered franchises in any other line of business.

Arby's is a franchisor of quick-serve restaurants operating under the Arby's® trade name and business system that feature slow-roasted, freshly sliced roasted beef and other deli-style sandwiches. In July 2011, Arby's became an Affiliated Program through an acquisition. Arby's has been franchising since 1965. Predecessors and former affiliates of Arby's have, in the past, offered franchises for other restaurant concepts including T.J. Cinnamons® stores that served gourmet baked goods. All of the T.J. Cinnamons locations have closed. As of December 29, 2024, there were 3,365 Arby's restaurants operating in the United States (2,286 franchised and 1,079 company-owned), including one multi-brand location. Additionally, as of December 29, 2024, there were 231 single-branded franchised Arby's restaurants operating internationally.

Baskin-Robbins is a franchisor of Baskin-Robbins® restaurants that offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. Baskin-Robbins became an Affiliated Program through an acquisition in December 2020. Baskin-Robbins has offered franchises in the United States and certain international markets for Baskin-Robbins restaurants since March 2006. As of December 29, 2024, there were 2,245 franchised Baskin-Robbins restaurants operating in the United States. Of those 2,245 restaurants, 974 were single-branded Baskin-Robbins restaurants, two were Baskin-Robbins restaurants operating at a multi-brand location, and 1,269 were Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 5,651 single-branded franchised Baskin-Robbins restaurants operating internationally and in Puerto Rico.

Buffalo Wild Wings is a franchisor of sports entertainment-oriented casual sports bars that feature chicken wings, sandwiches, and other products, alcoholic and other beverages, and related services under Buffalo Wild Wings® name ("**Buffalo Wild Wings Sports Bars**") and restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption under the Buffalo Wild Wings GO name ("**BWW-GO Restaurants**"). Buffalo Wild Wings has offered franchises for Buffalo Wild Wings Sports Bars since April 1991 and for BWW-GO Restaurants since December 2020. As of December 29, 2024, there were 1,183 Buffalo Wild Wings Sports Bars operating in the United States (538 franchised and 645 company-owned) and 65 franchised Buffalo Wild Wings or B-Dubs restaurants operating outside the United States. As of December 29, 2024, there were 140 BWW-GO Restaurants operating in the United States (90 franchised and 50 company-owned).

Dunkin' is a franchisor of Dunkin'® restaurants that offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. Dunkin' became an Affiliated Program through an acquisition in December 2020. Dunkin' has offered franchises in the United States and certain international markets for Dunkin' restaurants since March 2006. As of December 29, 2024, there were 9,768 Dunkin' restaurants operating in the United States (9,734 franchised and 34 company-owned). Of those 9,768 restaurants, 8,480 were single-branded Dunkin' restaurants, 19 were Dunkin' restaurants operating at multi-brand locations, and 1,269 were franchised Dunkin' and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 4,328 single-branded franchised Dunkin' restaurants operating internationally.

Jimmy John's is a franchisor of restaurants operating under the Jimmy John's® trade name and business system that feature high-quality deli sandwiches, fresh baked breads, and other food and beverage products. Jimmy John's became an Affiliated Program through an acquisition in October 2016 and became part of Inspire Brands by merger in 2019. As of December 29, 2024, there were 2,689 Jimmy John's restaurants operating in the United States (2,647 franchised and 42 affiliate-owned). Of those 2,689

restaurants, 2,668 were singled-branded Jimmy John's restaurants and 21 were Jimmy John's restaurants operating at multi-brand locations. Additionally, as of December 29, 2024, there were five franchised Jimmy John's restaurants operating internationally.

Sonic is the franchisor of Sonic Drive-In® restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks. Sonic became an Affiliated Program through an acquisition in December 2018. Sonic has offered franchises for Sonic restaurants since May 2011. As of December 29, 2024, there were 3,461 Sonic Drive-Ins operating in the United States (3,144 franchised and 317 company-owned), including one multi-brand location.

Inspire International has, directly or through its predecessors, offered and sold franchises outside the United States for the following brands: Arby's restaurants (since May 2016), Buffalo Wild Wings sports bars (since October 2019), Jimmy John's restaurants (since November 2022), and Sonic restaurants (since November 2019). **DB Canada** was formed in May 2006 and has, directly or through its predecessors, offered and sold Baskin-Robbins franchises in Canada since January 1972. **DB China** has offered and sold Baskin-Robbins franchises in China since its formation in March 2006. **DB Brasil** has offered and sold Dunkin' and Baskin-Robbins franchises in Brazil since its formation in May 2014. **DB Mexico** has offered and sold Dunkin' franchises in Mexico since its formation in October 2006. **BR UK** has offered and sold Baskin-Robbins franchises in the UK since its formation in December 2014. The restaurants franchised by the international franchisors are included in the brand-specific disclosures above.

Primrose School Franchising SPE, LLC (**"Primrose"**) is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from 6 weeks to 12 years old operating under the Primrose® name. Primrose's principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta GA 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988. As of December 31, 2024, there were 525 franchised Primrose facilities in the United States. Primrose has not offered franchises in any other line of business.

ME SPE Franchising, LLC (**"Massage Envy"**) is a franchisor of businesses that offer professional therapeutic massage services, facial services, and related goods and services under the name "Massage Envy®" since 2019. Massage Envy's principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy's predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2024, there were 1,009 Massage Envy locations operating in the United States, including 1,000 operated as total body care Massage Envy businesses and 9 operated as traditional Massage Envy businesses. Additionally, Massage Envy's predecessor previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2024, there were nine regional developers operating 11 regions in the United States. Massage Envy has not offered franchises in any other line of business.

Driven Holdings, LLC ("**Driven Holdings**") is the indirect parent company to nine franchisors, including Meineke Franchisor SPV LLC ("**Meineke**"), Maaco Franchisor SPV LLC ("**Maaco**"), Merlin Franchisor SPV LLC ("**Merlin**"), Econo Lube Franchisor SPV LLC ("**Econo Lube**"), 1-800-Radiator Franchisor SPV LLC ("**1-800-Radiator**"), CARSTAR Franchisor SPV LLC ("**CARSTAR**"), Take 5 Franchisor SPV LLC ("**Take 5**"), ABRA Franchisor SPV LLC ("**ABRA**") and FUSA Franchisor SPV LLC ("**FUSA**"). In April 2015, Driven Holdings and its franchised brands at the time (which included Meineke, Maaco, Merlin and Econo Lube) became Affiliated Programs through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, ABRA and FUSA brands became Affiliated

Programs. The principal business address of Meineke, Maaco, Econo Lube, Merlin, CARSTAR, Take 5, Abra and FUSA is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. 1-800-Radiator's principal business address is 4401 Park Road, Benicia, California 94510. None of these franchise systems have offered franchises in any other line of business.

Meineke franchises automotive centers that offer to the general public automotive repair and maintenance services that it authorizes periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune ups and related services, transmission fluid changes and batteries. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke's affiliate has owned and operated Meineke centers on and off since March 1991. As of December 28, 2024, there were 714 franchised Meineke centers, 18 franchised Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating in the United States.

Maaco and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 28, 2024, there were 363 franchised Maaco centers and no company-owned Maaco centers in the United States.

Merlin franchises shops that provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name "Merlin Muffler and Brake Shops," and have offered franchises under the name "Merlin Shops" since February 2006. As of December 28, 2024, there were 14 Merlin franchises and no company-owned Merlin shops located in the United States.

Econo Lube offers franchises that provide oil change services and other automotive services including brakes, but not including exhaust systems. Econo Lube's predecessor began offering franchises in 1980 under the name "Muffler Crafters" and began offering franchises under the name "Econo Lube N' Tune" in 1985. As of December 28, 2024, there were eight Econo Lube N' Tune franchises and nine Econo Lube N' Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N' Tune locations in the United States.

1-800-Radiator franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 28, 2024, there were 193 1-800-Radiator franchises in operation in the United States. 1-800-Radiator's affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 28, 2024, owned and operated 1 1-800-Radiator warehouse in the United States.

CARSTAR offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR's business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 28, 2024, there were 471 franchised CARSTAR facilities and no company-owned facilities operating in the United States.

Take 5 franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of December 28, 2024, there were 432 franchised Take 5 outlets and 710 affiliate-owned Take 5 outlets operating in the United States.

Abra franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. Abra and its predecessor have offered Abra franchises since 1987. As of December 28, 2024, there were 55 franchised Abra repair centers and no company-owned repair centers operating in the United States.

FUSA franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from April 1998 to June 2020. As of December 28, 2024, there were 212 franchised Fix Auto repair shops operating in the United States.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) **Meineke Canada SPV LP** and its predecessors have offered Meineke center franchises in Canada since August 2004; (2) **Maaco Canada SPV LP** and its predecessors have offered Maaco center franchises in Canada since 1983; (3) **1-800-Radiator Canada, Co.** has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) **Carstar Canada SPV LP** and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) **Take 5 Canada SPV LP** and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) **Driven Brands Canada Funding Corporation** and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) **Go Glass Franchisor SPV LP** and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) **Star Auto Glass Franchisor SPV LP** and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012.

As of December 28, 2024, there were: (i) 14 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 17 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 10 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 317 franchised CARSTAR facilities and one company-owned CARSTAR facility in Canada; (v) 32 franchised Take 5 outlets and seven company-owned Take 5 outlets in Canada; (vi) 71 franchised UniglassPlus businesses, 27 franchised UniglassPlus/Ziebart businesses, and five franchised Uniglass Express businesses in Canada, and one company-owned UniglassPlus business and one company-owned UniglassPlus/Ziebart business in Canada; (vii) 10 franchised VitroPlus businesses, 56 franchised VitroPlus/Ziebart businesses and three franchised Vitro Express businesses in Canada, and one company-owned VitroPlus business and one company-owned VitroPlus/Ziebart business in Canada; (viii) 31 franchised Docteur du Pare Brise businesses and two company-owned Docteur du Pare Brise businesses in Canada; (ix) 11 franchised Go! Glass & Accessories businesses and no franchised Go! Glass business in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

In January 2022, Driven Brands acquired Auto Glass Now's repair locations. As of December 28, 2024, there were more than 224 repair locations operating under the AUTOGLASSNOW® name in the United States ("**AGN Repair Locations**"). AGN Repair Locations offer auto glass calibration and windshield repair and replacement services. In the future, AGN Repair Locations may offer products and

services to Driven Brands' affiliates and their franchisees in the United States, and/or Driven Brands may decide to offer franchises for AGN Repair Locations in the United States.

ServiceMaster Systems LLC is the direct parent company to three franchisors operating five franchise brands in the United States: Merry Maids SPE LLC ("**Merry Maids**"), ServiceMaster Clean/Restore SPE LLC ("**ServiceMaster**") and Two Men and a Truck SPE LLC ("**Two Men and a Truck**"). Merry Maids and ServiceMaster became Affiliated Programs through an acquisition in December 2020. Two Men and a Truck became an Affiliated Program through an acquisition on August 3, 2021.The three franchisors have a principal place of business at One Glenlake Parkway, Suite 1400, Atlanta, Georgia 30328 and have never offered franchises in any other line of business.

Merry Maids franchises residential house cleaning businesses under the Merry Maids® mark. Merry Maids' predecessor began business and started offering franchises in 1980. As of December 31, 2024, there were 796 Merry Maid franchises in the United States.

ServiceMaster franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. ServiceMaster's predecessor began offering franchises in 1952. As of December 31, 2024, there were 585 ServiceMaster Clean franchises, and 1,995 ServiceMaster Restore franchises in the United States.

Two Men and a Truck franchises (i) businesses that provide moving services and related products and services, including packing, unpacking and the sale of boxes and packing materials under the Two Men and a Truck® mark and (ii) businesses that provide junk removal services under the Two Men and a Junk Truck™ mark. Two Men and a Truck's predecessor began offering moving franchises in February 1989. Two Men and a Truck began offering Two Men and a Junk Truck franchises in 2023. As of December 31, 2024, there were 339 Two Men and a Truck franchises and three company-owned Two Men and a Truck businesses in the United States. As of December 31, 2024, there were 62 Two Men and a Junk Truck franchises in the United States.

Affiliates of ServiceMaster Systems LLC also offer franchises for operation outside the United States. Specifically, **ServiceMaster of Canada Limited** offers franchises in Canada, **ServiceMaster Limited** offers franchises in Great Britain, and **Two Men and a Truck** offers franchises in Canada and Ireland.

NBC Franchisor LLC ("**NBC**") franchises gourmet bakeries that offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes® mark. NBC's predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 5005 Lyndon B. Johnson Pkwy, Suite 600, Dallas, Texas 75244. As of December 31, 2024, there were 644 Nothing Bundt Cake franchises and 17 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

Mathnasium Franchisor LLC (**"Mathnasium"**) franchises learning centers that provide math instruction using the Mathnasium® system of learning. Mathnasium's predecessor began offering franchises in late 2003. Mathnasium's predecessor became an Affiliated Program through an acquisition in November 2022. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2024, there were 995 franchised and four affiliate-owned Mathnasium centers operating in the United States. Mathnasium has never offered franchises in any other line of business. Affiliates of Mathnasium Franchisor LLC also offer franchises for operation outside the United States.

Mathnasium Center Licensing Canada, Inc. has offered franchises for Mathnasium centers in Canada since May 2014. As of December 31, 2024, there were 100 franchised Mathnasium centers in Canada. **Mathnasium International Franchising, LLC** has offered franchises outside the United States and Canada since May 2015. As of December 31, 2024, there were 91 franchised Mathnasium centers outside the United States and Canada. Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC each have their principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056 and none of them has ever offered franchises in any other line of business.

Youth Enrichment Brands, LLC is the direct parent company to three franchisors operating in the United States: i9 Sports, LLC (**"i9"**), SafeSplash Brands, LLC also known as "**Streamline Brands**"**),** and School of Rock Franchising LLC ("**School of Rock**"). i9 became an Affiliated Program through an acquisition in September 2021. Streamline Brands became an Affiliated Program through an acquisition in June 2022. School of Rock became an Affiliated Program through an acquisition in September 2023. The three franchisors have never offered franchises in any other line of business.

i9 franchises businesses that operate, market, sell, and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products, and related services under the i9 Sports® mark. i9 began offering franchises in November 2003. i9 has its principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2024, there were 264 i9 Sports franchises in the United States.

Streamline Brands offers franchises under the SafeSplash Swim School® brand and operates under the SwimLabs® and Swimtastic® brands, all of which provide "learn to swim" programs for children and adults, birthday parties, summer camps, and other swimming-related activities. Streamline Brands has offered swim school franchises under the SafeSplash Swim School brand since August 2014. Streamline Brands offered franchises under the Swimtastic brand since August 2015 through March 2023 and under the SwimLabs brand from February 2017 through March 2023. Streamline Brands became an Affiliated Program through an acquisition in June 2022 and has its principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2024, there were 102 franchised and 29 affiliate-owned SafeSplash Swim School outlets (including 12 outlets that are dual-branded with SwimLabs), 11 franchised and licensed SwimLabs swim schools, 11 franchised Swimtastic swim schools, and one dual-branded Swimtastic and SwimLabs swim school operating in the United States.

School of Rock franchises businesses that operate performance-based music schools with a rock music program under the School of Rock® mark. School of Rock began offering franchises in September 2005. School of Rock has a principal place of business at 1 Wattles Street, Canton, MA 02021. As of December 31, 2024, there were 254 franchised and 49 affiliate-owned School of Rock schools in the United States and 92 franchised School of Rock schools outside the United States.

Doctor's Associates LLC ("**Subway**") franchises retail eating establishments which sell foot-long and other sandwiches, salads and other food items under the Subway® mark. Subway began offering franchises in 1974. Subway became an Affiliated Program through an acquisition in April 2024. Subway has its principal place of business at 1 Corporate Drive, Suite 1000, Shelton, Connecticut 06484. As of December 31, 2024, there were 19,502 Subway franchises and no company-owned locations operating in the United States and an estimated 16,120 franchises operating outside the United States. Subway has never offered franchises in any other line of business.

None of the affiliated franchisors listed above are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so.

Except as described above, we have no other parents, predecessors or affiliates that must be included in this Item.

ITEM 2

BUSINESS EXPERIENCE

Independent Manager: Albert J. Fioravanti

Mr. Fioravanti has served as our Independent Manager since April 2014. He has been employed by Lord Securities Corporation ("Lord Securities"), which provides services to the securitization and structured finance market, located in New York, NY, since December 1999 and currently serves as Managing Director for Lord Securities.

Independent Manager: Leonard Padula

Mr. Padula has served as our Independent Manager since February 2017. He has been employed by Lord Securities since March 2004 and currently serves as a Vice President for Lord Securities.

Chief Executive Officer: Joe Guith

Mr. Guith has served as our Chief Executive Officer since March 2025. Mr. Guith holds this same position with CKE, CKR, CJR and SPV. From August 2022 to February 2025, he served as Chief Executive Officer and a Director of Cajun Global LLC d/b/a Church's Chicken located in Atlanta, Georgia. From April 2021 to July 2022, he served as Category President, Restaurant Brands for McAlister's, Moe's and Schlotzsky's at Focus Brands LLC in Atlanta, Georgia. From April 2018 to April 2021, he served as President of McAlister's Deli in Atlanta, Georgia.

Chief People and Legal Officer: Kerry Olson

Ms. Olson has held this position since March 2025 and holds the same position with CJF, CKE, CKR, CJR and SPV. She served as General Counsel and Chief Legal Officer of CJR, CJF, CKE, CKR, HR and SPV from July 2018 to March 2025. From September 2017 to July 2018, she was a partner at the law firm of Faegre Baker Daniels LLP in Minneapolis, Minnesota. From October 2015 to June 2017, Ms. Olson was Executive Vice President and Global General Counsel of Carlson Hotels, Inc. in Minnetonka, Minnesota.

Chief Marketing Officer: Jennifer Tate

Ms. Tate has held this position since September 2023. She holds the same position with HRF, CKE, CKR, CJR and SPV. From August 2020 to August 2023, she served as Chief Marketing Officer for Cracker Barrel Old Country Store, Inc. based in Lebanon, TN. From March 2010 to August 2020, she served as Executive Vice President of Marketing for Darden, Inc. located in Orlando, FL.

Chief Financial Officer: Michael Lenihan

Mr. Lenihan has held this position since September 2023. He holds the same position with CJF, CKE, CKR, CJR and SPV. In addition to serving as Chief Financial Officer, he also oversees CJR's and HR's domestic franchise development in the United States. From May 2021 until September 2023, he was Vice President, Financial Planning & Analysis and Treasury at Yum Brands, Inc based in Louisville, KY. Prior to this, he was Vice President, Financial Planning & Analysis and IT Shared Services at Yum Brands,

Inc. He was also Vice President, Finance at Pizza Hut from November 2015 until January 2017, and Senior Director Business Development at Pizza Hut from August 2014 until November 2015. Prior to this, he held various other positions at Yum Brands, Inc. since 2003.

Chief Supply Chain Officer – Kelly Bengston

Ms. Kelly Bengston has held this position since February 2025. She holds the same position with CJF, CKE, CKR, CJR and SPV. From January 2024 to November 2024, she served as Senior Vice President, Supply Chain Operations for Starbucks Coffee Company located in Seattle, WA. From October 2018 to December 2023, she served as Senior Vice President, Chief Procurement Officer for Starbucks Coffee Company located in Seattle, WA.

Senior Vice President – Operations: Anthony T. D'Amico

Mr. D'Amico has held this position since December 2022. From January 2013 to April 2022, he was Senior Vice President for S&D Coffee, Inc. in Concord, North Carolina.

Vice President – Finance: Diane Simrall

Ms. Simrall has held this position since March 2025. She holds the same position with CJF, CKE, CKR, CJR and SPV. She served as Head of Non-Traditional Development and Franchise Finance (from February 2024 to March 2025) and as Director of Franchise Finance (from January 2023 to February 2024) for Pizza Hut, LLC located in Plano, Texas. She served as Director of Franchise Finance for KFC US, LLC from July 2018 to January 2023, located in Louisville, KY.

Vice President – Legal: Danell Caron

Ms. Caron has held this position since April 2023. Prior to joining CKE, Ms. Caron served as General Counsel (from August 2022 to March 2023) and Director of Legal and Franchise Administration (March 2020 to July 2022) for Great Clips, Inc., in Bloomington, Minnesota. From January 2018 to February 2020, Ms. Caron served as General Counsel for Lift Brands, Inc., in Chanhassen, Minnesota.

Franchise Manager: CKE Restaurants Holdings, Inc. ("CKR")

As described in Item 1, under the Management Agreement, CKR will act as our franchise broker and will also, on our behalf, fulfill our duties under the Development Agreements and Franchise Agreements. In addition to those principal officers identified above for the franchisor, listed below are the principal officers and other individuals of CKR who have management responsibility relating to the sale or operation of Hardee's Restaurant franchises.

ITEM 3

LITIGATION

Franchisor Litigation – Pending Matters

(1) Paradigm Investment Group, LLC v. Hardee's Restaurants, LLC (United States District Court, Middle District of Tennessee Case No.: 3:25-cv-00419, filed April 15, 2025).

On April 14, 2025, Paradigm Investment Group, LLC ("Paradigm") filed an Application for Temporary Restraining Order to prevent HR from terminating its franchise agreements. On April 17, 2025,

HR and Paradigm filed a Joint Notice Regarding Plaintiff's Temporary Restraining Order Application notifying the court that there is no immediate need for a Temporary Restraining Order hearing. On April 17, 2025, the Court issued an Order stating that it will take no action on the pending Temporary Restraining Order Application until it receives an update from the parties.

On April 15, 2025, Paradigm also filed a Complaint against HR seeking declaratory relief and alleging breach of contract / anticipatory repudiation and injunctive relief relating to a Notice of Default and Termination HR issued to Paradigm as a result of Paradigm's breaches of its franchise agreements. HR maintains that Paradigm is in breach of its franchise agreements and it has the right to enforce the termination of Paradigm's franchise agreements. This matter remains pending.

(2) Hardee's Restaurants LLC v. Arbor Capital Partners, LLC, et al., Case No.: 2024 12342 CICI (Circuit Court of the Seventh Judicial Circuit for Volusia County, Florida Circuit Civil Division, filed July 12, 2024).

On July 12, 2024, HR commenced an action against Arbor Capital Partners LLC, Aihab Gerges, Edward Gerges and Gerges Gerges (collectively, "Arbor Capital"). On December 16, 2024, HR filed a First Amended Complaint seeking to recover damages from Arbor Capital for breach of a sublease, conversion and breach of personal guarantees. On December 17, 2024, Arbor Capital filed its Answer, Affirmative Defenses and Counterclaim. In its Counterclaim, Arbor Capital alleges fraudulent concealment, breach of franchise agreement and demand for accounting, conversion and demand for accounting, negligence and breach of implied covenant of good faith and fair dealing.

On April 29, 2025, HR filed a Motion to Dismiss Arbor Capital's Counterclaim. A hearing on HR's Motion to Dismiss is scheduled for July 1, 2025. HR maintains that Arbor Capital is in breach of its obligations under the Sublease and denies all liability or wrongdoing with respect to Arbor Capital's Counterclaim. This matter remains pending.

Affiliate Litigation – Concluded Matters

(3) *6Points Food Services Ltd. v. Carl's Jr. Restaurants LLC, et al., N*o. 15-543370 *(Sup. Ct. of Justice, Ontario).* This proceeding was a consolidation of two actions commenced by 6Points Food Services Ltd. ("6Points"), a Canadian Carl's Jr. developer and franchisee, in the Sup. Ct. of Justice, Ontario (No. 15-453370 and No. 16-546487).

On December 23, 2015, 6Points filed an action in the Ontario Superior Court of Justice against CJR (court file no. 15-543370). The action seeks a declaration that 6Points' November 10, 2015 notice of rescission validly rescinded the development, franchise, and "related" agreements with CJR. 6Points' notice and its Statement of Claim invoke Ontario's Arthur Wishart Act to allege that CJR's franchise disclosures were deficient. 6Points further alleges that CJR failed to comply with certain representations and contractual obligations, and its obligation of fair dealing. In addition to the declaration, 6Points seeks CD $8,000,000 in damages, along with other incidental relief.

On February 11, 2016, 6Points filed an action in the Ontario Superior Court of Justice against CKR, Ned Lyerly, Jr., Michael Woida and Jeff Branton (court file no. 16-546487). The action reasserts the same claims as in the action described above. On August 8, 2016, the Court ordered that the two actions described above are consolidated into a single action under court file no. 15-543370.

On August 18, 2016, 6Points served an Amended Statement of Claim in the consolidated action, against the defendants in the actions above. The Amended Statement of Claim reasserts the same claims advanced by 6Points in the two actions described above.

On August 30, 2016, the defendants served the Statement of Defence of all defendants and CJR's Counterclaim. The Statement of Defence denies all liability and requests that the action be dismissed. CJR's Counterclaim names 6Points, Michael Meekins and Michael Levine as defendants ("Franchisee Parties"). The Counterclaim asserts claims against 6Points for breach of its development, franchise, and letter of credit agreements, and for anticipatorily repudiating the development and franchise agreements, as well as for breach of its obligation of fair dealing. The Counterclaim asserts claims against Michael Meekins and Michael Levine for breach of a contract to provide a letter of credit, and asserts that they are liable for payment of all amounts owing by 6Points pursuant to a personal guarantee. The Counterclaim claims damages in an amount to be proven at trial.

On November 16, 2016, 6Points, Michael Meekins and Michael Levine served a Reply and Defence to Counterclaim. The Defence to Counterclaim denies all liability of 6Points, Michael Meekins and Michael Levine and requests that the Counterclaim be dismissed. On December 5, 2016, CJR served a Reply to Defence to Counterclaim. On December 19, 2018, the Court ordered, 6Points to deliver documents to CJR in preparation for further discoveries. On or about October 12, 2022, the parties reached an agreement to settle the litigation with the following terms: (a) defendants agreed to pay Franchisee Parties $5,500,000 US dollars, (b) the parties agreed to mutual releases of any and all claims, including claims arising from this litigation, all without any admission of liability on any party. The Court granted the parties' stipulated motion to dismiss the case on October 14, 2022.

(4) *Ashlie Harris v. CJ Star, LLC, Carl's Jr. Restaurants LLC, and DOES 1-10, (United States District Court, Eastern District of Washington, Spokane Division, Case No 2:18-cv-00247, filed August 3, 2018)*.

On August 3, 2018, Ashlie Harris, a former employee of a Carl's Jr. franchisee, filed a lawsuit in the federal district court for the Eastern District of Washington. The plaintiff alleged that certain provisions in the applicable franchise agreement between us and our franchisees violate federal and state anti-trust statutes as they allegedly restrict the ability of our franchisees or company-owned stores from soliciting or hiring the employees of other of our franchisees or company-owned stores. The complaint sought to certify a class of franchisee employees in the state of Washington and recover treble damages stemming from alleged underpayment of wages for current and former employees located in the state of Washington from July 12, 2014 to present. We denied that the provisions violate any law and filed a Motion to Dismiss the case. On or about April 1, 2019, the parties reached an agreement to settle the litigation with the following terms: (a) Defendants will pay Harris $5,000 and attorneys' fees in the aggregate amount of $20,000, (b) CJR has obtained amendments of the existing franchise agreements with Washington franchisees to remove non-solicitation/no-hire provisions, to the extent such provisions existed in the first place, and (c) CJR agreed not to enforce the disputed provision in existing agreements with Washington franchisees. The Court granted the parties' stipulated motion to dismiss the case on April 23, 2019.

(5) *Larry Rice v. By The Rio, LLC, Carl's Jr. Restaurants LLC, and DOES 1-10, (United States District Court, District of Colorado, Case No 1:19-cv-00129-STV, filed January 15, 2019)*.

On January 15, 2019, Larry Rice, a former employee of a Carl's Jr. franchisee, filed a lawsuit in the federal district court for the District of Colorado. The plaintiff alleged that certain provisions in the applicable franchise agreement between us and our franchisees violate federal and state anti-trust statutes as they allegedly restrict the ability of our franchisees or company-owned stores from soliciting or hiring the employees of other of our franchisees or company-owned stores. The complaint sought to certify a class of franchisee employees in the state of Colorado and recover treble damages stemming from alleged underpayment of wages for current and former employees located in the state of Colorado from July 12, 2014 to present. On or about April 1, 2019, the parties reached an agreement to settle the litigation with

the following terms: (a) Defendants will pay Rice $2,500 and attorneys' fees in the aggregate amount of $7,500, (b) CJR will amend its franchise agreements with the Colorado franchisee named in the lawsuit to remove non-solicitation/no-hire provisions, and (c) CJR agreed not to enforce the disputed provision in existing agreements with Colorado franchisees. The Court granted the parties' stipulated motion to dismiss the case on April 23, 2019.

Disclosures Regarding Item 2 Individuals

The following pending action names one of our Item 2 individuals personally but relates to this individual's prior employment with a different franchisor and brand. This action does not have any impact on us or our brand nor does it allege any unlawful conduct by us.

(6) EYM Pizza of Georgia, LLC et al. v. Pizza Hut, LLC (United States District Court for the Northern District of Texas as Civil Action No. 3:24-cv-16770). On July 1, 2024, plaintiffs EYM Pizza of Georgia, LLC, EYM Pizza of Illinois, LLC, EYM Pizza of SC, LLC, and EYM Pizza of Wisconsin, LLC (collectively, "EYM"), former franchisees of Pizza Hut LLC ("PHLLC") filed a second Petition and Emergency Application for Temporary and Permanent Injunctive Relief. In addition to filing suit against PHLLC, EYM also individually named PHLLC's Chief Legal Officer and PHLLC's former Director of Franchise Finance & Non-Traditional Development, Diane Simrall (Ms. Simrall currently serves as our Vice President, Finance). The claims alleged are tortious interference and conspiracy. EYM alleges that PHLLC personnel improperly spoke to potential buyers and disclosed confidential information. EYM also alleges that PHLLC personnel contacted EYM's lender causing business interruption and disclosure of trade secrets. PHLLC promptly removed the case to the United States District Court for the Northern District of Texas, Civil Action No. 3:24-cv-1677. On July 16, 2024, EYM filed a Motion for Temporary Restraining Order, which the Court denied on July 22, 2024. EYM filed for bankruptcy protection on July 22, 2024, in Case No. 24í41669-11 pending in the bankruptcy court in the Eastern District of Texas. The case is currently stayed through March 31, 2025, based on EYM's bankruptcy, at which time the parties will file a joint status report.

Disclosures Regarding Affiliated Programs

The following affiliates who offer franchises resolved actions brought against them with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

(7) The People of the State of California v. Arby's Restaurant Group, Inc. (California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019). On March 11, 2019, our affiliate, Arby's Restaurant Group, Inc. ("**ARG**"), entered into a settlement agreement with the states of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon and Pennsylvania. The Attorneys General in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other's employees. The states alleged that the use of these provisions violated the states' antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denies these conclusions but decided to enter into the settlement agreement to avoid litigation with the states. Under the settlement agreement, ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable states instituted actions in their courts to enforce the settlement agreement

through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

(8) The People of the State of California v. Dunkin' Brands, Inc., (California Superior Court, Los Angeles County, Case No. 19STCV09597, filed on March 19, 2019.) On March 14, 2019, our affiliate, Dunkin Brands, Inc. ("**DBI**"), entered into a settlement agreement with the Attorneys General of 13 states and jurisdictions concerning the inclusion of "no-poaching" provisions in Dunkin' restaurant franchise agreements. The settling states and jurisdictions included California, Illinois, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, and the District of Columbia. A small number of franchise agreements in the Dunkin' system prohibit Dunkin' franchisees from hiring the employees of other Dunkin' franchisees and/or DBI's employees. A larger number of franchise agreements in the Dunkin' system contain a no-poaching provision that prevents Dunkin' franchisees and DBI from hiring each other's employees. Under the terms of the settlement, DBI agreed not to enforce either version of the no-poaching provision or assist Dunkin's franchisees in enforcing that provision. In addition, DBI agreed to seek the amendment of 128 franchise agreements that contain a no-poaching provision that bars a franchisee from hiring the employees of another Dunkin' franchisee. The effect of the amendment would be to remove the no-poaching provision. DBI expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law, and, furthermore, the settlement agreement stated that such agreement should not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of DBI. The Attorney General of the State of California filed the above-reference lawsuit in order to place the settlement agreement in the public record, and the action was closed after the court approved the parties' stipulation of judgment.

(9) New York v. Dunkin' Brands, Inc. (N.Y. Supreme Court for New York County, Case No. 451787/2019, filed September 26, 2019). In this matter, the N.Y. Attorney General ("**NYAG**") filed a lawsuit against our affiliate, DBI, related to credential-stuffing cyberattacks during 2015 and 2018. The NYAG alleged that the cyber attackers used individuals' credentials obtained from elsewhere on the Internet to gain access to certain information for DD Perks customers and others who had registered a Dunkin' gift card. The NYAG further alleged that DBI failed to adequately notify customers and to adequately investigate and disclose the security breaches, which the NYAG alleged violated the New York laws concerning data privacy as well as unfair trade practices. On September 21, 2020, without admitting or denying the NYAG's allegations, DBI and the NYAG entered into a consent agreement to resolve the State's complaint. Under the consent order, DBI agreed to pay $650,000 in penalties and costs, issue certain notices and other types of communications to New York customers, and maintain a comprehensive information security program through September 2026, including precautions and response measures for credential-stuffing attacks.

* * *

Other than these nine (9) actions, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Development Fee

If you enter into a Development Agreement for the development of three (3) or more Franchised Restaurants to be located at Travel Center Locations or Gas and Convenience Locations, you must pay HR a Development Fee of $10,000 for each Franchised Restaurant you agree to develop at the time you sign the Development Agreement (this includes the 2025 HR Travel Center Development Incentive Program). The Development Fee is not refundable. If you execute a Franchise Agreement for a new Franchised Restaurant pursuant to the Development Agreement, the $10,000 Development Fee associated with this new Franchised Restaurant will be credited against the Initial Franchise Fee for such Franchised Restaurant. With respect to each Franchised Restaurant developed under the Development Agreement, you will execute the form of Franchise Agreement in use at the time you begin to develop the Franchised Restaurant and the respective 2025 HR Travel Center Development Incentive Program Addendum or 2025 DIP Addendum, if applicable.

Initial Franchise Fee

The Initial Franchise Fee is $25,000, although the balance of the Initial Franchise Fee is reduced to $15,000 for a Franchised Restaurant developed pursuant to the terms of a Development Agreement, including any Conversion Restaurant. You must pay HR the Initial Franchise Fee, less any Development Fee already paid, when you execute the Franchise Agreement. The Initial Franchise Fee is fully earned by HR when paid, and it is not refundable. Under the Development Agreement, we will waive the $15,000 Initial Franchise Fee for any Franchised Restaurant that opens 6 months prior to the contractual opening date for the Franchised Restaurant as set forth in the Development Agreement.

Training Fees

Additional Franchise Management Training Program ("FMTP")

HR's Global Learning and Development Team currently provides the FMTP to you, your Operating Principal (if not previously trained), your General Manager and 6 other employees whom you have hired as Shift Leaders, at no additional cost to you, provided that the training takes place within 2 years of your signing of the Franchise Agreement. We reserve, however, the right to modify or waive the training required based on an individual's or your experience. If HR's Global Learning and Development Team has provided the FMTP to those individuals, and you desire that additional employees attend the FMTP, they may do so, subject to space availability and your payment of a nonrefundable Training Fee. The Training Fee for each additional employee is $500 per person per week. You will be required to pay all travel, living and other expenses incurred by you and your employees while attending training. You will be billed for the applicable number of weeks attended even if the person being trained fails to complete the required training.

10-Day Operations Overview

As described in Item 1, we may require your 10% Owners to attend and successfully complete the 10-Day Operations Overview. You may be required to pay a nonrefundable fee of up to $500 per person for this training program. You must pay all travel, living and other expenses incurred by your personnel while attending the 10-Day Operations Overview.

All-Star Team Opening Training Support

You will receive opening assistance support from our All-Star Team (the "Opening Training Support Team") in connection with the opening of your first Franchised Restaurant (or your first two Franchised Restaurants if you are multi-restaurant developer). You must reimburse us for the salaries, administrative fees, meals, travel and lodging expenses of the Opening Training Support Team members while they are trainers at your Franchised Restaurant, which amounts you will be required to pay to us within the month following completion of the opening of the Franchised Restaurant (collectively such amounts, the "Opening Training Support Fee"). We estimate that the Opening Training Support Fees will range between $32,000 to $70,000. We will determine, in our sole discretion, the level of opening training support required for your Franchised Restaurant. We reserve the right, in our sole discretion, to modify the level of assistance provided by the Opening Training Support Team.

* * *

The preceding fees are uniform. HR, in its sole discretion, may offer incentives to a specific franchisee under certain circumstances, which may include circumstances where a franchisee agrees to develop a significant number of Franchised Restaurants, a franchisee agrees to significantly accelerate his historical development patterns, a franchisee agrees to develop Franchised Restaurants in a new territory, a franchisee proposes to develop unique sites or a franchisee desires to rebuild its franchised restaurant at the current site. In those circumstances, among others as determined by us, HR may, among other things, waive some or all of the Initial Franchise Fee, decrease the royalty fee for a period of time (as noted in Item 6) and/or extend the time for a franchisee to comply with its remodel obligations for some or all of its existing Franchised Restaurants. In 2025 we waived the Initial Franchise Fee in certain instances where a new franchisee was taking over operation of a Franchised Restaurant that was closed or otherwise may have closed.

ITEM 6

OTHER FEES

Type of Fee (1)	Amount	Due Date	Remarks
Royalty	4%-5% of Gross Sales **(2) (3)**	Within 10 calendar days after the end of each fiscal week	Gross Sales include all revenue from the sale of all services and products (except HR-approved promotional items) and all other income of every kind and nature (excluding revenue from the sale of stored value gift cards or gift certificates but including revenue when gift certificates are redeemed or stored value gift cards are debited) related to the Franchised Restaurant, whether for cash or credit and regardless of collection in the case of credit; provided, however, that Gross Sales do not include any sales taxes or other taxes collected from customers by you for transmittal to the appropriate taxing authority.
Taxes	You must reimburse us for any taxes, fees or assessments imposed on us for acting as franchisor or licensing the Proprietary Marks.	Within 14 days of receipt of invoice, except if invoice is associated with taxes tied to rent then due	

Type of Fee (1)	Amount	Due Date	Remarks
		upon receipt of invoice	
Hardee's Advertising	An advertising and promotional obligation ("APO") in an amount set forth in your Franchise Agreement. Your APO will be up to 7% of Hardee's Gross Sales. Currently, your APO is 5.5% of Hardee's Gross Sales. **(3)**		Divided between HNAF, Regional Co-op and LSM (each as defined below)
Hardee's National Advertising Fund ("HNAF")	Currently, 4.25% of Hardee's Gross Sales	On the 10th day of each month	HNAF contributions are due on the 10th day of each month and are based on Gross Sales in the prior month.
Hardee's Regional Cooperative ("Regional Co-op")	If your Franchised Restaurant is in an area covered by a Regional Co-op, currently, minimum of 0.5% of Hardee's Gross Sales; however, your Regional Co-op can vote to increase each member's contribution.	Same as royalty	We have the right, in our sole discretion, to establish a regional advertising and sales promotion cooperative in the regional area in which your Franchised Restaurant is located ("DMA") to which you will be required to contribute.
Hardee's Local Store Marketing ("LSM")	Difference between your APO and the amount you contribute to HNAF and a Regional Co-op	Not paid to HR	You may develop advertising materials for your own use; however, we must approve these advertising materials in advance of use. LSM monies may be spent only for approved advertising. **(4)**
Interest	Interest on the amount owed from the date due until paid	When any payment is overdue	The interest rate is the maximum rate permitted for indebtedness of this nature in the state in which the Franchised Restaurant is located not to exceed 1.5% per fiscal period (or a portion of a fiscal period).
Secret Shopper, and other Quality Assurance (QA) Programs	All costs associated with the Secret Shopper programs or other QA programs as HR may require	As incurred	You must participate in programs initiated to verify customer satisfaction and/or your compliance with all operational and other aspects of the System. Currently, there is no charge for an initial QA audit; the cost of a second audit due to a deficiency is currently $211 per Restaurant which may be increased every year, although we do not anticipate the annual increase to exceed 30%.
Non-Cash Payment Systems	All costs associated with non-cash payment systems	As incurred	You must accept debit cards, credit cards, stored value gift cards or other non-cash payment systems specified by HR to enable customers to purchase authorized products.
Other Training	Fees are based upon, but not limited to, actual materials, vendor charges and facility costs and likely will range from $300 to $1,000.	Before the commencement of training	You will be required to pay all travel, living and other expenses incurred by you and your employees while attending training.

Type of Fee (1)	Amount	Due Date	Remarks
Other Training Materials	Varies	As incurred	We have developed materials, including audio visual aids, that you may purchase at your option for use in your Franchised Restaurant.
Financial Audit and Inspection Costs	Deficiency in royalty fees and advertising contributions, plus interest	Within 10 days after receipt of the audit or inspection report	The interest rate is the same as the interest rate for late payments. If an inspection or audit is made necessary by your failure to furnish reports or supporting records, or your failure to furnish these reports, records or information on a timely basis, or if there is an understatement of Gross Sales of greater than 2%, you also must pay the reasonable costs of the audit or inspection.
Star University Access Fee	Currently, $14 per Fiscal Period (currently a 4-week accounting period)	Within 21 days after receipt of invoice	This fee will provide you access to Star University, a required training tool for your Franchised Restaurant; Star University Learning Management System (LMS) for the administration, tracking and reporting of learning programs. You will be required to sign the Star University License Agreement (the current form is attached as Appendix I of the Franchise Agreement). The fee is paid to us but we pass this entire fee to a third-party vendor to help facilitate the training environment. We reserve the right to increase the fee in the future, although we do not anticipate the annual increase to exceed 30%.
Food and Safety Training Program	Varies	Prior to start of training	You and certain of your employees will be required from time to time to complete an online training program on food and safety topics. You also will be required to pay all expenses incurred by you and your employees while participating in this training. This training includes, but is not limited to, training provided by us or by third parties for certification of food safety requirements.
Transfer	$2,500 per restaurant transferred	Before consummation of transfer	There is no fee if you transfer to a corporation or limited liability company which you control. Unless otherwise expressly permitted by the applicable agreement, all transfers are subject to our prior written consent.
Indemnification	The losses and expenses incurred by HR and its parents and affiliates	As incurred	You must indemnify, defend and hold HR and its parents and affiliates harmless in all actions arising out of or resulting from your activities under the applicable agreement and your development and operation of the Franchised Restaurant, excluding our gross negligence or willful misconduct.
New Product and Supplier Testing	Reasonable cost of inspection and actual cost of testing; $1,500 fee for inspection must be paid as a deposit	As incurred	If you propose to purchase any items from a supplier that we have not previously approved, you must submit to us a written request, or request the supplier to do so itself. We have the right to require that our representatives be permitted to inspect the supplier's facilities, and that the information, specifications and samples as we reasonably designate be sent to us and/or an independent, certified laboratory designated by us

Type of Fee (1)	Amount	Due Date	Remarks
			for testing before granting approval. You must pay a charge not to exceed the reasonable cost of the inspection and the actual cost of the test.
Supply Chain Fee	We reserve the right to, directly or through our vendor and distribution partners, assess a per case fee on certain products or services franchisees purchase from approved suppliers	As incurred	We and/or our affiliates collect this fee from certain approved suppliers from which you may purchase products and services to offset expenses related to managing the supply chain. This fee is subject to change from time to time.
Software Support Fee **(PAR Brink and CrunchTime)**	Currently, $118 per Franchised Restaurant per fiscal period (4 week accounting period) (for L/1 and L/2 Help Desk Support for PAR Brink & CrunchTime); in addition, $825 per Franchised Restaurant bi-annually (every 26 week accounting period) for back office support fee payable to CrunchTime. Additionally, there is an optional BizIQ cost, per user: Power User $3,800, Analyst $1,800, and Consumer $600. If you use Brink, you must also pay the Brink Hosting Fee of $6.50 per fiscal period (4 week accounting period) plus the CrunchTime hosting fee of $1.50 per fiscal period. If you don't use Brink, but use CrunchTime for back office, the CrunchTime Hosting Fee of $1.50 only will be charged per fiscal period.	As incurred	$118 of this amount is paid to our affiliate, CKR, and the amount or related fees are subject to change, although we do not anticipate any annual increase to exceed 30% unless new technology components are added. Applicable only if you choose to use the PAR Brink/CrunchTime service (described in Item 11). You are not required to use this software. If you use PAR Brink you are also required to use CrunchTime for back office support and pay to Crunchtime $825 per Franchised Restaurant bi-annually (every 26 week accounting period) for back office support fee. PAR Brink and CrunchTime require the payment of additional license fees as explained in Item 11. The breakdown of this support fee is: RTSC Help Desk – Cognizant - $55 RTSC Help Desk – Network/Telco $25 RTSC Help Desk – Kaseya/Ninja - $14 Black Hills InfoSec (BHIS) - $13 RTSC Help Desk – Service Now - $8 Sentinel 1 - $3 The BizIQ cost is billed annually by BizIQ and paid directly to BizIQ. The CrunchTime and Brink Hosting Fees are billed by us and paid to our affiliate, CKR, to reimburse CKR for these hosting fees billed to CKR by CrunchTime and Brink.
PAR Brink and CrunchTime Training Fee	Currently, one-time fee of $1,250 per franchisee.	At the time the Software Support Agreement is signed	This amount is currently paid to our affiliate, CKR, and is subject to change, although we do not anticipate any annual increase to exceed 30% unless new technology components are added. Applicable only if you choose to use the PAR Brink/CrunchTime service (described in Item 11). You are not required to use the PAR Brink/Crunch Time software. If you use PAR Brink you are also required to use CrunchTime for back office support.

Type of Fee (1)	Amount	Due Date	Remarks
			PAR Brink and CrunchTime require the payment of additional license fees as explained in Item 11.
Digital Tech Fee	Currently, $160 per fiscal period (4 week accounting period)	Billed each fiscal period and due upon invoicing	You must participate in our online ordering/ delivery and loyalty programs we may from time to time establish and use the related software and technology that we may from time to time specify. Currently, the Digital Tech Fee will provide you with access to the following software and technology: OLO, Data Menu Management, Data Management (customer data processing) and Future (enterprise data management and content management system). You must execute the OLO Authorized Operator Agreement (the current form is attached as Exhibit F-2) and we may require you to execute other related software agreements in the future. The Digital Tech Fee may also be used to offset and/or recoup costs and expenses we have incurred related to building and managing the digital initiatives and platforms. We may change or modify the required software/technology from time to time, although we do not anticipate any annual increase to exceed 30% unless new technology components are added. We may increase this fee upon prior notice to you.
Software and other Technology/POS Updates	Actual cost of updates	As incurred	The Franchise Agreement gives us the right to require you, at your expense, to use any software or other technology that we may designate or develop in the future.
Costs and Attorneys' Fees	Our costs and expenses	As incurred	If we prevail in litigation regarding enforcement of the terms of any agreement, you must pay our attorneys' fees and costs.
Renewal Fee	$5,000 for a 5-year renewal term; $10,000 for a renewal term of 10 years	At the time the new franchise agreement is signed	We reserve the right to prorate the Renewal Fee to align with a renewal term with a corresponding lease expiration date.
Liquidated Damages	As calculated (see Remarks)	As incurred	If the Franchise Agreement is terminated following your default, since it would be difficult, if not impossible, to determine the amount of damages that we will suffer as a result of your breach, unless waived by us in our sole discretion, you must immediately pay us, as damages and not as a penalty, the amount of the royalty fee that you would have paid during the period ("Damages Period") from the effective date of termination to the earlier of: **(a)** the 3-year anniversary of the effective date of termination; or **(b)** the date on which the initial term of the Franchise Agreement was scheduled to expire. The amount of such royalty fee during the Damages Period will be calculated by multiplying the average weekly royalty fee that you owed for the 52-week period

Type of Fee (1)	Amount	Due Date	Remarks
			prior to the effective date of termination by the number of weeks in the Damages Period.
Collection Costs and Expenses	Our costs and expenses	On demand, if required	These costs and expenses include, but are not limited to, costs and commissions due a collection agency, reasonable attorneys' fees, costs incurred in creating or replicating reports demonstrating Gross Sales of the Franchised Restaurant, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal, together with interest charges on all of the foregoing.
Relocation	Our reasonable expenses	On demand, if required	You may not relocate the Franchised Restaurant without our prior written consent, which may be withheld by us in our sole discretion. If we approve a relocation of your Franchised Restaurant, we have the right to charge you for all reasonable expenses actually incurred in connection with consideration of the request.
Reimbursement of Insurance Costs	Cost of obtaining coverage	Immediately upon receipt of invoice	If you fail to procure or maintain the required insurance, we may procure the insurance and charge its cost along with our out-of-pocket expenses to you. We collect the cost of the insurance coverage for the insurance company with which we place the coverage.
Web Site Fee	Actual cost of developing, reviewing, securing, protecting and/or hosting the web site	As incurred	We have the right to charge you a fee for developing, reviewing and approving your web site and/or securing, protecting and hosting the web site.
Lease Admin Fee	Currently, $2,500 per year	As incurred	We or our affiliate reserve the right to charge you a Lease Admin Fee in connection with any lease or sublease renewal or extension (including the exercise of any lease option terms) or any amendment or modification to any lease or sublease between us (or our affiliates) and you (or your affiliates).
Reimbursement of Fees under Lease or Sublease	Actual amount incurred	As incurred	You must reimburse us for any actual out-of-pocket costs, expenses and fees we or our affiliates incur (including any attorney or accountant fees) in connection with any lease or sublease between us (or our affiliates) and you (or your affiliates). Without limiting the foregoing, this includes all costs and expenses we incur to repair and maintain the premises, to remove property from the premises, as a result of your failure to surrender the premises as required by the terms of the lease or sublease, or as a result of your default of the lease or sublease.
Rent for a Former Corporate Restaurant	Varies **(5)**	Payable on the 1st day of the month	Where we lease the building and sublease to you, we will pass thru any rent escalations which occur throughout the lease term.

NOTES

(1) Unless otherwise noted, all fees are imposed by and payable to us, are non-refundable and are uniformly imposed on our franchisees who receive this disclosure document.

(2) If your Franchised Restaurant does not qualify for the 2025 HR Travel Center Development Incentive Program because: (1) the Franchised Restaurant opens on an address only basis pursuant to a Franchise Agreement that is not part of a Development Agreement, or (2) the Franchised Restaurant location does not meet the requirements of the Travel Center Program – meaning, the location is not within ½ mile of an interstate or limited access highway and/or does not have the signage required to be eligible for the Travel Center Program (combination of high rise pylon sign, billboard or other highway sign) then we and you will sign the 2025 DIP Addendum attached to this Disclosure Document as Exhibit L. Under the terms of the 2025 DIP Addendum, we will reduce the royalty fee and APO by (i) 3% of Gross Sales accruing during the Restaurant's first year of operation; (ii) 2% of Gross Sales accruing during the second year of operation; and (iii) 1% of Gross Sales accruing during the third year of operation. After the third year of operation the royalty fee reverts back to 4% of Gross Sales and the APO fee reverts back to 5.5% of Gross Sales. If you or any of your affiliates receive, during the initial term of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between you or any of your affiliates and HR or any affiliate of HR and fails to cure the default within the applicable cure period, the 2025 DIP Addendum will be terminated and the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

If your Franchised Restaurant qualifies for the 2025 HR Travel Center Development Incentive and you sign a Development Agreement for more than three and up to nine Franchised Restaurants, then we and you will sign the 2025 Travel Center DIP Addendum attached to this Disclosure Document as Exhibit L. Under the terms of the 2025 Travel Center DIP Addendum and with respect to Gross Sales accruing during the applicable Franchised Restaurant's initial term of operation under the Franchise Agreement, we will reduce the royalty fee by (i) 3% of Gross Sales accruing during the Restaurant's first year of operation; (ii) 2% of Gross Sales accruing during the second year of operation; and (iii) 1% of Gross Sales accruing during the third year of operation. After the third year of operation the royalty fee reverts to 5% of Gross Sales. Additionally, the APO fee will be reduced to 3% of Gross Sales for the full 20 year term of the Franchise Agreement. If you or any of your affiliates receive, during the initial term of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between you or any of your affiliates and HR or any affiliate of HR and fails to cure the default within the applicable cure period, the HR 2025 Travel Center DIP Addendum will be terminated and the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

If your Franchised Restaurant qualifies for the 2025 HR Travel Center Development Incentive and you sign a Development Agreement for ten or more Franchised Restaurants, then we and you will sign the 2025 Travel Center DIP Addendum attached to this Disclosure Document as Exhibit L. Under the terms of the 2025 Travel Center DIP Addendum and with respect to Gross Sales accruing during the applicable Franchised Restaurant's initial term of operation under the Franchise Agreement, we will reduce the royalty fee by (i) 3% of Gross Sales accruing during the Restaurant's first year of operation; (ii) 2% of Gross Sales accruing during the second year of operation; and (iii) 1% of Gross Sales accruing during the third year of operation. After the third year of operation the royalty fee reverts to 5% of Gross Sales. Additionally, the APO fee will be reduced to 2% of Gross Sales for the full 20 year term of the Franchise Agreement. If you or any of your affiliates

receive, during the initial term of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between you or any of your affiliates and HR or any affiliate of HR and fails to cure the default within the applicable cure period, the HR 2025 Travel Center DIP Addendum will be terminated and the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

The same incentives will apply for a Conversation Restaurant, as applicable, developed under a Development Agreement; in addition we will pay you a $50,000 cash incentive if you open a Conversion Restaurant in accordance with all applicable HR requirements within 12 months of signing the Franchise Agreement for that Conversion Restaurant.

(3) We have the right, following written notice to you, to reallocate your advertising contributions (including the allocation to HNAF and/or a Regional Co-op) and to increase your advertising contributions, but not by more than ½% of Gross Sales in any 12-month period. In addition, we may not increase the APO above 7% of Gross Sales; however, this limitation does not prevent the Franchised Restaurant's Regional Co-op from requiring a contribution that, when added to your HNAF contribution, results in a total APO in excess of 7% of Gross Sales. We may, in our sole discretion, temporarily or permanently adjust the advertising contribution for certain locations or markets due to unique or unusual circumstances.

(4) We may eliminate the LSM obligation. The following expenditures will not be credited against your LSM obligation: free or discounted food; employee incentive programs; charitable contributions; payments in connection with permanent on-premises menu boards; lighting; yellow pages; entertainment discount books; the purchase or maintenance of vehicles; and other similar payments. Within 30 days after the end of each fiscal quarter, you must provide us or our designee with copies of all documentation demonstrating the amount and types of LSM expenditures made by you in the prior fiscal quarter.

(5) The following is the rent structure for a Former Corporate Restaurant: Rent which includes when due, all base rent, minimum rent, fixed rent, additional rent, and any and all other charges and amounts however called or termed required under the prime lease (as will be further set forth in the Asset Purchase Agreement the parties will sign as part of the sale.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT TO DEVELOP A HARDEE'S RESTAURANT AT A TRAVEL CENTER LOCATION OR GAS AND CONVENIENCE LOCATION (1)

Type of Expenditure	Low Amount	High Amount	Method of Payment (2)	When Due	To Whom Payment Is To Be Made
Fees to HR:					
Initial Franchise Fee **(3)**	$25,000	$25,000	Lump sum or installments	See Item 5	HR
Opening Training Support Team Fee **(3)**	$32,000	$72,000	As incurred	See Item 5	Vendors, HR

Type of Expenditure	Low Amount	High Amount	Method of Payment (2)	When Due	To Whom Payment Is To Be Made
Total Fees to HR	**$57,000**	**$97,000**			
Build-Out Costs:					
Point of Sale System **(4)**	$55,000	$72,000			Vendors, HR and third parties
Soft Costs **(5)**	$5,000	$25,000	As arranged	As incurred	Vendors and third parties
Equipment **(4)**	$350,000	$540,000	As arranged	As incurred	Vendors, HR
Signage **(6)**	$15,000	$55,000	As arranged	As incurred	Vendors and third parties
Total Build-Out Costs	**$425,000**	**$692,000**			
Preliminary Operating Expenses:					
Initial Training **(7)**	$20,000	$60,000	As arranged	As incurred	Third parties
Pre-Opening Costs **(8)**	$26,000	$44,000	As arranged	As incurred	Vendors, HR
Additional Funds - 3 months **(9)**	$160,000	$250,000	As arranged	As incurred	Vendors, HR
Total Preliminary Operating Expenses	**$206,000**	**$354,000**			
TOTAL ESTIMATED INITIAL INVESTMENT (10)	**$688,000**	**$1,143,000**			

NOTES

(1) This table reflects a low-high range of costs for each of the major cost categories of the initial investment for a Franchised Restaurant developed at a Travel Center Location and Gas and Convenience Location, including a Conversion Restaurant. Typically, the building, site work and improvements for the Franchised Restaurant at a Travel Center Location or Gas and Convenience Location are paid by the Travel Center Host or owner of the Gas and Convenience Location. Therefore, the estimates included in the table above assume that the building, site work and improvements for the Franchised Restaurant at a Travel Center Location or Gas and Convenience Location are paid by the Travel Center Host or owner of the Gas and Convenience Location and do not include an HVAC Unit, electrical switchgear, water heater, grease trap, drive thru window and sign foundations and poles.

The costs and expenditures listed are for a new Franchised Restaurant located inside a Travel Center Location or Gas and Convenience Location that has a Restaurant that is approximately 800 to 2,200 square feet, with 0 to 35 seats, and a limited menu kitchen. The ranges listed may vary depending on changes in market conditions, including availability of building materials, and the geographic area in which the Franchised Restaurant will be located.

(2) Costs paid to HR are not refundable. Whether any costs paid to third parties are refundable will vary based on the practice in the area where your Franchised Restaurant is located.

(3) For your first 2 Franchised Restaurants, you are required to have an All-Star Team, a certified training team, participate in the pre-opening and post-opening of the Franchised Restaurants. You will be responsible to pay us the Opening Training Support Fee, which will reimburse us for the All-Star Team's trainers' salaries, administrative fees, travel, lodging and meal expenses for the time they teach and train at your Franchised Restaurants, which is usually four days before opening and a minimum of seven days after opening, for a total of up to two weeks. We will waive the $15,000 Initial Franchise Fee for any Franchised Restaurant that opens 6 months prior to the contractual opening date for the Franchised Restaurant as set forth in the Development Agreement

(4) You must purchase certain items of furniture, fixtures and equipment, the point of sale system, and smallwares. You may be able to lease from or finance through a third party a portion of these purchases, but you should expect to make a down-payment of up to 25%. The low end of these figures assumes that certain items such as furniture and seating, trash cans, décor, lighting, condiment and beverage stations, flooring, ceiling and wall finishes and restroom fixtures are common use items already existing in the Travel Center Location or Gas and Convenience Location. The high end of these figures also includes the cost of a catalytic converter for the charbroiler. If required, the cost of the catalytic converter is approximately $1,558.

(5) You should check with the relevant regulatory agencies to identify costs for required building permits, impact fees, taxes, bonds, licenses and other fees, which can vary dramatically depending on the location. There may also be off-site costs, such as intersection improvements or street widening that, when required, can have a major impact on cost.

(6) The type of signage installed is governed by local ordinances regarding height and size restrictions. The estimates included in the table above reflect the cost of faces signs only and assumes that all sign foundations and poles are already installed.

The low estimates assumes that the Franchised Location is located at a Travel Center Location or Gas and Convenience Location that does not meet the requirements of our Travel Center Program and includes exterior building signs and a 25-foot pole. A typical unit with a drive-thru has 2-4 illuminated directional signs.

The high estimate assumes your Franchised Restaurant is located at a Travel Center Location or Gas and Convenience Location that meets the requirements for our Travel Center Program – meaning, the location is within a ½ mile of an interstate or limited access highway and includes a combination of high rise pylon sign, streel level onsite pylon sign, monument sign, billboard or other highway sign.

(7) You must pay the costs of travel, living and other expenses for you and your employees during training. The cost of these expenses will depend on the distance you must travel, type of accommodations, the number of your employees attending training and their wages.

(8) These costs include uniforms, office supplies and other prepaid expenses. This range also includes, for a Hardee's Restaurant, $18,000 to $21,000 for the initial inventory of food and paper products. These costs do not include utility deposits, installation of telephones, business licenses or cleaning supplies, which are not substantial.

(9) These figures are an estimate of your operating expenses for the initial 3 months of business. They include payroll, taxes, insurance, food, paper, supplies, utilities, licenses and permits, bank charges and repair and maintenance expenses. They do not include advertising contributions or royalty fees paid to HR. These figures are estimates, and HR cannot guarantee that you will not incur additional

expenses in connection with starting the business. Your costs will depend on factors including: the size of your Franchised Restaurant; how closely you follow HR's methods and procedures; your management skill, experience and business acumen; financing costs; local economic conditions; the local market for restaurants; the prevailing wage rate; competition; and the sales level reached during the initial period.

(10) You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer any direct financing for any part of the initial investment.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Where we have issued standards and specifications, you must use only ingredients, food products, spices, seasonings, mixes, beverages, materials, supplies used in the preparation of food products, furniture, fixtures, equipment, smallwares, forms, paper and plastic products and packaging, cleaning supplies, and other materials that meet those standards and specifications. Our standards and specifications are contained in the Operation Procedures Manual ("OPM"). Periodically, we will provide you a list of approved suppliers. Most food items and other goods that you are required to purchase will be purchased from a master distributor. The master distributor will carry items such as meats, cheese, grocery, bread products, paper and cleaning supplies. As of the date of this disclosure document, our master distributor is McLane Company, Inc. We reserve the right to change the master distributors. Other master distributors may be approved from time to time.

We may approve one or more suppliers or distributors for any products, equipment (including computer/cash register system as noted below), goods or materials, and we may approve a supplier or distributor only as to certain goods or materials. We may concentrate purchases with one or more suppliers to obtain lower prices and/or the best advertising support and/or services for any group of Hardee's Restaurants, or any other group of restaurants operated or franchised by HR or its affiliates. Although you are not required to lease a location from us or an affiliate, we must consent to your selection of the site for your Hardee's Restaurant. If you lease the Restaurant premises from a third party landlord, you must sign the Franchise Lease Addendum attached as Appendix G to the Franchise Agreement.

Approval of a supplier or a distributor may be conditioned on requirements relating to the frequency of delivery, reporting capabilities, standards of service, including prompt attention to complaints, sanitation standards, insurance and other quality assurance requirements or other criteria, and concentration of purchases, as set forth above, and it may be temporary pending a further evaluation of the supplier by us. A fee not to exceed our actual costs of reviewing the supplier or distributor and auditing the supplier's facility, if needed, may be charged by us and must be paid by you. We may establish commissaries and distribution facilities owned and operated by us or an affiliate that we will designate as an approved supplier.

One or more of our officers may own nominal interests in certain of our approved suppliers which are publicly traded companies or through investment funds.

We and our affiliates may receive fees, payments, commissions, field-of-use license royalties or other consideration from approved suppliers based on sales to franchisees, from promotional allowances and volume discounts. We and our affiliates may use all amounts received from approved suppliers, distributors or third parties, whether or not based on your and/or other franchisees' actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate. Finally, we and our affiliates provide supply chain, quality assurance, distribution and logistics services for the franchise system. These services include negotiating with suppliers and distributors who will sell and

distribute goods to our franchisees, designating one or more distributors to service our franchisees, and managing distribution logistics. As a result, we and our affiliates reserve the right to recover our costs related to performing these services by collecting a per-case distribution fee for all cases sold by an approved supplier to our franchisees and from other logistics-related programs.

We may charge non-approved suppliers reasonable testing and/or inspection fees.

If you propose to purchase any goods or materials from a supplier that we have not previously approved, you must notify us and submit to us or a designated independent testing laboratory, at your expense, the information, specifications and samples as we reasonably request. A fee not to exceed the reasonable cost of the inspection and the actual cost of the test may be charged by us or by an independent testing laboratory designated by us and must be paid for by you. We will notify you within 60 days as to whether you are authorized to purchase these products from that supplier. In the event we tentatively approve a request for an alternative supplier, you must submit a check for $1,500 to us as a deposit against the cost we incur in inspecting the supplier's facility. You will be responsible for additional costs and expenses associated with the inspection of the facility, which must occur before final approval. Approval of a supplier also may be subject to the frequency of delivery, reporting capabilities, standards of service (including prompt attention to complaints) or other criteria (including the number of suppliers already approved), and may be temporary pending further evaluation of such supplier. We may periodically require that the testing be performed again at your expense to ensure that the supplier continues to meet our specifications. We will advise you in writing if we revoke any approvals.

You also must obtain and install data processing equipment, computer hardware, required dedicated telephone and power lines, high speed internet connections, modems, printers and software and other computer related accessory or peripheral equipment as we periodically may specify in the OPM or otherwise in writing ("Computer/POS System"), as further explained in Item 11. Current approved vendors for technology components of the Computer/POS System are PAR Tech, Inc, CrunchTime, QSR Automations, Xenial Xpient (5.0 higher) and Meraki. Currently, you must use either the PAR Brink (and CrunchTime) POS software or the Xenial Xpient (5.0 or higher) POS software in operating your Franchised Restaurant. If you wish to obtain a license to use one or more of the proprietary software programs that we have developed or licensed for managing the Franchised Restaurant, including point of sale systems, kitchen systems and back of the house systems, you will be required to sign one or more standard form software license or similar agreements and input and maintain in your computer the software programs, data and information as we prescribe. You must purchase from us, at prices and upon terms that we determine, the proprietary software programs, manuals and/or computer-related materials whenever we decide to use new or upgraded programs, manuals and/or materials throughout the Hardee's System. Except as described in Items 6 and 11 with respect to the Digital Tech Fee, Star Univeresity Access Fee and Software Support Fee, currently, there are no payments to be made to us in connection with these items. You must comply with Point to Point Credit Encryption Standards ("P2PE") and the Payment Card Industry Data Security Standard ("PCI DSS") at all times and engage any vendor that we designate to ensure the security of your data and compliance with P2PE and PCI DSS. You must maintain continuous PCI compliance and must attest this to us annually by providing us with a completed and signed PCI Attestation of Compliance.

You must also participate in any online ordering/delivery and loyalty programs that we may establish from time to time with approved vendors and you must comply with the rules and participation criteria applicable to these programs, including our loyalty program. We have currently designated OLO as the sole software platform provider for our online ordering program, Punchh as the sole software platform for our loyalty program, and have partnered with designated service providers for our delivery program. Under our online ordering/delivery programs, we require you to accept and process specific customer delivery orders and we require you to use all approved third-party delivery service providers, currently Uber

Eats, Door Dash, and GrubHub if those delivery service providers operate in your restaurant's serviceable area. We must pre-approve all delivery service providers not already designated as approved under our delivery program. In addition, we must pre-approve all sales recording processes that originate from the delivery service providers. We have the right to modify the participation criteria or discontinue these initiates at any time upon written notice to you. See also Item 11.

We negotiate system-wide contracts with a number of suppliers under which Hardee's Restaurants may purchase products at negotiated prices and terms. Franchisees are entitled to purchase products at the prices and terms negotiated by us; however, we reserve the right to limit the number of suppliers who deliver the products at those prices and terms. With respect to equipment, smallwares and supplies, to obtain the negotiated price and to be eligible for certain revenue sharing incentives, you must purchase the equipment, smallwares and supplies from our third-party vendor Wasserstrom Holdings, Inc. and its subsidiaries. There currently are no purchasing or distribution cooperatives. We do not provide material benefits to a franchisee based on the franchisee's purchase of particular products or services or the use of particular suppliers.

Approximately 90% of your purchases or leases of fixtures, furnishings, equipment, décor, signs, food items, ingredients, supplies and other products in connection with the establishment of the Franchised Restaurant must be purchased in accordance with our specifications or from approved suppliers. We estimate that these items represent approximately 65% of your controllable purchases, excluding labor and general administrative costs in connection with the ongoing operation of the Franchised Restaurant. We do not provide material benefits (e.g., renewal or additional franchises) to you based on use of designated or approved suppliers.

Occasionally, during major promotions, suppliers will sell items to us at a discount. At our discretion, we will either pass the savings directly to you or contribute any amounts collected in excess of the discount to HNAF (*see* Item 11). Currently, certain of our soft drink suppliers offer rebates to both you and us based on volume purchases**.**

During our fiscal year ended January 27, 2025, the following suppliers made contributions to HNAF: KDM ($59,823); Dr. Pepper ($61,562); CDM ($50,000). The funds contributed were used primarily to offset the cost of point of purchase and other advertising production costs. Additionally, during our fiscal year ended January 27, 2025, we and our affiliates' revenue from all sales and leases to Hardee's franchisees was approximately $33 million, which represented approximately 4.9% of the total revenue of the Securitization Entities of approximately $671.4 million. In certain instances, we simply pass through the franchisee payments to the designated vendor, supplier or landlord.

You must, at your sole expense, maintain in full force and effect throughout the term of each agreement that insurance that you determine is necessary or appropriate for liabilities caused by or occurring in connection with the development or operation of the Franchised Restaurant, which shall include, at a minimum, insurance policies of the kinds, and in the amounts, required by us. (Franchise Agreement, §15.B.; Development Agreement, § 7.B.). We may regulate the types, amounts, terms and conditions of insurance coverage required for the Franchised Restaurant, and standards for underwriters of policies providing required insurance coverage. You will receive written notice of these modifications, and you must take prompt action to comply. We, and any entity with an insurable interest designated by us, shall be an additional insured in such liability policies, except for workers' compensation/employer's liability, and loss payee for property to the extent each has an insurable interest. All insurance policies must be written by an insurance company (or companies) satisfactory to us in compliance with the standards, specifications, coverages and limits set forth in the OPM or otherwise provided to you in writing.

These required insurance policies include, at a minimum, the following: (1) Commercial General Liability insurance with policy limits not less than $5,000,000 per occurrence and in the aggregate. Coverage shall apply per location, including coverage for contractual liability, broad form property damage, personal and advertising injury, product liability and completed operations, not to exclude food-borne illness, as well as Damage to Rented Premises coverage with limits not less than $100,000; (2) Automobile Liability coverage, including owned, leased, non-owned and hired vehicles, with a combined single limit not less than $1,000,000 per accident and additional liability coverage as needed for delivery services. This may be included as part of a package policy; (3) Workers' Compensation, statutory as required by law, and Employer's Liability insurance with limits not less than $500,000, and such other insurance as may be required by the state or locality in which the Franchised Restaurant is operated. This coverage shall also be in effect for all of Franchisee's employees who participate in any of the training programs described in the Franchise Agreement. The required limits above may be satisfied through a combination of Primary and Umbrella/Excess Liability coverage. If satisfied through an Umbrella/Excess Liability coverage, the Umbrella/Excess Liability must be "following form" of the underlying Commercial General Liability, Automobile Liability and Employer's Liability coverages; (4) Commercial Property insurance that extends coverage on a replacement cost basis for the Franchised Restaurant, business personal property (including electronic equipment, tenant improvements & betterments), and business income and extra expense for a minimum of 12 months or actual loss sustained to cover loss of profits, continuing expenses and loss of rents. Covered causes of loss should be "Special Form" or "All Risk" with coinsurance conditions not less than 80%. Flood insurance is also required for locations that reside in FEMA Flood Zones beginning with the letters "A" or "V." Earthquake insurance is also required for locations that reside in FEMA Seismic Design Categories "E" or "D"; (5) Cyber Liability (network security/data privacy) with policy limits not less than $1,000,000 per occurrence; and (6) In connection with any construction, leasehold improvements, renovation, refurbishment, or remodeling of the Franchised Restaurant, your general contractor shall maintain Commercial General Liability insurance (with products liability and independent contractors coverage), Automobile Liability coverage for owned, leased, hired and non-owned vehicles, and Builder's Risk with limits no less than $1,000,000, with HR named as an additional insured, as well as Workers' Compensation and Employer's Liability as required by state law.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement (FA) and Development Agreement (DA)	Disclosure Document Item
a.	Site selection and acquisition/lease	FA: Section 3 DA: Sections 3-5	Items 7 & 11
b.	Pre-opening purchases/leases	FA: Sections 3-5 DA: Section 3-6	Items 7 & 8
c.	Site development and other pre-opening requirements	FA: Sections 3 - 7 DA: Sections 3 & 5-6	Items 6, 7 & 11
d.	Initial and ongoing training	FA: Section 11 DA: Section 5	Items 5, 6, 7 & 11
e.	Opening	FA: Section 5 DA: Not Applicable	Item 11

Obligation		Section in Franchise Agreement (FA) and Development Agreement (DA)	Disclosure Document Item
f.	Fees	FA: Sections 3, 5, 8 & Appendix A-C DA: Section 4	Items 5 & 6
g.	Compliance with standards and policies/Operating Manual	FA: Sections 7, 9 & 13 DA: Section 6	Items 8 & 11
h.	Trademarks and proprietary information	FA: Section 14 DA: Not Applicable	Items 13 & 14
i.	Restrictions on products/services offered	FA: Section 13 DA: Not Applicable	Item 16
j.	Warranty and customer service requirements	FA: Section 13 DA: Not Applicable	Item 11
k.	Territorial development and sales quotas	FA: Not Applicable DA: Sections 1-3 & Appendix A-B	Item 12
l.	Ongoing product/service purchases	FA: Section 13.B. DA: Not Applicable	Item 8
m.	Maintenance, appearance and remodeling requirements	FA: Sections 4 & 10 DA: Not Applicable	Item 11
n.	Insurance	FA: Section 15 DA: Section 7	Items 6, 7 & 8
o.	Advertising	FA: Section 8 & Appendix C DA: Not Applicable	Items 6 & 11
p.	Indemnification	FA: Section 25 DA: Section 16	Item 6
q.	Owner's participation/ management/staffing	FA: Sections 13.G & 16.G & 16.H DA: Section 8	Items 11 & 15
r.	Records and reports	FA: Section 7 DA: Not Applicable	Item 6
s.	Inspections and audits	FA: Sections 4, 7.F & 12.D DA: Not Applicable	Items 6 & 11
t.	Transfer	FA: Sections 17 & 18 DA: Sections 9 & 10	Items 6 & 17
u.	Renewal	FA: Section 2 DA: Not Applicable	Items 6 & 17
v.	Post-termination obligations	FA: Section 22 DA: Section 14	Item 17
w.	Noncompetition covenants	FA: Section 20 DA: Section 12	Item 17
x.	Dispute resolution	FA: Section 30 DA: Section 22	Item 17

ITEM 10

FINANCING

Neither we nor any of our agents or affiliates offer direct or indirect financing to you or guarantee any of your notes, leases or obligations. If you are purchasing one or more company-operated Restaurants, we will issue a Sublease for each site leased by us. The Sublease is a standard commercial lease under which you pay rent to us for use of the premises. The Sublease does not contain any financing terms. At the time of the closing of the transaction, you and we will execute, among other things and if appropriate, a Sublease for each Restaurant you purchase, the general form of which is attached as Exhibit P.

ITEM 11

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

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

HR's Pre-Opening Obligations

Before you open your Franchised Restaurant, we will:

1. Provide you with the following site selection assistance: **(a)** HR's site selection guidelines and, as you may request, a reasonable amount of consultation with respect to site selection; and **(b)** on-site evaluation that we may deem advisable as part of our evaluation of your request for site acceptance. (Development Agreement, § 5.B and Franchise Agreement, § 4.B.)

2. Advise you in writing, within 45 days after our receipt of all documents that we require, whether we have accepted a particular site; however, we have no obligation to review any development proposal if you or your affiliates are not in full compliance with all agreements with us or our affiliates. If we do not respond within that time period, we will be deemed not to have accepted the site. (Development Agreement, § 5.D and Franchise Agreement, § 4.D.)

3. Provide you electronic access to, the OPM, which contains information and knowledge that is unique, necessary and material to the Hardee's System. The OPM remains our property. We may revise the contents of the OPM, and you agree to comply with each new or changed section. (Franchise Agreement, § 9.) The Table of Contents of the OPM as of the date of this disclosure document is attached as Exhibit G. As of that date, the OPM contained approximately 224 pages.

4. Provide our FMTP to up to 8 individuals. The details of the FMTP are described later in this Item. (Franchise Agreement, § 11.A.)

5. Provide you with any development training that we may require. (Development Agreement, § 5.G and Franchise Agreement, § 4.A.)

6. Provide you electronic access to, the Development Guide, which contains mandatory specifications and standards relating to construction of Hardee's Restaurants and information relating to your other obligations under the Development Agreement. (Development Agreement, § 6 and Franchise Agreement, § 4.E.)

7. Provide you with consultation and advice with regard to construction or renovation and operation of the Franchised Restaurant, building layout, furnishings, fixtures and equipment plans and specifications, employee selection and training, purchasing and inventory control and those other matters as we deem appropriate at no additional cost. (Franchise Agreement, § 12.A.)

8. Furnish you with prototypical plans and specifications for a Franchised Restaurant, including requirements for dimensions, design, image, interior layout, décor, fixtures, equipment, signs, furnishings, storefront and color scheme. It will be your responsibility to have prepared all required construction plans and specifications to suit the shape and dimensions of the location of your Franchised Restaurant ("Franchised Location"), and you must ensure that these plans and specifications comply with applicable ordinances, building codes and permit requirements and with lease requirements and restrictions. You must use only registered architects, registered engineers and professional and licensed contractors. We will review your proposed construction plans for the proposed Hardee's Restaurant and notify you within 30 days (or such longer period as we require) after we receive the plans whether the plans are approved. (Franchise Agreement, §4.A.)

9. Provide you with assistance, upon your request, or at our discretion, in opening the Franchised Restaurant and in training your employees as we deem appropriate in light of your needs and the availability of our personnel. We have the right to charge you a fee for the opening training support team, depending on the level of support needed to open the Franchised Restaurant (as determined by us). (Franchise Agreement, § 11.A & .B.)

10. Provide you with a final inspection of the Franchised Restaurant, if we choose to conduct one, and provide you with express written authorization to open the Franchised Restaurant if you have complied with all conditions. (Franchise Agreement, §5.J.)

HR's Obligations During Operation of the Franchise

During the operation of your Franchised Restaurant, we will:

1. Collect, administer and spend for advertising and promotion purposes monies paid by franchised and company-operated Hardee's Restaurants into HNAF. (Franchise Agreement, § 8.B.)

2. Provide you with guidelines for local advertising and promotion. You must submit to us for our approval any local advertising and promotional materials purchased from a source other than HR or its affiliates. (Franchise Agreement, § 8.D.)

3. We may change or modify the Hardee's System, including modifications to the OPM, required training program, the menu and menu formats, the required equipment, the signage, the building and premises of Franchised Restaurants (including the trade dress, décor and color schemes), the presentation of the Proprietary Marks, the adoption of new administrative forms and means of reporting and of payment of any monies owed to HR (including electronic means of reporting and payment) and the adoption and use of new or modified Proprietary Marks or copyrighted materials. (Franchise Agreement, § 10.A.)

4. Provide other training to you, if we decide to offer any other training. We reserve the right to require you to pay a tuition fee for these additional training programs, and you will be required to pay all travel, living and other expenses incurred by you and your employees while attending the training. (Franchise Agreement, § 11.B.)

5. Provide periodic advice and consultation to you in connection with the operation of the Franchised Restaurant as we deem appropriate or necessary. We will provide to you our knowledge and expertise regarding the Hardee's System and pertinent new developments, techniques and improvements in the areas of restaurant design, management, systems and tools, food and beverage preparation, sales promotion, service concepts, overall restaurant operations, financial metrics and other areas. We may provide these services through visits by our representatives to the Franchised Restaurant or your offices, the distribution of printed or filmed material or electronic information, meetings or seminars, telephone communications, email communications and other communications. (Franchise Agreement, § 12.C.)

6. Conduct inspections of the Franchised Restaurant and evaluations of the products sold and services rendered as we deem appropriate or necessary. (Franchise Agreement, § 12.D.)

Advertising

We have established, and will maintain and administer, HNAF for the creation and development of advertising, marketing and public relations, research and related programs, gift card and loyalty programs, activities and materials that we, in our sole discretion, deem appropriate. During the term of the Franchise Agreement, you will have an advertising and promotion obligation ("APO") in the amount set forth in an appendix to the Franchise Agreement. You will pay that portion of the APO as we direct (which, as of the date of this disclosure document, is 4.25% of Hardee's Gross Sales) to HNAF as described in the next paragraph. HNAF contributions are due on the tenth day of each month. The remainder of the APO is paid to a Regional Co-op and/or will be spent by you for LSM. There is no franchisee advertising council that advises HR on advertising policy. Hardee's Restaurants operated by us contribute to HNAF on the same basis as comparable franchisees. Vendors and other suppliers also may contribute to HNAF.

We or our designee direct all advertising, marketing, and public relations programs and activities financed by HNAF with sole discretion over the creative concepts, materials and endorsements used in those programs and activities, and the geographic, market and media placement and allocation of advertising and marketing materials. We may work with an advertising agency in developing advertising for print, radio, internet and television and also often leverage internal and contract creative services.

During our last fiscal year ended January 27, 2025, HNAF monies were spent as follows: approximately 76% on media and public relations; approximately 7% on television, radio, outdoor and print production; approximately 1% on point of purchase items, artwork and packaging; approximately 2% on research and development; approximately 3% on digital creative production; and 11% on other (which includes agencies fees, contract services, administration expenses and other miscellaneous advertising production expenses). No funds were used to solicit franchisees.

We also have the right to establish a Regional Co-op in the DMA in which your Franchised Restaurant is located. Hardee's Restaurants operated by us in an area covered by a Regional Co-op will contribute on the same basis as comparable franchisees. Only company-operated and franchised Hardee's Restaurants located in the DMA covered by a Regional Co-op contribute to the Regional Co-op. If your Franchised Restaurant is in an area covered by a Regional Co-op, currently, you are required to contribute a minimum of 0.5% of Hardee's Gross Sales to the Regional Co-op; however, the Regional Co-op can vote to increase each member's contribution.

HR or its designee will administer HNAF. The HNAF is not a trust or escrow account, and HR has no fiduciary obligation to franchisees with respect to it. HR has the right to terminate HNAF and establish, if HR so elects, a different advertising fund. HR also has the right to terminate (and subsequently restart) any Regional Co-op. HR may incorporate any fund and may have a separate entity manage the fund.

Unaudited reports of the operations of HNAF and the Regional Co-ops are prepared annually and are available to you upon written request.

You must spend for approved LSM, on a monthly basis, the difference between your APO and the amount you contribute to HNAF and the Regional Co-op. You may develop advertising materials or purchase advertising materials from sources other than HR or its affiliates for your own local use; however, we must approve these advertising materials before first use. These advertising materials should be submitted to HR for review and approval at least 30 days in advance of first use. Within 30 days after the end of each fiscal quarter, you must provide us or our designee with copies of all documentation demonstrating the amount and types of LSM expenditures you made in the prior fiscal quarter. You must pay 100% of the cost of the point of purchase advertising materials that we require you to purchase from our designated vendor. In fiscal year ended January 27, 2025, HNAF funded certain point of sale kits for both franchised and company-operated Hardee's Restaurants. HR or its designee periodically will advise you of the advertising and sales promotions approved by HR.

Local advertising and promotion materials may be purchased from any HR-approved source. If purchased from a source other than HR or its affiliates or if developed or created by you, these materials must comply with federal and local laws and regulations and with the guidelines for advertising and promotions promulgated from time to time by HR or its designee and must be submitted to HR or its designee at least 30 days prior to first use for approval, which HR may grant or withhold in its sole discretion. In no event may your advertising contain any statement or material which, in the sole discretion of HR, may be considered: **(1)** in bad taste or offensive to the public or to any group of persons; **(2)** defamatory of any person or an attack on any competitor; **(3)** to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark or identification; or **(4)** inconsistent with the public image of HR or the System.

We have the right, following written notice to you, to reallocate the APO and to increase the APO; however, we will not increase the APO by more than ½% of Gross Sales in any 12-month period. In addition, we may not increase the APO above 7% of Gross Sales; however, this limitation does not prevent the Franchised Restaurant's Regional Co-op from requiring a contribution, that when added to your HNAF contribution, results in a total APO in excess of 7% of Gross Sales.

In spending advertising monies, HR is not obligated to make expenditures for any franchisee that are equivalent or proportionate to that franchisee's contribution or to ensure that any particular franchisee benefits directly or on a pro rata basis from expenditure of the funds.

Generally, HR believes that it will spend all advertising payments during the taxable year in which the contribution and earnings are received. If we do not spend the advertising payments in one year, we will spend them in the following year. Except with respect to administrative and legal expenses, neither HR nor any affiliate receives payment for providing goods or services to advertising funds or regional co-ops.

Electronic Cash Register/Point of Sale System

A Hardee's typically requires a Computer/POS System consisting of 4 POS terminals and 6 kitchen display monitors. You must purchase or lease PAR ES600 or PAR ES8500 terminals. These systems record customer transactions and collect and generate gross sales reports (including sales by categories) for the Franchised Restaurant. In addition, (i) you must purchase or lease Brink Kitchen Display Systems and a back-office workstation as recommended by the software provider, and (ii) you must meet our required connectivity standards (currently, (a) Cisco Meraki Firewall/Router with Advanced Security License, (b) Cisco Meraki Wireless Access Point(s), Cisco Meraki 48 port switch, (c) highly reliable

internet with auto-failover to LTE Backup, and (d) Wi-Fi for guests (if Internet speeds are fast enough to support it) and back of house operations. The hardware for the connectivity currently includes security appliance – Meraki MX68 w/Advanced Security License, wireless access Points – Meraki MR33, and managed switch – Meraki MS120. You are required to upgrade or update these systems and add or replace components during the term of the Franchise Agreement, and there is no contractual limitation on the frequency or cost of the obligation.

You also must use an approved software program for the Computer/POS System. You must choose either PAR Brink or Xenial Xpient (5.0 or higher) for your Computer/POS System. The cost of PAR Brink includes an initial setup fee of $2,200 per Franchised Restaurant and $576 annual license fee per Franchised Restaurant which will cover 4 terminals and 6 KDS systems, both fees payable directly to the third-party vendor. You may add additional terminals or KDS systems for $7 per month for each additional service. If you choose PAR Brink, you must also use CrunchTime as your back-office software solution. If you choose to use PAR Brink, you may sign a Software Support Agreement with CKR (the current form is attached as Exhibit F-1) and pay to CKR a software support fee of $118 for each Franchised Restaurant for each fiscal period (as defined by CKR) which will give you access to CKR's Level 1 and Level 2 Help Desk Support and also pay to CrunchTime $825 per Franchised Restaurant bi-annually (every 26 week accounting period) for swivel seat support which includes hardware and network issues, phone and internet issues and access to the Crunchtime back-office software solution. If you obtain support for PAR Brink/CrunchTime from a third party, we estimate the cost to be on average $250 per month. In addition, for PAR Brink, you must enter into a written agreement with Par Tech, Inc. ("Par Tech"), Lucas POS Systems, or POS Technical to provide on-site support. Par Tech, Lucas POS Systems, or POS Technical will bill you directly for these services. If you choose Xenial Xpient IRIS 5.0 (or higher) as your POS software, you will need to obtain a license directly from Xenial and on-site support from a vendor approved by Xenial. The purchase price of the required hardware, software and support ranges from approximately $35,000 to $45,000, depending on the vendor selected.

You must maintain your point of sale system and keep it in good repair. We can access the information stored in the system, and there is no contractual limitation on our right to do so. We estimate the cost of maintaining, updating or upgrading your Computer/POS System or its components will range from $1,800 to $3,000 annually, although the cost will depend on your repair history, local costs of computer maintenance services in your area and technological advances, which we cannot predict at this time, and this annual estimate is separate and independent from any requirement to install a new cash register/point of sale system.

You must participate in any online ordering and delivery programs that we may establish with approved supplier(s) (currently Uber Eats, Door Dash, and GrubHub) and you must comply with any participation criteria and other rules applicable to such programs. You must also participate in our loyalty and gift card programs and any other marketing and promotional initiatives that we may from time to time establish with approved vendors and comply with any participation criteria and other rules applicable to such programs. We have the right to modify the participation criteria or discontinue such initiatives at any time upon written notice to you. We will provide you access to the online ordering/delivery and loyalty program software and technology (which currently includes OLO, Data Menu Management, Punchh Loyalty, Data Management (customer data processing) and Future (enterprise data management and content management system) and you must pay us the Digital Tech Fee identified in Item 6 (currently $160 per 4-week fiscal period). You must execute the OLO Authorized Operator Agreement (current form is attached as Exhibit F-2) and we may require you to execute additional or different software agreements regarding your use of such technology in the future. (Franchise Agreement, Section 13.E & N. and Appendix A).

Selecting the Location for Your Franchised Restaurant

We do not select the site for your Franchised Restaurant. You select the site for your Franchised Restaurant, subject to our acceptance. As noted in Item 1, you should not acquire any interest in a site for your Franchised Restaurant until we have approved you as a franchisee (or, if you already are a franchisee, until you have been approved for expansion) and we have accepted the site in writing. We generally do not own the Franchised Restaurant premises and lease them to franchisees.

For each proposed site for a Franchised Restaurant, you will, if requested by us, submit a Franchise Site Application to us. In addition, you may have to submit a complete real estate package (containing that information as we may reasonably require) for a proposed site that you reasonably believe conforms to our then-current site selection criteria for demographic characteristics, traffic patterns, parking, character of the neighborhood, competition from other businesses in the area, the proximity to other businesses (including restaurants operated or franchised by HR or its affiliates), the nature of other businesses in proximity to the site and other commercial characteristics (including the purchase price, rental obligations and other lease terms for the proposed site) and the size, appearance, other physical characteristics and a site plan of the premises. Within 30 days after our receipt of these documents and any information that we may require, we will advise you in writing whether we have accepted a particular site; however, we have no obligation to review any development proposal if you or your affiliates are not in full compliance with all agreements with us or our affiliates. If we do not respond within that time period, we will be deemed not to have accepted the site. Our acceptance or refusal to accept a site may be subject to reasonable conditions as determined in our sole discretion.

We may refuse to accept a site for a proposed Franchised Restaurant unless you demonstrate sufficient financial and growth ready capabilities and, in our sole judgment, applying standards consistent with criteria we use to establish Hardee's Restaurants in other comparable market areas, to properly develop, operate and maintain the Franchised Restaurant. Therefore, you also must furnish us with financial statements and other information regarding you and the development and operation of the proposed Franchised Restaurant, including, without limitation, investment and financing plans for the proposed Franchised Restaurant as we reasonably may require.

Our acceptance of one or more sites is not a representation or a promise by HR that a Franchised Restaurant at an accepted site will achieve a certain sales volume or a certain level of profitability. Similarly, our acceptance of one or more sites and our refusal to accept other sites is not a representation or a promise that an accepted site will have a higher sales volume or be more profitable than a site which we did not accept. Our acceptance only indicates our willingness to be represented by you at that site.

Following our acceptance of a site, you must secure the site by entering into a lease or sublease for the site or purchasing the real property. This must be finalized no later than 6 to 9 months after our site acceptance (the date the lease or sublease is executed is the "Property Control Date"). If you do not do so within the required timeframe, the site acceptance will be deemed withdrawn without providing you notice. You must commence construction of the Franchised Restaurant within 6 months after the Property Control Date. If you fail to commence construction of the Franchised Restaurant as required, our site acceptance will be deemed withdrawn without providing you notice, and we will have the right to terminate the Franchise Agreement, if already fully-executed. You may not commence construction until we have a fully-executed Franchise Agreement with you and you have paid us the Initial Franchise Fees. You must open the Franchised Restaurant within 18 months after the Property Control Date. If you fail to open the Franchised Restaurant within 18 months after the Property Control Date we will have the right to terminate the Franchise Agreement.

Time Between Agreement Signing and Opening

The typical length of time between the Property Control Date and the opening of the Franchised Restaurant is between 12 and 18 months. Factors affecting this length of time usually include your ability to obtain adequate financing, weather, local requirements and procedures for necessary permits and zoning, shortages or delayed installation of equipment, signs and fixtures, and special circumstances affecting construction in a particular area, none of which are within our control.

If you are purchasing an existing company-operated Restaurant, the time between execution of the Asset Purchase Agreement and you beginning to operate the Franchised Restaurant is approximately 1 to 4 months.

Training

We may require your 10% Owners to attend a 10-Day Operations Overview before we will commit to enter into any other agreement with you. The 10-Day Operations Overview will be conducted at those locations specified by us. As described in Item 5, we may charge a fee for this training program, and you will be required to pay all travel, living and other expenses incurred in attending this training program. The persons participating in the 10-Day Operations Overview will be required to execute the Preliminary Agreement.

We currently provide the FMTP to you, your Operating Principal (if not previously trained), your General Manager and 6 other employees whom you have hired as Shift Leaders, at no additional cost to you, provided that the training takes place within 2 years of your signing the Franchise Agreement. We reserve, however, the right to modify or waive the training required based on an individual's or your experience. We will provide the FMTP at those times and places designated by us. As described in Item 5, a Training Fee is charged to provide the FMTP to additional individuals. The FMTP will include restaurant training at a Hardee's Restaurant designated by us and training on Star University (StarU), our online Learning Management System.

In addition, we also provide you with access to our Learning Management System called Star University (StarU). Star University is a learning management platform which is used for the administration, tracking and reporting of learning and development programs. Currently, the fee associated with the use of this program is $14 per fiscal period (as defined by us, currently a 4-week accounting period), but we reserve the right to increase the fee in the future. In addition, you will be required to sign the Star University License Agreement (the current form is attached as Appendix I to the Franchise Agreement). The fee is paid to us but we pass this entire fee to a third-party vendor to help facilitate the training environment. The use of Star University requires certain high-speed internet and hardware and such costs will be solely your responsibility. Star University is a required training tool for your Franchised Restaurant. You will be required to pay all travel, living and other expenses incurred by you and your employees while attending the training programs. We reserve the right to dismiss from the FMTP any person whom we do not believe will perform acceptably in the position for which they have been hired by you and you will provide a qualified replacement within one month of that dismissal.

The minimum length of the FMTP is 8 consecutive weeks; however, depending on the prior experience of the trainee, the FMTP could be shorter or longer. The FMTP trainers are experienced Hardee's Restaurant Managers who conduct the training under the supervision of CKR's Director of Global Learning & Organizational Development, Lisa Holloway. See Note (2) below regarding Lisa Holloway's experience.

In addition, if you do not currently operate a franchised Hardee's Restaurant or if you have not opened a new franchised Hardee's Restaurant in the last 2 years, your Operating Principal must attend another franchisee's (or a company) new restaurant opening no more than 12 months before your Franchised Restaurant opens.

Any training that we may provide to any of your employees will be limited to training or guiding the employees regarding the delivery of approved products to customers in a manner that reflects the customer service standards of the Hardee's System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your employees. You are solely responsible for ensuring that your employees receive adequate training.

TRAINING PROGRAM

The following chart summarizes the subjects taught during the FMTP in the operation of a Hardee's Restaurant:

HARDEE'S RESTAURANT
FMTP

General Manager Training:

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
RGM LIT Hype Video	:07		Designated Training Facility
RGM LIT Program Introductions	:08		Designated Training Facility
Chapter 1 Intro Knowledge Check	:35		Designated Training Facility
Leadership Essential: Plans and Aligns	:13		Designated Training Facility
RGM Chapter 1 Exam 1	:15		Designated Training Facility
RGM Chapter 1 Exam 2	:15		Designated Training Facility
RGM Chapter 1 Exam 3	:15		Designated Training Facility
RGM OJT Skill Sign Off		1:00	Designated Training Facility
Chapter 1 Hands on Practice		30:00	
Chapter 2 Intro Knowledge Check	:35		Designated Training Facility
Leadership Essential: Optimizes Work Processes	:13		Designated Training Facility
RGM Chapter 2 Exam 1	:15		Designated Training Facility
RGM Chapter 2 Exam 2	:15		Designated Training Facility
RGM Chapter 2 Exam 3	:15		Designated Training Facility
RGM OJT Skill Sign Off		1:00	
Chapter 2 Hands on Practice		30:00	

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
Chapter 3 Intro Knowledge Check	:35		Designated Training Facility
Leadership Essential: Interpersonal Savvy	:15		Designated Training Facility
RGM Chapter 3 Exam 1	:15		Designated Training Facility
RGM Chapter 3 Exam 2	:15		Designated Training Facility
RGM Chapter 3 Exam 3	:15		Designated Training Facility
RGM OJT Skill Sign Off		1:00	
Chapter 3 Hands on Practice		30:00	
Chapter 4 Intro Knowledge Check	:35		Designated Training Facility
Leadership Essential: Develops Talent	:16		Designated Training Facility
RGM Chapter 4 Exam 1	:15		Designated Training Facility
RGM Chapter 4 Exam 2	:15		Designated Training Facility
RGM Chapter 4 Exam 3	:15		Designated Training Facility
RGM OJT Skill Sign Off		1:00	
Chapter 4 Hands on Practice		30:00	
Chapter 5 Intro Knowledge Check	:35		Designated Training Facility
Leadership Essential: Business Insights	:12		Designated Training Facility
RGM Chapter 5 Exam 1	:15		Designated Training Facility
RGM Chapter 5 Exam 2	:15		Designated Training Facility
RGM Chapter 5 Exam 3	:15		Designated Training Facility
RGM OJT Skill Sign Off		1:00	
Chapter 5 Hands on Practice		30:00	
RGM Program Evaluation	:15		Designated Training Facility
Workbook Practice Activities	32:00		Designated Training Facility
	40:32 (hrs.)	**155 (hrs.)**	Designated Training Facility
Total			**About 24.42 Days (195.32 hrs)**

Shift Leader and General Manager Training:

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
MIT 1.01 Intro	:02		Star University; Designated Training Facility
MIT 1.02 Learning Leadership	:12		Star University; Designated Training Facility

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
MIT 1.03 Leadership Essentials Communication	:12		Star University; Designated Training Facility
MIT 1.04 Leading Stations – Backline	:20		Star University; Designated Training Facility
MIT 1.05 Leading Stations – Frontline	:20		Star University; Designated Training Facility
MIT 1.06 Training Team Members	:10		Star University; Designated Training Facility
MIT 1.07 Coaching Others – QSC	:15		Virtual; Certified Training Restaurant (“CTR”) or Designated Training Facility
MIT 1.08 Leading Others	:05		Virtual; CTR location or Designated Training Facility
MIT Exam 1	:30		Virtual; CTR location or Designated Training Facility
Chapter 1 Hands on Practice		64:00	
MIT Observation 1		:45	Star University; Designated Training Facility
MIT 2.01 Delivering Results	:05		Star University; Designated Training Facility
MIT 2.02 Shift Strategy	:05		Star University; Designated Training Facility
MIT 2.03 Pathing	:10		Star University; Designated Training Facility
MIT 2.04 Asset Protection	:15		Star University; Designated Training Facility
MIT 2.05 Business Leadership	:08		Star University; Designated Training Facility
MIT 2.06 Decision Making	:05		Star University; Designated Training Facility
MIT 2.07 Guest Focus	:10		Star University; Designated Training Facility
MIT 2.08 Teamwork	:05		Virtual; CTR location or Designated Training Facility
MIT Exam 2	:30		Virtual; CTR location or Designated Training Facility
Chapter 2 Hands on Practice		64:00	
MIT Observation 2	:15	:45	Star University; Designated Training Facility
MIT 3.01 Accountability	:15		Star University; Designated Training Facility
MIT 3.02 Audits and Inspections	:15		Star University; Designated Training Facility

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
MIT 3.03 Resilience	:10		Star University; Designated Training Facility
MIT 3.04 Food and Labor Basics	:20		Star University; Designated Training Facility
MIT 3.05 Centerpost Success	:15		Star University; Designated Training Facility
MIT 3.06 Opening and Closing	:15		Star University; Designated Training Facility
2025 New Hire – MIT 3.07 Banking	:15		Star University; Designated Training Facility
2025 New Hire – MIT 3.08 Emergencies	:05		Star University; Designated Training Facility
2025 New Hire – MIT Exam 3	:30		Star University; Designated Training Facility
Chapter 3 Hands on Practice		64:00	
2025 New Hire – MIT Observation 3		:45	Star University; Designated Training Facility
	6.23 (hrs.)	**97:25 (hrs.)**	
Total			**About 12.93 Days (103.48 hrs.)**

General Manager, Shift Leader and Crew Person Training:

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
Crew Onboarding (Crew Person, Shift Leader, Restaurant General Manager (RGM))			
Welcome Hardees)	2:05		Star University; Designated Training Facility
Shift Leader/RGM Onboarding			
Biscuit Station	:17	3	Star University; Designated Training Facility
Biscuit Station Exam	:15		
Biscuit Station Observation		:45	

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
Feeder Station	:11	3	Star University; Designated Training Facility
Feeder Station Exam	:11		
Feeder Station Observation		:30	
Fry Station	:10	3	Star University; Designated Training Facility
Fry Station Exam	:11		
Fry Station Observation		:30	
Cook Station	:09	3	Star University; Designated Training Facility
Cook Station Exam	:11		
Cook Station Observation		:30	
Grill Station	:11	3	Star University; Designated Training Facility
Grill Station Exam	:11		
Grill Station Observation		:30	
Hand Breaded Chicken Tender Station	:11	3	Star University; Designated Training Facility
Hand Bread Chicken Station Exam	:12		
Hand Breaded Chicken Tender Station Observation		:30	
Dining Room Station	:11	3	Star University; Designated Training Facility
Dining Room Station Exam	:11		
Dining Room Station Observation		:30	
Cashier Station	:11	3	Star University; Designated Training Facility
Cashier Station Exam	:11		
Cashier Station Observation		:30	
Drive Thru Station	:15	3	Star University; Designated Training Facility
Drive Thru Station Exam	:11		
Drive Thru Station Observation		:30	
Prep Station	:08	3	Star University; Designated Training Facility
Prep Station Exam	:20		
Prep Station Observation		:30	
	238 mins	**2100 mins**	
Total	**4.87 Days (38.97 hrs./2338 mins)**		
Additional Crew Trainings			

Subject	Hours of Classroom Training (in mins.)	Hours of On the Job Training	Location
(Shift Leader, RGM)			
QSC Team Member	:03		Star University; Designated Training Facility
QSC Cleanliness	:20		Star University; Designated Training Facility
Perfect Biscuit	:12		Star University; Designated Training Facility
Handling Guest Concerns	-	-	Star University; Designated Training Facility
	:35		
Total			**About :30 (half an hour)**

NOTES

(1) The instruction materials for the FMTP include the Basic Management Training (BMT), Shift Leader and Restaurant General Manager (RGM) workbooks.

(2) Lisa Holloway is our Global Director of Learning & Organizational Development. She has more than 20 years of experience leading training and performance initiatives in guest-facing organizations. FMTP trainers include: General Managers, District Managers, and Certified Training Managers.

Other Training

We have the right to require that you, your owners, your Operating Principal, your General Manager and any other employees hired by you to fill certain designated positions take and successfully complete additional training programs. We reserve the right to require you to pay a tuition fee for these additional training programs as periodically established by us. You will be required to pay all travel, living and other expenses incurred by you and your employees while attending this training.

All-Star Team Opening Training Support

For your first two Franchised Restaurants, you will receive assistance of our All-Star Team in the pre-opening and opening of those two Franchised Restaurants. The All-Star Team may consist of our corporate staff and/or it may include one or more of our franchisees, as we may determine. The All-Star Team's primary responsibility is to assist with restaurant set-up, restaurant crew station training and guest experience during your Franchise Restaurant pre-opening and opening. You will be responsible for the salaries, administrative fees, meals, travel and lodging expenses of the All-Star Team members while they are trainers at your Franchised Restaurant. For 47ce47tionnal details, see Items 5 and 7.

Training by You

You must conduct those initial and continuing training programs for your employees as we periodically require. You must ensure that all of your employees have been trained in the proper operation of the Franchised Restaurant. In addition, if you operate three or more Franchised Restaurants, we may require, in our sole discretion, that (A) you obtain and maintain a certification from us for one or more of your Franchised Restaurants to be an authorized training restaurant (a "Certified Franchisee Training Restaurant") and (B) one or more of your General Managers obtain and maintain a certification from us as a trainer authorized to provide our FMTP to your new trainees (a "Certified Franchisee Training Manager"). Your Certified Franchisee Training Manager may provide our FMTP at a Certified Franchisee Training Restaurant in accordance with our System standards for such training. To become a Certified Franchisee Training Manager, a General Manager must (i) complete our FMTP, (ii) maintain specific food safety programs, (iii) attend any required additional training program as specified by us from time to time, and (iv) meet other qualifications that we may specify from time to time. To be designated as a Certified Training Restaurant, your Franchised Restaurant must (a) meet compliance scores that we specify, (b) fully comply with our then-current System standards, (c) maintain established personnel requirements, in addition to a Certified Franchisee Training Manager, (d) remain compliant with all health department or other regulatory requirements; and I meet any other requirements that we may specify from time to time. We may, in our sole discretion, revoke certification for a Certified Franchisee Training Restaurant or a Certified Franchisee Training Manager. If we revoke certification, we may require your trainees to attend the FMTP at another location that we designate.

Conventions

We may, from time to time, conduct conferences, conventions, programs, webinars, teleconferences, or training sessions on any matters related to the System. Your Operating Principal or your General Manager and other personnel we designate must attend each such meeting, program, or session that we require. We may charge you a reasonable fee to attend any such meeting, program, or session. We may require you to purchase or license from us, our affiliates, or third-party suppliers any training platform and equipment necessary to use or access the training materials. (Franchise Agreement, Section 11.B).

ITEM 12

TERRITORY

Development Agreement

You will not receive an exclusive territory under the Development Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

There are no restrictions on the areas in which you may advertise or solicit customers for your Franchised Restaurants; however, see Item 13 for internet restrictions. We reserve all rights to use and license the Hardee's System, and the Proprietary Marks other than those that we expressly grant you. There are no restrictions on the areas in which we may advertise or solicit customers, nor must we compensate you for soliciting or accepting orders from inside the Development Territory. The rights we reserve include the right to use any other channel of distribution, including the internet, to make sales in the Development Territory using the Proprietary Marks or different proprietary marks.

Franchise Agreement

You will not receive any exclusive territory under the Franchise Agreement. You may face competition from other franchisees, from outlets that we own and/or operate, or from other channels of distribution or competitive brands that we control. You do not receive any right under the Franchise Agreement to develop additional Franchised Restaurants. Our prior written consent is required before you relocate the Franchised Restaurant. If your right to possession of the Franchise Restaurant premises is lost through no act or failure to act on your part, you may relocate the Franchised Restaurant if: (1) we accept the new location; (2) you construct and equip a Franchised Restaurant at the new location in accordance with the then-current System standards and specifications; (3) a Franchised Restaurant at the new location is open to the public for business within 6 months after the loss of possession of the original franchised location; and (4) you reimburse us for all reasonable expenses actually incurred by us in connection with the acceptance of the new location.

You may only sell or distribute products identified by some or all of the Proprietary Marks from the Franchised Location; you may not use any other method or channel of distribution. We do not impose any geographic restrictions on your ability to solicit customers; however, see Item 13 for internet restrictions. In addition, you must participate in all online ordering and delivery programs that we may designate from time to time and comply with the terms and conditions of such programs, including any geographic or other delivery restrictions. There are no restrictions on our ability to solicit customers, nor must we compensate you for soliciting or accepting orders. We reserve all rights to use and license the Hardee's System, and the Proprietary Marks other than those that we expressly grant you. We reserve the right to merchandise and distribute goods and services identified by the Proprietary Marks (or different proprietary marks) through any method or channel of distribution, including the internet.

As noted in Item 1, pursuant to the Management Agreement, CKR, at all times acting on our behalf, may fulfill all of our duties and obligations under all existing and future Franchise Agreements and Development Agreements, including managing the Hardee's Systems; marketing and offering new and renewal Franchise Agreements and Development Agreements as our franchise broker; training franchisees and their employees; and providing the required support to franchisees. Pursuant to the same Management Agreement, CKR also fulfills all of CJR's duties and obligations under all existing and future franchise agreements and development agreements for Carl's Jr. Restaurants, which are quick service restaurants identified in whole or in part by the name "Carl's Jr." Except in limited circumstances, Hardee's Restaurants are not located in same geographic area as Carl's Jr. Restaurants. In the limited circumstances where there is overlap, CJR and its franchisees may solicit or accept orders within the same area served by Restaurants operated by Hardee's franchisees, and any potential conflict between the franchisees of each system will be resolved on a case by case basis. As noted in Item 1, the principal place of business CKR and CJR is the same as ours.

Except as described in Item 1, we do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, our affiliates, including the Affiliated Programs described in Item 1 and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell. Item 1 describes our current Affiliated Programs that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands (with limited exceptions) maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Most of the Affiliated Programs are not direct competitors of our franchise network given the products or services they sell, although some are, as described in Item 1. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from

customers near your business. Because they are separate companies, we do not expect any conflicts between our franchisees and our affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

ITEM 13

TRADEMARKS

For Hardee's Restaurant franchisees, we grant you the right to operate a restaurant under the name "Hardee's" and to use our other current or future trademarks that we designate in the operation of your Franchised Restaurant. By trademarks, we mean trade names, trademarks, trade dress, service marks, logos, insignias, slogans, emblems, symbols, designs and any combination of these or any other indicia of source used to identify and distinguish the Hardee's brand (our "Proprietary Marks"). CJR and HR are parties to an agreement having a perpetual term, which, among other things, permits CJR and HR to use and license the use of the other's trademarks. We own all right, title and interest in and to the Proprietary Marks and you will only have such rights to use the Proprietary Marks as granted to you in the Franchise Agreement.

Our Proprietary Marks include both registered and unregistered marks. Registered marks are marks that have been registered with the United States Patent and Trademark Office ("USPTO") and enjoy the protections of federal registration. Unregistered marks may include short term product marks (LTOs and similar promotions), trade dress or other marks that, while not registered, are protected by common law based upon our use of the marks. In addition to other registered trademarks, we own the following principal trademarks ("Principal Trademarks") that have been registered with the USPTO on the Principal Register, and any applicable required affidavits of continued use have been filed and accepted:

Trademark	Registration No.	Registration Date
HARDEE'S	741,048 1,729,627 1,825,221	November 20, 1962 (Renewed) November 3, 1992 (Renewed) March 8, 1994 (Renewed)

In addition to other registered trademarks, CJR owns the following principal trademarks that have been registered with the USPTO on the Principal Register, and all required affidavits of continued use have been filed and accepted:

Trademark	Registration No.	Registration Date
HAPPY STAR	1,084,351	January 31, 1978 (Renewed)
	1,151,330 1,297,845 1,383,339 1,631,819	April 14, 1981 (Renewed) September 25, 1984 (Renewed) February 18, 1986 (Renewed) January 15, 1991 (Renewed)
	5,651,207	January 8, 2019 (Renewed)
STAR PALS	6760794	June 14, 2022
	5932708	December 10, 2019
FAMOUS STAR	3612923	April 28, 2009 (Renewed)
SUPER STAR	1099039	August 8, 1978 (Renewed)

Trademark	Registration No.	Registration Date
	6701966 6001520	April 12, 2022 March 3, 2020
WESTERN BACON CHEESEBURGER	1456922 1481762	September 8, 1987 (Renewed) March 22, 1988 (Renewed)

In addition to other registered trademarks, CJR and HR jointly own the following principal trademarks registered with the USPTO on the Principal Register, and all required affidavits of continued use have been filed and accepted:

Trademark	Registration No.	Registration Date
	5,660,007	January 22, 2019 (Renewed)

You must follow our rules when you use the Proprietary Marks. You cannot use the Proprietary Marks as part of a corporate, limited liability company, partnership or other business entity name or with modifying words, designs or symbols. You may not use the Proprietary Marks in connection with the sale of any unauthorized products or services or in any manner not authorized in writing by us. You may not seek registration of a Proprietary Mark or any mark that contains, includes or is similar to a Proprietary Mark.

There are no presently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court relating to the Principal Trademarks. There are no pending infringement, opposition or cancellation proceedings or material litigation involving the Principal Trademarks. There are no agreements currently in effect that significantly limit our right to use or license the use of the Principal Trademarks in any manner material to you. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Principal Trademarks in any state.

You must promptly inform us in writing regarding any infringement of the Proprietary Marks of which you are aware. You may not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy with respect to any infringement without first obtaining our written approval. We will have the right, but not the obligation, to bring an action or take those steps we consider advisable to prevent any such infringement and to join you as a party to any action in which we are or may be a party and as to which you are or would be a necessary or proper party. The Franchise Agreement does not contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Proprietary Marks. The Franchise Agreement does require that you notify us immediately of any litigation involving the Proprietary Marks that is instituted or threatened against you. You also must fully cooperate in defending or settling the litigation. You may not directly or indirectly contest the validity or our ownership of the Proprietary Marks.

You may not use our Proprietary Marks in any internet domain name or e-mail address, in the operation of any internet web site or on a social media platform including any social networking site, Facebook, Twitter, Instagram, Pinterest, YouTube, Snapchat, Vine, blogs, podcasts and wikis or other future social media platforms and/or technological avenues (collectively, “Social Media”; not an exclusive

list and term applies to any social networking website, mobile application, blog or microblog, public and private message boards, comment sections, etc.) without our prior written consent. We may grant or withhold our consent in our sole discretion and may condition our consent on the requirements we deem appropriate, including the requirement that you obtain our written approval of: **(A)** any and all internet domain names and home page addresses related to the Franchised Restaurant; **(B)** the proposed form and content of any web site related to the Franchised Restaurant; **(C)** your use of any hyperlinks or other links; **(D)** your use of any materials (including text, video clips, photographs, images and sound bites) in which any third party has an ownership interest; and **I** any proposed modification of your web site. We may designate the form and content of your web site and/or require that the web site be hosted by us or a third party who we designate, using one or more web sites that we own and/or control. We may charge you a fee for developing, reviewing and approving your web site and/or for hosting the web site. We have established a Social Media policy for franchisees, and you must comply with the Social Media policy, as modified periodically, and any additional policies that we issue. Any copyright in your sites or pages on any Social Media are owned by us, and you must sign any documents that we reasonably deem necessary to affirm our ownership of the copyright.

If we elect to modify the principal name under which Hardee's Restaurants operate (or adopt a different principal name and/or logo to identify Hardee's Restaurants) generally or in the DMA in which your Franchised Restaurant is located, we may select a modified name or another name, and the Hardee's System and the Franchise Agreement will be deemed amended to substitute that name, and you will be required to incur the necessary costs to adopt the new name.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any patents that are material to your Franchised Restaurant or the Hardee's System. We own the copyright in all of our advertising and marketing materials including, but not limited to, images, copy, radio and television commercials, and social media posts, the OPM and for certain forms, architectural, engineering, and construction plans, advertising materials, product specifications, computer programs, newsletters, training materials, and operation and accounting manuals. While we do not commonly register our materials protected by copyright with the United States Registrar of Copyrights, we may seek registration for these materials at any time.

During the term of the Franchise Agreement, you will have access to trade secret information that is confidential and proprietary to us such as manuals, formulas, methods, Customer Information, vendor and pricing lists and policies. For example, the OPM and other materials contain our detailed standards and specifications for managing and operating your Franchised Restaurant and other proprietary information may discuss the selection, purchase, storage, preparation, packaging, ingredients, recipes, service and sale of the products and beverages you will sell at your Franchised Restaurant. The OPM also contains information on management and employee training, marketing, advertising and sales promotions, signs, fixtures and furnishings, employee dress attire and appearance standards, menu concepts and business practices and procedures, including bookkeeping, accounting, records retention and other business systems.

You acknowledge that the trade secrets derive independent economic value from not being generally known to and not readily ascertainable to others. You agree to hold in confidence and agree not to disclose or in any way make available to any unauthorized person any trade secret or any information regarding any trade secret or any proprietary information made available to you by us. You may disclose trade secrets only to your employees and agents with a legitimate need to know, each of whom you will warrant will be subject to this confidentiality requirement. You also agree not to contest our interest in the trade secrets and confidential and proprietary information that comprise the Hardee's System.

We are not required by any agreement to protect or defend copyrights or confidential information, although we intend to do so as appropriate.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You are not obligated to participate personally in the direct operation of the Franchised Restaurant; however, you must designate, and we must approve, a qualified individual to serve as the "Operating Principal" of your Franchised Restaurant. If you sign a Development Agreement, you must designate, and we must approve, a qualified individual to serve as your "Development Principal."

The Operating Principal must own at least a 10% equity ownership interest in you, or in your general partner if you are a limited partnership, unless modified by us in our sole discretion, and be a person acceptable to both us and you. (This requirement does not apply if you were a publicly-held entity or a wholly-owned subsidiary of a publicly-held entity as of the date of the first franchise-related agreement between you and us.) The Operating Principal must be a member of the Continuity Group and have full control over the day-to-day activities of the Franchised Restaurant and those other restaurants (that are franchised by us or our affiliates) operated by you in the same geographic market as the Franchised Restaurant, including control over the standards of operation and financial performance. Unless you have named, and we have approved, a Multi-Unit Manager (discussed below), the Operating Principal must: **(1)** devote full time and best efforts to the supervision and conduct of the Franchised Restaurant and those other restaurants (that are franchised by us or our affiliates) operated by you in the same geographic market as the Franchised Restaurant; and **(2)** maintain his/her primary residence within a reasonable driving distance of the Franchised Restaurant, unless waived in writing by us. The Operating Principal will be required to successfully complete the FMTP and any additional training required by us. If you operate restaurants in multiple markets that are franchised by us or our affiliates, an individual meeting the above qualifications will serve as the Operating Principal in at least one market.

If you operate restaurants that are franchised by us or our affiliates in multiple geographic markets, for all markets in which the Operating Principal fails to satisfy our requirements, you must designate and retain an individual to serve as Multi-Unit Manager. The Multi-Unit Manager will be under the supervision of the Operating Principal. The Multi-Unit Manager must devote full time and best efforts to supervising the operation of the Franchised Restaurant and those other restaurants (that are franchised by us or our affiliates) operated by you in the same geographic market, successfully complete the FMTP and any additional training required by us, and be approved by us. In addition, the Multi-Unit Manager must maintain his/her primary residence within a reasonable driving distance of the Franchised Restaurant, unless waived in writing by us.

The Development Principal must own at least a 10% equity ownership interest in you, or in your general partner if you are a limited partnership, unless modified by us in our sole discretion. (This requirement does not apply if you were a publicly-held entity or a wholly-owned subsidiary of a publicly-held entity as of the date of the first franchise-related agreement between you and us.) The Development Principal must be a member of the Continuity Group and have full control over the day-to-day development of the Franchised Restaurants. Unless you have named, and we have approved, a Multi-Unit Development Manager (discussed below), the Development Principal must: **(1)** devote full time and best efforts to the supervising development of the Franchised Restaurants; and **(2)** maintain his/her primary residence within a reasonable driving distance of the Development Territory, unless waived in writing by us. The Development Principal will be required to successfully complete our development training and any additional training required by us. If you are developing restaurants in multiple markets that are franchised

by us or our affiliates, an individual meeting the above qualifications will serve as the Development Principal in at least one market.

If you are developing Franchised Restaurants in multiple geographic markets, for all markets in which the Development Principal fails to satisfy our requirements, you must designate and retain an individual to serve as Multi-Unit Development Manager. The Multi-Unit Development Manager will be under the supervision of the Development Principal. The Multi-Unit Development Manager must devote full time and best efforts to supervising the development of the Franchised Restaurants and other restaurants that are to be operated by you that are franchised by us or our affiliates in a geographic market, successfully complete our development training, the FMTP and any additional training required by us, and be approved by us. In addition, the Multi-Unit Development Manager must maintain his/her primary residence within a reasonable driving distance of the Development Territory, unless waived in writing by us.

The Franchised Restaurant must at all times be under the on-site supervision of one of the following designated individuals who must meet our applicable training qualifications for their designated position: the Operating Principal, a Multi-Unit Manager, a restaurant General Manager, or a Site Manager. You must, at all times, employ at the Franchised Restaurant at least one General Manager and a sufficient number of employees who have successfully completed the FMTP to ensure that the Franchised Restaurant operates in accordance with the System. If the Franchised Restaurant employs at any time fewer than the required number of trained personnel who have successfully completed the FMTP, you have 30 days to hire and enroll the required number of personnel in the FMTP. Your managers are not required to own an equity interest in you.

If you are any type of business entity other than a sole proprietorship, we and you will identify a "Continuity Group." The members of the Continuity Group will include: **(1)** the Development Principal; **(2)** the Operating Principal; **(3)** all holders of a direct or indirect legal or beneficial interest of 10% or more ("10% Owners") in Franchisee; **(4)** if Franchisee is a limited partnership, all 10% Owners in Franchisee's general partner; and **(5)** if any 10% Owner of Franchisee is a corporation or limited liability company, all 10% Owners in the entity that is a 10% Owner of Franchisee. You must notify us of any change in the Continuity Group. Each member of the Continuity Group and their spouses, if applicable, is bound by the confidentiality and non-competition restrictions described in Item 17 and must sign a guarantee assuming and agreeing to discharge all of your obligations to us unless we, in our sole discretion, waive or modify this requirement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use the Franchised Restaurant solely for the operation of the Hardee's Restaurant and must maintain sufficient inventories, adequately staff each shift with qualified employees and continuously operate the Franchised Restaurant as we specify in the OPM or otherwise in writing.

You must meet and maintain the highest applicable public health standard and rating. You must adhere to the terms outlined in the Red Audit Policy for third-party food safety audits. You must operate the Franchised Restaurant in strict conformity with the methods, standards and specifications as we prescribe in the OPM or otherwise in writing.

You must offer for sale and sell at the Franchised Restaurant all and only those products and services as are expressly authorized by us in the OPM or otherwise in writing. We have the right to change the menu items, ingredients, products, materials, supplies and paper goods or the standards and specifications of each and there are no limits on our ability to do so. You must promptly comply with the

new requirements. We also may restrict sales of menu items to certain time periods during the day. We do not limit the customers to whom you may sell goods or services. You must offer to customers online ordering and delivery services pursuant to online ordering/delivery programs that we may from time to time establish with approved vendors and comply with our specifications regarding same.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

These tables list certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

DEVELOPMENT AGREEMENT

Provision	Section in Development Agreement	Summary
a. Length of the franchise term	Section 1.A	The term is from the date of signing of the Development Agreement to the first to occur of: (1) the date that the last Franchised Restaurant required by the Development Schedule opens for business; or (2) the date the last Franchised Restaurant is required to be opened under the Development Schedule.
b. Renewal or extension of the term	Not Applicable	
c. Requirements for you to renew or extend	Not Applicable	
d. Termination by you	Not Applicable	
e. Termination by us without cause	Not Applicable	
f. Termination by us with cause	Section 13	We may terminate upon default, which includes, but is not limited to, remaining in default beyond any applicable cure period under any agreement with us or our affiliates, including the Franchise Agreement.
g. "Cause" defined-curable defaults	Section 13.A.(13)	You have 10 days to cure monetary defaults. You have 30 days to cure defaults other than those discussed in paragraph h.
h. "Cause" defined-non-curable defaults	Sections 13.A.(1)-(12)	Non-curable defaults include: failure to obtain written site acceptance on schedule; failure to open and operate the scheduled number of Franchised Restaurants; begin construction before receipt of fully-signed Franchise Agreement; insolvency; bankruptcy; material breach of covenants; transfer without our prior written consent; material misrepresentation; falsification of reports; felony convictions; default beyond cure period under other agreements with HR or its affiliates, under any real estate or

Provision	Section in Development Agreement	Summary
		equipment lease or financing instrument relating to a Franchised Restaurant or with any vendor or supplier to a Franchised Restaurant; and default after receipt of 2 or more notices of default within 12 months.
i. Your obligations on termination/non-renewal	Section 14	Obligations include: forfeiture of right to develop; return of materials to HR; continued observance of covenants; payment of amounts due to HR; forfeiture of Development Fee; no operation of business under any name or in any manner that suggests connection to HR; and cease use of HR materials.
j. Assignment of contract by us	Section 9	There are no restrictions on our right to assign.
k. "Transfer" by you – defined	Section 10.A	Includes sale, assignment, transfer, conveyance, gift, pledge, mortgage or other encumbrance of any direct or indirect interest in you, the Development Agreement, or any other assets pertaining to your operations under the Development Agreement.
L. Our approval of transfer by you	Sections 10.B. & 10.G	Unless otherwise expressly permitted, you must obtain our prior written consent for any Transfer (as defined in the Development Agreement).
m. Conditions for our approval of transfer	Sections 10.B.-C.	Conditions include: qualified transferee; reasonable sales price; payment of amounts due; no material default on any agreement with HR or its affiliates; in good standing as a franchisee; signed release; complete development training; payment of transfer fee; agreements signed; and compliance by transferee and its affiliates with all development and franchise agreements with us or our affiliates.
n. Our right of first refusal to acquire your business	Section 10.J	HR can match any offer for your business.
o. Our option to purchase your business	Not Applicable	
p. Your death or disability	Section 10.G.(1)(b)	Transfer to your spouse, children, parents, sibling or a member of your Continuity Group is allowed.
q. Noncompetition covenants during the term of the franchise	Section 12.C	Except with our consent – no diversion of any business or customer to any competitor; no interest in any restaurant business whose sales of Designated Entrée Items during any daypart are reasonably likely to account collectively for 20% or more of the restaurant's sales of all entrée items during that daypart, that features or promotes any Designated Entrée Item in its advertising, or that operates in a quick-service format (with or without table service). "Designated Entrée Items" means any hamburger sandwich, chicken sandwich, breakfast sandwich and any other entrée item of a type designated by us as part of the System at any time during the term of the Development Agreement.

Provision	Section in Development Agreement	Summary
r. Noncompetition covenants after the franchise is terminated or expires	Section 12.C	No activity as described in paragraph q. above for 2 years within your Development Territory, within 2 miles of its border or within a 2-mile radius of any then-existing Hardee's Restaurant.
s. Modification of the agreement	Section 20	No modification generally without signed agreement, but we may modify the Hardee's System and the Development Guide.
t. Integration/merger clause	Section 20	Only terms of the Development Agreement, the Development Guide, the documents referred to in and the attachments to the Development Agreement are binding. Any other oral or written promises related to the subject matter of the Development Agreement may not be enforceable. This is not intended to disclaim any representation made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Not Applicable	
v. Choice of forum	Section 22.B	Subject to applicable state law, you can only file suit where our principal offices are located; we may file suit in the jurisdiction where our principal offices are located; where you reside or do business; where the Development Territory or any Franchised Restaurant is or was located; or where the claim arose. For Illinois franchisees, as provided in the Illinois Franchise Disclosure Act, any provision in the Development Agreement that designates jurisdiction in a forum outside of Illinois is void.
w. Choice of law	Section 22.A	Subject to applicable state law, Tennessee law applies. For Illinois franchisees, as provided in the Illinois Franchise Disclosure Act, Illinois law governs your agreement.

FRANCHISE AGREEMENT

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 2.A.	20 years from the date the Franchised Restaurant opens
b. Renewal or extension of the term	Section 2.B.	You can renew for 10 years or 5 years, at your option.
c. Requirements for you to renew or extend	Section 2.B.	Requirements include: give timely notice; sign general release; comply with training requirements; be in good standing; not be in default under any agreement between you and HR and its affiliates; remodel; demonstrate right to remain in possession of the Franchised Location; and pay a renewal fee. You also must sign our then-current form of Franchise Agreement, the terms of which likely will differ from your original Franchise Agreement, including, without limitation, those relating to royalty fees and advertising obligations.

Provision	Section in Franchise Agreement	Summary
d. Termination by you	Not Applicable	
e. Termination by us without cause	Not Applicable	
f. Termination by us with cause	Section 21	We may terminate upon default, which includes, but is not limited to, remaining in default beyond any applicable cure period under any agreement with us or our affiliates, including any Development Agreement.
g. "Cause" defined-curable defaults	Section 21.B.	You have 10 days to cure monetary defaults. You have 30 days to cure defaults other than those discussed in paragraph h.
h. "Cause" defined-non-curable defaults	Sections 21.A., 21.B.(3) & 21.C.	Non-curable defaults include: closure of the Franchised Restaurant for more than 5 days; insolvency; bankruptcy; execution levied on your business or property; foreclosure; material breach of covenants; transfer without our prior written consent; material misrepresentation; falsification of reports; failure to open the Franchised Restaurant within 60 days after opening is authorized; imminent danger to public health or safety; loss of possession of the Franchised Location; felony conviction; breach of any representation or warranty; default beyond cure period under other agreements with HR or its affiliates, under any real estate or equipment lease or financing instrument relating to the Franchised Restaurant or with any vendor or supplier to the Franchised Restaurant; default after receipt of 2 or more notices of default within previous 12 months; and receipt of second consecutive failing score on an inspection.
i. Your obligations on termination/nonrenewal	Section 22	Obligations include: payment of amounts due; return OPM; delete all electronic copies of the OPM and all other materials and information furnished by us that are in your possession; continued observance of covenants; discontinue use of Proprietary Marks; unless we otherwise direct, complete de-identification of the Franchised Restaurant; and, upon termination based on your default, payment of future lost royalties.
j. Assignment of contract by us	Section 17	There are no restrictions on our right to assign.
k. "Transfer" by you – defined	Section 18.A	Includes sale, assignment, transfer, conveyance, gift, pledge, mortgage or other encumbrance of any direct or indirect interest in you, the Franchise Agreement, the Franchise, the Franchised Restaurant, the assets of the Franchised Restaurant or the Franchised Location, or any other assets pertaining to your operations under the Franchise Agreement.
L. Our approval of transfer by you	Section 18.B	Unless otherwise expressly permitted, you must obtain our prior written consent for any Transfer (as defined in the Franchise Agreement).
m. Conditions for our approval of transfer	Sections 18.B.-C.	Conditions include: transferee qualified; reasonable sales price; payment of amounts due; no material default on any agreement with HR or its affiliates no default beyond

Provision	Section in Franchise Agreement	Summary
		applicable cure period on any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant or with any vendor or supplier to the Franchised Restaurant; signed release; transferee must complete training; transfer fee paid; agreements signed; remodeling, maintenance and facility upgrades to modernize Franchised Restaurant to current image; and compliance by transferee and its affiliates with all development and franchise agreements with us or our affiliates.
n. Our right of first refusal to acquire your business	Section 18.J.	We or our designee can match any offer for your business.
o. Our option to purchase your business	Section 23	We can purchase some or all of your assets upon expiration or earlier termination of the Franchise Agreement at a price agreed upon or set by appraisers. In addition, if you purchase an existing company-operated Restaurant and enter into a Development Agreement with us, we will have the right to repurchase the Restaurants then-developed by you under the Development Agreement and/or the Restaurants that you purchased from us if you fail to comply with certain development obligations in a timely manner.
p. Your death or disability	Section 18.G.(1)(b)	Transfer to your spouse, children, parents, sibling or a member of the Continuity Group is allowed.
q. Noncompetition covenants during the term of the franchise	Section 20.C.	Except with our consent – no diversion of any business or customer to any competitor; no interest in any restaurant business or sale of real property to a restaurant business whose sales of Designated Entrée Items during any daypart are reasonably likely to account collectively for 20% or more of the restaurant's sales of all entrée items during that daypart, that features or promotes any Designated Entrée Item in its advertising, or that operates in a quick-service format (with or without table service). "Designated Entrée Items" means any hamburger sandwich, chicken sandwich, breakfast sandwich and any other entrée item of a type designated by us as part of the System at any time during the term of the Franchise Agreement.
r. Noncompetition covenants after the franchise is terminated or expires	Section 20.C.	No activity as described in paragraph q. above for 2 years within a 2-mile radius of the Franchised Location or within a 2-mile radius of any then-existing Hardee's Restaurant.
s. Modification of the agreement	Section 29	No modification generally without signed agreement, but HR may modify the Hardee's System and the OPM.
t. Integration/merger clause	Section 29	Only the terms of the Franchise Agreement, the OPM, the documents referred to in and the attachments to the Franchise Agreement are binding. Any other oral or written promises related to the subject matter of the Franchise Agreement may not be enforceable. This is not intended to disclaim any representation made in this disclosure document.

Provision	Section in Franchise Agreement	Summary
u. Dispute resolution by arbitration or mediation	Not Applicable	
v. Choice of forum	Section 31.B.	Subject to applicable state law, you can only file suit where our principal offices are located; we may file suit in the jurisdiction where our principal offices are located; where you reside or do business; where the Franchised Restaurant is or was located; or where the claim arose. For Illinois franchisees, as provided in the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement that designates jurisdiction in a forum outside of Illinois is void.
w. Choice of law	Section 31.A.	Subject to applicable state law, Tennessee law applies. For Illinois franchisees, as provided in the Illinois Franchise Disclosure Act, Illinois law governs your agreement.

NOTES

Certain states require franchisors to make additional disclosures related to the information contained in this disclosure document. These disclosures are contained in Exhibit J to this disclosure document.

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-operated 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 this 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.

The financial performance representation included below shows the average revenue for our 129 Hardee's Travel Center and Gas and Convenience Center Restaurants (as defined below) that were operated by our franchisees and us (as company-operated restaurants) during the entire 53 week time period of January 30, 2024 to January 27, 2025 (the "FY25 Period"). Of the 129 Travel Center and Gas and Convenience Center Restaurants included in this financial performance representation, 1 restaurant is company-operated restaurants, and 128 restaurants are franchised restaurants.

At the end of FY25 we had 1,571 franchised and company-operated restaurants open and operating in the United States. Of the 1,442 restaurants excluded from this financial performance representation: (i) 1,433 restaurants operate from a freestanding location – meaning, the restaurant is located in a single tenant

building, not attached to any other structures, (ii) 2 restaurants operate from a college, university, toll plaza, or airport, and (iii) 7 restaurants did not provide us with complete revenue data for the entire FY25 time period.

Average Revenue FY25
Franchised Hardee's Travel Center and Gas and Convenience Restaurants[1]

Average Revenue[2]	$1,471,142
Median Revenue	$1,437,792
# Met / Exceeded Average	61
% Met / Exceeded Average	47.7%
Lowest	$508,677
Highest	$2,778,948

Table Notes

1. Travel Center and Gas and Convenience Center Restaurants. The restaurants included in this financial performance representation are considered either a "Travel Center" or a "Gas and Convenience Center" Hardee's restaurant. A Hardee's restaurant is considered a "Travel Center" if it is located off an interstate or a limited highway exit that focuses on services to the trucking industry and provides services that include fuel, showers, restrooms, convenience items, food and truck parking and services. A Hardee's restaurant is considered a "Gas and Convenience Center" if its primary focus is on non-commercial fuel service and convenience items including freshly made foods. This financial performance representation does not include information for Hardee's restaurants operated from freestanding restaurants, colleges and universities, and airports. Further, Hardee's restaurants located outside the United States are not included in this financial performance representation.

2. Revenue. Revenue includes all revenue from the sale of all services and products (except HR-approved promotional items) and all other income of every kind and nature (excluding revenue from the sale of stored value gift cards or gift certificates but including revenue when gift certificates are redeemed or stored value gift cards are debited), whether for cash or credit and regardless of collection in the case of credit; provided, however, that Revenue does not include sales taxes or other taxes collected from customers by you for transmittal to the appropriate taxing authority.

3. Company-Owned Gas and Convenience Restaurant. During the FY25 Period, we had one (1) company-owned Hardee's Restaurant operating from a Gas & Convenience location. The actual revenue for our one (1) company-owned Hardee's Gas & Convenience Restaurant during the FY25 Period was $1,425,139.

* * *

Some restaurants have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation of the financial performance representation will be made available to you upon reasonable request. However, we will disclose the identity, revenue or other items of income or expense of any particular Company-Operated Restaurant only in connection with the sale of that Company-Operated Restaurant.

You are responsible for developing your own business plan for your franchised restaurant, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business and legal advisors and to make necessary allowances for changes in financial results to income, expenses or both. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised restaurant. Franchisees or former franchisees listed in the disclosure document may be one source of this information.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Kerry Olson, Chief People and Legal Officer, 6700 Tower Circle, Suite 1000, Franklin, TN 37067, (615) 538-9260, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Restaurant Summary
For Fiscal Years 2023-2025[(1)]

Restaurant Type	Year	Restaurants at Start of the Year	Restaurants at End of the Year	Net Change
Franchised	**2023**	1552	1512	-40
	2024	1512	1394	-119
	2025	1394	1,369	-24
Company-Operated	**2023**	202	195	-7
	2024	195	204	+9
	2025	204	202	-2
Total Restaurants	**2023**	1754	1707	-47
	2024	1707	1598	-110
	2025	1598	1,571	-26

Systemwide Dual Concept Restaurant Summary*
For Fiscal Years 2023-2025[(1) (2)]

Restaurant Type	Year	Restaurants at Start of the Year	Restaurants at End of the Year	Net Change
Franchised	**2023**	167	160	-7
	2024	160	134	-26
	2025	134	129	-5
Company-Operated	**2023**	12	4	-8
	2024	4	0	-4
	2025	0	0	0
Total Restaurants	**2023**	179	164	-15
	2024	164	134	-30
	2025	134	129	-5

***The Restaurants included in this table are also included in the preceding table.

Table No. 2
Transfers of Restaurants
from Franchisees to New Owners
(Other than to HR or Its Affiliates)
For Fiscal Years 2023 to 2025[(1)]

State	Year	Number of Transfers
AL	**2023**	0
	2024	1
	2025	0
AR	**2023**	0
	2024	2
	2025	0
DE	**2023**	0
	2024	0
	2025	1
FL	**2023**	2
	2024	4
	2025	1

State	Year	Number of Transfers
GA	**2023**	0
	2024	37
	2025	0
IL	**2023**	0
	2024	35
	2025	0
IN	**2023**	0
	2024	11
	2025	0
IA	**2023**	0
	2024	10
	2025	1
KS	**2023**	0
	2024	6
	2025	0
KY	**2023**	0
	2024	19
	2025	1
MD	**2023**	0
	2024	0
	2025	1
MI	**2023**	0
	2024	0
	2025	1
MN	**2023**	0
	2024	10
	2025	0
MO	**2023**	0
	2024	24
	2025	0

State	Year	Number of Transfers
MT	**2023**	0
	2024	4
	2025	0
NE	**2023**	0
	2024	1
	2025	0
NC	**2023**	3
	2024	1
	2025	0
ND	**2023**	0
	2024	3
	2025	0
OH	**2023**	0
	2024	6
	2025	0
SC	**2023**	0
	2024	10
	2025	0
SD	**2023**	0
	2024	1
	2025	0
TN	**2023**	0
	2024	4
	2025	0
WI	**2023**	0
	2024	0
	2025	4
WY	**2023**	0
	2024	2
	2025	0

State	Year	Number of Transfers
TOTAL	**2023**	7
	2024	191
	2025	10

Transfers of Dual Concept Restaurants from Franchisees to New Owners (Other than to HR or Its Affiliates) For Fiscal Years 2023-2025[(1) (2) *]

State	Year	Number of Transfers
GA	**2023**	0
	2024	4
	2025	0
IL	**2023**	2
	2024	6
	2025	0
KY	**2023**	0
	2024	1
	2025	0
MI	**2023**	0
	2024	0
	2025	1
MO	**2023**	0
	2024	1
	2025	0
OH	**2023**	0
	2024	3
	2025	0
TOTAL	**2023**	2
	2024	15
	2025	1

***** The Restaurants included in this table are also included in the preceding table.

Table No. 3
Status of Franchised Restaurants
For Fiscal Years 2023 to 2025[1] [2] [3]

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons (4)	Restaurants at End of the Year (5)
AL	2023	90	0	0	0	0	3	87
	2024	87	0	0	0	5	1	81
	2025	81	0	0	0	0	1	80
AR	2023	25	0	0	1	0	1	23
	2024	23	0	0	0	0	1	22
	2025	22	0	0	0	0	0	22
DE	2023	11	0	0	0	0	0	11
	2024	11	0	0	1	0	0	10
	2025	10	0	0	0	0	1	9
FL	2023	100	1	0	2	0	4	95
	2024	95	2	0	1	0	2	94
	2025	94	2	3	0	0	1	92
GA	2023	120	0	0	1	0	5	114
	2024	114	1	0	0	11	24	80
	2025	80	0	1	0	0	1	78
IL	2023	99	1	0	0	0	1	99
	2024	99	0	0	0	0	8	91
	2025	91	0	0	0	0	1	90
IN	2023	79	3	0	0	0	2	80
	2024	80	1	0	0	0	6	75
	2025	75	0	1	0	0	0	74
IA	2023	57	0	0	0	0	1	56
	2024	56	0	0	0	0	3	53
	2025	53	0	0	1	0	0	52
KS	2023	20	0	0	0	0	1	19
	2024	19	0	0	0	0	10	9
	2025	9	0	0	0	0	0	9

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons (4)	Restaurants at End of the Year (5)
KY	**2023**	81	0	0	0	0	0	81
	2024	81	1	0	0	0	2	80
	2025	80	0	0	1	0	0	79
LA	**2023**	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	0	3
MD	**2023**	15	0	0	0	0	1	14
	2024	14	0	0	0	0	0	14
	2025	14	0	0	0	0	0	14
MI	**2023**	14	0	0	0	0	0	14
	2024	14	0	0	0	0	0	14
	2025	14	0	0	0	0	0	14
MN	**2023**	34	2	0	0	0	1	35
	2024	35	0	0	0	0	1	34
	2025	34	0	0	0	0	1	33
MS	**2023**	39	0	0	0	0	0	39
	2024	39	0	0	0	0	1	38
	2025	38	0	0	0	0	2	36
MO	**2023**	87	0	0	0	0	7	80
	2024	80	0	0	0	0	14	66
	2025	66	0	0	0	0	3	63
MT	**2023**	8	0	0	0	0	0	8
	2024	8	0	0	0	0	2	6
	2025	6	0	0	0	0	0	6
NE	**2023**	10	0	0	0	0	0	10
	2024	10	0	0	0	0	1	9
	2025	9	0	0	1	0	0	8
NY	**2023**	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons (4)	Restaurants at End of the Year (5)
NC	2023	196	1	0	1	0	7	189
	2024	189	2	0	1	0	7	183
	2025	183	0	0	2	0	3	178
ND	2023	13	0	0	0	0	0	13
	2024	13	0	0	0	0	2	11
	2025	11	0	0	0	0	0	11
OH	2023	31	5	0	0	0	1	35
	2024	35	1	1	0	0	1	34
	2025	34	2	1	0	0	0	36
OK	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
PA	2023	16	0	0	0	0	0	16
	2024	16	0	0	0	0	1	15
	2025	15	0	0	0	0	0	15
SC	2023	62	1	0	0	0	1	62
	2024	62	2	0	0	3	5	56
	2025	56	0	0	0	0	1	55
SD	2023	13	0	0	0	0	0	13
	2024	13	0	0	0	0	4	9
	2025	9	0	0	0	0	0	9
TN	2023	75	1	0	1	0	2	73
	2024	73	1	0	0	0	3	71
	2025	71	1	0	1	0	0	71
VA	2023	180	0	0	0	0	6	174
	2024	174	0	0	0	0	2	172
	2025	172	2	0	2	0	1	171
WV	2023	27	0	0	0	0	1	26
	2024	26	0	0	0	0	2	24
	2025	24	0	0	1	0	0	23

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons (4)	Restaurants at End of the Year (5)
WI	2023	42	0	0	0	0	2	40
	2024	40	0	3	0	0	2	35
	2025	35	1	1	0	0	1	34
WY	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	2	2
	2025	2	0	0	0	0	0	2
TOTALS	2023	1552	16	0	6	0	47	1512
	2024	1512	13	4	6	19	103	1393
	2025	1393	8	7	9	0	17	1369

Status of Franchised Dual Concept Restaurants
For Fiscal Years 2023 to 2025[(1) (2) (3) *]

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Restaurants at End of the Year (4)
AL	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
AR	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
DE	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
FL	2023	14	0	0	0	0	1	13
	2024	13	0	0	0	0	13	0
	2025	0	0	0	0	0	0	0
GA	2023	12	0	0	0	0	0	12
	2024	12	0	0	0	0	5	7
	2025	7	0	0	0	0	0	7
IL	2023	33	0	0	0	0	0	33
	2024	33	0	0	0	0	0	32
	2025	32	0	0	0	0	1	31

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Restaurants at End of the Year (4)
IN	**2023**	30	0	0	0	0	1	29
	2024	29	0	0	0	0	4	25
	2025	25	0	0	0	0	1	24
KY	**2023**	14	0	0	0	0	0	14
	2024	14	0	0	0	0	0	14
	2025	14	0	0	0	0	12	2
LA	**2023**	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
MD	**2023**	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
MI	**2023**	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
MS	**2023**	2	0	0	0	0	0	2
	2024	2	0	0	0	0	1	1
	2025	1	0	0	0	0	0	1
MO	**2023**	31	0	0	0	0	4	27
	2024	27	0	0	0	0	2	25
	2025	25	0	0	0	0	3	22
NC	**2023**	1	0	0	0	0	1	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
OH	**2023**	6	0	0	0	0	1	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	4
PA	**2023**	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
SC	**2023**	4	0	0	0	0	0	4
	2024	4	0	0	0	0	1	3
	2025	3	0	0	0	0	0	3
TN	**2023**	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7

State	Year	Restaurants at Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Restaurants at End of the Year (4)
VA	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
WV	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	0	0	0	0	10
TOTAL	2023	167	0	0	0	0	7	160
	2024	160	0	0	0	0	26	134
	2025	134	0	0	0	0	18	116

*The Restaurants included in this table are also included in the preceding table.

Table No. 4
Status of Company-Operated Restaurants
For Years 2023 to 2025[(1) (2)]

State	Year	Restaurants at Start of the Year	Restaurants Opened	Restaurants Reacquired from Franchisees	Restaurants Closed	Restaurants Sold to Franchisees	Restaurants at End of the Year
AL	2023	13	0	0	0	0	13
	2024	13	0	5	2	0	16
	2025	16	0	0	0	0	16
GA	2023	3	0	0	0	0	3
	2024	3	0	11	0	0	14
	2025	14	0	0	0	0	14
IN	2023	1	0	0	0	0	1
	2024	1	0	0	0	1	0
	2025	0	0	0	0	0	0
KY	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
MI	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1

State	Year	Restaurants at Start of the Year	Restaurants Opened	Restaurants Reacquired from Franchisees	Restaurants Closed	Restaurants Sold to Franchisees	Restaurants at End of the Year
MS	**2023**	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
NC	**2023**	33	0	0	3	0	30
	2024	30	0	0	0	0	30
	2025	30	0	0	1	0	29
OH	**2023**	2	0	0	2	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
SC	**2023**	64	0	0	1	0	63
	2024	63	0	3	4	0	62
	2025	62	0	0	1	0	61
TN	**2023**	73	0	0	2	0	78
	2024	78	0	0	3	0	75
	2025	75	0	0	0	0	75
TOTALS	**2023**	202	1	1	9	0	195
	2024	195	0	19	9	1	204
	2025	204	0	0	2	0	202

Status of Company-Operated Dual Concept Restaurants
For Years 2023 to 2025 (1) (2)*

State	Year	Restaurants at Start of the Year	Restaurants Opened	Restaurants Reacquired from Franchisees	Restaurants Closed	Restaurants Sold to Franchises	Restaurants at End of the Year (3)
AL	**2023**	3	0	0	0	0	3
	2024	3	0	0	3	0	0
	2025	0	0	0	0	0	0
MS	**2023**	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

State	Year	Restaurants at Start of the Year	Restaurants Opened	Restaurants Reacquired from Franchisees	Restaurants Closed	Restaurants Sold to Franchises	Restaurants at End of the Year (3)
NC	**2023**	4	0	0	0	0	4
	2024	4	0	0	4	0	0
	2025	0	0	0	0	0	0
OH	**2023**	1	0	0	0	0	1
	2024	1	0	0	1	0	0
	2025	0	0	0	0	0	0
TN	**2023**	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
TOTALS	**2023**	8	0	0	0	0	8
	2024	8	0	0	8	0	0
	2025	0	0	0	0	0	0

*****The Restaurants included in this table are also included in the preceding table.

Table No. 5
Projected Openings of Hardee's Restaurants
As of January 29, 2025

State	Franchise Agreements Signed but Restaurant Not Opened	Projected New Franchised Restaurants in Next Fiscal Year	Projected New Company-Operated Restaurants in Next Fiscal Year
Florida	0	0	0
Georgia	1	1	0
Illinois	1	1	0
Louisiana	1	0	0
North Carolina	0	0	2
Ohio	2	2	0
Tennessee	0	0	0
Total	5	5	2

NOTES

(1) The numbers for 2023-2025 are as of our fiscal year end. Our fiscal year runs from the Tuesday subsequent to the last Monday in January through the last Monday in January of the next calendar year.

(2) If multiple events occurred affecting a Hardee's Restaurant, this table shows the event that occurred last in time.

(3) During the last three fiscal years, we have signed confidentiality agreements with current or former franchisees that may restrict them from speaking openly with you about their experiences with us or our predecessor.

(4) Attached as Exhibit H is the name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of the Hardee's franchisees that had a franchised restaurant terminated, canceled or not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement, including in connection with a transfer, during fiscal year ended January 27, 2025; or that failed to communicate with us within 10 weeks of the application date of this disclosure document. Franchised Dual Concept Restaurants are indicated in Exhibit I. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

(5) Attached as Exhibit I is a list of the addresses and telephone numbers of all Hardee's and Dual Concept franchised locations and the name of the franchisee for each franchised location as of the end of fiscal year ended January 27, 2025.

* * *

The Independent Hardee's Franchisee Association ("IHFA") is an independent organization currently comprised of approximately 50 Hardee's franchisees, representing approximately 1,300 franchised Hardee's Restaurants. IHFA's contact information is as follows: 4919 Lamar Avenue, Mission, KS 66202; telephone number (913) 387-5624; and email address ihfa@ihfa.com. IHFA's website is www.ihfa.com.

ITEM 21

FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit K are the audited combined consolidated financial statements of the CKE Securitization Entities (Carl's Jr. Restaurants LLC, Carl's Jr. SPV Guarantor LLC, Carl's Jr. Funding LLC, Hardee's Restaurants LLC, Hardee's SPV Guarantor LLC and Hardee's Funding LLC), which comprise (1) the combined consolidated balance sheets as of January 27, 2025 and January 29, 2024, and the related combined consolidated statements of income, members' deficit, and cash flows for the fiscal years then ended, and the related notes to the combined consolidated financial statements; and (2) the combined consolidated balance sheets as of January 29, 2024 and January 30, 2023, and the related combined consolidated statements of income, members' deficit, and cash flows for the fiscal years then ended, and the related notes to the combined consolidated financial statements. Each of the CKE Securitization Entities (other than HR) has agreed absolutely and unconditionally to guarantee to assume our duties and obligations under the franchise agreements entered into by us, should we become unable to perform our duties and obligations. A copy of those guarantees are attached as part of Exhibit J to this disclosure document.

Also attached as Exhibit K are the audited consolidated financial statements for HR's indirect corporate parent, CKE Restaurants Holdings, Inc. ("CKR") (formerly known as CKE Restaurants, Inc.), which comprise (1) consolidated balance sheets as of January 27, 2025 and January 29, 2024, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements; and (2) consolidated balance sheets as of January 29, 2024 and January 30, 2023, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements. As noted in Item 1, CKR will be providing required support and services

to franchisees under a Management Agreement with us. CKR's financial statements are being provided for disclosure purposes only. CKR is not a party to any Development Agreement or Franchise Agreement that we sign with franchisees, nor does CKR guarantee our obligations under any Development Agreement or Franchise Agreement that we sign with franchisees.

ITEM 22

CONTRACTS

The following agreements related to a Franchised Restaurant are attached as Exhibits to this disclosure document:

Exhibit C	Development Agreement
Exhibit D	Franchise Agreement (including Guarantee and Assumption, Franchise Information (Appendix A), Weekly Royalty Fee (Appendix B), Franchisee's Advertising and Promotion Obligation (Appendix C), Ownership Interests (Appendix D), Acknowledgement Addendum (Appendix E), Commencement Date Agreement (Appendix F), Lease Addendum (Appendix G), ACH Authorization Form (Appendix H), and Star University License Agreement (Appendix I)
Exhibit E	Preliminary Agreement
Exhibit F-1	Software Support Agreement for PAR Brink and CrunchTime
Exhibit F-2	OLO Authorized Operator Agreement
Exhibit L	Development Incentive Program Addenda to Franchise Agreement
Exhibit M	Renewal Addendum
Exhibit N	Confidentiality Agreement

ITEM 23

RECEIPTS

The last two pages of this disclosure document are detachable receipt pages. Please sign and date each of them as of the date you received this disclosure document and return one copy to us.

EXHIBIT A

LIST OF STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

California:

Commissioner
Department of Financial Protection & Innovation
1-866-275-2677

Los Angeles

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

Sacramento

2101 Arena Blvd.
Sacramento, CA 95834
95814-4052 (916) 445-7205

San Diego

1350 Front Street, Room 2034
San Diego, CA 92101-3697
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, CA 94104
(415) 972-8559

Hawaii:

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

Illinois:

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

Indiana:

Securities Commissioner
Securities Division
Room E-111
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

Maryland:

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

Michigan:

Attn: Franchise Section
Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, MI 48909
(517) 373-7117

Minnesota:

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

New York:

First Assistant Attorney General
New York State
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8235

North Dakota:

Examiner/Budget Administrator
North Dakota Securities Department
State Capitol, 5th Floor
600 East Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-4712

Oregon:

Administrator
Div. of Finance & Corp. Securities
Department of Consumer & Business Services, Room 410
350 Winter Street, NE
Salem, OR 97301-3881
(503) 378-4140

Rhode Island:

Deputy Director and Superintendent of Securities
Department of Business Regulation
Division of Banking and Securities
1511 Pontiac Avenue
John O. Pastore Complex–Bldg. 68-2
Cranston, RI 02920
(401) 462-9585

South Dakota:

Franchise Administrator
Labor and Regulation Department Division of Insurance Securities Regulation
124 S. Euclid, 2nd Floor
Pierre, SD 57501
(605) 773-3563

Virginia:

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

Washington:

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

Wisconsin:

Operations Program Associate
Division of Securities
Bureau of Regulation & Enforcement
Department of Financial Institutions, Suite 300
201 W. Washington Avenue
Madison, WI 53703
(608) 266-8557

EXHIBIT B

AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

Alabama:

Corporation Service Company, Inc.
641 South Lawrence Street
Montgomery, AL 36104

California:

Commissioner
Department of Financial Protection & Innovation
2101 Arena Blvd.
Sacramento, CA 95834

Delaware:

Corporation Service Company
251 Little Falls Drive
Wilmington, DE 19808

Florida:

Corporation Service Company
1201 Hays Street
Tallahassee, FL 32301

Georgia:

Corporation Service Company
2 Sun Court
Peachtree Corners, GA 30092

Illinois:

Illinois Attorney General
Office of Attorney General
500 South Second Street
Springfield, IL 62706

Illinois Corporation Service Company
801 Adlai Stevenson Drive
Springfield, IL 62703

Indiana:

Indiana Secretary of State
302 West Washington Street, Room E-111
Indianapolis, IN 46204

Corporation Service Company
135 North Pennsylvania Street, Suite 1610
Indianapolis, IN 46204

Kentucky:

Corporation Service Company
421 West Main Street
Frankfort, KY 40601

Maryland:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202

Michigan:

Michigan Department of Commerce
Corporations and Securities Bureau
525 W. Allegan Street
Lansing, MI 48913

CSC – Lawyers Incorporating Service (Company)
2900 West Road, Suite 500
East Lansing, MI 48823

Minnesota:

Commissioner of Commerce
MN Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

Mississippi:

Corporation Service Company
109 Executive Drive, Suite 3
Madison, MS 39110

Missouri:

CSC – Lawyers Incorporating Service
Company 221 Bolivar Street
Jefferson City, MO 65101

New York:

Secretary of State
New York State Department of State
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231

North Carolina:

Corporation Service Company
2626 Glenwood Avenue, Suite 550
Raleigh, NC 27608

North Dakota:

North Dakota Securities Commissioner
State Capitol – 5th Floor
600 East Boulevard Avenue
Bismarck, ND 58505

Ohio:

Corporation Service Company
50 West Broad Street, Suite 1330
Columbus, OH 43215

Rhode Island:

Director, Division of Banking and Securities
Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex – Building 68-2
Cranston, RI 02920

South Carolina:

Corporation Service Company
508 Meeting Street
West Columbia, SC 29169

South Dakota:

Director
Labor and Regulation Department Division
of Insurance
124 S. Euclid, Suite 104
Pierre, SD 57501

Corporation Service Company
503 South Pierre Street
Pierre, SD 57501

Tennessee:

Corporation Service Company
2908 Poston Avenue
Nashville, TN 37203

Virginia:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

Corporation Service Company
100 Shockoe Slip, 2nd Floor
Richmond, VA 23219

West Virginia:

Corporation Service Company
209 West Washington Street
Charleston, WV 25302

EXHIBIT C

DEVELOPMENT AGREEMENT

HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

Page

1. GRANT OF DEVELOPMENT RIGHTS 1
2. LIMITED EXCLUSIVE RIGHTS 2
3. DEVELOPMENT SCHEDULE 3
4. DEVELOPMENT FEE 4
5. DEVELOPMENT PROCEDURES 4
6. DEVELOPMENT GUIDE 6
7. INSURANCE 7
8. ORGANIZATION OF DEVELOPER 9
9. TRANSFERS BY HR 12
10. TRANSFERS BY DEVELOPER 12
11. GENERAL RELEASE 17
12. COVENANTS 17
13. TERMINATION 20
14. OBLIGATIONS ON TERMINATION OR EXPIRATION 21
15. RELATIONSHIP OF THE PARTIES 22
16. INDEMNIFICATION 22
17. CONSENTS, APPROVALS AND WAIVERS 23
18. NOTICES 24
19. FORCE MAJEURE 24
20. ENTIRE AGREEMENT 24
21. SEVERABILITY AND CONSTRUCTION 24
22. GOVERNING LAW, FORUM AND LIMITATIONS 25
23. MISCELLANEOUS 26

GUARANTEE AND ASSUMPTION OF DEVELOPER'S OBLIGATIONS

APPENDIX A – DEVELOPMENT TERRITORY

APPENDIX B – DEVELOPMENT INFORMATION

APPENDIX C – OWNERSHIP INTERESTS

HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT

THIS AGREEMENT is made as of _____ by and between Hardee's Restaurants LLC ("HR"), a Delaware limited liability company, and _____ _____ ("Developer").

RECITALS

A. As a result of the expenditure of time, skill, effort and money, HR and its predecessor have developed, and HR owns, a unique and distinctive system ("Hardee's System") relating to the development, establishment and operation of quick service restaurants ("Hardee's Restaurants").

B. The Hardee's System is identified by means of certain trade names, trademarks, service marks, trade dress, logos, insignias, slogans, emblems, symbol designs, and any combination thereof or any other indicia of source (collectively "Proprietary Marks"), which HR owns and which HR has designated or may in the future designate for use with the Hardee's System. The Proprietary Marks used to identify the Hardee's System, including the principal Proprietary Marks, may be modified by HR and/or its affiliates from time to time.

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

D. Developer desires to be granted the opportunity, subject to the terms and conditions of this Agreement, to develop franchised Hardee's Restaurants (collectively, "Franchised Restaurant(s)") in the limited geographic area described in attached Appendix A ("Development Territory").

E. Developer understands and acknowledges the importance of HR's high and uniform standards of quality, operations and service and the necessity of developing Franchised Restaurants in strict conformity with this Agreement and the Development Guide.

F. HR is willing to grant Developer the opportunity to develop Franchised Restaurants in the Development Territory, subject to the terms and conditions of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of HR's grant to Developer of the right to develop Franchised Restaurants in the Development Territory during the term of this Agreement ("Development Term"), as well as the mutual covenants, agreements and obligations set forth below, the parties agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

A. Grant

HR hereby grants to Developer, subject to the terms, conditions, provisions and limitations of this Agreement, the right to develop Franchised Restaurants in the Development Territory during the Development Term. The Development Term begins on the date this Agreement is signed by HR and

terminates on the first to occur of: **(1)** the date that the last Franchised Restaurant required by the Development Schedule in attached Appendix B opens for business; or **(2)** the date that the last Franchised Restaurant was required to be opened pursuant to the Development Schedule. There is no renewal term for this Agreement. Each Franchised Restaurant shall be located in the Development Territory at a specific location accepted by HR.

B. Development Rights Only

This Agreement is not a license or a franchise agreement. It does not give Developer the right to operate Franchised Restaurants or use the Hardee's System. In addition, this Agreement does not give Developer any right to license others to operate Franchised Restaurants or use the Hardee's System. This Agreement only gives Developer the opportunity to enter into Franchise Agreements for the operation of Franchised Restaurants at locations in the Development Territory accepted by HR. Each Franchised Restaurant developed pursuant to this Agreement shall be established and operated only in strict accordance with a separate Franchise Agreement.

C. Forms of Agreement

Developer acknowledges that, over time, HR has entered, and will continue to enter, into agreements with other developers and franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that HR and other developers and franchisees may have different rights and obligations does not affect the duties of the parties to this Agreement to comply with the terms of this Agreement.

2. LIMITED EXCLUSIVE RIGHTS

The Hardee's System (including the products sold under the Proprietary Marks) have been developed, and are designed, to function effectively in a wide variety of retail environments, many of which are not practically available to Developer. Accordingly, HR reserves to itself the rights to: **(A)** operate and license others to operate Hardee's Restaurants in the Development Territory that are located in travel plazas, gas stations or convenience stores; **(B)** operate, and license others to operate, Hardee's Restaurants in the Development Territory that are located in airports, train stations, bus stations, toll plazas, stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos, "ghost" or "dark" kitchens or any similar captive or non-traditional "brick and mortar" locations; **(C)** award national or regional licenses to third parties to sell products under the Proprietary Marks in foodservice facilities primarily identified by the third party's trademark; **(D)** develop and operate, and license others to develop and operate, restaurants other than Hardee's Restaurants in the Development Territory; **(E)** merchandise and distribute products identified by some or all of the Proprietary Marks in the Development Territory through any other method or channel of distribution; and **(F)** sell and distribute products identified by some or all of the Proprietary Marks in the Development Territory to restaurants other than Hardee's Restaurants, provided those restaurants are not licensed to use the Proprietary Marks in connection with their retail sales.

Except as reserved in the preceding paragraph, HR will not, during the Development Term, operate or license others to operate Hardee's Restaurants in the Development Territory, provided Developer is in compliance with the terms of this Agreement and any other agreements with HR or its affiliates and is current on all obligations due HR and its affiliates. This Section 2 does not prohibit HR or its affiliates from: **(1)** operating and licensing others to operate, during the Development Term, Hardee's Restaurants at any location outside of the Development Territory; **(2)** operating and licensing others to operate, after this Agreement terminates or expires, Hardee's Restaurants at any location, including in the Development

Territory; and **(3)** operating and licensing others to operate at any location, during or after the Development Term, any type of restaurant other than a Hardee's Restaurant.

The restrictions contained in this Section 2 apply only to HR and do not apply to Hardee's Restaurants under development or in operation in the Development Territory as of the date of this Agreement. Nothing shall prohibit HR or its affiliates from operating or licensing a restaurant at any location in or outside the Development Territory, other than a restaurant in the Development Territory that primarily is identified by the name and mark "Hardee's."

3. DEVELOPMENT SCHEDULE

A. During the Development Term, Developer shall develop, open and continuously operate in the Development Territory the number of Franchised Restaurants specified in the Development Schedule in attached Appendix B. For each Franchised Restaurant to be developed during the Development Term, Developer shall first obtain HR's written acceptance of the site. No later than 9 months after HR's written acceptance of the site, Developer shall deliver to HR a fully-signed lease or sublease for the Authorized Site (defined below) or proof of Developer's purchase of such site. The effective date of the lease or sublease, or the closing day of the purchase of the real property, shall be the "Property Control Date". Developer shall open the Franchised Restaurant no later than the Opening Date set forth in Appendix B. Strict compliance with the Development Schedule is essential to this Agreement. Any failure by Developer in fulfilling its obligations to develop and open any Franchised Restaurant when required by the Development Schedule or to obtain site acceptance by the date specified in the Development Schedule shall constitute a material, non-curable breach of this Agreement permitting HR immediately to terminate this Agreement by giving written notice of termination to Developer. **Time is of the essence.**

B. Developer, as requested by HR, shall prepare a development plan for the Development Territory. Among other things, the development plan may identify specific markets or trade areas in the Development Territory in which Developer will develop Franchised Restaurants, the number and type of Franchised Restaurants to be developed and the time periods in which Developer will develop Franchised Restaurants in each market or trade area. If prepared, any failure by Developer to timely comply with the development plan or any material aspect of the development plan shall constitute a material, non-curable breach of this Agreement, permitting HR to terminate this Agreement immediately by giving written notice of termination to Developer.

C. The Initial Franchise Fee for each Franchised Restaurant to be developed under this Agreement will be $25,000.

D. If, during the Development Term, Developer sells a Franchised Restaurant that was developed pursuant to this Agreement, that Franchised Restaurant will continue to be counted as a Franchised Restaurant for the purpose of meeting Developer's obligations under the Development Schedule, provided that the sale has been consented to by HR and only so long as that restaurant continues to be operated pursuant to a franchise agreement with HR or its affiliates.

E. At Developer's request, HR will permit the Franchise Agreement for any Franchised Restaurant in the Development Territory to be executed by a business entity formed by Developer to develop and operate the Franchised Restaurant ("Affiliated Entity"), provided all of the following conditions are met: **(1)** Developer, the Development Principal (defined in Section 8.F.) or Developer's Continuity Group (defined in Section 8.D.) owns at least 51% of all ownership interests in the Affiliated Entity; **(2)** the Affiliated Entity conducts no business other than the operation of the Franchised Restaurant; **(3)** Developer, the Development Principal, the members of Developer's Continuity Group and all holders of a legal or beneficial interest of 10% or more in Developer or, if Developer is a limited partnership, in

Developer's general partner ("10% Owner(s)") agree to assume full and unconditional liability for, and agree to perform all obligations, covenants and agreements contained in the Franchise Agreement; and **(4)** all owners of the Affiliated Entity possess a good moral character and meet HR's standards, as determined by HR in its sole discretion, and Developer provides HR all reasonably requested information to permit HR to make such a determination.

4. DEVELOPMENT FEE

Developer shall pay HR, at the time this Agreement is signed, a development fee equal to $10,000 for each Franchised Restaurant Developer has agreed to develop in the Development Territory during the Development Term ("Development Fee"). The total amount of the Development Fee paid by Developer is set forth in Appendix B. Developer acknowledges and agrees that the Development Fee is fully earned by HR when paid and it is not refundable. Upon the execution of each Franchise Agreement for each Franchised Restaurant Developer has agreed to develop pursuant to this Agreement, $10,000 of the applicable Development Fee will be credited against the full Initial Franchise Fee due HR upon the execution of such Franchise Agreement.

5. DEVELOPMENT PROCEDURES

A. Developer's Responsibility and Business Plan

Developer assumes all cost, liability and expense for locating, obtaining and developing sites for Franchised Restaurants and constructing and equipping Franchised Restaurants in accordance with HR's standards at accepted sites. Developer shall not make any binding commitments to purchase or lease a site until the site has been accepted in writing by HR. If requested by HR, Developer shall develop and submit to HR a business plan for the length of the Development Term. The business plan shall outline the actions that Developer will take to ensure the development and management of the Franchised Restaurants in accordance with HR's standards. If prepared, during the Development Term, Developer agrees to revise the business plan as requested by HR and further agrees to implement that business plan as approved by HR.

B. Site Selection Assistance

HR will provide Developer with the following site selection assistance: **(1)** HR's site selection guidelines and, as Developer may request, a reasonable amount of consultation with respect thereto; and **(2)** such site evaluation as HR may deem advisable as part of its evaluation of Developer's request for site acceptance. Developer is solely responsible for conducting all such due diligence, investigation and validation with its own third party advisors with respect to a proposed site. HR's consent to a proposed site is simply for purposes of confirming that the site meets HR's then-current site selection criteria. Developer is solely responsible for conducting all such due diligence, investigation and validation with its own third party advisors with respect to a proposed site. HR's consent to a proposed site is simply for purposes of confirming that the site meets HR's then-current site selection criteria.

C. Franchise Site Application

For each proposed site for a Franchised Restaurant, Developer shall, if requested by HR, submit to HR a Franchise Site Application. In addition, Developer shall submit a development proposal (containing that information as HR may reasonably require) for a proposed site which Developer reasonably believes to conform to site selection criteria HR establishes from time to time for demographic characteristics, traffic patterns, parking, character of the neighborhood, competition from other businesses in the area, the proximity to other businesses (including restaurants operated or franchised by HR or its affiliates), the

nature of other businesses in proximity to the site and other commercial characteristics (including the purchase price, rental obligations and other lease terms for the proposed site) and the size, appearance, other physical characteristics, and a site plan of the premises.

Developer acknowledges that, in order to preserve and enhance the reputation and goodwill of all restaurants franchised by HR and the goodwill of the Proprietary Marks, all Franchised Restaurants must be properly developed, operated and maintained. Accordingly, Developer agrees that HR may refuse to accept a site for a proposed Franchised Restaurant unless Developer demonstrates sufficient financial capabilities, in HR's sole judgment, applying standards consistent with criteria HR uses to establish restaurants in other comparable market areas, to properly develop, operate and maintain the proposed Franchised Restaurant. To this end, Developer shall furnish HR with such financial statements and other information regarding Developer (or its Affiliated Entity, as defined in Section 3.E.) and the development and operation of the proposed Franchised Restaurant, including, without limitation, investment and financing plans for the proposed Franchised Restaurant, as HR reasonably may require.

D. Site Acceptance

Within 45 days after receipt of all documents referenced in this Section and any additional information that HR may require, HR shall advise Developer in writing whether it has accepted a particular site; however, HR has no obligation to review any development proposal if Developer or its affiliates are not in full compliance with all agreements with HR or its affiliates and not approved for growth by HR. If HR does not respond within that time period, HR shall be deemed not to have accepted the site. HR's acceptance or refusal to accept a site may be subject to reasonable conditions as determined in its sole discretion. (A site that HR has accepted shall be referred to as an "Authorized Site.")

HR's acceptance of one or more sites is not a representation or a promise by HR that a Franchised Restaurant at an Authorized Site will achieve a certain sales volume or a certain level of profitability. Similarly, HR's acceptance of one or more sites and its refusal to accept other sites is not a representation or a promise that an Authorized Site will have a higher sales volume or be more profitable than a site that HR did not accept. Acceptance by HR merely means that the minimum criteria which HR has established for identifying suitable sites for proposed Hardee's Restaurants have been met. Because real estate development is an art and not a precise science, Developer agrees that acceptance, or refusal to accept a proposed site by HR, whether or not a site report is completed and/or submitted to HR shall not impose any liability or obligation on HR. The decision to accept or reject a particular site is Developer's, subject to acceptance by HR. Preliminary acceptance of a proposed site by any representative of HR is not conclusive or binding, because his or her recommendation may be rejected by HR.

HR assumes no liability or responsibility for: (1) evaluation of an Authorized Site's soil for hazardous substances; (2) inspection of any structure on the Authorized Site for asbestos or other toxic or hazardous materials; (3) compliance with the Americans with Disabilities Act ("ADA"); or (4) compliance with any other applicable law. It is Developer's sole responsibility to obtain satisfactory evidence and/or assurances that the Authorized Site (and any structures thereon) is free from environmental contamination and in compliance with the requirements of the ADA.

E. Lease Provisions

If Developer proposes to lease or sublease the Authorized Site, Franchisee shall provide HR with a copy of the proposed lease or sublease prior to its execution. The proposed lease or sublease shall not contain any covenants or other obligations that would prevent Franchisee from performing its obligations under the Franchise Agreement or any provisions that restrict HR from entering onto the Authorized Site as permitted by the Franchise Agreement. The lease or sublease shall include, during the entire term of the

lease or sublease including any renewal terms, the terms of the Hardee's Lease Addendum, attached as Exhibit 1.

Neither HR's receipt of the lease or sublease nor any requirement that Franchisee enter into a written modification to the lease or sublease constitutes a warranty or representation by HR of any kind, express or implied, as to the lease or sublease's fairness or suitability or as to Franchisee's ability to comply with its terms, and HR does not assume any liability or responsibility to Franchisee or to any third parties due to its receipt and review of the lease or sublease.

Franchisee shall provide HR with a copy of the fully-executed lease or sublease, including the Hardee's Lease Addendum, (for a term, including renewal terms, for at least the Initial Term of this Agreement), or proof Franchisee has purchased the real property, for the Authorized Site no later than 6 months after the written acceptance of the Authorized Site by HR, but, in any event, prior to the commencement of construction at the Authorized Site.

F. Execution of Agreements

Following HR's acceptance of each proposed site and Developer's submission to HR of a signed lease or sublease for the proposed site, or evidence that Developer has completed its purchase of the proposed site, HR will prepare and forward to Developer a Franchise Agreement for the Authorized Site. The form of Franchise Agreement for each Franchised Restaurant to be developed by Developer pursuant to this Agreement shall be the applicable standard form in general use immediately prior to the time that Developer commences construction at the applicable Authorized Site. Developer shall execute and return the Franchise Agreement to HR, along with the Initial Franchise Fee, within 10 days after receipt by Developer, and, following receipt by HR, HR shall execute the Franchise Agreement and return a fully-executed original of the Franchise Agreement to Developer. Developer may not commence construction at the Authorized Site prior to its receipt of a fully-executed Franchise Agreement and its payment to HR of the Initial Franchise Fee.

G. Development Training

Developer shall complete, to HR's satisfaction, any development training required by HR. Developer shall pay HR, for each person attending development training, a tuition fee as established by HR from time to time. Developer also may attend optional development training as offered by HR from time to time, subject to payment of a tuition fee as established by HR from time to time. Developer will be required to pay all travel, living and other expenses incurred by Developer and its employees while attending development training and optional development training.

H. Delegation

HR has the right, from time to time, to delegate the performance of any portion or all of its obligations and duties under this Agreement to designees, including, but not limited to, HR's corporate parents, affiliates or agents or independent contractors with which HR has contracted to perform HR's obligations or duties.

6. DEVELOPMENT GUIDE

HR will provide Developer for the Development Term one copy of, or provide Developer electronic access to, the Development Guide. The Development Guide contains mandatory specifications and standards relating to construction of Hardee's Restaurants and information relating to Developer's other obligations under this Agreement. Developer agrees to comply fully with these obligations and mandatory

specifications. The Development Guide may be supplemented or amended from time to time by letter, email, bulletin, construction standards manuals, software or other communications concerning the Hardee's System to reflect changes in the image, specifications and standards relating to the development and construction of a Hardee's Restaurant. Supplements or amendments to the Development Guide also may contain, among other matters, minimum standards and requirements for constructing, equipping and furnishing a Hardee's Restaurant. HR reserves the right to furnish all or part of the Development Guide to Developer in electronic form or online (including by Intranet) and establish terms of use for access to any restricted portion of HR's web site. Developer shall keep its copy of the Development Guide current and up-to-date with all additions and deletions provided by HR and shall purchase whatever equipment and related services (including, without limitation, computer system, Internet service, dedicated phone line, etc.) as may be necessary to receive these communications. If a dispute relating to the contents of the Development Guide develops, the master copy maintained by HR at its principal offices shall control.

7. INSURANCE

Developer shall be responsible for all loss or damage arising from or related to Franchisee's development and operation of the Franchised Restaurant, and for all demands or claims with respect to any loss, liability, personal injury, death, property damage, or expense whatsoever occurring upon the premises of, or in connection with the development or operation of, the Franchised Restaurant. Developer shall, at its sole expense, maintain in full force and effect throughout the term of this Agreement that insurance which Developer determines is necessary or appropriate for liabilities caused by or occurring in connection with the development or operation of the Franchised Restaurant which shall include, at a minimum, insurance policies of the kinds, and in the amounts, required by this Section 7.B. HR, and any entity with an insurable interest designated by HR, shall be an additional insured in such liability policies, except for workers' compensation/employer's liability, and loss payee for property to the extent each has an insurable interest.

All insurance policies shall be written by an insurance company or companies satisfactory to HR, in compliance with the standards, specifications, coverages and limits set forth in the OPM or otherwise provided to Developer in writing. These policies shall include, at a minimum, the following:

(1) Commercial General Liability insurance with policy limits not less than $5,000,000 per occurrence and in the aggregate. Coverage shall apply per location, including coverage for contractual liability, broad form property damage, personal and advertising injury, product liability and completed operations, not to exclude food-borne illness, as well as Damage to Rented Premises coverage with limits not less than $100,000.

(2) Automobile Liability coverage, including owned, leased, non-owned and hired vehicles, with a combined single limit not less than $1,000,000 per accident and additional liability coverage as needed for delivery services. This may be included as part of a package policy.

(3) Workers' Compensation, statutory as required by law, and Employer's Liability insurance with limits not less than $500,000, and such other insurance as may be required by the state or locality in which the Franchised Restaurant is operated. This coverage shall also be in effect for all of Developer's employees who participate in any of the training programs described in Section 5.F.

The required limits set forth in Section 7(1)-(3) above may be satisfied through a combination of Primary and Umbrella/Excess Liability coverage. If satisfied through an Umbrella/Excess Liability coverage, the Umbrella/Excess Liability must be "following form" of the underlying Commercial General Liability, Automobile Liability and Employer's Liability coverages.

(4) Commercial Property insurance that extends coverage on a replacement cost basis for the Franchised Restaurant, business personal property (including electronic equipment, tenant improvements & betterments), and business income and extra expense for a minimum of 12 months or actual loss sustained to cover loss of profits, continuing expenses and loss of rents. Covered causes of loss should be "Special Form" or "All Risk" with coinsurance conditions not less than 80%. Flood insurance is also required for locations that reside in FEMA Flood Zones beginning with the letters "A" or "V." Earthquake insurance is also required for locations that reside in FEMA Seismic Design Categories "E" or "D."

(5) Cyber Liability (network security/data privacy) with policy limits not less than $1,000,000 per occurrence.

(6) In connection with any construction, leasehold improvements, renovation, refurbishment, or remodeling of the Franchised Restaurant, Developer's general contractor shall maintain Commercial General Liability insurance (with products liability and independent contractors coverage), Automobile Liability coverage for owned, leased, hired and non-owned vehicles, and Builder's Risk with limits no less than $1,000,000, with HR named as an additional insured, as well as Workers' Compensation and Employer's Liability as required by state law.

HR may regulate the types, amounts, terms and conditions of insurance coverage required for the Franchised Restaurant, and standards for underwriters of policies providing required insurance coverage, including: **(a)** HR's protection and rights under these policies as an additional insured or loss payee; **(b)** required or permissible insurance contract provisions; **(c)** assignment of policy rights to HR; **(d)** periodic verification of insurance coverage that must be furnished to HR and; **(e)** similar matters related to insured and uninsured claims. Developer shall receive written notice of such modifications and shall take prompt action to comply.

The following general requirements shall apply to each insurance policy that Developer is required to maintain under this Agreement:

Each insurance policy shall be specifically endorsed to provide that the coverages shall be primary and that any insurance carried by any additional insured or loss payee shall be excess and non-contributory.

No insurance policy shall contain a provision that in any way limits or reduces coverage for Developer in the event of a claim by HR or its affiliates.

Each insurance policy shall extend to, and provide indemnity for, all obligations and liabilities of Developer to third parties and all other items for which Developer is required to indemnify HR under this Agreement.

Each insurance policy shall be written by an insurance company that has received and maintains an "A- VIII" or better rating by A.M. Best Company (or another rating service designated by HR) and that is otherwise satisfactory to HR.

No insurance policy shall provide for a deductible amount that exceeds $100,000, unless otherwise approved in writing by HR.

Each insurance policy shall include a waiver of subrogation endorsement in favor of HR and its affiliates.

With respect to the Commercial General Liability, Automobile Liability and Umbrella/Excess Liability policies, HR and its affiliates shall be named as Additional Insured on a primary and non-contributory basis. With respect to the Commercial Property coverage, HR and its affiliates shall be named as Loss Payee.

All required insurance policies shall be in full force and effect and Developer shall submit to HR evidence of satisfactory insurance and proof of payment therefore no later than the date the first of the following occurs: **(1)** 30 days prior to the scheduled opening date of the Franchised Restaurant; **(2)** the date Developer takes possession of the Authorized Site, or **(3)** the date construction commences at the Authorized Site, if Developer is contractually obligated for the construction. On each policy renewal date thereafter, Developer shall again submit evidence of satisfactory insurance and proof of payment therefor to HR. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to HR. Upon request, Developer also shall provide to HR copies of all or any policies, and policy amendments and endorsements.

Developer acknowledges that no requirement for insurance contained in this Agreement constitutes advice or a representation by HR that only such policies, in such amounts, are necessary to protect Developer from losses in connection with its business under this Agreement. Maintenance of this insurance, and the performance by Developer of its obligations under this Section, shall not relieve Developer of liability under the indemnification provisions of this Agreement.

Should Developer, for any reason, fail to procure or maintain at least the insurance required by this Section 7, as revised from time to time pursuant to the OPM or otherwise in writing, HR shall have the immediate right and authority, but not the obligation, to procure such insurance and charge its cost to Developer. All out-of-pocket costs incurred by HR in obtaining such insurance on behalf of Developer shall be reimbursed to HR by Developer immediately upon Developer's receipt of an invoice therefor.

8. ORGANIZATION OF DEVELOPER

A. Representations

If Developer is a corporation, a limited liability company, a partnership or any other type of organization (collectively, "business entity"), Developer makes the following representations and warranties: **(1)** it is duly organized and validly existing under the laws of the state of its formation; **(2)** it is qualified to do business in the state or states in which the Development Territory is located; **(3)** execution of this Agreement and the development and operation of Franchised Restaurants is permitted by its governing documents; and **(4)** unless waived in writing by HR, Developer's governing documents shall at all times provide that the activities of Developer are limited exclusively to the development and operation of the Franchised Restaurants and other restaurants that are franchised by HR or its affiliates and that no Transfer (as defined in Section 10) of an ownership interest may be made except in accordance with Section 10.

If Developer is an individual, or a partnership comprised solely of individuals, Developer makes the following additional representations and warranties: **(A)** each individual has executed this Agreement; **(B)** each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and **(C)** notwithstanding any transfer for convenience of ownership, pursuant to Section 10.D., each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

B. Governing Documents

If Developer is a business entity, Developer shall furnish HR with copies of Developer's governing documents and any other corporate documents, books or records that HR may request. When any of these governing documents are modified or changed, Developer promptly shall provide copies to HR. Developer's governing documents must provide that no Transfer (as defined in Section 10.A.) may be made except in accordance with Section 10.

C. Ownership Interests

If Developer is a business entity, Developer must furnish HR with a list of all holders of a direct or indirect ownership interest in Developer and their respective percentage interests. As of the date of this Agreement, all interests in Developer are owned as set forth in attached Appendix C. Developer shall comply with Section 10 prior to any change in ownership interests and shall update Appendix C as changes occur in order to ensure the information contained in Appendix C is true, accurate and complete at all times.

The requirements of this Section 8.C. shall apply only to Developer's Continuity Group (defined in Section 8.D.) if, as of the date of the first franchise-related agreement between Developer and HR or one of its affiliates, Developer was a publicly-held entity (*i.e.,* an entity that has a class of securities traded on a recognized securities exchange or quoted on the inter-dealer quotation sheets known as the "pink sheets"). If Developer becomes a publicly-held entity after that date, it shall thereafter be required to update Appendix C only with respect to changes in ownership interests of members of the Continuity Group.

D. Continuity Group

If Developer is a business entity, Appendix C lists those persons who comprise Developer's "Continuity Group." HR and Developer acknowledge and agree that it is their intent that the members of the Continuity Group include the Development Principal (as defined in Section 8.F.) and **(1)** all holders of a direct or indirect, legal or beneficial interest of 10% or more ("10% Owners") in Developer; **(2)** if Developer is a limited partnership, all 10% Owners of Developer's general partner; and **(3)** all 10% Owners of a business entity that owns a controlling interest in Developer. In the event of any change in the Continuity Group or in the ownership interests of any member of the Continuity Group, Developer shall update Appendix C to reflect the change. The Continuity Group shall at all times own at least 51% of the ownership interests in Developer.

E. Guarantees

All members of the Continuity Group and their spouses, if applicable, shall jointly and severally guarantee Developer's payment and performance under this Agreement and shall bind themselves to the terms of this Agreement pursuant to the attached Guarantee and Assumption of Developer's Obligations ("Guarantee"). Notwithstanding the foregoing, HR reserves the right, in its sole discretion, to waive the requirement that some or all of the previously described individuals execute the attached Guarantee and/or to limit the scope of the Guarantee. HR reserves the right to require any guarantor to provide personal financial statements to HR from time to time.

With respect to 10% Owners, Developer acknowledges that, unless otherwise agreed to in writing by HR, it is HR's intent to have individuals (and not corporations, limited liability companies or other entities) execute the Guarantee. Accordingly, if any 10% Owner is not an individual, HR shall have the right to have the Guarantee executed by individuals who have only an indirect ownership interest in Developer and their spouses, if applicable. (By way of example, if a 10% Owner of Developer is a

corporation, HR has the right to require that the Guarantee be executed by individuals who have an ownership interest in that corporation and their spouses, if applicable.)

If Developer, any guarantor or any parent, subsidiary or affiliate of Developer holds any interest in other restaurants that are franchised by HR or its affiliates, the party who owns that interest shall execute, concurrently with this Agreement, a form of cross-guarantee to HR and its affiliates for the payment of all obligations for such restaurants, unless waived in writing by HR in its sole discretion. For purposes of this Agreement, an affiliate of Developer is any company controlled, directly or indirectly, by Developer or Developer's parent or subsidiary.

F. Development Principal

Developer shall designate and retain an individual to serve as the Development Principal. (If Developer is owned by one individual, that individual may serve as the Development Principal if the individual meets HR's requirements for a Development Principal.) The Development Principal as of the date of this Agreement is identified in Appendix C. The Development Principal shall meet all of the following qualifications:

(1) The Development Principal shall have at least a 10% equity ownership interest in Developer or, if Developer is a limited partnership, in Developer's general partner, unless this requirement is modified by HR in its sole discretion. This Section 8.F.(1) shall not apply if Developer was a publicly-held entity or a wholly-owned subsidiary of a publicly-held entity as of the date of the first franchise-related agreement between Developer and HR.

(2) The Development Principal, at all times, shall be a member of the Continuity Group and, at a minimum, have full control over the day-to-day development of Developer's Franchised Restaurants.

(3) Unless Developer has named, and HR has approved, a Multi-Unit Development Manager:

(a) The Development Principal shall devote full-time and best efforts to supervising the development of Developer's Franchised Restaurants and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility.

(b) Unless waived in writing by HR, the Development Principal shall maintain his primary residence within a reasonable driving distance of the Development Territory.

(4) If requested by HR, the Development Principal shall successfully complete HR's development training. In addition, if requested by HR, the Development Principal shall successfully complete the Franchise Management Training Program ("FMTP").

(5) HR shall have approved the Development Principal, and not have later withdrawn that approval.

If the Development Principal no longer meets these qualifications, Developer must provide HR written notice designating a qualified person to act as Development Principal within 30 days after the date the prior Development Principal ceases to be qualified. HR shall advise Developer whether it has approved the new Development Principal within a reasonable time after receipt of Developer's notice. If HR does not approve the proposed Development Principal, Developer will have 15 days from its receipt of notice of

the decision to advise HR in writing of another person to act as Development Principal who satisfies the preceding qualifications.

If Developer is developing restaurants in multiple markets that are franchised by HR or its affiliates, an individual meeting the qualifications of this Section will serve as Development Principal in at least one market.

G. Multi-Unit Development Manager

If Developer is developing Franchised Restaurants in multiple geographic markets, for all markets in which the Development Principal fails to satisfy the requirements of Section 8.F., Developer shall designate and retain an individual to serve as Multi-Unit Development Manager. The Multi-Unit Development Manager shall be under the supervision of the Development Principal. The Multi-Unit Development Manager shall meet all of the following qualifications:

(1) The Multi-Unit Development Manager shall devote full time and best efforts to supervising the development of the Franchised Restaurants and other restaurants operated by Developer that are franchised by HR or its affiliates in a geographic market and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility.

(2) Unless waived in writing by HR, the Multi-Unit Development Manager shall maintain his primary residence within a reasonable driving distance of the Development Territory.

(3) If requested by HR, the Multi-Unit Development Manager shall successfully complete HR's development training. In addition, the Multi-Unit Development Manager shall successfully complete the FMTP and any additional training required by HR.

(4) HR shall have approved the Multi-Unit Development Manager, and not have later withdrawn that approval.

If a Multi-Unit Development Manager no longer qualifies as such, Developer shall designate another qualified person to act as Multi-Unit Development Manager within 30 days after the date the prior Multi-Unit Manager ceases to be qualified. Developer's designee to become Multi-Unit Development Manager must successfully complete the FMTP and any additional development training required by HR.

9. TRANSFERS BY HR

HR shall have the absolute, unrestricted right, exercisable at any time, to transfer and assign all or any part of its rights and obligations under this Agreement to any person or legal entity without the consent of Developer. Developer agrees that HR will have no liability after the effective date of transfer or assignment for the performance of, or any failure to perform, any obligations transferred.

10. TRANSFERS BY DEVELOPER

A. Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer, that HR has entered into this Agreement in reliance on Developer's (and Developer's direct and indirect owners') business skill, financial capacity, personal character, experience and demonstrated or purported ability in developing and operating high quality foodservice operations and that HR has entered into this Agreement with the understanding that, except as otherwise reserved by HR in Section 2, Developer will be the only franchisee of HR in the Development Territory during the Development Term. Accordingly, neither Developer nor any immediate or remote successor to

any part of Developer's interest in this Agreement, nor any individual, partnership, corporation or other legal entity which directly or indirectly has an interest in Developer shall sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest in Developer, this Agreement or any other assets pertaining to Developer's operations under this Agreement (collectively "Transfer") without the prior written consent of HR. HR shall be free to withhold consent to any Transfer, without consideration of the factors listed in Section 10.B., if Developer does not propose to Transfer the same interest with respect to all agreements with HR in the Development Territory.

Except as otherwise provided in this Agreement, any purported Transfer, by operation of law or otherwise, not having the prior written consent of HR shall be null and void and shall constitute a material breach of this Agreement, for which HR may terminate this Agreement without providing Developer an opportunity to cure the breach.

B. Developer shall advise HR in writing of any proposed Transfer, submit (or cause the proposed transferee to submit) a franchise application for the proposed transferee, and submit a copy of all contracts and all other agreements or proposals, and all other information requested by HR, relating to the proposed Transfer. If HR does not exercise its right of first refusal pursuant to Section 10.J., the decision as to whether or not to consent to a proposed Transfer shall be made by HR in its sole discretion and shall include numerous factors deemed relevant by HR. These factors may include, but will not be limited to, the following:

(1) The proposed transferee (and if the proposed transferee is not a natural person, all persons that have a direct or indirect interest in the transferee as HR may require) must demonstrate to HR's satisfaction that it has extensive experience in high quality restaurant operations of a character and complexity similar to the restaurants franchised by HR or its affiliates; must meet the managerial, operational, experience, quality, character and business standards for a developer promulgated by HR from time to time; must possess a good character, business reputation and credit rating; must have an organization whose management culture is compatible with HR's management culture; and must have adequate financial resources and working capital, as determined by HR in its sole discretion, to meet Developer's development obligations under this Agreement.

(2) The sales price shall not be so high, in HR's reasonable judgment, as to jeopardize the ability of the transferee to develop, maintain, operate and promote the Franchised Restaurants and meet financial obligations to HR, third party suppliers and creditors. HR's decision with respect to a proposed Transfer shall not create any liability on the part of HR: **(a)** to the transferee, if HR consents to the Transfer and the transferee experiences financial difficulties; or **(b)** to Developer or the proposed transferee, if HR withholds consent to the Transfer. HR, without any liability to Developer or the proposed transferee, has the right, in its sole discretion, to communicate and counsel with Developer and the proposed transferee regarding any aspect of the proposed Transfer.

(3) All of Developer's accrued monetary obligations to HR and its affiliates (whether arising under this Agreement or otherwise) and all other outstanding obligations related to the Franchised Restaurants (including, but not limited to, bills from suppliers, taxes, judgments and any required governmental reports, returns, affidavits or bonds) have been satisfied or, in the reasonable judgment of HR, adequately provided for. HR reserves the right to require that a reasonable sum of money be placed in escrow to ensure that all of these obligations are satisfied.

(4) Developer is not then in material default of any provision of this Agreement or any other agreement between Developer and HR or its affiliates, is in good standing as a franchisee with HR and its affiliates, is not in default beyond the applicable cure period under any real estate lease, equipment

lease or financing instrument relating to Developer's Franchised Restaurants and is not in default beyond the applicable cure period with any vendor or supplier to Developer's Franchised Restaurants.

(5) Developer, all individuals who executed this Agreement and all guarantors of Developer's obligations must execute a general release and a covenant not to sue, in a form satisfactory to HR, of any and all claims against HR and its affiliates and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, and claims arising out of, or relating to, this Agreement and any other agreements between Developer and HR or its affiliates and all other restaurants operated by Developer that are franchised by HR or its affiliates.

(6) Unless waived by HR in its sole discretion, the transferee and those employees hired by transferee to fill certain designated positions shall complete the development training programs provided in Section 5.F.

(7) The transferee and each of the transferee's affiliates that have entered into a development or franchise agreement with HR or its affiliates must, as of the date of the request for HR's consent to the Transfer, be in compliance with all obligations to HR or its affiliates under those agreements.

C. If HR consents to a proposed Transfer, prior to the Transfer becoming effective:

(1) The transferor shall pay HR a nonrefundable Transfer fee under this Agreement of $2,500 in connection with HR's review of the Transfer application.

(2) Developer and the proposed transferee shall execute, at HR's election, an assignment agreement and any amendments to this Agreement deemed necessary or desirable by HR to reflect the Transfer or HR's then-current standard form of development agreement for a term ending on the expiration date of this Agreement. In either event, a guarantee of the type required by Section 8.E. shall be executed by those individuals identified in Section 8.E. In addition, Developer, the proposed transferor and the proposed transferee shall sign all other documents and take such actions as HR may require to protect HR's rights under this Agreement.

(3) The transferor shall remain liable for all obligations to HR incurred before the date of the Transfer and shall execute any and all instruments reasonably requested by HR to evidence that liability.

D. If Developer is an individual or a partnership and desires to Transfer this Agreement to a corporation (or limited liability company) formed for the convenience of ownership, the requirements of Section 10.B. shall apply to such a Transfer, however, Developer will not be required to pay a Transfer fee. HR's consent also will be conditioned on the following: **(1)** the corporation (or limited liability company) must be newly organized; **(2)** prior to the Transfer, HR must receive a copy of the documents specified in Section 8.B. and the transferee shall comply with the remaining provisions of Section 8; and **(3)** Developer must own all voting securities of the corporation (or membership interests of the limited liability company) or, if Developer is owned by more than one individual, each person shall have the same proportionate ownership interest in the corporation (or the limited liability company) as prior to the Transfer.

E. Notwithstanding the provisions of Sections 10.A. and B., the issuance of options or the exercise of options pursuant to a qualified stock option plan or a qualified employee stock ownership plan shall not be considered a Transfer and shall not require the prior written consent of HR; provided no more

than a total of 49% of Developer's outstanding voting securities are subject to the qualified stock option plan or qualified employee stock ownership plan.

F. If Developer was a publicly-held entity as of the date of the first franchise-related agreement between Developer and HR or its affiliates, Section 10.B. shall be applicable to transfers of ownership interests in Developer only if the proposed Transfer would result in either: **(1)** 50% or more of Developer's voting securities being held by different shareholders than as of the date of the first franchise-related agreement between Developer and HR or its affiliates; or **(2)** any change in ownership of Developer's voting securities whereby any existing shareholder of Developer acquires an additional 10% or more of Developer's voting securities; or **(3)** any change in the membership of the Continuity Group (unless such change is a permitted Transfer pursuant to Section 10.G.).

G. In the event of the death or permanent incapacity of any person with an ownership interest in Developer, HR shall not unreasonably withhold its consent to a transfer to any person, persons, partnership or corporation designated by his legal representative, provided, however, that:

(1) The requirements of Section 10.B. and 10.C. shall have been met.

(2) The proposed transfer is applied for in writing within 2 months of the date of death or permanent incapacity by the legal representative of such individual, and is effected within 6 months thereafter.

(3) In the case of permanent incapacity, the legal representative shall have furnished a certification of a physician designated by HR that Developer has been or will be unable to develop or operate any System Restaurants for a period of 6 months or longer.

H. Developer shall not grant any security interest in its business or in any Franchised Restaurant or the assets used in the operation or development of any Franchised Restaurant without HR's prior written consent, which will not be unreasonably withheld. HR's consent may be conditioned, in its sole discretion, on the written agreement by the secured party that, in the event of a default by Developer under any agreement related to the security interest, HR shall have the right and option (but not the obligation) to purchase the rights of the secured party upon payment of all sums then due to the secured party. If Developer (or any person with a direct or indirect interest in Developer) finances any part of the price paid in connection with the Transfer, the person or entity providing the financing must agree that all obligations of the proposed transferee and any security interests retained in the assets being transferred, will be subordinate to the proposed transferee's obligations to: **(1)** pay all amounts due to HR and its affiliates; and **(2)** otherwise comply with this Agreement and all other agreements with HR or its affiliates.

I. Securities or partnership interests in Developer may be sold, by private or public offering, only with HR's prior written consent (whether or not HR's consent is required under any other provision of this Section), which consent shall not be unreasonably withheld. In addition to the requirements of Section 10.B., prior to the time that any public offering or private placement of securities or partnership interests in Developer is made available to potential investors, Developer, at its expense, shall deliver to HR a copy of the offering documents. Developer, at its expense, also shall deliver to HR an opinion of Developer's legal counsel and an opinion of one other legal counsel selected by HR (both of which shall be addressed to HR and in a form acceptable to HR) that the offering documents properly use the Proprietary Marks and accurately describe Developer's relationship with HR and/or its affiliates. The indemnification provisions of Section 16 shall also include any losses or expenses incurred by HR and its affiliates in connection with any statements made by or on behalf of Developer in any public offering or private placement of Developer's securities.

J. If any party holding any direct or indirect interest in Developer or in this Agreement receives a bona fide offer (as determined by HR in its reasonable discretion) from a third party or otherwise desires to undertake any Transfer that would require HR's consent (other than a Transfer for convenience of ownership pursuant to Section 10.D. or a Transfer of ownership interests in Developer to a spouse, parent, child or sibling), it shall notify HR in writing of the terms of the proposed Transfer, and shall provide such information and documentation relating to the proposed Transfer as HR may reasonably require, including, but not limited to, a copy of the offer. HR or its designee may elect to purchase the interest that the seller proposes to Transfer any time within 30 days after receipt of written notification, and all documents and other information required by Section 10.B., by sending written notice to the seller that HR or its designee intends to purchase the seller's interest on the same financial terms and conditions offered by the third party (except that HR or its designee shall not be obligated to pay any finder's or broker's fees). In purchasing the interest, HR or its designee shall be entitled to set off any monies owed to HR or its affiliates by Developer and HR or its designee shall be entitled to all customary representations and warranties that the assets are free and clear (or, if not, accurate and complete disclosure) as to: **(1)** ownership, condition and title; **(2)** liens and encumbrances; **(3)** environmental and hazardous substances; and **(4)** validity of contracts inuring to the purchaser or affecting the assets, whether contingent or otherwise.

If the offer to Developer involves assets in addition to this Agreement, Developer's Franchised Restaurants and other restaurants operated by Developer that are franchised by HR or its affiliates, Developer's notice to HR shall state the cash value of that portion of the offer received by Developer relating to this Agreement and those restaurants. If the proposed Transfer provides for payment of consideration other than cash or it involves intangible benefits, HR or its designee may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties are unable to agree within 30 days on the reasonable equivalent in cash of the non-cash part of the offer received by Developer, or the cash value of that portion of the offer received by Developer relating to this Agreement, Developer's Franchised Restaurants and those other restaurants, the amount shall be determined by two professionally certified appraisers, Developer selecting one and HR or its designee selecting one. If the higher appraisal is more than 10% greater than the other appraisal, the two appraisers shall select a third professionally certified appraiser who also shall determine the amount. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and HR or its designee may exercise its right of first refusal within 30 days after being advised in writing of the decision of the appraisers. The cost of the appraisers shall be shared equally by the parties.

HR's failure to exercise its right of first refusal shall not constitute consent to the proposed Transfer nor a waiver of any other provision of this Section 10 with respect to a proposed Transfer. If HR does not exercise its right of first refusal, Developer may not thereafter Transfer the interest at a lower price or on more favorable terms than those that have been offered to HR. HR shall again be given a right of first refusal if a transaction does not close within 6 months after HR elected not to exercise its right of first refusal. In no event shall Developer offer the interest for sale or transfer at public auction, nor at any time shall an offer be made to the public to sell, transfer or assign, through any advertisement, either in the newspapers or otherwise, without first having obtained the written consent of HR to the auction or advertisement.

K. HR's consent to any Transfer shall not constitute a waiver of any claims HR may have against the transferring party, nor shall it be deemed a waiver of HR's right to demand exact compliance with any of the terms of this Agreement by the transferee, nor will it be deemed a waiver of HR's right to give or withhold consent to future Transfers.

11. GENERAL RELEASE

Except as set forth at the end of this Section 11, Developer (on behalf of itself and its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities) and all individuals who execute this Agreement (each a "Releasor" and collectively, "Releasors"), freely and without any influence, forever release and covenant not to sue HR, its parents, subsidiaries, affiliates, predecessors and successors and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities (collectively, "HR Releasees"), from any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively "claims"), that any Releasor now owns or holds or may in the future own or hold, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omission occurring on or before the date of this Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, claims for contribution, indemnity and/or subrogation, and claims arising out of, or relating to this Agreement and all other agreements between any Releasor and any HR Releasee, the sale of a franchise to any Releasor, the development of any Franchised Restaurant and the development and operation of all other restaurants operated by any Releasor that are or were franchised by HR or its parents, subsidiaries, affiliates or predecessors. Developer (on behalf of Releasors) expressly agrees that fair consideration has been given by HR for this release and fully understands that this is a negotiated, complete and final release of all claims. This release does not include a release of claims arising from representations in the Hardee's Franchise Disclosure Document provided to Developer in connection with this Agreement or any claims arising under any applicable state or federal franchise laws regulating the offer or sale of the franchise for this Agreement as of the date of this Agreement (including without limitation the FTC Rule on Franchising (16 C.F.R. Part 436).

12. COVENANTS

A. Best Efforts

During the Development Term, Developer and the Development Principal shall devote their best efforts to the development, management and operation of the Franchised Restaurants in the Development Territory.

B. Confidentiality

Developer acknowledges and agrees that: **(1)** HR owns all right, title and interest in and to the Hardee's System; **(2)** the Hardee's System includes trade secrets and confidential and proprietary information and know-how that give HR a competitive advantage; **(3)** the trade secrets and confidential and proprietary information and know-how derive independent economic value to HR from not being generally known to and not readily ascertainable by others; **(4)** HR has taken all measures appropriate to protect the trade secrets and the confidentiality of the proprietary information and know-how of the Hardee's System; **(5)** all material or other information now or hereafter provided or disclosed to Developer regarding the Hardee's System is disclosed in confidence; **(6)** Developer has no right to disclose any part of the Hardee's System to anyone who is not an employee of Developer; **(7)** Developer will disclose to its employees only those parts of the Hardee's System that an employee needs to know; **(8)** Developer will have a system in place to ensure that its employees keep confidential HR's and CJR's trade secrets and confidential and proprietary information, and, if requested by HR, Developer shall obtain from those of its employees designated by HR an executed Confidential Disclosure Agreement in the form prescribed by HR; **(9)** by entering into this Agreement, Developer does not acquire any ownership interest in the Hardee's System; and **(10)** Developer's use or duplication of the Hardee's System or any part of the Hardee's System in any other business, or disclosure of any part of the Hardee's System to others for use or duplication in any other

business, would constitute an unfair method of competition, for which HR and/or CJR would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

Developer shall not, during the Development Term or at any time thereafter, communicate or disclose any trade secrets or confidential or proprietary information or know-how of the Hardee's System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the Hardee's System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that HR or its affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

If Developer develops any new concepts, processes or improvements relating to the Hardee's System, Developer promptly shall notify HR and provide HR with all information regarding the new concept, process or improvement, all of which shall become the property of HR and its affiliates and which may be incorporated into the Hardee's System without any payment to Developer. Developer promptly shall take all actions deemed necessary or desirable by HR to vest in HR ownership of such concepts, processes or improvements.

C. Restrictions

(1) Developer acknowledges and agrees that: **(a)** pursuant to this Agreement, Developer will have access to valuable trade secrets, specialized training and other confidential information from HR and/or its affiliates regarding the development, operation, product preparation and sales, market and operations research, advertising and marketing plans and strategies, purchasing, sales and marketing methods and techniques of HR and its affiliates and the Hardee's System; **(b)** the know-how regarding the Hardee's System and the opportunities, associations and experience acquired by Developer pursuant to this Agreement are of substantial value; **(c)** in developing the Hardee's System, HR and its affiliates have made substantial investments of time, effort, and money; **(d)** HR would be unable adequately to protect the Hardee's System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable adequately to encourage a free exchange of ideas and information among operators of Hardee's Restaurants if franchisees or developers were permitted to engage in the activities described in Section 12.C.(2)(a) or to hold interests in the businesses described in Section 12.C.(2)(b); **(e)** all restaurants operating in a quick-service format are substantial and direct competitors of the Hardee's System; and **(f)** the restrictions on Developer's right to hold interests in, or perform services for, the businesses described in Section 12.C.(2)(b) will not unduly limit its activities.

(2) Accordingly, Developer covenants and agrees that, except with HR's prior written consent, during the Development Term, and for a continuous period of 2 years following its expiration, Transfer, or termination, Developer shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with, any person, firm, partnership, corporation, or other entity:

(a) Divert or attempt to divert any business or customer, or potential business or customer, of any Hardee's Restaurant to any competitor, by direct or indirect inducement or otherwise.

(b) Own, maintain, operate, engage in, grant a franchise to, advise, help, make loans to, lease property to sell the real property underlying any Franchised Restaurant and related assets to, or have any interest in, either directly or indirectly, any restaurant business: **(i)** whose sales of Designated Entrée Items (as defined below) during any daypart are reasonably likely to account collectively for 20% or more of the restaurant's sales of all entrée items during that daypart; **(ii)** that features or promotes any Designated Entrée Item in its advertising; or **(iii)** that operates in a quick-service format (with or without table service). For purposes of the previous sentence, the term "Designated Entrée Items" means any

hamburger sandwich, chicken sandwich, breakfast sandwich and any other entrée item of a type designated by HR as part of the Hardee's System or by HR at any time during the Development Term. During the Development Term, there is no geographical limitation on this restriction. Following the expiration, transfer or termination of this Agreement, this restriction shall apply within the Development Territory, within 2 miles of the border of the Development Territory and within a 2-mile radius of any then-existing Hardee's Restaurant. This restriction shall not apply to Developer's existing restaurant or foodservice operations, if any, which are identified in Appendix B, nor shall it apply to other restaurants operated by Developer that are franchised by HR or its affiliates.

If any part of these restrictions is found to be unreasonable in time or distance, each month of time or mile of distance may be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court to that deemed reasonable. If, at any time during the 2-year period following the expiration, Transfer or termination of this Agreement, Developer fails to comply with its obligations under this Section, that period of noncompliance will not be credited toward Developer's satisfaction of the 2-year obligation.

D. Modification

HR shall have the right, in its sole discretion, to reduce the scope of any covenant in this Section 12 effective immediately upon Developer's receipt of written notice, and Developer agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 20.

E. Applicability

The restrictions contained in this Section 12 shall apply to Developer and all guarantors of Developer's obligations. With respect to each guarantor, these restrictions shall apply until 2 years after the earlier of: **(i)** the expiration, Transfer or termination of this Agreement; or **(ii)** the date the guarantor ceases to be the Development Principal, a stockholder, member of the Continuity Group or a 10% Owner (or, if a guarantor is the spouse of a person holding one or more of these positions, the date the person ceases to hold the applicable positions). The restrictions contained in this Section 12 shall not apply to ownership of less than a 5% legal or beneficial ownership in the outstanding equity securities of any publicly held corporation. The existence of any claim Developer or any guarantor of Developer's obligations may have against HR or its affiliates, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by HR of the covenants in this Section 12.

At HR's request, unless otherwise prohibited by law, Developer will obtain covenants similar in substance to those set forth in this Section 12 from any of its stockholders, managers, directors, members, officers, or restaurant managers and from family members of guarantors.

F. Injunctive Relief

Developer acknowledges and agrees that violation of the covenants contained in this Section 12 will result in immediate and irreparable injury to HR for which money damages are not an adequate remedy. Therefore, in addition to being responsible for any damages caused to HR arising from Developer's violation of this Section 12, HR shall be entitled to seek the entry of an injunction prohibiting any conduct by Developer in violation of this Section 12.

13. TERMINATION

A. Grounds for Termination

In addition to the grounds for termination that may be stated elsewhere in this Agreement, HR may terminate this Agreement, and the rights granted by this Agreement, upon written notice to Developer without an opportunity to cure upon the occurrence of any of the following events:

(1) Developer fails to provide HR with a fully-executed lease or sublease, or proof of purchase of the real property, for a proposed site by the applicable Property Control Date listed in Appendix B.

(2) Developer fails to open an Authorized Site by the Opening Date listed in Appendix B.

(3) At any time during the Development Term, Developer fails to have open and operating the minimum cumulative number of Franchised Restaurants required by the Development Schedule.

(4) Developer begins construction of a Franchised Restaurant at a site before Developer has received a fully-executed Franchise Agreement and paid HR the Initial Franchise Fee.

(5) Developer is insolvent or is unable to pay its creditors (including HR); files a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against Developer a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization, which is not dismissed within 60 days of the filing; Developer makes an assignment for the benefit of creditors; or a receiver or trustee is appointed for Developer and not dismissed within 60 days of the appointment.

(6) Execution is levied against Developer's business or property; suit to foreclose any lien or mortgage against the premises or equipment of any Franchised Restaurant developed hereunder is instituted against Developer and is not dismissed within 60 days; or the real or personal property of any Franchised Restaurant developed hereunder shall be sold after levy thereupon by any sheriff, marshal or constable.

(7) There is a material breach by Developer of any obligation under Section 12.

(8) Any Transfer that requires HR's prior written consent occurs without Developer having obtained that prior written consent.

(9) HR discovers that Developer made a material misrepresentation or omitted a material fact in the information that was furnished to HR in connection with its decision to enter into this Agreement.

(10) Developer knowingly falsifies any report required to be furnished HR or makes any material misrepresentation in its dealings with HR or fails to disclose any material facts to HR.

(11) Developer, the Development Principal, any stockholder, member, partner, director or officer of Developer, any member of the Continuity Group or any 10% Owner is convicted of, or pleads no contest to, a felony charge, a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole opinion of HR, to adversely affect HR, its affiliates or the Hardee's System.

(12) Developer, the Development Principal, any member of the Continuity Group, any 10% Owner or any Affiliated Entity remains in default beyond the applicable cure period: **(a)** under any other agreement with HR or its affiliates; **(b)** under any real estate lease, equipment lease, or financing instrument relating to a Franchised Restaurant; or **(c)** with any vendor or supplier to a Franchised Restaurant; provided that if the default is not by Developer, Developer is given written notice of the default and 30 days to cure said default.

(13) Developer fails or refuses to comply with any other provision of this Agreement or any requirement of the Hardee's System and does not correct the failure or refusal within 30 days (10 days for monetary defaults) after receiving written notice of default. Except for monetary defaults, if the default cannot be corrected within 30 days, Developer shall have such additional time to correct the default as reasonably required (not to exceed 90 days) provided that Developer begins taking the actions necessary to correct the default during the 30-day cure period and diligently and in good faith pursues those actions to completion. Developer will be in default under this Section 13.A.(13) for any failure to materially comply with any of the requirements imposed by this Agreement, the Development Guide or otherwise in writing, or to carry out the terms of this Agreement in good faith.

If Developer has received 2 or more notices of default pursuant to this Section 13.A.(13) within the previous 12 months, HR shall be entitled to send Developer a notice of termination upon Developer's next default under this Section 13.A.(13) in that 12-month period without providing Developer an opportunity to remedy that default.

B. Statutory Limitations

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Section, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation.

14. OBLIGATIONS ON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement:

A. Developer shall have no further right to develop or open Franchised Restaurants in the Development Territory, except that Developer shall be entitled to complete and open a Franchised Restaurant for which a Commitment Agreement has been fully executed. Termination or expiration of this Agreement shall not affect Developer's right to continue to operate Franchised Restaurants that were open and operating as of the date this Agreement terminated or expired.

B. The limited exclusive rights granted Developer in the Development Territory shall terminate and HR shall have the right to operate or license others to operate Hardee's Restaurants anywhere in the Development Territory.

C. Developer promptly shall return to HR all materials and information furnished by HR or its affiliates, except materials and information furnished with respect to a Franchised Restaurant for which there is an effective commitment agreement or a Franchised Restaurant which is open and operating pursuant to an effective franchise agreement.

D. Developer and all persons and entities subject to the covenants contained in Section 12 shall continue to abide by those covenants and shall not, directly or indirectly, take any action that violates those covenants.

E. Developer immediately shall pay HR and its affiliates all sums due and owing HR or its affiliates pursuant to this Agreement.

F. HR shall retain the Development Fee, including any remaining (unused) balance on account with HR.

G. Developer shall furnish HR, within 30 days after the effective date of termination or expiration, evidence (certified to be true, complete, accurate and correct by an authorized officer of Developer) satisfactory to HR of Developer's compliance with Sections 14.A. through 14.E.

H. Developer shall not, except with respect to a restaurant franchised by HR or its affiliates which is then open and operating pursuant to an effective franchise agreement or a restaurant franchised by HR or its affiliates for which there is an effective commitment agreement: **(1)** operate or do business under any name or in any manner that might tend to give the public the impression that Developer is connected in any way with HR or its affiliates or has any right to use the Hardee's System; **(2)** make, use or avail itself of any of the materials or information furnished or disclosed by HR or its affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or **(3)** assist anyone not licensed by HR or its affiliates to construct or equip a foodservice outlet substantially similar to a Hardee's Restaurant.

15. RELATIONSHIP OF THE PARTIES

This Agreement does not create a fiduciary or other special relationship between the parties. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Developer is not and shall not hold itself out as agent, legal representative, partner, subsidiary, joint venturer or employee of HR or its affiliates or a joint employer with HR or its affiliates. Developer shall have no right or power to, and shall not, bind or obligate HR or its affiliates in any way or manner, nor represent that Developer has any right to do so. Developer shall not issue any press releases without the prior written approval of HR.

Developer is an independent contractor and is solely responsible for all aspects of the development and operation of the Franchised Restaurants, subject only to the conditions and covenants established by this Agreement and the Franchise Agreements. Without limiting the generality of the foregoing, Developer acknowledges that HR has no responsibility to ensure that the Franchised Restaurants are developed and operated in compliance with all applicable laws, ordinances and regulations and that HR shall have no liability in the event the development or operation of the Franchised Restaurants violates any law, ordinance or regulation.

The sole relationship between Developer and HR is a commercial, arms' length business relationship and, except as provided in Section 16, there are no third party beneficiaries to this Agreement. Developer's business is, and shall be kept, totally separate and apart from any that may be operated by HR. In all public records, in relationships with other persons, and on letterheads and business forms, Developer shall indicate its independent ownership of the Franchised Restaurants and that Developer is solely a franchisee of HR.

16. INDEMNIFICATION

A. Developer and all guarantors of Developer's obligations under this Agreement shall, at all times, indemnify, defend (with counsel reasonably acceptable to HR), and hold harmless (to the fullest extent permitted by law) HR and its parents and affiliates, and their respective predecessors, successors, assigns, past and present stockholders, directors, managers, officers, members, employees, agents and

representatives (collectively "Indemnitees"), from and against all "losses and expenses" (as defined below) incurred in connection with any action, suit, proceeding, claim, demand, investigation, inquiry (formal or informal), judgment or appeal thereof by or against Indemnitees or any settlement thereof (whether or not a formal proceeding or action had been instituted), arising out of or resulting from or connected with Developer's activities under this Agreement, excluding the gross negligence or willful misconduct of HR. Developer promptly shall give HR written notice of any such action, suit, proceeding, claim, demand, inquiry or investigation filed or instituted against Developer and, upon request, shall furnish HR with copies of any documents from such matters as HR may request.

At Developer's expense and risk, HR may elect to assume (but under no circumstances will HR be obligated to undertake), the defense and/or settlement of any action, suit, proceeding, claim, demand, investigation, inquiry, judgment or appeal thereof subject to this indemnification. Such an undertaking shall, in no manner or form, diminish Developer's obligation to indemnify and hold harmless Indemnitees. HR shall not be obligated to seek recoveries from third parties or otherwise mitigate losses.

B. As used in this Section, the phrase "losses and expenses" shall include, but not be limited to: all losses; compensatory, exemplary and punitive damages; fines; charges; costs; expenses; lost profits; reasonable attorneys' fees; expert witness fees; court costs; settlement amounts; judgments; compensation for damages to HR's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

17. CONSENTS, APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of HR, Developer shall make a timely written request to HR therefor; and any approval or consent received, in order to be effective and binding upon HR, must be obtained in writing and be signed by an authorized officer of HR.

B. HR makes no warranties or guarantees upon which Developer may rely by providing any waiver, approval, consent or suggestion to Developer in connection with this Agreement, and assumes no liability or obligation to Developer therefor, or by reason of any neglect, delay, or denial of any request therefor. HR shall not, by virtue of any approvals, advice or services provided to Developer, assume responsibility or liability to Developer or to any third parties to which HR would not otherwise be subject.

C. No failure of HR to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Developer with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of HR's right to demand exact compliance with any of the terms of this Agreement. A waiver by HR of any particular default by Developer shall not affect or impair HR's rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of HR to exercise any power or right arising out of any breach or default by Developer of any of the terms, provisions or covenants of this Agreement affect or impair HR's right to exercise the same, nor shall such constitute a waiver by HR of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of the Development Term. Subsequent acceptance by HR of any payments due to it hereunder shall not be deemed to be a waiver by HR of any preceding breach by Developer of any terms, covenants or conditions of this Agreement. HR has entered, and will continue to enter, into agreements with other developers and franchisees. The manner in which HR enforces its rights, and the developers' or franchisees' obligations, under any of those other agreements shall not affect the ability of HR to enforce its rights or Developer's obligations under this Agreement.

18. NOTICES

No notice, demand, request or other communication to the parties shall be binding upon the parties unless the notice is in writing, refers specifically to this Agreement and is addressed to: **(A)** if to Developer, addressed to Developer at the notice address set forth in Appendix B; and **(B)** if to HR, addressed to HR at its principal offices, current address: 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067 (marked Attn: Kerry Olson, General Counsel) (Email: kolson@ckr.com), with a copy of the notice to the Franchise Legal Team (Email: legal@ckr.com). Any party may designate a new address for notices by giving written notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first rejection) and may be: **(1)** delivered personally; **(2)** transmitted by email to the address set forth above (or in Appendix B) with electronic confirmation of receipt; **(3)** mailed in the United States mail, postage prepaid, certified mail, return receipt requested; or **(4)** mailed via overnight courier.

19. FORCE MAJEURE

As used in this Agreement, the term "Force Majeure" means any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government or other third party and any other cause not within the control of the party affected thereby. Developer's inability to obtain financing (regardless of the reason) shall not constitute Force Majeure. If the performance of any obligation by any party under this Agreement is prevented, hindered or delayed by reason of Force Majeure, which cannot be overcome by reasonable commercial measures, the parties shall be relieved of their respective obligations (to the extent that the parties, having exercised best efforts, are prevented, hindered or delayed in such performance) during the period of such Force Majeure. The party whose performance is affected by an event of Force Majeure shall give prompt written notice of such Force Majeure event to the other party by setting forth the nature thereof and an estimate as to its duration. Notwithstanding the foregoing, nothing in this Section shall permit or excuse any delay or failure to remit any payment due the other party on the due date.

20. ENTIRE AGREEMENT

HR and Developer acknowledge that each element of this Agreement is essential and material and that, except as otherwise provided in this Agreement, the parties shall deal with each other in good faith. This Agreement, the Development Guide, the documents referred to herein, and the attachments hereto, constitute the entire, full and complete agreement between the parties concerning Developer's rights in the Development Territory and HR's acceptance of sites for Franchised Restaurants, and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth herein, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in the Hardee's Franchise Disclosure Document provided to Developer.

21. SEVERABILITY AND CONSTRUCTION

A. Each article, paragraph, subparagraph, term and condition of this Agreement, and any portions thereof, will be considered severable. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to, or in conflict with, any applicable present or future law, rule or regulation in a final, unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in

a proceeding to which HR is a party, that ruling will not impair the operation of, or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the parties and continue to be given full force and effect.

B. Except as otherwise provided in Section 16, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Developer and HR and its affiliates and such of their heirs, successors and assigns, any rights or remedies under or by reason of this Agreement.

C. Developer expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which HR is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. No provision of this Agreement shall be interpreted in favor of, or against, any party because of the party that drafted this Agreement.

E. Whenever HR has expressly reserved in this Agreement a right and/or discretion to take or withhold an action, or to grant or decline to grant Developer a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, HR may make such decision or exercise its right and/or discretion on the basis of its judgment of what is in its best interests. This also applies if HR is deemed to have a right and/or discretion. HR's judgment of what is in the best interests of the Hardee's System, at the time its decision is made or its right or discretion is exercised, can be made without regard to whether: **(1)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by HR; **(2)** HR's decision or the action taken promotes its financial or other individual interest; **(3)** HR's decision or the action taken applies differently to Developer and one or more other developers or franchisees or HR company-operated or affiliate-operated operations; or **(4)** HR's decision or the action taken is adverse to Developer's interests. HR will have no liability to Developer for any such decision or action. HR and Developer intend that the exercise of HR's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, HR and Developer agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants HR the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Developer's rights and obligations under this Agreement.

F. Developer agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of HR will have any liability for: **(1)** any obligations or liabilities of HR relating to or arising from this Agreement; **(2)** any claim against HR based on, in respect of, or by reason of the relationship between Developer and HR; or **(3)** any claim against HR based on any alleged unlawful act or omission of HR. This provision does not include a release of claims arising from representations in the Hardee's Franchise Disclosure Document provided to Franchisee in connection with this Agreement or any claims arising under any applicable state or federal franchise laws regulating the offer or sale of the franchise for this Agreement (including without limitation the FTC Rule on Franchising (16 C.F.R. Part 436)).

22. GOVERNING LAW, FORUM AND LIMITATIONS

A. This Agreement and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall

be governed by and construed in accordance with the laws of the State of Tennessee without regard to conflicts of laws principles. Nothing in this Section is intended, or shall be deemed, to make any Tennessee law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.

B. The parties agree that, to the extent any disputes cannot be resolved directly between them, Developer shall file any suit against HR only in the federal or state court having jurisdiction where HR's principal offices are located at the time suit is filed. HR may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Developer resides or does business or where the Development Territory or any Franchised Restaurant is or was located or where the claim arose. Developer consents to the personal jurisdiction of those courts over Developer and venue in those courts.

C. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Developer) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

D. Developer and HR waive, to the fullest extent permitted by law, any right or claim of any consequential, punitive or exemplary damages against each other and agree that, in the event of a dispute between them, each shall be limited to the recovery of actual damages sustained by it. **Developer and HR waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suits and the right to trial by jury.**

E. If either party brings an action to enforce this Agreement in a judicial proceeding, the party prevailing in that proceeding shall be entitled to reimbursement of costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, the cost of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of, the proceeding. If HR utilizes legal counsel (including in-house counsel employed by HR) in connection with any failure by Developer to comply with this Agreement, Developer shall reimburse HR for any of the above-listed costs and expenses incurred by HR. In any judicial proceeding, the amount of these costs and expenses will be determined by the court and not by a jury.

F. No right or remedy conferred upon or reserved to HR or Developer by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy. The provisions of this Section 22 shall survive the expiration or earlier termination of this Agreement.

G. HR has entered, and will continue to enter, into agreements with other developers and franchisees. The manner in which HR enforces its rights, and the developers' or franchisees' obligations, under any of those other agreements shall not affect the ability of HR to enforce its rights or Developer's obligations under this Agreement.

23. MISCELLANEOUS

A. Gender and Number

All references to gender and number shall be construed to include such other gender and number as the context may require.

B. Captions

All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision of this Agreement.

C. Counterparts

This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed an original. This Agreement may be signed using electronic signatures, and such signatures will have full legal force and effect.

D. Time

Time is of the essence of this Agreement for each provision in which time is a factor. Whenever this Agreement refers to a period of days or months, the first day or month to be counted shall be the day or month of the designated action, event or notice. Days shall be measured by calendar days, except that if the last day of a period is a Saturday, Sunday or national holiday, the period automatically shall be extended to the next day that is not a Saturday, Sunday or national holiday.

E. Injunctive Relief

Developer recognizes that its failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with all post-termination obligations, is likely to cause irreparable harm to HR, its affiliates, the Hardee's System. Therefore, Developer agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Developer, HR shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by HR shall be in addition to, and not in lieu of, all remedies and rights that HR otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

F. Authority

All information Developer provided to HR in connection with Developer's franchise application and HR's grant of the development rights is truthful, complete and accurate. The persons signing this Agreement on behalf of Developer have full authority to enter into this Agreement and the other agreements contemplated by the parties. Execution of this Agreement or such other agreements by Developer does not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Developer or any person with an ownership interest in Developer is a party.

G. Variations

HR has the right, in its sole discretion, to waive, defer, or permit variations from the standards of the Hardee's System, franchisee, prospective developer or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, trade area population or any other condition or circumstance. HR has the right, in its sole discretion, to deny any such request HR believes would not be in the best interests of the Hardee's System.

H. Compliance with U.S. Laws

Developer acknowledges that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 ("Order"), HR is prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Order. Accordingly, Developer represents and warrants to HR that, as of the date of this Agreement, neither Developer nor any person holding any ownership interest in Developer, controlled by Developer, or under common control with Developer is designated under the Order as a person with whom business may not be transacted by HR, and that Developer: **(1)** does not, and hereafter shall not, engage in any terrorist activity; **(2)** is not affiliated with and does not support any individual or entity engaged in, contemplating or supporting terrorist activity; and **(3)** is not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating or supporting terrorist activity, or to otherwise support or further any terrorist activity.

I. FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, WISCONSIN

If Developer is a resident of one of the states listed in the heading of this Section 23.I (the "Applicable Franchise Registration State") or a non-resident who is acquiring franchise rights permitting the location of a Franchised Restaurant in the Applicable Franchise Registration State, then the following applies:

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.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: _____

Title: _____

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

GUARANTEE AND ASSUMPTION OF DEVELOPER'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Hardee's Restaurant Development Agreement dated as of _____ ("Agreement") by Hardee's Restaurants LLC ("HR"), entered into with _____ ("Developer"), the undersigned ("Guarantors"), each of whom is a member of Developer's Continuity Group or a 10% Owner, or the spouse thereof, hereby personally and unconditionally agree as follows:

1. Guarantee To Be Bound by Certain Obligations. Guarantors hereby personally and unconditionally guarantee to HR and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that each will be personally bound by the restrictions contained in Section 12 of the Agreement.

2. Guarantee and Assumption of Developer's Obligations. Guarantors hereby: **(A)** guarantee to HR and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that Developer and any assignee of Developer's interest under the Agreement shall: **(1)** punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and **(2)** punctually pay all other monies owed to HR and/or its affiliates; **(B)** agree to be personally bound by each and every provision in the Agreement, including, without limitation, the provisions of Sections 12 and 16; and **(C)** agree to be personally liable for the breach of each and every provision in the Agreement.

3. General Release. Except as set forth at the end of this Section 3, each Guarantor (if an individual, on behalf of him/herself and his/her heirs, representatives, successors and assigns, and if a business entity, on behalf of itself and its parent, subsidiaries and affiliates) (each a "Releasor" and collectively, "Releasors"), freely and without any influence, forever releases and covenants not to sue HR, its parents, subsidiaries, affiliates, predecessors and successors and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities (collectively, "HR Releasees"), from any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively "claims"), that any Releasor now owns or holds or may in the future own or hold, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omission occurring on or before the date of this Guarantee, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, claims for contribution, indemnity and/or subrogation, and claims arising out of, or relating to the Agreement and all other agreements between any Releasor and any HR Releasee, the sale of a franchise to any Releasor, the development of any Franchised Restaurant and the development and operation of all other restaurants operated by any Releasor that are or were franchised by HR or its parents, subsidiaries, affiliates or predecessors. Each Guarantor (on behalf of the applicable Releasors) expressly agrees that fair consideration has been given by HR for this release and fully understands that this is a negotiated, complete and final release of all claims. This release does not include a release of claims arising from representations in the Hardee's Franchise Disclosure Document provided to any Releasor in connection with the Agreement or any claims arising under any applicable state or federal franchise laws regulating the offer or sale of the franchise for the Agreement as of the date of the Agreement (including without limitation the FTC Rule on Franchising (16 C.F.R. Part 436).

4. General Terms and Conditions. The following general terms and conditions shall apply to this Guarantee:

A. Each of the undersigned waives: **(1)** acceptance and notice of acceptance by HR of the foregoing undertakings; **(2)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; **(3)** protest and notice of default to any party with respect to the

indebtedness or nonperformance of any obligations hereby guaranteed; **(4)** any right he may have to require that an action be brought against Developer or any other person as a condition of liability; **(5)** all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Developer arising as a result of the execution of and performance under this Guarantee by the undersigned; **(6)** any law or statute which requires that HR make demand upon, assert claims against or collect from Developer or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Developer or any others prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guarantee; **(7)** any and all other notices and legal or equitable defenses to which he may be entitled; and **(8)** any and all right to have any legal action under this Guarantee decided by a jury.

B. Each of the undersigned consents and agrees that: **(1)** his direct and immediate liability under this Guarantee shall be joint and several; **(2)** he shall render any payment or performance required under the Agreement if Developer fails or refuses punctually to do so; **(3)** such liability shall not be contingent or conditioned upon pursuit by HR of any remedies against Developer or any other person; **(4)** such liability shall not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which HR may from time to time grant to Developer or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this Guarantee, which shall be continuing and irrevocable during the term of the Agreement and for so long thereafter as there are monies or obligations owing from Developer to HR or its affiliates under the Agreement; and **(5)** monies received from any source by HR for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by HR. In addition, if any of the undersigned ceases to be a member of the Continuity Group, a 10% Owner, or own any direct or indirect interest in Developer or any of the Franchised Restaurants, that person (and his spouse, if the spouse is also a guarantor) agrees that the obligations under this Guarantee shall continue to remain in force and effect unless HR in its sole discretion, in writing, releases those person(s) from this Guarantee. Notwithstanding the provisions of the previous sentence, unless prohibited by applicable law, the obligations contained in Section 12.C. of the Agreement shall remain in force and effect for a period of 2 years after any such release by HR. A release by HR of any of the undersigned shall not affect the obligations of any other Guarantor.

C. If HR brings an action to enforce this Guarantee in a judicial proceeding or arbitration, the prevailing party in such proceeding shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. In any judicial proceeding, these costs and expenses shall be determined by the court and not by a jury.

D. If HR utilizes legal counsel (including in-house counsel employed by HR or its affiliates) in connection with any failure by the undersigned to comply with this Guarantee, the undersigned shall reimburse HR for any of the above-listed costs and expenses incurred by it.

E. If any of the following events occur, a default ("Default") under this Guarantee shall exist: **(1)** failure of timely payment or performance of the obligations under this Guarantee; **(2)** breach of any agreement or representation contained or referred to in this Guarantee; **(3)** the dissolution of, termination of, existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or the commencement of any insolvency or bankruptcy proceeding by or against, any of the undersigned; and/or **(4)** the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any property of or

debts due any of the undersigned. If a Default occurs, the obligations of the undersigned shall be due immediately and payable without notice. Upon the death of one of the undersigned, the estate shall be bound by this Guarantee for all obligations existing at the time of death. The obligations of the surviving Guarantors shall continue in full force and effect.

F. This Guarantee shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. HR's interests in and rights under this Guarantee are freely assignable, in whole or in part, by HR. Any assignment shall not release the undersigned from this Guarantee.

G. Sections 22.A. through 22.D. of the Agreement are incorporated by reference into this Guarantee and all capitalized terms that are not defined in this Guarantee shall have the meaning given them in the Agreement.

[*Signatures on following page.*]

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature, under seal.

GUARANTORS:

Date: _____ _____

Print Name: _____

Address: _____

Date: _____ _____

Print Name: _____

Address: _____

Date: _____ _____

Print Name: _____

Address: _____

Date: _____ _____

Print Name: _____

Address: _____

APPENDIX A

DEVELOPMENT TERRITORY

The Development Territory shall be:

Developer's rights in the Development Territory shall be subject to the limitations described in Section 2. Any political boundaries contained in the description of the Development Territory shall be considered fixed as of the date of this Agreement and shall not change notwithstanding a political reorganization or a change in those boundaries. Unless otherwise specified, all street, road and highway boundaries shall be deemed to include only the inside portion of the stated boundary.

APPENDIX B

DEVELOPMENT INFORMATION

1. **Development Fee (Section 4).** The Development Fee paid by Developer is $_____.

2. **Development Schedule (Section 3.A.).** As of the date of the Development Agreement, Developer and its affiliates operate _____ Franchised Restaurants in the Development Territory ("Existing Restaurants"). During the Development Term, Developer shall develop _____ new Franchised Restaurants in the Development Territory ("New Restaurants"), so that, as of each Opening Date listed below, Developer (and its affiliates) are operating at least the following cumulative number of Existing and New Restaurants:

Number of New Restaurants	Property Control Date	Opening Date	Cumulative Number of Existing and New Restaurants To Be Open and Operating in the Development Territory by the Opening Date, Including the New Restaurants To Be Established

3. **Interests in Other Restaurants (Section 12.C.(2)(b)).** _____

4. **Developer's Notice Address (Section 18).** _____

5. **[HR's Repurchase Option.** In the event the Development Agreement is entered into as part of an Asset Purchase Agreement where Developer is acquiring company-operated Existing Restaurants from HR, the following shall apply:

   HR shall have the right to repurchase the Existing Restaurants and any New Restaurants in the event that Developer is in Material Noncompliance (as defined below) with its obligation with respect to the timely development of any of the first _____ (__) New Restaurants to be developed under the Development Agreement (the "Repurchase Option"), under the terms set forth in Section __ of the Asset Purchase Agreement, which are incorporate herein by reference, including without limitation the purchase price . Material Noncompliance shall mean Developer's failure to obtain site approval for a New Restaurant or open a New Restaurant within one (1) year after the site approval or opening date set forth in Development Schedule under the Development Agreement, or Developer's admission that it will not be able to develop one or more of the New Restaurants within one (1) year of the scheduled opening date under the Development Agreement. Such one (1) year period shall be extended upon the occurrence of a Force Majeure event as defined in the Development Agreement, but only to the extent such event prevents, hinders or delays Developer's performance in excess of such one (1) year period. HR shall not be required to provide Developer a notice and cure period prior to exercising the Repurchase Option, and HR's right to exercise its Repurchase Option shall continue for so long as the Development Agreement remains in Material Noncompliance. Upon the opening of Developer's _____ (___) New Restaurant, HR's Repurchase Option shall terminate.]

APPENDIX C

OWNERSHIP INTERESTS

If Developer is a business entity, the following is a list of all holders of a direct or indirect equity interest in Developer and their respective percentage interests:

Name	Address	Ownership Interest

Type of Business Entity: _____

CONTINUITY GROUP AND DEVELOPMENT PRINCIPAL

Developer's Continuity Group shall be comprised of the following persons:

_____

Developer's Development Principal is:

_____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT 1

FRANCHISE LEASE ADDENDUM

HARDEE'S LEASE ADDENDUM

THIS ADDENDUM to the Lease Agreement dated as of _____ ("Lease") between _____("Landlord") and _____("Tenant") is entered into as of the effective date of the Lease.

RECITALS:

Pursuant to the Lease, Landlord will lease or has leased to Tenant certain real property as defined in the Lease ("Premises") for the operation of a franchised Hardee's Restaurant ("Restaurant");

Tenant will develop and operate the Restaurant pursuant to a franchise agreement (the "Franchise Agreement") with Hardee's Restaurants LLC or its affiliates (collectively "HR"), and the Lease is contingent upon Tenant's execution of the Franchise Agreement with HR; and

The Franchise Agreement requires, among other things, that the Lease contain certain provisions. Landlord and Tenant desire to modify the Lease to add those required provisions as set forth below, and agree that the terms and provisions of this Lease Addendum are hereby deemed incorporated into and made a part of the Lease.

NOW, THEREFORE, notwithstanding anything to the contrary elsewhere in the Lease, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

1. The effectiveness of the Lease is contingent upon Tenant's execution of the Franchise Agreement with HR within 30 days after the date of this Addendum.

2. Landlord consents to Tenant's use of the proprietary signs, distinctive exterior and interior designs, colors and layouts, and the trademarks prescribed by HR (collectively, "Proprietary Marks"), and upon expiration or the earlier termination of the Lease, consents to permit Tenant, at Tenant's expense, to remove all such items and other trade fixtures, so long as Tenant makes repairs to the Premises caused by such removal.

3. Landlord and Tenant each agrees to provide HR (at the same time as sent to the other party) a copy of all amendments, assignments, any notices of default, option and refusal rights notices and any other material documents or correspondence or notices pertaining to the Lease and the Premises, including without limitation, tenant estoppel certificates and subordination agreements. HR's mailing address, until further notice, for this purpose is Attention: Franchise Legal Team, 6700 Tower Circle, Suite 1000, Franklin, TN 37067.

4. Following reasonable notice to Landlord, HR shall have the right to enter the Premises to make any modifications or alterations necessary to protect the "Hardee's Restaurant System" and the Proprietary Marks and to cure any Tenant default under the Lease within the time periods provided by the Lease, and charge Tenant for all costs incurred in making such modifications or alterations and for curing any such default, all without being guilty of trespass or other tort.

5. Landlord agrees that Tenant, and not HR, shall be solely responsible for all obligations, debts and payments under the Lease and that HR shall have no liability in that regard.

6. Landlord agrees that, following the expiration or earlier termination of the Lease or the Franchise Agreement, Tenant shall have the right to make those alterations and modifications (including removal and

demolition of improvements installed by Tenant or HR if necessary) to the Premises or any part thereof as may be necessary to clearly distinguish to the public the Premises from a Hardee's Restaurant and also to make those specific additional changes as HR reasonably may require for that purpose. This includes, but is not limited to, removal of all Proprietary Marks. Landlord further agrees that, if Tenant fails to promptly make the necessary alterations and modifications, HR shall have the right to do so without being guilty of trespass or other tort so long as HR makes repairs to the building caused by such removal.

7. Notwithstanding anything to the contrary contained in the Lease, Landlord agrees not to amend or otherwise modify the Lease in any manner that would affect any of the requirements set forth herein without HR's prior written consent.

8. Tenant may assign the Lease, or any right or rights therein (including without limitation purchase options or rights of first refusal), to HR or its parent, affiliates or subsidiaries (without Landlord's consent) or its designee (with Landlord's consent which consent shall not be unreasonably withheld) and without payment of any assignment fee or similar charge or increase in any rentals or other charges payable to Landlord.

9. Landlord consents to Tenant's collateral assignment of the Lease to HR or its designee, granting HR the option, but not the obligation, to assume the Lease and/or any or all rights therein.

10. If Tenant fails to exercise, for any reason, any term renewal or term extension right under the Lease, then HR may exercise such right, and upon the exercise of such right by HR, Tenant agrees that the Lease shall be deemed transferred and assigned to HR, effective upon the commencement of the renewal or extension term, without any further action of the parties, and Landlord consents to such transfer and assignment, and Tenant shall remain obligated under the Lease. If Tenant fails to exercise, for any reason, any purchase option or right of first refusal or similar right under the Lease, then HR may exercise such right, and upon the exercise of such right by HR, Tenant agrees that such right shall be deemed transferred and assigned to HR without any further action of the parties, and Landlord consents to such transfer and assignment, and Tenant shall remain obligated under the Lease. Landlord and Tenant acknowledge that HR's exercise of the foregoing rights is subject to Tenant's right to exercise such rights, and that if Tenant legally exercises such right within the time permitted under the Lease, HR's exercise of such rights, whether before or after Tenant's exercise, shall be void.

11. HR is hereby deemed a third party beneficiary of this Addendum solely for the purpose of enforcing any rights granted to or otherwise available to HR under this Addendum.

12. Upon the expiration or termination of the Lease or Franchise Agreement, Landlord acknowledges and agrees that HR has the option, in accordance with its rights under the Franchise Agreement, to take an assignment of Tenant's rights and obligations under the Lease. HR may exercise its step-in rights by giving written notice to the Landlord at any time following such expiration or termination of the Lease or Franchise Agreement up until 30 days after the later of: **(1)** the effective date of termination or expiration of the Lease or Franchise Agreement; or **(2)** the date Tenant ceases to operate the Restaurant

13. The foregoing provisions shall apply during the entire term of the Lease, including any renewal term. To the extent there is any conflict between the terms set forth in the body of the Lease and the terms set forth in this Lease Addendum, the terms of this Lease Addendum will control.

14. This Addendum may be executed in counterparts, and each copy so executed and delivered shall be deemed to be an original.

15. Each of the persons executing this Addendum on behalf of each party represents and warrants that said party has the full right, power and authority to execute and deliver this Addendum and that each person

signing on said party's behalf is authorized to do so.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

LANDLORD:

By:_____

Print Name:_____

Title:_____

Date:_____

TENANT:

By:_____

Print Name:_____

Title:_____

Date:_____

EXHIBIT D

FRANCHISE AGREEMENT

HARDEE'S RESTAURANT FRANCHISE AGREEMENT

TABLE OF CONTENTS

		Page
1.	GRANT OF FRANCHISE	2
2.	TERM	2
3.	LEASE TERMS	5
4.	CONSTRUCTION OF THE FRANCHISED RESTAURANT	5
5.	RIGHT TO OPEN THE FRANCHISED RESTAURANT	9
6.	FEES	10
7.	RECORDKEEPING AND REPORTS	12
8.	ADVERTISING AND PROMOTION	14
9.	OPERATION PROCEDURES MANUAL	16
10.	MODIFICATIONS OF THE SYSTEM	17
11.	TRAINING	18
12.	ADDITIONAL SERVICES BY HR	19
13.	PERFORMANCE STANDARDS AND UNIFORMITY OF OPERATION	21
14.	PROPRIETARY MARKS	30
15.	INSURANCE	32
16.	ORGANIZATION OF FRANCHISEE	34
17.	TRANSFERS BY HR	38
18.	TRANSFERS BY FRANCHISEE	38
19.	GENERAL RELEASE	42
20.	COVENANTS	43
21.	TERMINATION	45
22.	OBLIGATIONS ON TERMINATION OR EXPIRATION	48
23.	OPTION TO PURCHASE	49
24.	RELATIONSHIP OF THE PARTIES	51
25.	INDEMNIFICATION	52
26.	CONSENTS, APPROVALS AND WAIVERS	53
27.	NOTICES	53
28.	FORCE MAJEURE	53
29.	ENTIRE AGREEMENT	54
30.	SEVERABILITY AND CONSTRUCTION	54
31.	GOVERNING LAW, FORUM AND LIMITATIONS	55
32.	MISCELLANEOUS	56

GUARANTEE AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS
APPENDIX A - FRANCHISE INFORMATION
APPENDIX B - WEEKLY ROYALTY FEE
APPENDIX C - FRANCHISEE'S ADVERTISING AND PROMOTION OBLIGATION
APPENDIX D - OWNERSHIP INTERESTS
APPENDIX E – ACKNOWLEDGEMENT ADDENDUM
APPENDIX F – COMMENCEMENT DATE ADDENDUM
APPENDIX G – LEASE ADDENDUM
APPENDIX H – ACH AUTHORIZATION FORM
APPENDIX I – STAR UNIVERSITY LICENSE AGREEMENT

HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS AGREEMENT is made as of _____ by and between Hardee's Restaurants LLC ("HR"), a Delaware limited liability company, and _____ _____ ("Franchisee").

RECITALS:

A. As a result of the expenditure of time, skill, effort and money, HR and its predecessor have developed, and HR owns, a unique and distinctive system ("System") relating to the development, establishment and operation of quick service restaurants ("Hardee's Restaurants").

B. The distinguishing characteristics of the System include, without limitation, uniform and distinctive exterior and interior design, layout and trade dress, including specially designed decor and furnishings; an efficient kitchen and equipment layout featuring an automatic charbroiling cooking process; special recipes and menu items; procedures and techniques for food and beverage storage, preparation, service and sanitation; technical assistance and training through course instruction and manuals; and advertising and promotional programs. The System and its components may be changed, improved, and further developed by HR from time to time.

C. HR identifies the System by means of certain trade names, trademarks, service marks, trade dress, logos, insignias, slogans, emblems, symbols, designs and any combination thereof or any other indicia of source (collectively "Proprietary Marks") which HR has designated or may in the future designate for use with the System. The Proprietary Marks used to identify the System, including the principal Proprietary Marks, may be modified by HR and/or its affiliates from time to time.

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

E. Franchisee desires to obtain a license to use the System and to develop and continuously operate one Hardee's Restaurant ("Franchised Restaurant") at the location specified in attached Appendix A ("Franchised Location"), subject to the terms and conditions of this Agreement and in strict compliance with the standards and specifications established by HR.

F. Franchisee understands and acknowledges the importance of HR's high and uniform standards of quality, operations and service and the necessity of developing and operating the Franchised Restaurant (the "System Standards") in strict conformity with this Agreement, the Development Guide, and the Operation Procedures Manual ("OPM").

G. HR is willing to grant Franchisee a license to develop and operate the Franchised Restaurant at the Franchised Location, subject to the terms and conditions of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of HR's grant to Franchisee of the right to develop and operate a Franchised Restaurant at the Franchised Location during the term of this Agreement, as well as the mutual covenants, agreements and obligations set forth below, the parties agree as follows:

1. GRANT OF FRANCHISE

A. Grant

Subject to the provisions of this Agreement, HR hereby grants to Franchisee the nonexclusive right ("Franchise") to develop and continuously operate the Franchised Restaurant at the Franchised Location and to use the Proprietary Marks in the operation of the Franchised Restaurant. Franchisee may not operate the Franchised Restaurant at any site other than the Franchised Location or offer and sell products through any other method or channel of distribution. Further, Franchisee may not relocate the Franchised Restaurant without HR's prior written consent, which may be withheld by HR in its sole discretion. If HR approves a relocation of the Franchised Restaurant, it shall have the right to charge Franchisee for all reasonable expenses actually incurred in connection with consideration of the relocation request.

Franchisee agrees that it will at all times faithfully, honestly and diligently perform its obligations under this Agreement, that it will continuously exert its best efforts to promote and enhance the business of the Franchised Restaurant and that it will not engage in any other business or activity that may conflict with its obligations under this Agreement, except the operation of other Hardee's Restaurants or other restaurants operated by Franchisee that are franchised by HR or its affiliates or other restaurants as disclosed to HR by Franchisee in Appendix A.

B. No Exclusivity

This Agreement does not give Franchisee any exclusive rights to use the System or the Proprietary Marks in any geographic area. Nothing in this Agreement prohibits HR from, among other things: **(1)** operating or licensing others to operate at any location, during or after the term of this Agreement, any type of restaurant other than Hardee's Restaurants; **(2)** operating or licensing others to operate, during the term of this Agreement, Hardee's Restaurants at any location other than the Franchised Location; **(3)** operating or licensing others to operate, after this Agreement terminates or expires, Hardee's Restaurants at any location, including the Franchised Location; and **(4)** merchandising and distributing goods and services identified by the Proprietary Marks at any location through any other method or channel of distribution. HR reserves to itself all rights to use and license the System and the Proprietary Marks other than those expressly granted under this Agreement.

C. Forms of Agreement

Franchisee acknowledges that, over time, HR has entered, and will continue to enter, into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that HR and other franchisees may have different rights and obligations does not affect the duties of the parties to this Agreement to comply with the terms of this Agreement.

2. TERM

A. Initial Term

The Initial Term of this Agreement and the Franchise granted by this Agreement shall begin on the date of this Agreement and terminate at midnight on the day preceding the 20th anniversary of the date the Franchised Restaurant first opened for business, unless this Agreement is terminated at an earlier date pursuant to Section 21. HR shall complete and forward to Franchisee a Commencement Date Agreement

to memorialize the date the Franchised Restaurant first opened for business in the form substantially similar to Appendix F. Franchisee agrees to continuously operate the Franchised Restaurant during the Initial Term, and in the event of casualty to the Franchised Restaurant that requires its closure, Franchisee must reopen the Franchised Restaurant for business within six months following the event of casualty unless a different time period is agreed to in writing by HR.

Notwithstanding the foregoing, if, during the term of this Agreement, Franchisee, through no act or failure to act on its part (except the failure to extend the lease for the Franchised Location through the Initial Term of this Agreement), loses the right to possession of the Franchised Location, the Initial Term shall expire as of the date of the loss of the right to possession. However, if the right to possession is lost through no act or failure to act on Franchisee's part, Franchisee may relocate the Franchised Restaurant (without paying any additional initial franchise fee or transfer fee) at its expense and the Initial Term shall not expire if: **(1)** HR accepts the new location; **(2)** Franchisee constructs and equips a Franchised Restaurant at the new location in accordance with the then-current System Standards and specifications; **(3)** a Franchised Restaurant at the new location is open to the public for business within 6 months after the loss of possession of the Franchised Location; and **(4)** Franchisee reimburses HR for all reasonable expenses actually incurred by HR in connection with the acceptance of the new location.

B. Renewal Term

(1) At the expiration of the Initial Term, Franchisee shall have an option to remain a franchisee at the Franchised Location for a Renewal Term of 10 years or, at Franchisee's option, 5 years. Franchisee must give HR written notice of whether or not it intends to exercise its renewal option and the length of the proposed Renewal Term not less than 12 months, nor more than 24 months, before the expiration of the Initial Term. Notwithstanding the foregoing, if Franchisee subleases the Franchised Location from HR, Franchisee must give HR the notice described in the preceding sentence not less than 6 months, nor more than 12 months, before notice of renewal is required to be provided to the landlord under the master lease. Failure by Franchisee to timely provide HR the required notice constitutes a waiver by Franchisee of its option to remain a franchisee beyond the expiration of the Initial Term.

(2) If Franchisee desires to continue as a franchisee for the Renewal Term, Franchisee must comply with all of the following conditions prior to and at the end of the Initial Term:

(a) Franchisee shall not be in default under this Agreement or any other agreements between Franchisee and HR or its affiliates; Franchisee shall not be in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant; Franchisee shall not be in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant; and, for the 12 months before the date of Franchisee's notice and the 12 months before the expiration of the Initial Term, Franchisee shall not have been in default beyond the applicable cure period under this Agreement or any other agreements between Franchisee and HR or its affiliates.

(b) Franchisee shall make the capital expenditures required to renovate and modernize the Franchised Restaurant to conform to the interior and exterior designs, decor, color schemes, furnishings and equipment and presentation of the Proprietary Marks consistent with the image of the System for new Hardee's Restaurants at the time Franchisee provides HR the renewal notice, including such structural changes, remodeling, redecoration and modifications to existing improvements as may be necessary to do so.

(c) Franchisee and its employees at the Franchised Restaurant shall be in compliance with HR's then-current training requirements.

(d) Franchisee shall have the right to remain in possession of the Franchised Location, or other premises acceptable to HR, for the Renewal Term and all monetary obligations owed to Franchisee's landlord, if any, must be current.

(e) Franchisee, all individuals who executed this Agreement and all guarantors of Franchisee's obligations shall have executed a general release and a covenant not to sue, in a form satisfactory to HR, of any and all claims against HR and its affiliates and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, and claims arising out of, or relating to, this Agreement, any other agreements between Franchisee and HR or its affiliates and Franchisee's operation of the Franchised Restaurant, other Hardee's Restaurants operated by Franchisee and all other restaurants operated by Franchisee that are franchised by HR or its affiliates.

(f) As determined by HR in its sole discretion, Franchisee has operated the Franchised Restaurant and all of its other franchised Hardee's Restaurants in accordance with the applicable franchise agreements and with the System Standards (as set forth in the OPM or otherwise and as revised from time to time by HR) and has operated each of its other restaurants that are franchised by HR or its affiliates in accordance with the applicable franchise agreement and system standards.

(3) Within 4 months after HR's receipt of Franchisee's written notice of its desire to renew, HR shall advise Franchisee whether or not Franchisee is entitled to remain a franchisee for the Renewal Term. If HR intends to permit Franchisee to remain a franchisee for the Renewal Term, HR's notice will contain preliminary information regarding actions Franchisee must take to satisfy Sections 2.B.(2)(b) and (c). If HR does not intend to permit Franchisee to remain a franchisee for the Renewal Term, HR's notice shall specify the reasons for non-renewal. If HR chooses not to permit Franchisee to remain a franchisee for the Renewal Term, it shall have the right to unilaterally extend the Initial Term of this Agreement as necessary to comply with any applicable laws.

(4) If Franchisee will remain a franchisee for the Renewal Term, HR shall forward to Franchisee a new franchise agreement for the Renewal Term for Franchisee's signature at least 4 months prior to the expiration of the Initial Term. The form of renewal franchise agreement shall be the form then in general use by HR for Hardee's Restaurants (or, if HR is not then granting franchises for Hardee's Restaurants, that form of agreement as specified by HR) and likely will differ from this Agreement, including, but not limited to, provisions relating to the royalty fee and advertising obligations.

(5) Franchisee shall pay HR a renewal fee in the amount of $5,000 for a Renewal Term of 5 years or $10,000 for a Renewal Term of 10 years.

(6) Franchisee shall execute the renewal franchise agreement for the Renewal Term and return the signed agreement to HR, along with the renewal fee, at least one month prior to the expiration of the Initial Term. Failure by Franchisee to sign the renewal franchise agreement and return it to HR (along with the renewal fee) within this time shall, at HR's option, be deemed an election by Franchisee not to renew the Franchise and shall result in termination of this Agreement and the Franchise granted by this Agreement at the expiration of the Initial Term. Provided Franchisee has timely complied with all of

the conditions set forth in this Section 2.B., HR shall execute the renewal franchise agreement and promptly return a fully-executed copy to Franchisee.

C. Holdover

If Franchisee continues to accept the benefits of this Agreement after the expiration of the initial term but does not satisfy the renewal conditions outlined in Section 2.C above then, at HR's sole option, this Agreement may be treated as: (a) expired as of the date of the expiration and Franchisee will be operating without a franchise or license to do so and in violation of HR's rights to the Marks, brand and System; or (b) continued on a month-to-month basis (an "Interim Period") and all of Franchisee's obligations will remain in full force and effect during the Interim Period as if the Agreement had not expired. Each Interim Period expires at the end of each calendar month unless this Agreement is renewed as provided for this Agreement. The Interim Period does not create any new franchise rights and upon expiration of the final Interim Period; provided Franchisee does not renew the rights licensed in this Agreement as specified in this Agreement, Franchisee will be bound by all post-term obligations as provided in this Agreement.

3. LEASE TERMS

If Franchisee has not previously provided HR with a fully-signed copy of its lease or sublease for the Franchised Location, or proof that Franchisee has purchased the real estate for the Franchised Location, Franchisee shall immediately upon execution of this Agreement provide HR with a copy of the fully-signed lease or sublease, together with the executed Hardee's Lease Addendum in the form attached as Appendix G. For purposes of this Agreement, the effective date of the lease or sublease, or the closing date of the purchase of the real property, shall be the "Property Control Date".

4. CONSTRUCTION OF THE FRANCHISED RESTAURANT

A. Development Training

Franchisee shall complete, to HR's satisfaction, any development training required by HR. Franchisee shall pay HR, for each person attending development training, a tuition fee as established by HR from time to time. Franchisee also may attend optional development training as offered by HR from time to time, subject to payment of a tuition fee as established by HR from time to time. Franchisee will be required to pay all travel, living and other expenses incurred by Franchisee and its employees while attending development training and optional development training.

B. Restaurant Development

Franchisee assumes all cost, liability and expense for developing, constructing and equipping the Franchised Restaurant. HR will furnish to Franchisee prototypical plans and specifications for a Hardee's Restaurant, including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings, storefront and color scheme. It shall be Franchisee's responsibility to have prepared all required construction plans and specifications to suit the shape and dimensions of the Franchised Location and Franchisee must ensure that these plans and specifications comply with applicable ordinances, building codes and permit requirements and with lease requirements and restrictions. Franchisee shall use only registered architects, registered engineers, and professional and licensed contractors.

Franchisee shall submit proposed construction plans, specifications and drawings for the Franchised Restaurant ("Plans") to HR and shall, upon HR's request, submit all revised or "as built" Plans during the course of such construction. HR will review the Plans and notify Franchisee within 30 days after HR receives the Plans, or such longer period as HR requires, whether the Plans are approved. HR's approval shall not be unreasonably withheld. Once HR has approved the Plans and Franchisee has signed each page of the Plans acknowledging the approval and Franchisee's obligations for compliance, no substantial change shall be made to the Plans without the prior approval of HR, which shall not be unreasonably withheld. If, in the course of construction, any such change in the Plans is contemplated, HR's approval must first be obtained before proceeding. HR shall approve or disapprove Plan changes within 10 business days after receipt.

Franchisee is prohibited from beginning site preparation or construction prior to receiving written notification from HR that it has approved the Plans. All construction must be in accordance with Plans approved by HR and must comply in all respects with applicable laws, ordinances and local rules and regulations. The Franchised Restaurant may not open if construction has not been performed in substantial compliance with Plans approved by HR, and this Agreement may be terminated if such non-compliance is not cured within a commercially reasonable amount of time. HR may furnish guidance to Franchisee in developing the Franchised Restaurant and may periodically inspect the premises during its development.

C. Commencement and Completion of Construction

Construction of the Franchised Restaurant shall commence within 6 months after the Property Control Date ("Construction Commencement Date"). Site acceptance will be deemed to have been withdrawn, without notice to Franchisee, if Franchisee fails to commence construction within that time period.

Prior to the Construction Commencement Date, Franchisee shall have: **(1)** eliminated or otherwise satisfied all of the conditions set forth in this Agreement (2) paid HR the balance, if any, of the Initial Franchise Fees required by this Agreement; **(2)** if not previously signed, executed this Franchise Agreement; **(3)** provided HR a copy of the fully-executed lease for the Franchised Location (containing those provisions specified by HR in accordance with Section 3) or, if Franchisee owns the Franchised Location, proof of Franchisee's ownership interest. As used in this Agreement, construction shall have commenced only after Franchisee has obtained all required permits and: **(a)** with respect to a free-standing Franchised Restaurant, Franchisee has begun the installation of building footings with the intent to maintain continuous construction thereafter; or **(b)** with respect to a non free-standing Restaurant or a Restaurant being converted from a prior use, Franchisee has begun the installation of sub-floor plumbing with the intent to maintain continuous construction thereafter.

Once construction has commenced, it shall continue uninterrupted (except for interruption by reason of events constituting Force Majeure as defined in Section 28) until completed. If events constituting Force Majeure cause a delay in the commencement of construction of the Franchised Restaurant, HR shall proportionately extend the Opening Date for the Franchised Restaurant. Notwithstanding the occurrence of any events, except events constituting Force Majeure, construction shall be completed and the Franchised Restaurant shall be furnished, equipped and shall otherwise be ready to open for business in accordance with this Agreement not later than 18 months after the date of the Property Control Date ("Opening Date").

Franchisee agrees, at its sole expense, to do or cause to be done the following, by the Opening Date:

(1) Obtain and maintain all required building, utility, sign, health, sanitation, business and other permits and licenses applicable to the Franchised Restaurant.

(2) Construct all required improvements to the Franchised Location and decorate the exterior and interior of the Franchised Restaurant in compliance with the Plans approved by HR.

(3) Purchase or lease and install all specified and required fixtures, equipment, furnishings and interior and exterior signs required for the Franchised Restaurant.

(4) Purchase an opening inventory for the Franchised Restaurant of only authorized and approved products and other materials and supplies.

D. Acquisition of Necessary Furnishings, Fixtures and Equipment

Franchisee agrees to use in the development and operation of the Franchised Restaurant only those fixtures, furnishings, equipment and signs that HR has approved for Hardee's Restaurants as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee further agrees to place or display at the Franchised Restaurant (interior and exterior) only those signs, emblems, lettering, logos and display materials that HR approves in writing from time to time.

Franchisee shall purchase or lease approved brands, types or models of fixtures, furnishings, equipment and signs only from suppliers designated or approved by HR, which may include HR. If Franchisee proposes to purchase, lease or otherwise use any fixtures, furnishings, equipment or signs which have not been approved by HR, Franchisee shall first notify HR in writing and shall, at its sole expense, submit to HR upon its request, sufficient specifications, photographs, drawings and/or other information or samples for a determination as to whether those fixtures, furnishings, equipment and/or signs comply with HR's specifications and standards. HR will, in its sole discretion, approve or disapprove the items and notify Franchisee within 30 days after HR receives the request, or such longer period as HR requires.

If Franchisee builds any portion of the Franchised Restaurant outside of HR's specifications without receiving HR's prior written consent, HR shall have the right to delay the opening of the Franchised Restaurant until Franchisee, at its sole expense, brings the Franchised Restaurant's development within full compliance of HR's specifications.

E. Hardware and Software

Prior to the opening of the Franchised Restaurant, Franchisee agrees to procure and install such data processing equipment, computer hardware and software, required dedicated telephone and power lines, modems, printers and other computer-related accessory or peripheral equipment as HR specifies in Section 13.E. of this Agreement, the Development Guide or otherwise. Franchisee shall provide all assistance required by HR to bring Franchisee's computer system on-line with the computer system designated by HR and maintained by HR or its affiliates at the earliest possible time. Franchisee agrees that HR shall have the free and unfettered right to retrieve any data and information from Franchisee's computers as HR, in its sole discretion, deems appropriate, including electronically polling the daily sales, menu mix and other data of the Franchised Restaurant. All of the hardware and software specified to be installed or purchased, or activities Franchisee is to accomplish, and the delivery cost of all hardware and software, shall be at Franchisee's expense.

F. Inspection, Cooperation

During the course of construction and/or renovation, Franchisee shall (and shall cause Franchisee's architect, engineer, contractors, and subcontractors to) cooperate fully with HR and its designees for the purpose of permitting HR and its designees to inspect the Franchised Location and the course of construction of the Franchised Restaurant in order to determine whether construction is proceeding according to the Plans. Without limiting the generality of the foregoing, Franchisee, and Franchisee's architect, engineer, contractors and subcontractors shall: **(1)** supply HR or its designees with samples of construction materials, test borings, corings, due diligence environmental studies, supplies, equipment and other material and reports, if any such tests, studies or reports indicate there may be material problems or as HR or its designees may request; and **(2)** afford HR's representatives and its designees access to the Franchised Location and to the construction work in order to permit HR and its designees to carry out their inspections.

G. Reports

From the Construction Commencement Date to the Opening Date, Franchisee shall submit to HR, on or before the first day of each month (or more frequently if HR requests), a report showing progress made toward completing the construction of the Franchised Restaurant and being prepared to open the Franchised Restaurant by the Opening Date.

H. Limitation of HR's Liability

Notwithstanding the right of HR to approve the Plans and to inspect the construction work at the Franchised Restaurant, HR and its designees shall have no liability or obligation with respect to the Franchised Location, the design or construction of the Franchised Restaurant or the furnishings, fixtures and equipment to be acquired; HR's rights being exercised solely for the purpose of ensuring compliance with the terms and conditions of this Agreement.

I. Financing

Without the prior written approval of HR, which shall not be unreasonably withheld, the construction, renovation and/or operation of the Franchised Restaurant shall not be financed by a public or private offering of any right, title or interest in the Franchised Restaurant, the property upon which it is built or the receipts from its operation.

J. Franchise Management Training Program

Prior to the opening of the Franchised Restaurant, those employees hired by Franchisee to fill certain designated positions shall attend and successfully complete, to the satisfaction of HR, the Franchise Management Training Program in accordance with Section 11.A. of this Agreement.

K. Final Inspection and Opening Date

Franchisee shall notify HR in writing at least 30 days prior to the date Franchisee expects construction and/or renovation to be completed and a certificate of occupancy to be issued. If requested by HR, Franchisee shall submit a copy of the certificate of occupancy to HR. HR reserves the right, after receiving Franchisee's notice, to conduct a final inspection of the Franchised Restaurant and its premises to determine if Franchisee has complied with this Agreement. HR shall not be liable for delays or loss

occasioned by its inability to complete its investigation and to make a determination within this period. Franchisee shall not open the Franchised Restaurant for business without HR's express written authorization, which will not be granted unless Franchisee has satisfied the conditions contained in Section 5.

5. RIGHT TO OPEN THE FRANCHISED RESTAURANT

HR will not authorize the opening of the Franchised Restaurant unless all of HR's pre-opening requirements have been fully satisfied, including, but not limited to, the following:

A. Neither Franchisee nor any of its affiliates is in default under this Agreement or any other agreements with HR or its affiliates, Franchisee is not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant, Franchisee is not in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant and, for the previous 6 months, neither Franchisee nor any of its affiliates has been in default beyond the applicable cure period under any agreement with HR or its affiliates.

B. Franchisee and its affiliates are current on all obligations due HR and its affiliates.

C. HR is satisfied that the Franchised Restaurant was constructed and/or renovated and equipped substantially in accordance with the Plans approved by HR and state and local codes and with the requirements of the System.

D. If the Franchised Location is leased, HR has received a copy of the fully-executed lease or sublease which contains those provisions specified by HR in accordance with Section 3 of this Agreement.

E. Franchisee has obtained a certificate of occupancy and any other required health, safety or fire department certificates.

F. Franchisee has certified to HR in writing that the installation of all items of furnishings, fixtures, equipment, signs, computer terminals and related equipment, supplies and other items has been accomplished.

G. HR has determined that: **(1)** HR's Franchise Management Training Program has been successfully completed by the minimum number of Franchisee's employees required by HR; and **(2)** Franchisee has hired and trained a sufficient number of staff in accordance with HR's standards and the requirements of the System and this Agreement.

H. HR has been furnished with copies of all insurance policies required by Section 15 or such other evidence of insurance coverage and payment of premiums as HR reasonably may request.

I. If not previously paid, Franchisee has paid HR the balance of the Initial Franchise Fees required by this Agreement and the opening training support team fee as required by HR.

J. Provided all of the preceding conditions have been met, HR will notify Franchisee of its approval to open the Franchised Restaurant. Notwithstanding the foregoing, HR has the right to waive any of the foregoing conditions.

6. FEES

A. Initial Franchise Fee

Franchisee agrees to pay HR an Initial Franchise Fee in the amount specified in Appendix A upon the execution of this Agreement. Any Development Fee previously paid by Franchisee to HR with respect to the Franchised Restaurant shall be credited against the Initial Franchise Fee. Franchisee acknowledges and agrees that the Initial Franchise Fee is in consideration of HR initially granting this Franchise, it was fully earned at the time paid, and it is not refundable for any reason whatsoever.

B. Royalty Fee

In addition to all other amounts to be paid by Franchisee to HR, Franchisee shall pay HR a nonrefundable and continuing royalty fee in an amount set forth in attached Appendix B for the right to use the System and the Proprietary Marks at the Franchised Location. If any taxes, fees or assessments are imposed on HR by reason of its acting as franchisor or licensing the Proprietary Marks under this Agreement, Franchisee shall reimburse HR the amount of those taxes, fees or assessments within 10 days after receipt of an invoice from HR.

Gross Sales shall include all revenue from the sale of all services and products (except HR approved promotional items) and all other income of every kind and nature (excluding revenue from the sale of stored value gift cards or gift certificates but including revenue when gift certificates are redeemed or stored value gift cards are debited) related to the Franchised Restaurant, whether for cash or credit and regardless of collection in the case of credit; provided, however, that Gross Sales shall not include any sales taxes or other taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority.

C. Advertising Fees

Franchisee also shall spend and/or contribute for advertising approved by HR or its designee up to 7% of the Gross Sales of the Franchised Restaurant. The exact amount of the advertising fees to be spent and/or contributed by Franchisee, and the allocation of the advertising fees, as of the date of this Agreement, is set forth in Section 8 and attached Appendix C.

D. Remittance Reports

Within 5 business days after the end of each fiscal week (as defined by HR from time to time), Franchisee shall submit to HR in writing (or by email, polling by computer or such other form or method as HR may designate) the amount of Gross Sales from the Franchised Restaurant during the preceding fiscal week and such other data or information as HR may require.

E. Payment of Fees

Within 10 calendar days after the end of each fiscal week ("Due Date"), Franchisee shall pay HR the royalty fee, and the advertising fees required by Section 8.C., applicable to the Gross Sales for the fiscal week, and any interest charges by electronic funds transfer. In connection with payment of these fees by electronic funds transfer, HR may designate a day for payment different than the Due Date. On each Due Date, HR will transfer from the Franchised Restaurant's bank operating account ("Account") the amount reported to HR in Franchisee's remittance report or determined by HR by the records contained in the cash registers/computer terminals of the Franchised Restaurant. If Franchisee has not reported Gross Sales to

HR for any fiscal period, HR will transfer from the Account an amount calculated in accordance with its estimate of the Gross Sales during the fiscal period. If, at any time, HR determines that Franchisee has underreported the Gross Sales of the Franchised Restaurant, or underpaid the royalty fee or other amounts due to HR under this Agreement, or any other agreement, HR shall initiate an immediate transfer from the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided in this Agreement. Any overpayment will be credited to the Account effective as of the first reporting date after HR and Franchisee determine that such credit is due.

In connection with payment of the royalty fee, advertising fees, or other amounts payable under this Agreement by electronic funds transfer, Franchisee shall: **(1)** comply with procedures specified by HR in the OPM or otherwise in writing; **(2)** concurrent with the execution of this Agreement, sign and deliver the ACH form attached as Appendix H; **(3)** perform those acts and sign and deliver any other documents as may be necessary to accomplish payment by electronic funds transfer as described in this Section 8.E.; and **(4)** make sufficient funds available in the Account for withdrawal by electronic funds transfer no later than the Due Date for payment thereof.

Failure by Franchisee to have sufficient funds in the Account shall constitute a default of this Agreement. Franchisee shall not be entitled to set off, deduct or otherwise withhold any royalty fees, advertising contributions, interest charges or any other monies payable by Franchisee under this Agreement on grounds of any alleged non-performance by HR of any of its obligations or for any other reason.

F. Interest

If any payments by Franchisee due to HR are not received by HR by the date due, Franchisee, in addition to paying the amount owed, shall pay HR interest on the amount owed from the date due until paid at the maximum rate permitted for indebtedness of this nature in the state in which the Franchised Restaurant is located, not to exceed 1.5% per fiscal period (as defined by HR from time to time) or a portion of a fiscal period. Payment of interest by Franchisee on past due obligations is in addition to all other remedies and rights available to HR pursuant to this Agreement or under applicable law.

G. Partial Payments

No payment by Franchisee or acceptance by HR of any monies under this Agreement for a lesser amount than due shall be treated as anything other than a partial payment on account. Franchisee's payment of a lesser amount than due with an endorsement, statement or accompanying letter to the effect that payment of the lesser amount constitutes full payment shall be given no effect and HR may accept the partial payment without prejudice to any rights or remedies it may have against Franchisee. Acceptance of payments by HR other than as set forth in this Agreement shall not constitute a waiver of HR's right to demand payment in accordance with the requirements of this Agreement or a waiver by HR of any other remedies or rights available to it pursuant to this Agreement or under applicable law. Notwithstanding any designation by Franchisee, HR shall have sole discretion to apply any payments by Franchisee to any of its past due indebtedness for royalty fees, advertising contributions, purchases from HR or its affiliates, interest or any other indebtedness. HR has the right to accept payment from any other entity as payment by Franchisee. Acceptance of that payment by HR will not result in that other entity being substituted for Franchisee.

H. Collection Costs and Expenses

Franchisee agrees to pay to HR on demand any and all costs and expenses incurred by HR in enforcing the terms of this Agreement, including, without limitation, collecting any monies owed by Franchisee to HR. These costs and expenses include, but are not limited to, costs and commissions due a collection agency, reasonable attorneys' fees (including attorneys' fees for in-house counsel employed by HR or its affiliates and any attorneys' fees incurred by HR in bankruptcy proceedings), costs incurred in creating or replicating reports demonstrating Gross Sales of the Franchised Restaurant, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal, together with interest charges on all of the foregoing.

7. RECORDKEEPING AND REPORTS

A. Recordkeeping

Franchisee agrees to use computerized cash and data capture and retrieval systems that meet HR's specifications and to record sales of the Franchised Restaurant electronically or on tape for all sales at or from the Franchised Location. Franchisee shall keep and maintain, in accordance with any procedures set forth in the OPM, complete and accurate books and records pertaining to the Franchised Restaurant sufficient to fully report to HR. Franchisee's books and records shall be kept and maintained using generally accepted accounting principles ("GAAP"), if Franchisee uses GAAP in any of its other operations, or using other recognized accounting principles applied on a consistent basis which accurately and completely reflect the financial condition of Franchisee. Franchisee will preserve all of its books, records and state and federal tax returns for at least 5 years after the later of preparation or filing (or such longer period as may be required by any governmental entity) and make them available and provide duplicate copies to HR within 5 days after HR's written request.

B. Periodic Reports

Franchisee shall, at Franchisee's expense, submit to HR, in the form and manner (which may be through an online portal or website) prescribed by HR: (i) a monthly profit and loss statement and balance sheet for the Franchised Business (both of which may be unaudited) within 30 days after the end of each month, and (ii) a quarterly profit and loss statement and balance sheet for Franchisee (both of which may be unaudited) within 30 days after the end of each fiscal quarter (as defined by HR from time to time) during each fiscal year (as defined by HR from time to time). HR shall have the right, to be exercised in its sole discretion, to require that Franchisee provide HR profit and loss statements and balance sheets at other times as requested by HR. Each statement and balance sheet shall be signed by Franchisee or by Franchisee's treasurer or chief financial officer attesting that it is true, correct and complete and uses accounting principles applied on a consistent basis which accurately and completely reflect the financial condition of Franchisee.

C. Annual Reports

At HR's request, Franchisee shall, at its expense, provide to HR either a reviewed or audited profit and loss statement and balance sheet for the Franchised Restaurant within 60 days after the end of each fiscal year to be signed by Franchisee or by Franchisee's treasurer or chief financial officer attesting that the financial statements present fairly the financial position of Franchisee and the results of operations of the Franchised Restaurant during the period covered. HR shall have the right, in its reasonable discretion, to require that Franchisee, at Franchisee's expense, submit audited financial statements prepared by a

certified public accounting firm acceptable to HR for any fiscal year or any period or periods of a fiscal year.

D. Other Reports

Franchisee shall submit to HR, for review or auditing, such other forms, reports, records, information and data as HR may reasonably designate, in the form and at the times and places reasonably required by HR, upon request and as specified from time to time in the OPM or otherwise in writing.

E. Public Filings

If Franchisee is or becomes a publicly-held entity in accordance with other provisions of this Agreement, Franchisee shall send to HR copies of all reports (including responses to comment letters) or schedules Franchisee may file with the U.S. Securities and Exchange Commission (certified by Franchisee's chief executive officer to be true, correct, complete and accurate) and copies of any press releases it may issue, within 3 days of the filing of those reports or schedules or the issuance of those releases.

F. Audit Rights

HR or its designee shall have the right at all reasonable times, both during and after the term of this Agreement, to inspect, copy and audit Franchisee's books, records, federal, state and local tax returns, and such other forms, reports, information and data as HR reasonably may designate, applicable to the operation of the Franchised Restaurant. If an inspection or audit discloses an understatement of Gross Sales, Franchisee shall pay HR, within 10 days after receipt of the inspection or audit report, the deficiency in the royalty fees and advertising contributions plus interest (at the rate and on the terms provided in Section 7.F.) from the date originally due until the date of payment. If an inspection or audit is made necessary by Franchisee's failure to furnish reports or supporting records as required under this Agreement, or to furnish such reports, records or information on a timely basis, or if an understatement of Gross Sales for the period of any audit is determined by any audit or inspection to be greater than 2%, Franchisee also shall reimburse HR for the reasonable cost of the audit or inspection including, without limitation, the charges of attorneys and independent accountants, and the travel expenses, room, board and compensation of HR's employees or designees involved in the audit or inspection. The foregoing remedies shall be in addition to all other remedies and rights available to HR under this Agreement or applicable law.

If Franchisee fails to provide HR on a timely basis with the records, reports and other information required by this Agreement or, upon request of HR, with copies of same, HR or its designee shall have access at all reasonable times (and as often as necessary) to Franchisee's books and records for the purpose, among other things, of preparing the required records, reports and other information. Franchisee promptly shall reimburse HR or its designee for all costs and expenses associated with HR obtaining such records, reports or other information. Franchisee also acknowledges that HR has the right at any time to communicate directly with Franchisee's lenders, any other creditors, any suppliers and all regulatory authorities regarding Franchisee, Franchisee's business or any aspect of the Franchised Restaurant.

8. ADVERTISING AND PROMOTION

A. Contributions/Expenditures by Franchisee

During the term of this Agreement, Franchisee shall have a weekly advertising and promotion obligation ("APO") in the amount set forth in Section 6.C. and Appendix C. Following written notice to Franchisee, HR may modify the amount and allocation of the APO subject to the provisions of Section 8.E. Franchisee shall pay that portion of the APO as HR may direct to the Hardee's National Advertising Fund ("HNAF") in accordance with Section 8.B. The remainder of the APO shall be paid, as directed by HR, at the same time and in the same manner as the royalty fee, to a Regional Co-op in accordance with Section 8.C., and/or spent by Franchisee for local store marketing ("LSM") in accordance with Section 8.D.

B. Hardee's National Advertising Fund

HR has established, and will maintain and administer HNAF for the creation and development of advertising, marketing, social media and public relations, research and related programs, gift card and loyalty programs, activities and materials that HR, in its sole discretion, deems appropriate. Franchisee shall contribute to HNAF the amount set forth in Appendix C, as may subsequently be modified pursuant to Section 8.E. Hardee's Restaurants operated by HR and its affiliates shall contribute to HNAF on the same basis as comparable franchisees. Unless modified in writing by HR, HNAF contributions are due on the tenth (10^{th}) day of each month.

HR or its designee shall direct all advertising, marketing, and public relations programs and activities financed by HNAF, with sole discretion over the creative concepts, materials and endorsements used in those programs and activities, and the geographic, market and media placement and allocation of advertising and marketing materials. Franchisee agrees that HNAF may be used, among other things, to pay the costs of preparing and producing such associated materials and programs as HR or its designee may determine, including but not limited to video, audio and written advertising materials; employing advertising agencies; sponsorship of sporting, charitable or similar events; administering regional and multi-regional advertising programs, including, without limitation, purchasing direct mail, in-App support for third party delivery platforms like Doordash and other media advertising and employing advertising agencies to assist with these efforts; and supporting public relations, market research and other advertising, promotional and marketing activities. Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the HNAF. From time to time, HR or its designee may furnish Franchisee with marketing, advertising and promotional materials at the cost of producing them, plus any related shipping, handling and storage charges.

HR shall separately account for payments to HNAF but it shall not be required to segregate HNAF funds from its other monies. HR shall not use HNAF funds to defray any of its general operating expenses. HNAF may hire employees, either full-time or part-time, for its administration. HR and its affiliates may be reimbursed by HNAF for expenses related to its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions. HR may spend in any fiscal year an amount greater or less than the aggregate contribution of all Hardee's Restaurants to HNAF during that year or cause HNAF to invest any surplus for its future use. A statement of monies collected and costs incurred by HNAF shall be prepared annually and shall be furnished to Franchisee within a reasonable period of time following a written request. HR or its designee will have the right to cause HNAF to be incorporated or operated through an entity separate from HR at such time as HR or its designee deems appropriate, and such successor entity shall have all rights and duties of HR pursuant to this Section 10.

Franchisee understands and acknowledges that HNAF is intended to enhance recognition of the Proprietary Marks and patronage of Hardee's Restaurants. HR will endeavor to utilize HNAF to develop advertising and marketing materials and programs, and to place advertising that will benefit the System and all Hardee's Restaurants contributing to HNAF. However, Franchisee agrees that HR is not liable to Franchisee and Franchisee forever covenants not to sue and holds HR harmless of any liability or obligation to ensure that expenditures by HNAF in or affecting any geographic area (including the Franchised Location) are proportionate or equivalent to the contributions to HNAF by Hardee's Restaurants operating in that geographic area, or that any Hardee's Restaurant will benefit directly or in proportion to its contribution to HNAF from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Section 8, neither HR nor its designee assumes any direct or indirect liability to Franchisee with respect to the maintenance, direction or administration of HNAF.

HR reserves the right, in its sole discretion, to: **(1)** suspend contributions to and operations of HNAF for one or more periods that it determines to be appropriate; **(2)** terminate HNAF upon 30 days' written notice to Franchisee and establish, if HR so elects, a different advertising fund; and **(3)** upon the written request of any franchised or company restaurants, defer or waive, in whole or in part, any advertising fees required by this Section if, in HR's sole judgment, there has been demonstrated unique, objective circumstances justifying any such waiver or deferral. On termination, all monies in HNAF shall be spent for advertising and/or promotional purposes. HR has the right to reinstate HNAF upon the same terms and conditions set forth in this Agreement upon 30 days' prior written notice to Franchisee.

C. Regional Co-op

HR, in its sole discretion, may establish a regional advertising and sales promotion cooperative ("Regional Co-op") in the regional area in which the Franchised Restaurant is located ("Designated Market Area" or "DMA"). Franchisee shall be a member of and contribute to the Regional Co-op such amount as is determined from time to time by HR and/or the Regional Co-op, which, as of the date of this Agreement, is the amount specified in Appendix C. The Regional Co-op may be incorporated by HR and will be operated in accordance with its charter, which HR shall have the right to modify from time to time in its sole discretion.

HR or its designee shall have the right to terminate (and subsequently restart) the Regional Co-op. Upon termination, all monies in the Regional Co-op shall be spent for advertising and/or promotional purposes. HR or its designee shall have the sole right, but not the obligation, to enforce the obligations of franchisees who are members of the Regional Co-op to contribute to the Regional Co-op and neither Franchisee nor any other franchisees who contribute to the Regional Co-op shall be deemed a third party beneficiary with respect to the Regional Co-op obligations of other franchisees or have any right to enforce the obligation of any franchisee to contribute to the Regional Co-op.

D. Local Store Marketing

Franchisee shall spend for approved LSM, on a monthly basis, the difference between Franchisee's APO and the amount Franchisee contributes to HNAF, a Regional Co-op or some other advertising fund as HR may direct Franchisee to pay. As of the date of this Agreement, that amount is specified in Appendix C. HR or its designee periodically shall advise Franchisee of the advertising and sales promotions authorized by HR. Within 30 days after the end of each fiscal quarter, Franchisee shall provide HR or its designee copies of all documentation demonstrating the amount and types of LSM expenditures made by Franchisee

in the prior fiscal quarter. Franchisee may not market or advertise in violation of federal laws regulating advertising, such as the CAN-SPAM Act and TCPA, and applicable state advertising laws.

Franchisee's LSM expenditures shall not include payments for items that HR, in its sole discretion, deems inappropriate to meet the minimum advertising requirements. As of the date of this Agreement, inappropriate expenditures for which Franchisee cannot spend LSM monies include, without limitation, free or discounted food (unless expressly authorized by HR in connection with a System or brand promotion), employee incentive programs, charitable contributions, payments in connection with permanent on-premises menu boards, lighting, yellow pages, entertainment discount books, the purchase or maintenance of vehicles, and other similar payments.

Local advertising and promotion materials may be purchased from any approved source. If purchased from a source other than HR or its affiliates or created or developed by Franchisee, these materials shall comply with federal and local laws and regulations and with the guidelines for advertising and promotions promulgated from time to time by HR or its designee and shall be submitted to HR or its designee at least 30 days in advance of first use for its approval. In no event shall Franchisee's advertising contain any statement or material which, in the sole discretion of HR, may be considered: **(1)** in bad taste or offensive to the public or to any group of persons; **(2)** defamatory of any person or an attack on any competitor; **(3)** to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark or identification; or **(4)** inconsistent with the public image of HR or the System.

If, in any fiscal year, Franchisee spends less than the required amount for the Franchised Restaurant for authorized LSM advertising and sales promotions expenditures, the difference between the required amount and the amount actually spent in that fiscal year shall be paid to HNAF within 10 days after demand for payment is sent to Franchisee. In determining whether Franchisee has spent the required amount for the Franchised Restaurant for these purposes in any fiscal year, only expenditures made in that fiscal year will be counted and there will be no carryover from a previous fiscal year of any expenditures.

E. Changes in the APO

HR has the right, following written notice to Franchisee, to reallocate the APO and to increase the APO; however, HR will not increase the APO by more than ½% of Gross Sales in any 12-month period. In addition, HR may not increase the APO above 7% of Gross Sales; however, this limitation on HR does not prevent the Franchised Restaurant's Regional Co-op from requiring a contribution, that when added to Franchisee's HNAF contribution, results in a total APO in excess of 7% of Gross Sales.

F. Loyalty Program

During the term of this Agreement and any renewal term(s), Franchisee agrees to participate in all customer loyalty program(s) implemented by HR. Franchisee shall ensure that the Franchised Restaurant has all required technology to properly operate the loyalty program in the Franchised Restaurant. Franchisee agrees to sign any loyalty program agreement, either directly with HR and/or with a third party provider, at any time during the term or renewal term(s) of this Agreement.

9. OPERATION PROCEDURES MANUAL

HR shall during the term of this Agreement provide Franchisee electronic access to, HR's confidential and proprietary OPM which contains information and knowledge that is unique, necessary and material to the System. (As used in this Agreement, the term "OPM" also includes all written or electronic

correspondence from HR regarding the System, other publications, materials, drawings, memoranda, and electronic media that HR from time to time may provide to Franchisee.) The OPM may be supplemented or amended from time to time by letter email, bulletin, software or other communications concerning the System to reflect changes in the image, specifications and standards relating to developing, equipping, furnishing and operating a Hardee's Restaurant. HR reserves the right to furnish all or part of the OPM to Franchisee in electronic form or online (including by Intranet) and establish terms of use for access to any restricted portion of HR's web site. Franchisee shall keep its copy (whether a hardcopy orin electronic form) of the OPM current and up-to-date with all additions and deletions provided by or on behalf of HR and shall purchase whatever equipment and related services (including, without limitation, computer system, Internet service, dedicated phone line, etc.) as may be necessary to receive these communications. If a dispute relating to the contents of the OPM develops, the master copy maintained by HR at its principal offices shall control.

The OPM contains detailed standards, specifications, instructions, requirements, methods and procedures for management and operation of the Franchised Restaurant. The OPM also may relate to the selection, purchase, storage, preparation, packaging, ingredients, recipes, service and sale of all products and beverages sold at the Franchised Restaurant; management and employee training; marketing, advertising and sales promotions; maintenance and repair of the Franchised Restaurant building, grounds, equipment, graphics, signs, interior and exterior decor items, fixtures and furnishings; employee dress attire and appearance standards; menu concept and graphics; and accounting, bookkeeping, records retention and other business systems, procedures, operations and brand standards. Franchisee agrees at all times to operate the Franchised Restaurant in strict conformity with the OPM; to maintain the OPM at the Franchised Restaurant; to not reproduce the OPM or any part of it; and to treat the OPM as confidential and proprietary, and, to disclose the contents of the OPM only to those employees of Franchisee who have a need to know.

Even though this Agreement contains provisions requiring Franchisee to operate the Franchised Restaurant in compliance with the System: (1) HR and its affiliates do not have actual or apparent authority to control the day-to-day conduct and operation of Franchisee's business or employment decisions; and (2) Franchisee and HR do not intend for HR or its affiliates to incur any liability in connection with or arising from any aspect of the System or Franchisee's use of the System, whether or not in accordance with the requirements of the OPM.

10. MODIFICATIONS OF THE SYSTEM

A. HR, in its sole discretion, shall be entitled from time to time to change or modify the System, including modifications to the OPM, required training program, the menu and menu formats, the required equipment, the signage, the building and premises of the Franchised Restaurant (including the trade dress, decor and color schemes), the presentation of the Proprietary Marks, the adoption of new administrative forms and methods of reporting and of payment of any monies owed to HR (including electronic means of reporting and payment) and the adoption and use of new or modified Proprietary Marks or copyrighted materials. Franchisee shall accept and use or display in the Franchised Restaurant any such changes or modifications in the System as if they were a part of the System at the time this Agreement was executed, and Franchisee will make such expenditures as the changes or modifications in the System may reasonably require.

B. Within 30 days after receipt of written notice from HR, Franchisee shall begin selling any newly authorized menu items and cease selling any menu items that are no longer authorized. All food, beverage and merchandise items authorized for sale at the Franchised Restaurant shall be offered for sale under the specific name designated by HR. HR, in its sole discretion, may restrict sales of menu items to

certain time periods during the day. Franchisee shall establish menu prices in its sole and absolute discretion. If Franchisee has a suggestion for a new menu item or for a change to an authorized menu item or Franchisee desires to participate in a test market program, Franchisee shall provide HR written notice prior to implementation in the form and method defined by HR. Franchisee shall not add or modify any menu item or participate in a test market program without first having obtained HR's prior written approval and executed a test agreement acceptable to HR. Franchisee shall purchase any additional equipment and smallwares as HR deems reasonably necessary in connection with new menu items. If HR requires Franchisee to begin offering a new menu item which requires the purchase of additional equipment, a reasonable period of time, as determined in the sole discretion of HR, shall be provided for the financing, purchase and installation of any such equipment before such new menu items must be offered for sale at the Franchised Restaurant.

C. Extensive structural changes, major remodeling and renovations, and substantial modifications to existing equipment and improvements to modernize and conform the Franchised Restaurant to the image of the System for new franchised and company restaurants shall be required: (i) as a condition of renewal, (ii) as a condition of HR issuing its consent to a proposed transfer as defined further in Section 18 below, or (iii) at HR's request (but not more often than every 5 years). Capital expenses necessary for the repair and maintenance of the Franchised Location and modifications required by applicable law or required to abate a hazardous situation are not subject to the time limitations described in the preceding sentence. Within 60 days after receipt of HR's written notice regarding the required modernization, Franchisee shall prepare and complete drawings and plans, along with a project timeline, for the required modernization. These drawings and plans must be submitted to, and their use approved by, HR prior to the commencement of work. Franchisee shall complete the required modernization within the time reasonably specified by HR in its written notice.

D. HR has the right, in its sole discretion, to waive, defer or permit variations from the standards of the System or the applicable agreement to any franchisee or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, trade area population or any other condition or circumstance. HR shall have the right, in its sole discretion, to deny any such request HR believes would not be in the best interests of the System.

E. If Franchisee develops any new concepts, processes or improvements relating to the System, whether or not pursuant to an HR authorized test, Franchisee promptly shall notify HR and provide HR with all information regarding the new concept, process or improvement, all of which shall become the property of HR and its affiliates and which may be incorporated into the System without any payment to Franchisee. Franchisee, at its expense, promptly shall take all actions deemed necessary or desirable by HR to vest in HR ownership of such concepts, processes or improvements.

11. TRAINING

A. Franchise Management Training Program

HR shall provide Franchisee and those employees hired by Franchisee to fill certain designated positions the Franchise Management Training Program ("FMTP") in the operation of a Hardee's Restaurant at those times and those places designated by HR. The FMTP will include training at a Hardee's Restaurant designated by HR and training on Star University (StarU), our online Learning Management System. Franchisee, the General Manager, a minimum of 6 Shift Leaders and any other employees hired by Franchisee to fill certain designated positions shall attend and satisfactorily complete each element of the FMTP specified by HR. Franchisee's Operating Principal (as defined in Section 16.G.) also shall attend

and satisfactorily complete each element of the FMTP if not previously completed. HR reserves the right to modify or waive the training required based on an individual's or Franchisee's experience.

Franchisee shall pay HR for each person attending the FMTP a tuition fee as established by HR from time to time. Franchisee will be required to pay all travel, living and other expenses incurred by Franchisee's employees while attending the training. HR reserves the right to dismiss from the training program any person whom HR does not believe will perform acceptably in the position for which he has been hired by Franchisee and Franchisee shall provide a suitable replacement within one month of such dismissal.

B. Other Training

Prior to the Opening Date, Franchisee shall enter into the Star University License Agreement with HR, in the form attached as Appendix I. If HR elects to change the training provider during the Term or Renewal Term of this Agreement, Franchisee agrees to promptly enter into a replacement license agreement with the new training provider. HR shall have the right (which may be exercised at any time and in HR's sole discretion) to require that Franchisee, Franchisee's owners, the Operating Principal, the General Manager and any other employees hired by Franchisee to fill certain designated positions take and successfully complete other training courses. HR reserves the right to require Franchisee to pay a tuition fee for these additional training programs as established by HR from time to time. Franchisee will be required to pay all travel, living and other expenses incurred by Franchisee's employees while attending the training.

These other training courses include, but are not limited to, food safety certification programs. Franchisee shall maintain at the Franchised Restaurant all certificates of completion for these food safety certification programs and, if required by applicable law, display the certificates at the Franchised Restaurant.

C. Training by Franchisee

Franchisee shall conduct such initial and continuing training programs for its employees as HR may require from time to time, and Franchisee shall ensure that all of its employees have been trained in the proper operation of the Franchised Restaurant.

12. ADDITIONAL SERVICES BY HR

In addition to the services described elsewhere in this Agreement, during the term of this Agreement, HR shall make the following services available to Franchisee:

A. Pre-Opening Assistance

HR shall provide consultation and advice to Franchisee as HR deems appropriate at no additional cost with regard to construction or renovation and operation of the Franchised Restaurant, building layout, furnishings, fixtures and equipment plans and specifications, employee staffing and training, purchasing and inventory control and those other matters as HR deems appropriate.

B. Opening of the Franchised Restaurant

Upon Franchisee's reasonable request, or at HR's discretion, HR shall provide assistance in opening the Franchised Restaurant and in training Franchisee's employees as HR deems appropriate in light of Franchisee's needs and the availability of HR personnel. HR has the right to charge Franchisee all reasonable expenses incurred in support of the restaurant opening, including but not limited to any travel, hotel, meals, employee wages, materials and supplies. (as determined by HR).

C. Post-Opening Assistance

HR periodically, as it deems appropriate, shall advise and consult with Franchisee in connection with the operation of the Franchised Restaurant. HR, as it deems appropriate, shall provide to Franchisee its knowledge and expertise regarding the System and pertinent new developments, techniques and improvements in the areas of restaurant design, management, systems and tools, food and beverage preparation, sales promotion, service concepts, overall restaurant operations, financial metrics, and other areas. HR may provide these services through visits by HR's representatives to the Franchised Restaurant or Franchisee's offices, the distribution of printed or filmed material or electronic information, meetings or seminars, telephone communications, email communications or other communications.

D. HR's Right to Inspect the Franchised Restaurant

To determine whether Franchisee and the Franchised Restaurant are in compliance with this Agreement and with all specifications, quality standards operating procedures and brand standards prescribed by HR for the operation of Hardee's Restaurants, HR or its designees shall have the right at any reasonable time and without prior notice to Franchisee to: **(1)** inspect the Franchised Location; **(2)** observe, photograph and videotape the operations of the Franchised Restaurant for such consecutive or intermittent periods as HR deems necessary; **(3)** remove samples of any food and beverage product, material or other products for testing and analysis (without paying for the samples); **(4)** interview personnel of the Franchised Restaurant; **(5)** interview customers of the Franchised Restaurant; and **(6)** inspect and copy any books, records and documents, including any electronic records, relating to the operation of the Franchised Restaurant or, upon the request of HR or its designee, require Franchisee to send copies thereof to HR or its designee. Franchisee agrees to cooperate fully with HR or its designee in connection with any such inspections, observations, videotaping, product removal and interviews. Franchisee shall take all necessary steps to immediately correct any deficiencies detected during these inspections, including, without limitation, ceasing further sale of unauthorized menu items, correcting any critical food safety issues, correcting any identified deficiencies that adversely impact guest safety or the ability to operate the restaurant in conformance with OPM procedures or brand standards, and ceasing further use of any equipment, advertising materials or supplies that do not conform with the standards and requirements promulgated by HR from time to time. If HR deems such deficiencies to create an imminent health hazard to Franchisee's customers, it may direct Franchisee to temporarily close the Franchised Restaurant until all hazards are corrected to HR's satisfaction pursuant to HR's Closure Policy, as amended from time to time. Franchisee shall present to its customers such evaluation forms as are periodically prescribed by HR and shall participate and/or request its customers to participate in any surveys performed by or on behalf of HR as HR may direct. Franchisee will reimburse HR for all costs related to the Franchised Restaurant associated with any and all of these inspections and related activities set forth above.

E. Delegation

HR has the right, from time to time, to delegate the performance of any portion or all of its obligations and duties under this Agreement to designees, including, but not limited to, HR's corporate parents, affiliates or agents or independent contractors with which HR has contracted to perform HR's obligations or duties.

13. PERFORMANCE STANDARDS AND UNIFORMITY OF OPERATION

Products sold and services performed under the Proprietary Marks have a reputation for quality. This reputation has been developed and maintained by HR, and it is of the utmost importance to HR, Franchisee and all other franchisees of HR that this reputation be maintained. In recognition of the mutual benefits that come from maintaining the reputation for quality enjoyed by the System, Franchisee covenants and agrees, with respect to the operation of the Franchised Restaurant, that Franchisee and its employees shall comply with all of the requirements of the System as set forth in the OPM or otherwise, and Franchisee additionally shall comply with the following:

A. Standards, Specifications and Procedures

Franchisee acknowledges that each and every detail of the appearance, layout, decor, services and operation of the Franchised Restaurant is important to HR and other Hardee's Restaurants. Franchisee agrees to cooperate with HR by maintaining these high standards in the operation of the Franchised Restaurant. Franchisee further agrees to comply with all System specifications, recipes, standards and operating procedures (whether contained in the OPM or any other written communication to Franchisee) relating to the interior and exterior appearance, function, cleanliness and operation of a Hardee's Restaurant, including, but not limited to: **(1)** type, quality, taste, weight, dimensions, ingredients, uniformity, manner of preparation, and sale of all food products and beverages sold at the Franchised Restaurant and all other products used in the packaging and sale of those products and beverages; **(2)** sales and marketing procedures and customer service; **(3)** advertising and promotional programs; **(4)** layout, decor and color scheme of the Franchised Restaurant; **(5)** appearance and dress of employees; **(6)** safety, maintenance, appearance, cleanliness, sanitation, standards of service, and operation of the Franchised Restaurant; **(7)** submission of requests for approval of brands of products, supplies and suppliers; **(8)** use and illumination of signs, posters, displays, standard formats and similar items; **(9)** identification of Franchisee as the owner of the Franchised Restaurant; **(10)** types of fixtures, furnishings, equipment, smallwares and packaging; and **(11)** the make, type, location and decibel level of any game, entertainment or vending machine. Mandatory specifications, brand standards and operating procedures, including upgraded or additional equipment, that HR prescribes from time to time in the OPM, or otherwise communicates to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth in this Agreement.

B. Approved Products, Distributors and Suppliers

Franchisee acknowledges that the reputation and goodwill of Hardee's Restaurants are based upon, and can only be maintained by, the sale of distinctive, high quality food products and beverages, and the presentation, packaging and service of such products and beverages in an efficient and appealing manner. HR may develop certain proprietary food products that will be prepared by or for HR according to HR's proprietary special recipes and formulas. HR also has developed standards and specifications for other food products, ingredients, seasonings, mixes, beverages, materials and supplies incorporated or used in the preparation, cooking, serving, packaging and delivery of prepared food products authorized for sale at Hardee's Restaurants. Franchisee agrees that the Franchised Restaurant will: **(1)** purchase those food

products developed by HR pursuant to a special recipe or formula only from HR, an affiliate of HR or a third party designated and licensed by HR to prepare and sell such products; and **(2)** purchase from manufacturers, distributors, vendors and suppliers (collectively "suppliers") approved by HR all other goods, food products, ingredients, spices, seasonings, mixes, beverages, materials, supplies and cleaning products used in the preparation of products and cleanliness of the Franchised Restaurant (collectively "goods"), as well as advertising materials, furniture, fixtures, equipment, smallwares, menus, forms, paper and plastic products, packaging or other materials (collectively "materials") that meet the standards and specifications promulgated by HR from time to time. HR has the right to require that Franchisee use only certain brands and to prohibit Franchisee from using other brands. HR may from time to time modify the list of approved brands and/or suppliers, and Franchisee shall not, after receipt of such modification in writing, reorder any brand from any supplier that is no longer approved.

HR may approve one or more suppliers for any goods or materials and may approve a supplier only as to certain goods or materials. HR may concentrate purchases with one or more suppliers to obtain lower prices and/or the best advertising support and/or services for any group of Hardee's Restaurants or any other group of restaurants franchised or operated by HR or its affiliates. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, reporting capabilities, standards of service, including prompt attention to complaints, or other criteria, and concentration of purchases, as set forth above, and may be temporary pending a further evaluation of such supplier by HR. HR may establish commissaries and distribution facilities owned and operated by HR or an affiliate that HR shall designate as an approved supplier.

If Franchisee proposes to purchase any goods or materials (that Franchisee is not required to purchase from HR, an affiliate of HR or a designated supplier) from a supplier that HR has not previously approved, Franchisee shall submit to HR a written request for such approval, or shall request the supplier to do so itself. HR has the right to require, as a condition of its approval, that its representatives be permitted to inspect the supplier's facilities, and that such information, specifications and samples as HR reasonably designates be delivered to HR and/or to an independent, certified laboratory designated by HR for testing prior to granting approval. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee. HR reserves the right, at its option, to re-inspect the facilities and products of any such approved supplier and to revoke its approval upon the suppliers' failure to continue to meet any of the foregoing criteria.

Franchisee shall at all times maintain an inventory of approved goods and materials sufficient in quality and variety to realize the full potential of the Franchised Restaurant. HR may, from time to time, conduct market research and testing to determine consumer trends and the salability of new food products and services. Franchisee agrees to cooperate in these efforts by participating in HR's customer surveys and market research programs if requested by HR. All customer surveys and market research programs will be at HR's sole cost and expense, unless such survey or program has been approved by Franchisee and Franchisee has approved its proportionate cost. Franchisee shall not be allowed to test anything without first being requested to by HR and signing a test letter agreement in a form satisfactory to HR.

HR and its affiliates disclaim all express or implied warranties concerning any approved goods, materials or services, including, without limitation, any warranties as to merchantability, fitness for a particular purpose, availability, quality, pricing or profitability. Franchisee acknowledges that HR and its affiliates may, under appropriate circumstances, receive fees, payments, commissions, field-of-use license royalties, or other consideration from approved suppliers based on sales to franchisees, from promotional allowances and volume discounts. HR may charge non-approved suppliers reasonable testing or inspection fees.

C. Health Standards

Franchisee must meet and maintain the highest public health standards and ratings applicable to the operation of the Franchised Restaurant. Franchisee must participate in all food safety and brand standards audit programs specified by HR from time to time. The Franchised Restaurant must undergo the then current number of audits per year as required by HR, which may be at Franchisee's expense, at HR's sole discretion. The Franchised Restaurant must adhere to the terms outlined in the Red Audit Policy for third-party food safety audits. Franchisee must furnish to HR, within five days after its receipt, a copy of all inspection reports, warnings, citations, certificates and/or ratings resulting from inspections conducted by any federal, state or municipal agency with jurisdiction over the Franchised Restaurant. HR's System Standards for health and safety are set forth in the OPM and other written materials. To the extent that any federal, state, or municipal agency's health and safety standards exceed those set forth in HR's System Standards, the Franchised Restaurant must meet the federal, state, or municipal agency's standards to be in compliance with HR's standards. Without limiting the foregoing, Franchisee and all required employees of Franchisee must obtain and maintain all necessary and required licenses and certificates for food service and food handling as may be required by applicable local rules and regulations or the OPM.

D. Menu Boards and Formats

HR shall have the right to prescribe, and subsequently vary, one or more menu boards and formats to be utilized in the Franchised Restaurant. The menu boards and formats may include requirements concerning organization, graphics, product descriptions, illustrations and other matters (except price) related to the menu. Prescribed menu boards and formats may vary depending on region, market size or other factors deemed relevant by HR. If any menu board and format utilized by Franchisee ceases to be an authorized menu board and format, Franchisee shall have a reasonable period of time (not to exceed 6 months) to discontinue use of the old menu board and format and begin using an authorized menu board and format.

E. Hardware, Software and Security

Franchisee agrees to procure and install such data processing equipment, computer hardware and software, required dedicated telephone and power lines, high speed Internet connections, modems, printers and other computer-related accessory or peripheral equipment as HR specifies in the OPM or otherwise. All of the foregoing must be able to provide HR that information, in that format/medium, as HR reasonably may specify from time to time. Franchisee shall provide all assistance required by HR to bring Franchisee's computer system on-line with the computer system designated by HR and maintained by HR or its affiliates at the earliest possible time. Franchisee agrees that HR shall have the free and unfettered right to retrieve any data and information from Franchisee's computers as HR, in its sole discretion, deems appropriate, including electronically polling the daily sales, menu mix and other data of the Franchised Restaurant. All of the hardware and software specified to be installed or purchased, or activities Franchisee is to accomplish, and the delivery cost of all hardware and software, shall be at Franchisee's expense.

Franchisee shall: **(1)** use the proprietary software program, system documentation manuals and other proprietary materials now and hereafter required by HR in connection with the operation of the Franchised Restaurant; **(2)** if requested by HR, execute HR's standard software license or similar Agreement; **(3)** input and maintain in Franchisee's computer such data and information as HR prescribes in the OPM, software programs, documentation or otherwise; **(4)** purchase new or upgraded software programs, system documentation manuals and other proprietary materials at then-current prices whenever adopted system-wide by HR; **(5)** comply with Point to Point Credit Encryption Standards ("P2PE") and the

Payment Card Industry Data Security Standard ("PCI DSS") at all times, and if necessary to maintain such compliance, upgrade its technology, at Franchisee's expense; and **(6)** engage any vendor that HR designates to ensure the security of Franchisee's data and compliance with P2PE and PCI DSS. Franchisee must maintain continuous compliance and attest annually by providing a completed and signed PCI Attestation of Compliance (AOC) to HR.

Franchisee acknowledges that computer systems are designed to accommodate a finite amount of data and terminals, and that, as these limits are reached, or as technology or software is developed in the future, HR may, in its sole discretion, mandate that Franchisee: **(A)** add memory, ports and other accessories or peripheral equipment or additional, new or substitute software to the original computer system purchased by Franchisee; and **(B)** replace or upgrade the entire computer system with a larger system capable of assuming and discharging the computer-related tasks and functions specified by HR. Franchisee also acknowledges that computer designs and functions change periodically and that HR may desire to make substantial modifications to its computer specifications or to require installation of entirely different systems during the term of this Agreement or upon renewal of this Agreement.

To ensure full operational efficiency and communication capability between HR's computers and those of all Hardee's Restaurants, Franchisee agrees, at its expense, to keep its computer system in good maintenance and repair and to make additions, changes, modifications, substitutions and replacements to its computer hardware, software, telephone and power lines and other computer-related facilities as directed by HR, and on the dates and within the times specified by HR in its sole discretion. Upon termination or expiration of this Agreement, all computer software, disks, tapes and other magnetic storage media shall be returned to HR in good operating condition, excepting normal wear and tear.

Franchisee agrees to utilize administrative, physical, and technical safeguards designed to protect systems and data from unauthorized access, disclosure, acquisition, destruction, use, or modification that are consistent with industry standards and best practices. Franchisee further agrees to adhere to any applicable law relating to data security. In the event of a suspected or actual data breach, Franchisee will notify HR within 24 hours of becoming aware of the actual or suspected data breach and provide timely updates and information when requested by HR. Franchisee will comply with industry standards and best practices regarding breach reporting and notification obligations and take all necessary and appropriate corrective action to remedy the data breach, prevent a recurrence of such a breach, and avoid and/or prevent any further loss or damage arising from the data breach.

F. Upkeep of the Franchised Restaurant

Franchisee shall constantly maintain and continuously operate the Franchised Restaurant and all furniture, fixtures, equipment, furnishings, floor coverings, interior and exterior signage, the building interior and exterior, interior and exterior lighting, landscaping and parking lot surfaces in first-class condition and repair in accordance with the requirements of the System, including all ongoing necessary remodeling, redecorating, refurbishing and repairs. In addition, Franchisee shall promptly and diligently perform all necessary maintenance, repairs and replacements to the Franchised Restaurant as HR may prescribe from time to time including periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn out signage, floor coverings, furnishings, equipment and decor.

Franchisee shall not make any material alterations to the Franchised Restaurant that affect operations or the image of the System without HR's prior written approval. Franchisee acknowledges and agrees that the requirements of this Section are both reasonable and necessary to ensure continued public

acceptance and patronage of Hardee's Restaurants, to assist the Franchised Restaurant to compete effectively in the marketplace and to avoid deterioration or obsolescence of the operation of the Franchised Restaurant.

If the Franchised Restaurant is leased or subleased and the lease/sublease is renewed or extended (or a new lease/sublease is executed) during the Initial Term of this Agreement, Franchisee shall exercise good faith efforts to obtain the landlord's consent to inclusion of the lease provisions required by HR pursuant to Section 3 of this Agreement.

G. Maximum Operation of the Franchised Restaurant

During the term of this Agreement, Franchisee shall use the Franchised Location solely for the operation of the Franchised Restaurant and shall maintain sufficient inventories, adequately staff each shift with qualified employees and continuously operate the Franchised Restaurant at its maximum capacity and efficiency for the minimum number of days and hours set forth in the OPM or as HR otherwise prescribes in writing (subject to the requirements of local laws and licensing requirements).

Franchisee shall immediately resolve any customer complaints regarding the quality of food or beverages, service and/or cleanliness of the Franchised Restaurant or any similar complaints. When any customer complaints cannot be immediately resolved, Franchisee shall use best efforts to resolve the customer complaints as soon as practical and shall, whenever feasible, give the customer the benefit of the doubt. If HR, in its sole discretion, determines that its intervention is necessary or desirable to protect the System or the goodwill associated with the System, or if HR, in its sole discretion, believes that Franchisee has failed adequately to address or resolve any customer complaints, HR may, without Franchisee's consent, resolve any complaints and charge Franchisee an amount sufficient to cover HR's reasonable costs and expenses in resolving the customer complaints, which amount Franchisee shall pay HR immediately on demand.

H. Franchised Restaurant Management and Personnel

The Franchised Restaurant shall at all times be under the on-site supervision of one of the following designated individuals, who must meet, to the satisfaction of HR, HR's applicable training qualifications for their designated position: the Operating Principal, a Multi-Unit Manager, or a restaurant General Manager. Franchisee must, at all times, employ for the Franchised Restaurant at least one General Manager and a sufficient number of employees who have successfully completed the FMTP or HR's then-current training as designated by HR to ensure that the Franchised Restaurant operates in accordance with the System. If at any time Franchisee ceases to employ the required number of trained personnel, Franchisee has 30 days (from the date on which Franchisee has less than the required number of trained personnel) to hire and enroll replacement personnel in the FMTP or other designated training requirements, and 90 days to ensure that such replacement personnel has completed the required training requirements.

Franchisee, Franchisee's Operating Principal or, if applicable, the Multi-Unit Manager shall remain active in overseeing the operations of the Franchised Restaurant, including without limitation, regular, periodic visits to the Franchised Restaurant and sufficient communications with HR to ensure that the Franchised Restaurant's operations comply with the operating standards as promulgated by HR from time to time in the OPM or otherwise in written or oral communications.

Franchisee shall hire, and at all times employ, a sufficient number of trained employees for the Franchised Restaurant and be exclusively responsible for the terms of their employment and compensation,

and for the proper training of such employees in the operation of the Franchised Restaurant, in human resources and customer relations. Franchisee shall establish at the Franchised Restaurant a training program for all employees that meets the standards prescribed by HR. Franchisee will be solely responsible for: (1) hiring, training and supervising efficient, competent and courteous employees of good character for the operation of the Franchised Restaurant; (2) the terms of their employment and compensation; and (3) the proper training of the employees in the operation of the Franchised Restaurant.

Franchisee shall employ only suitable persons of good character and reputation who will at all times conduct themselves in a competent and courteous manner in accordance with the image and reputation of HR and the System and, while on duty, comply with the dress attire, personal appearance and hygiene standards set forth in the OPM. Franchisee shall use its best efforts to ensure that Franchisee's employees maintain a neat and clean appearance and render competent and courteous service to all customers and fellow employees of the Franchised Restaurant.

I. Signs and Logos

Subject to local ordinances, Franchisee shall prominently display in and upon the land and buildings of the Franchised Restaurant interior and exterior signs and logos using the name "Hardee's," without any prefix or suffix, and those other names, marks, advertising signs and logos, of such nature, form, color, number, location and size, and containing that material as HR may from time to time direct. Franchisee shall not display in or upon the Franchised Location any sign, logo or advertising media of any kind to which HR objects.

J. Amusement Equipment

Franchisee shall not permit at the Franchised Restaurant any juke box, vending or game machine, gum machine, game, ride, gambling or lottery device, coin or token operated machine, or any other music, film or video device not authorized by HR.

K. Compliance with Laws and Good Business Practices

Franchisee shall secure and maintain in force in its name all required licenses, permits and certificates relating to the operation of the Franchised Restaurant. It is Franchisee's sole and absolute obligation to research all applicable federal, state and local laws and regulations governing the operation of the Franchised Restaurant and to ensure that such operation does not violate any federal, state or local law or regulation. For example, there are various federal laws that could affect the Franchised Restaurant and Franchisee must comply with such as the American with Disabilities Act (ADA), the CAN-SPAM Act, the Telephone Consumer Protection Act (TCPA), the Telemarketing Sales Rule (TSR), and other federal and state anti-solicitation laws regulating marketing phone calls; and federal and state laws that regulate data security and privacy (including but not limited to the use, storage, transmission, and disposal of data regardless of media type). Franchisee must investigate these laws to understand your potential legal obligations. Further, Franchisee shall operate the Franchised Restaurant in full compliance with all applicable laws, ordinances and regulations governing or relating to the handling of food products, immigration and discrimination, occupational hazards and health insurance, employment laws, including, without limitation, worker's compensation insurance, unemployment insurance, and the withholding and payment of federal and state income taxes, social security taxes and sales taxes. All advertising and promotion by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee shall, in all dealings with Franchisee's customers, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee agrees to refrain

from any business or advertising practice that may be injurious to the goodwill associated with the Proprietary Marks or the business of HR, HR Affiliates, the System or other restaurants operated or franchised by HR or HR Affiliates.

Franchisee shall notify HR in writing within 5 days after the commencement of: **(1)** any action, suit or proceeding, or the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of Franchisee or the Franchised Restaurant; or **(2)** of any notice of violation of any law, ordinance or regulation relating to health or sanitation at the Franchised Restaurant.

L. Non-Cash Payment Systems

Franchisee shall accept debit cards, credit cards, stored value gift cards or other non-cash payment systems specified by HR to enable customers to purchase authorized products and shall obtain all necessary hardware and/or software used in connection with these non-cash payment systems. At all times, Franchisee must maintain relationships with all issuers or service providers that HR designates as mandatory, and Franchisee must refrain from using any services or providers that HR has not approved in writing or that HR has revoked its approval. HR may modify its requirements and designate additional approved or required methods of payment and vendor for processing such payment. Franchisee shall reimburse HR for all costs associated with such non-cash payment systems as they pertain to the Franchised Restaurant. In addition to the requirements set forth in Section 13.D. above, Franchisee must also comply with the Fair and Accurate Credit Transactions Act ("FACTA"). Franchisee must comply with all laws and regulations relating to privacy and data protection and must comply with any privacy policies or data protection and breach response policies, or any other policies related to data privacy or data use, that HR periodically may establish. Franchisee must notify HR immediately if it is notified of a credit card or data breach related to the Franchised Restaurant and must fully cooperate with HR and applicable authorities in resolving such breach. Further, Franchisee must cooperate with HR fully regarding media statements and other items related to managing any such event for the purpose of protecting the Proprietary Marks and System as set forth below.

M. Gift Card Program

Franchisee must participate in the Hardee's Gift Card Program or other gift card program that HR specifies. If necessary, Franchisee must purchase the software, hardware, blank cards, and other items needed to sell and process gift cards or stored value cards, which HR may specify in writing in the OPM or otherwise. Franchisee must sell and honor gift cards only in accordance with HR's written standards. Franchisee must account for all gift card sales, gift card redemptions, and other gift card transactions in the manner HR specifies in this Agreement and the OPM or other standards. Franchisee agrees that it will enter into a Participation Agreement with HR's gift card service provider, Stored Value Systems, Inc., immediately after the opening of the Franchised Restaurant.

N. Delivery Services

HR requires Franchisee to offer delivery services only through HR's designated providers to customers in Franchisee's market. On or before the Franchised Restaurant opens, Franchisee agrees to enter into the OLO Authorized Operator Agreement with Olo, Inc. Franchisee further agrees to enter into any participation agreement required with HR's designated delivery providers at the same time (currently, the approved delivery providers are Uber Eats, Door Dash, and GrubHub). Unless HR provides its prior

written consent, Franchisee agrees that it will not provide its own delivery service or use its employees to deliver orders to Franchisee's customers.

O. Customer Satisfaction Programs

In order to (among other things) maintain and enhance the goodwill associated with the Proprietary Marks, the System and each Hardee's Restaurant, Franchisee agrees to participate in programs initiated to verify customer satisfaction and/or Franchisee's compliance with all operational and other aspects of the System, including (but not limited to) secret shoppers, customer survey, or other Quality Assurance ("QA") or similar programs as HR may require. HR will share the results of these programs, as they pertain to the Franchised Restaurant, with Franchisee. Franchisee will reimburse HR for all costs related to the Franchised Restaurant associated with any and all of these programs.

P. Consumer Information

Franchisee may only use Consumer Information (as defined below) to the extent necessary to perform Franchisee's obligations under this Agreement during the term hereof and subject to such instructions and restrictions as HR may from time to time impose and in compliance with all data privacy, security and other applicable laws. "Consumer Information" means any identifiers (including name, address, phone numbers, usernames, birthdates and e-mail addresses), sales, transaction, loyalty and payment history, and all other information about or related to any customer or prospective customer, including any information deemed "personal information" or "personal data" under applicable law. As used in this Agreement, the term "customer" refers to any person or entity (i) whose information is collected by any HR system or application or included in any consumer or customer database, file or system owned or controlled by HR, its parent, subsidiary or affiliate companies; (ii) who is included on any marketing or customer lists Franchisee develops or uses or any customer information generally collected and saved for any reason; (iii) who has purchased, purchases or intends to purchase products or services online, through an HR application, or at the Franchised Restaurant; or (iv) who has been solicited to purchase any products or services at the Franchised Restaurant. HR may use the Consumer Information as HR deems appropriate, including sharing it with HR's affiliates.

HR owns all Consumer Information and may use the Consumer Information as it deems appropriate (subject to applicable law), including disclosing it to vendors or sharing it with its affiliates for cross-marketing or other purposes. Franchisee may only use Consumer Information for the purpose of operating the Franchised Restaurant to the extent permitted under this Agreement, including the OPM, during the term hereof and subject to such restrictions as HR may from time to time impose and in compliance with all data privacy, security and other applicable laws. Without limiting the foregoing, Franchisee agrees to comply with applicable law in connection with Franchisee's collection, processing, storage and use of such Consumer Information, including, if required under applicable law, obtaining consents from individuals for HR's and its affiliates' use of the Consumer Information. Franchisee must comply with all laws and regulations relating to data protection, privacy and security, including data breach response requirements ("Privacy Law(s)"), as well as data privacy and security policies, procedures and other requirements HR may periodically establish. Franchisee must maintain reasonable, appropriate, and effective security controls to preserve the security, integrity, availability, confidentiality, and resilience of Consumer Information. Franchisee must notify HR immediately of any suspected data breach at or in connection with the Franchised Restaurant or the business operated at the Franchised Restaurant. Franchisee must fully cooperate with HR and its counsel in determining the most effective way to meet HR's standards and policies pertaining to Privacy Laws, including those governing notification of a data breach. Franchisee is

responsible for any financial losses it incurs or remedial actions that it must take as a result of breach of security or unauthorized access to Consumer Information in Franchisee's control or possession.

Without limiting the foregoing, Franchisee represents, warrants, and covenants that:

(1) Franchisee will not "sell" or "share" (as defined under any Privacy Law) any Consumer Information or make Consumer Information available to any third party for valuable consideration;

(2) Franchisee will retain, use, or disclose Consumer Information only for the specific business purposes specified in this Agreement, and not for any other commercial or noncommercial purpose;

(3) Franchisee will not retain, use, or disclose Consumer Information outside of the direct business relationship between Franchisee and HR;

(4) Franchisee will not combine Consumer Information received from or on behalf of HR with personal information received from another source or collected from Franchisee's interactions with a consumer outside the operation of the Franchised Restaurant, except as specifically allowed under applicable Privacy Law;

(5) Franchisee shall not allow any person or entity (other than Franchisee's direct employees) to process Consumer Information without the express prior approval of HR, and any such subcontracting shall be performed strictly in accordance with a written agreement that imposes obligations on such subcontractor that are at least as restrictive as those imposed on Franchisee under this Agreement. Franchisee shall be liable for the acts and omissions of all such subcontractors to the same extent Franchisee would be liable if performing the services of each subcontractor directly under the Agreement;

(6) When required by applicable Privacy Law, HR will inform Franchisee of any consumer request (e.g., deletion, correction, access, and opt-out) that requires Franchisee's compliance and will provide Franchisee with the information within HR's possession that is necessary for Franchisee to comply with the request. Franchisee will cooperate with HR, and promptly (and in any event within ten days following notice by HR) provide any information and documents requested by Franchisee to respond to requests by customers under Applicable Laws. Franchisee will delete, modify, or correct any Consumer Information upon HR's request unless Franchisee can prove that such request is subject to an exception under applicable law;

(7) Franchisee shall make available to HR all information necessary for Franchisee to demonstrate compliance with its obligations under this Section 13(P). Franchisee will cooperate with HR, its internal auditors and external auditors for the purpose of inspecting, examining, and assessing Franchisee's compliance with its obligations under this Section 13(P). This Auditing may be conducted through measures including, but not limited to, manual reviews and automated scans, as well as technical and operational testing. Auditing may take place at least once every twelve (12) months; and

(8) If Franchisee receives a Consumer Information request directly from a consumer under their state Privacy Law (e.g. a request to access, delete or correct Consumer Information) that may pertain to Consumer Information , Franchisee shall inform HR of that request within one business day and cooperate with HR to ensure that the consumer receives an appropriate and timely

acknowledgement and response. Typically, an acknowledgement is required within 10 business days and a final response is required within 45 calendar days.

Franchisee certifies that it understands the restrictions in Paragraphs (1) – (5) of this section and will comply with them. Franchisee shall immediately (and in any event within five business days) notify HR if it determines that it can no longer meet its obligations under this Section 13(P).Franchisee also acknowledges and agrees that HR may modify the restrictions by written notice to Franchisee, including adding other similar privacy restrictions that may be required under other federal, state or local privacy laws.

To the extent Franchisee's business is independently subject to any Privacy Laws, Franchisee must comply with all standards, laws, rules, regulations or any equivalent thereof relating to personal information, data privacy, and data protection that may apply to personal information not encompassed by the definition of "Consumer Information," above (for example, as relates to Franchisee's employees or job applicants). The requirements of this Section 13(P) are not intended to constitute legal advice or to imply that compliance with this Agreement fulfills all of Franchisee's potential obligations under the Privacy Laws. Franchisee should consider applicable federal, state and local laws, and consult its own legal counsel or advisors, as it deems necessary.

14. PROPRIETARY MARKS

The term "Proprietary Marks" as used in this Agreement refers to all trade names, trademarks, service marks, trade dress, logos, insignias, slogans, emblems, symbols, designs, and any combination thereof or any other indicia of source designated by HR as identifying the System and the products sold and services provided in connection with the System. You acknowledge that HR owns all rights, title, and interest in and to the Proprietary Marks and you have only such rights to use the Proprietary Marks as this Agreement grants. HR shall, from time to time, advise Franchisee as to any additions or deletions to the Proprietary Marks and Franchisee's right to use the Proprietary Marks shall be deemed modified by those additions or deletions.

Franchisee's right to use the Proprietary Marks is limited to its use of the Proprietary Marks in the operation of the Franchised Restaurant at the Franchised Location and as expressly provided in this Agreement and the OPM. Franchisee's limited license extends only to use of the Proprietary Marks in accordance with (i) all applicable standards, operating procedures, policies and guidelines that we prescribe—and from time to time amend—during the duration of this Agreement, including, without limitation, those set forth in the most current edition of the OPM and other publications, if any, dedicated to proper use of the Proprietary Marks; and (ii) all applicable laws and regulations pertaining to advertising and marketing, including, without limitation, federal and state laws pertaining to telemarketing (including the Telephone Consumer Protection Act), false advertising, unfair competition and unfair practices.

Franchisee shall not use the Proprietary Marks on any vehicles without the prior written approval of HR. Franchisee shall not use the Proprietary Marks or any variations of the Proprietary Marks or marks or names confusingly similar to the Proprietary Marks in any manner not authorized by HR or in any corporate, limited liability company or partnership name and shall not use any other trade names, service marks or trademarks in conjunction with the Franchised Restaurant. If local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise make a filing indicating that the Proprietary Marks are being used as a fictitious or assumed name, Franchisee shall include in such filing or application an indication that the filing is made as a franchisee of HR. Franchisee shall use the symbol ® with all registered trademarks and the symbol ™ with all pending registrations or other marks.

Franchisee shall not use the Proprietary Marks in any Internet domain name or e-mail address, in the operation of any Internet web site or on a social mediate platform including any social networking site, Facebook Twitter, Instagram, Pinterest, YouTube, Snapchat, Vince, blogs, podcasts and wikis or other future social media platforms and/or technological avenues (collectively, "Social Media"); not an exclusive list and term applies to any social networking website, mobile application, blog or microblog, public and private message boards, comment sections, etc.) without HR's prior written consent. HR may grant or withhold its consent in its sole discretion and may condition its consent on such requirements as HR deems appropriate, including, among other things, that Franchisee obtain HR's written approval of: **(A)** any and all Internet domain names and home page addresses related to the Franchised Restaurant; **(B)** the proposed form and content of any web site related to the Franchised Restaurant; **(C)** Franchisee's use of any hyperlinks or other links; **(D)** Franchisee's use of any materials (including text, video clips, photographs, images and sound bites) in which any third party has an ownership interest; and **(E)** any proposed modification of Franchisee's web site. HR may designate the form and content of Franchisee's web site and/or require that any such web site be hosted by HR or a third party who HR designates, using one or more web sites that HR owns and/or controls. HR may charge Franchisee a fee for developing, reviewing, securing, protecting or approving Franchisee's web site and/or for hosting the web site. HR has established a Social Media policy for franchisees and Franchisee must comply with the Social Media policy, as modified from time to time, and any additional policies HR issues. Any copyright in Franchisee's sites or pages on any Social Media are owned by HR, and Franchisee must sign any documents that HR reasonably deems necessary to affirm HR's ownership of the copyright.

If HR, in the exercise of its reasonable business judgment, should elect to use a principal name in addition to or other than "Hardee's" to identify System Restaurants generally or in the DMA in which the Franchised Restaurant is located, HR may select another name and notify Franchisee to change all or some items bearing the Proprietary Marks to the new name within a reasonable period of time as determined by HR without any liability to Franchisee, and Franchisee promptly shall adopt that name provided that HR has committed to adopt that name and make the necessary changes in at least 60% of the System Restaurants operated by HR or HR Affiliates (if the change affects all System Restaurants) or, in all other circumstances, in at least 60% of the System Restaurants operated by HR or HR Affiliates in the DMA in which the Franchised Restaurant is located. Franchisee agrees that nothing in this Agreement gives it any right, title or interest in the Proprietary Marks (except the right to use the Proprietary Marks in accordance with the terms of this Agreement), that the Proprietary Marks are the sole property of HR and HR Affiliates, that Franchisee shall not directly or indirectly contest the validity or ownership of the Proprietary Marks or HR's right to license the Proprietary Marks, and that any and all uses by Franchisee of the Proprietary Marks and the goodwill arising therefrom shall inure exclusively to the benefit of HR and HR Affiliates. Franchisee will not seek to register, reregister, assert claim to ownership of, license or allow others to use, or otherwise appropriate to itself any of the Proprietary Marks or any mark or name confusingly similar thereto, or the goodwill symbolized by any of the foregoing except to the extent this action inures to the benefit of, and has the prior written approval of, HR. Any unauthorized use of the Proprietary Marks by Franchisee or attempt by Franchisee, directly or indirectly, to register the Proprietary Marks in any jurisdiction shall constitute a breach of this Agreement and an infringement of the rights of HR and HR Affiliates in and to the Proprietary Marks.

Franchisee promptly shall inform HR in writing as to any infringement of the Proprietary Marks of which it has knowledge. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy with respect to any such infringement without first obtaining HR's written approval. HR shall have the right, but not the obligation, to bring such action or take such steps as it may deem advisable to prevent any such infringement and to

join Franchisee as a party to any action in which HR or HR Affiliates are or may be a party and as to which Franchisee is or would be a necessary or proper party. Franchisee also shall promptly notify HR of any litigation (including administrative or arbitration proceedings) of which Franchisee is aware instituted against HR, HR Affiliates or Franchisee relating to the Proprietary Marks. Franchisee shall execute any and all instruments and documents, render such other assistance and do any acts and things as may, in the opinion of counsel for HR or HR Affiliates, be necessary or advisable to protect and maintain the interests of HR and HR Affiliates in the Proprietary Marks, including without limitation their interests in litigation or proceedings before the U.S. Patent and Trademark Office or other tribunal relating to the Proprietary Marks.

15. INSURANCE

A. Franchisee shall be responsible for all loss or damage arising from or related to Franchisee's development and operation of the Franchised Restaurant, and for all demands or claims with respect to any loss, liability, personal injury, death, property damage, or expense whatsoever occurring upon the premises of, or in connection with the development or operation of, the Franchised Restaurant. Franchisee shall, at its sole expense, maintain in full force and effect throughout the term of this Agreement that insurance which Franchisee determines is necessary or appropriate for liabilities caused by or occurring in connection with the development or operation of the Franchised Restaurant which shall include, at a minimum, insurance policies of the kinds, and in the amounts, required by Section 15.B. HR, and any entity with an insurable interest designated by HR, shall be an additional insured in such liability policies, except for workers' compensation/employer's liability, and loss payee for property to the extent each has an insurable interest.

B. All insurance policies shall be written by an insurance company or companies satisfactory to HR, in compliance with the standards, specifications, coverages and limits set forth in the OPM or otherwise provided to Franchisee in writing. These policies shall include, at a minimum, the following:

(1) Commercial General Liability insurance with policy limits not less than $5,000,000 per occurrence and in the aggregate. Coverage shall apply per location, including coverage for contractual liability, broad form property damage, personal and advertising injury, product liability and completed operations, not to exclude food-borne illness, as well as Damage to Rented Premises coverage with limits not less than $100,000.

(2) Automobile Liability coverage, including owned, leased, non-owned and hired vehicles, with a combined single limit not less than $1,000,000 per accident and additional liability coverage as needed for delivery services. This may be included as part of a package policy.

(3) Workers' Compensation, statutory as required by law, and Employer's Liability insurance with limits not less than $500,000, and such other insurance as may be required by the state or locality in which the Franchised Restaurant is operated. This coverage shall also be in effect for all of Franchisee's employees who participate in any of the training programs described in Section 8.

The required limits set forth in 15.B(1)-(3) may be satisfied through a combination of Primary and Umbrella/Excess Liability coverage. If satisfied through an Umbrella/Excess Liability coverage, the Umbrella/Excess Liability must be "following form" of the underlying Commercial General Liability, Automobile Liability, and Employer's Liability coverages.

(4) Commercial Property insurance that extends coverage on a replacement cost basis for the Franchised Restaurant, business personal property (including electronic equipment, tenant improvements & betterments), and business income and extra expense for a minimum of 12 months or actual loss sustained to cover loss of profits, continuing expenses and loss of rents. Covered causes of loss should be "Special Form" or "All Risk" with coinsurance conditions not less than 80%. Flood insurance is also required for locations that reside in FEMA Flood Zones beginning with the letters "A" or "V." Earthquake insurance is also required for locations that reside in FEMA Seismic Design Categories "E" or "D."

(5) Cyber Liability (network security/data privacy) with policy limits not less than $1,000,000 per occurrence.

(6) In connection with any construction, leasehold improvements, renovation, refurbishment, or remodeling of the Franchised Restaurant, Franchisee's general contractor shall maintain Commercial General Liability insurance (with products liability and independent contractors coverage), Automobile Liability coverage for owned, leased, hired and non-owned vehicles, and Builder's Risk with limits no less than $1,000,000, with HR named as an additional insured, as well as Workers' Compensation and Employer's Liability as required by state law.

HR may regulate the types, amounts, terms and conditions of insurance coverage required for the Franchised Restaurant, and standards for underwriters of policies providing required insurance coverage, including: **(a)** HR's protection and rights under these policies as an additional insured or loss payee; **(b)** required or permissible insurance contract provisions; **(c)** assignment of policy rights to HR; **(d)** periodic verification of insurance coverage that must be furnished to HR and; **(e)** similar matters related to insured and uninsured claims. Franchisee shall receive written notice of such modifications and shall take prompt action to comply.

C. The following general requirements shall apply to each insurance policy that Franchisee is required to maintain under this Agreement:

(1) Each insurance policy shall be specifically endorsed to provide that the coverages shall be primary and that any insurance carried by any additional insured or loss payee shall be excess and non-contributory.

(2) No insurance policy shall contain a provision that in any way limits or reduces coverage for Franchisee in the event of a claim by HR or its affiliates.

(3) Each insurance policy shall extend to, and provide indemnity for, all obligations and liabilities of Franchisee to third parties and all other items for which Franchisee is required to indemnify HR under this Agreement.

(4) Each insurance policy shall be written by an insurance company that has received and maintains an "A- VIII" or better rating by A.M. Best Company (or another rating service designated by HR) and that is otherwise satisfactory to HR.

(5) No insurance policy shall provide for a deductible amount that exceeds $100,000, unless otherwise approved in writing by HR.

(6) Each insurance policy shall include a waiver of subrogation endorsement in favor of HR and its affiliates.

(7) With respect to the Commercial General Liability, Automobile Liability and Umbrella/Excess Liability policies, HR and its affiliates shall be named as Additional Insured on a primary and non-contributory basis. With respect to the Commercial Property coverage, HR and its affiliates shall be named as Loss Payee.

D. All required insurance policies shall be in full force and effect and Franchisee shall submit to HR evidence of satisfactory insurance and proof of payment therefore no later than the date the first of the following occurs: **(1)** 30 days prior to the scheduled opening date of the Franchised Restaurant; **(2)** the date Franchisee takes possession of the Franchised Location, or **(3)** the date construction commences at the Franchised Location, if Franchisee is contractually obligated for the construction. On each policy renewal date thereafter, Franchisee shall again submit evidence of satisfactory insurance and proof of payment therefor to HR. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to HR. Upon request, Franchisee also shall provide to HR copies of all or any policies, and policy amendments and endorsements.

E. Franchisee acknowledges that no requirement for insurance contained in this Agreement constitutes advice or a representation by HR that only such policies, in such amounts, are necessary to protect Franchisee from losses in connection with its business under this Agreement. Maintenance of this insurance, and the performance by Franchisee of its obligations under this Section, shall not relieve Franchisee of liability under the indemnification provisions of this Agreement.

F. Should Franchisee, for any reason, fail to procure or maintain at least the insurance required by this Section 15, as revised from time to time pursuant to the OPM or otherwise in writing, HR shall have the immediate right and authority, but not the obligation, to procure such insurance and charge its cost to Franchisee. All out-of-pocket costs incurred by HR in obtaining such insurance on behalf of Franchisee shall be reimbursed to HR by Franchisee immediately upon Franchisee's receipt of an invoice therefor.

16. ORGANIZATION OF FRANCHISEE

A. Representations

If Franchisee is a corporation, a limited liability company, a partnership or any other type of organization (collectively, "business entity"), Franchisee makes the following representations and warranties: **(1)** it is duly organized and validly existing under the laws of the state of its formation; **(2)** it is qualified to do business in the state or states in which the Franchised Restaurant is located; **(3)** execution of this Agreement and the development and operation of the Franchised Restaurant is permitted by its governing documents; and **(4)** unless waived in writing by HR, Franchisee's governing documents shall at all times provide that the activities of Franchisee are limited exclusively to the development and operation of Hardee's Restaurants and other restaurants that are franchised by HR or its affiliates and that no Transfer (as defined in Section 18) of an ownership interest may be made except in accordance with Section 18.

If Franchisee is an individual, or a partnership comprised solely of individuals, Franchisee makes the following additional representations and warranties: **(A)** each individual has executed this Agreement; **(B)** each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and

(C) notwithstanding any transfer for convenience of ownership, pursuant to Section 18.D., each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

B. Governing Documents

If Franchisee is a business entity, Franchisee shall furnish HR with copies of Franchisee's governing documents and any other corporate documents, books or records that HR may request. When any of these governing documents are modified or changed, Franchisee promptly shall provide copies to HR.

C. Ownership Interests

If Franchisee is a business entity, Franchisee must furnish HR with a list of all holders of a direct or indirect ownership interest in Franchisee and their respective percentage interests. As of the date of this Agreement, all interests in Franchisee are owned as set forth in attached Appendix D. Franchisee shall comply with Section 18 prior to any change in ownership interests and shall update Appendix D as changes occur in order to ensure the information contained in Appendix D is true, accurate and complete at all times.

The requirements of this Section 16.C. shall apply only to Franchisee's Continuity Group (defined in Section 16.E.) if, as of the date of the first franchise-related agreement between Franchisee and HR or one of its affiliates, Franchisee was a publicly-held entity (*i.e.*, an entity that has a class of securities traded on a recognized securities exchange or quoted on the inter-dealer quotation sheets known as the "pink sheets"). If Franchisee becomes a publicly-held entity after that date, it shall thereafter be required to update Appendix D only with respect to changes in ownership interests of members of the Continuity Group.

D. Restrictive Legend

If Franchisee is a corporation, Franchisee shall maintain stop-transfer instructions against the transfer on its records of any voting securities, and each stock certificate of the corporation shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of this stock is subject to the restrictions imposed on assignment by the Hardee's Restaurant Franchise Agreement(s) to which the corporation is a party." If Franchisee is a publicly-held corporation these requirements shall apply only to the stock owned by Franchisee's Continuity Group. If Franchisee is a limited liability company, each membership or management certificate or other evidence of interest in Franchisee shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of an interest in this limited liability company is subject to the restrictions imposed on assignment by the Hardee's Restaurant Franchise Agreement(s) to which the limited liability company is a party." If Franchisee is a partnership, its written partnership agreement shall provide that ownership of an interest in the partnership is held subject to, and that further assignment or transfer is subject to, all restrictions imposed on assignment by this Agreement. If Franchisee is any other type of business entity, its organizational documents shall provide that an ownership interest in the business entity is held subject to, and further assignment or transfer is subject to, all restrictions imposed on assignment by this Agreement.

E. Continuity Group

If Franchisee is a business entity, Appendix D lists those persons who comprise Franchisee's "Continuity Group." HR and Franchisee acknowledge and agree that it is their intent that the members of the Continuity Group include the Operating Principal (as defined in Section 16.G.) and **(1)** all holders of a

direct or indirect legal or beneficial interest of 10% or more ("10% Owners") in Franchisee; **(2)** if Franchisee is a limited partnership, all 10% Owners of Franchisee's general partner; and **(3)** all 10% Owners of a business entity that owns a controlling interest in Franchisee. In the event of any change in the Continuity Group or in the ownership interests of any member of the Continuity Group, Franchisee shall update Appendix D to reflect the change. The Continuity Group shall at all times own at least 51% of the ownership interests in Franchisee.

F. Guarantees

All members of the Continuity Group and their spouses, if applicable, shall jointly and severally guarantee Franchisee's payment and performance under this Agreement and shall bind themselves to the terms of this Agreement pursuant to the attached Guarantee and Assumption of Franchisee's Obligations ("Guarantee"). Notwithstanding the foregoing, HR reserves the right, in its sole discretion, to waive the requirement that some or all of the previously described individuals execute the attached Guarantee and/or to limit the scope of the Guarantee. HR reserves the right to require any guarantor to provide personal financial statements to HR from time to time.

With respect to 10% Owners, Franchisee acknowledges that, unless otherwise agreed to in writing by HR, it is HR's intent to have individuals (and not corporations, limited liability companies or other entities) execute the Guarantee. Accordingly, if any 10% Owner is not an individual, HR shall have the right to have the Guarantee executed by individuals who have only an indirect ownership interest in Franchisee and their spouses, if applicable. (By way of example, if a 10% Owner of Franchisee is a corporation, HR has the right to require that the Guarantee be executed by individuals who have an ownership interest in that corporation and their spouses, if applicable.)

If Franchisee, any guarantor or any parent, subsidiary or affiliate of Franchisee holds any interest in other restaurants that are franchised by HR or its affiliates, the party who owns that interest shall execute, concurrently with this Agreement, a form of cross-guarantee to HR and its affiliates for the payment of all obligations for such restaurants, unless waived in writing by HR in its sole discretion. For purposes of this Agreement, an affiliate of Franchisee is any company controlled, directly or indirectly, by Franchisee or Franchisee's parent or subsidiary.

G. Operating Principal

Franchisee shall designate and retain an individual to serve as the Operating Principal. (If Franchisee is owned by one individual, that individual may serve as the Operating Principal if the individual meets HR's requirements for an Operating Principal.) The Operating Principal as of the date of this Agreement is identified in Appendix D. The Operating Principal shall meet all of the following qualifications:

(1) The Operating Principal shall have at least a 10% equity ownership interest in Franchisee or, if Franchisee is a limited partnership, in Franchisee's general partner, unless this requirement is modified by HR in its sole discretion. This Section 16.G.(1) shall not apply if Franchisee was a publicly-held entity or a wholly-owned subsidiary of a publicly-held entity as of the date of the first franchise-related agreement between Franchisee and HR.

(2) The Operating Principal, at all times, shall be a member of the Continuity Group and, at a minimum, have full control over the day-to-day activities of the Franchised Restaurant and those other restaurants (that are franchised by HR or its affiliates) operated by Franchisee in the same geographic

market as the Franchised Restaurant, including control over the standards of operation and financial performance.

(3) Unless Franchisee has named, and HR has approved, a Multi-Unit Manager

(a) The Operating Principal shall devote full-time and best efforts to supervising the operation of the Franchised Restaurant and those other restaurants (that are franchised by HR or its affiliates) operated by Franchisee in the same geographic market as the Franchised Restaurant and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility.

(b) Unless waived in writing by HR, the Operating Principal shall maintain his primary residence within a reasonable driving distance of the Franchised Restaurant.

(4) The Operating Principal shall successfully complete the FMTP and any additional training required by HR.

(5) HR shall have approved the Operating Principal, and not have later withdrawn that approval.

If the Operating Principal no longer meets these qualifications, Franchisee must provide HR written notice designating a qualified person to act as Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. HR shall advise Franchisee whether it has approved the new Operating Principal within a reasonable time after receipt of Franchisee's notice. If HR does not approve the proposed Operating Principal, Franchisee will have 15 days from its receipt of notice of the decision to advise HR in writing of another person to act as Operating Principal who satisfies the preceding qualifications.

If Franchisee operates restaurants in multiple markets that are franchised by HR or its affiliates, an individual meeting the qualifications of this Section will serve as the Operating Principal in at least one market.

H. Multi-Unit Manager

If Franchisee operates restaurants that are franchised by HR or its affiliates in multiple geographic markets, for all markets in which the Operating Principal fails to satisfy the requirements of Section 18.G., Franchisee shall designate and retain an individual to serve as Multi-Unit Manager. The Multi-Unit Manager shall be under the supervision of the Operating Principal. The Multi-Unit Manager shall meet all of the following qualifications:

(1) The Multi-Unit Manager shall devote full time and best efforts to supervising the operation of the Franchised Restaurant and those other restaurants (that are franchised by HR or its affiliates) operated by Franchisee in the same geographic market and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility.

(2) Unless waived in writing by HR, the Multi-Unit Manager shall maintain his primary residence within a reasonable driving distance of the Franchised Restaurant.

(3) The Multi-Unit Manager shall successfully complete the FMTP and any additional training required by HR.

(4) HR shall have approved the Multi-Unit Manager, and not have later withdrawn that approval.

If the Multi-Unit Manager no longer qualifies as such, Franchisee shall designate another qualified person to act as Multi-Unit Manager within 30 days after the date the prior Multi-Unit Manager ceases to be qualified. Franchisee's designee to become the Multi-Unit Manager must successfully complete the FMTP and any additional training required by HR.

17. TRANSFERS BY HR

HR shall have the absolute, unrestricted right, exercisable at any time, to transfer and assign all or any part of its rights and obligations under this Agreement to any person or legal entity without the consent of Franchisee. Franchisee agrees that HR will have no liability after the effective date of transfer or assignment for the performance of, or any failure to perform, any obligations transferred.

18. TRANSFERS BY FRANCHISEE

A. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that HR has entered into this Agreement in reliance on Franchisee's (and Franchisee's direct and indirect owners') business skill, financial capacity, personal character, experience and demonstrated or purported ability in developing and operating high quality foodservice operations. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement, nor any individual, partnership, corporation or other legal entity which directly or indirectly has an interest in Franchisee shall sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest in Franchisee, this Agreement, the Franchise, the Franchised Restaurant, the assets of the Franchised Restaurant, the Franchised Location or any other assets pertaining to Franchisee's operations under this Agreement (collectively "Transfer") without the prior written consent of HR, unless otherwise permitted by this Section.

Except as otherwise provided in this Agreement, any purported Transfer, by operation of law or otherwise, not having the prior written consent of HR shall be null and void and shall constitute a material breach of this Agreement, for which HR may terminate this Agreement without providing Franchisee an opportunity to cure the breach.

B. Franchisee shall advise HR in writing of any proposed Transfer, submit (or cause the proposed transferee to submit) a franchise application for the proposed transferee, submit a copy of all contracts and all other agreements or proposals and submit all other information requested by HR relating to the proposed Transfer. If HR does not exercise its right of first refusal pursuant to Section 18.J., the decision as to whether or not to consent to a proposed Transfer shall be made by HR in its sole discretion and shall include numerous factors deemed relevant by HR. These factors may include, but will not be limited to, the following:

(1) The proposed transferee (and if the proposed transferee is not a natural person, all persons that have any direct or indirect interest in the transferee as HR may require) must demonstrate to HR's satisfaction extensive experience in high quality restaurant operations of a character and complexity similar to Hardee's Restaurants; must meet the managerial, operational, experience, quality, character and

business standards for a franchisee promulgated by HR from time to time; must possess a good character, business reputation and credit rating; must have an organization whose management culture is compatible with HR's management culture; and must have adequate financial resources and working capital, as determined by HR in its sole discretion, to meet Franchisee's obligations under this Agreement.

(2) If the Transfer is a sale, the sales price shall not be so high, in HR's reasonable judgment, as to jeopardize the ability of the transferee to develop, maintain, operate, remodel, re-image, refresh and promote the Franchised Restaurant and meet financial obligations to HR, third party suppliers and creditors. HR's decision with respect to a proposed Transfer shall not create any liability on the part of HR: **(a)** to the transferee, if HR consents to the Transfer and the transferee experiences financial difficulties; or **(b)** to Franchisee or the proposed transferee, if HR withholds consent to the Transfer. HR, without any liability to Franchisee or the proposed transferee, has the right, in its sole discretion, to communicate and counsel with Franchisee and the proposed transferee regarding any aspect of the proposed Transfer.

(3) All of Franchisee's accrued monetary obligations to HR and its affiliates (whether arising under this Agreement or otherwise) and all other outstanding obligations related to the Franchised Restaurant (including, but not limited to, bills from suppliers, taxes, judgments and any required governmental reports, returns, affidavits or bonds) have been satisfied or, in the reasonable judgment of HR, adequately provided for. HR reserves the right to require that a reasonable sum of money be placed in escrow to ensure that all of these obligations are satisfied.

(4) Franchisee is not then in material default of any provision of this Agreement or any other agreement between Franchisee and HR or its affiliates, is in good standing as a franchisee with HR and its affiliates, is not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant and is not in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant.

(5) Franchisee or the proposed transferee, as determined by HR, must complete all remodel, renovations, re-image, maintenance and facility upgrades to modernize and conform the Franchised Restaurant to the image of the System for new franchised restaurants.

(6) Franchisee, all individuals who executed this Agreement and all guarantors of Franchisee's obligations must execute a general release and a covenant not to sue, in a form satisfactory to HR, of any and all claims against HR and its affiliates and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, and claims arising out of, or relating to, this Agreement, any other agreements between Franchisee and HR or its affiliates and Franchisee's operation of the Franchised Restaurant and all other restaurants operated by Franchisee that are franchised by HR or its affiliates.

(6) Unless waived by HR in its sole discretion, the transferee and those employees hired by the transferee to fill certain designated positions shall complete the training provided in Sections 11.A.-B.

(7) The transferee and each of the transferee's affiliates that have entered into a development or franchise agreement with HR or its affiliates must, as of the date of the request for HR's consent to the Transfer, be in compliance with all obligations to HR or its affiliates under those agreements.

C. If HR consents to a proposed Transfer, prior to the Transfer becoming effective:

(1) The transferor shall pay HR a nonrefundable Transfer fee in an amount not to exceed $2,500 per Franchised Restaurant in connection with HR's review of the Transfer application.

(2) Franchisee and the proposed transferee shall execute, at HR's election, an assignment agreement and any amendments to this Agreement deemed necessary or desirable by HR to reflect the Transfer and/or HR's then-current standard form of franchise agreement for an initial term ending on the expiration date of the Initial Term of this Agreement. In either event, a guarantee of the type required by Section 16.F. shall be executed by those individuals identified in Section 18.F. In addition, Franchisee, the proposed transferor and the proposed transferee shall sign all other documents and take such actions as HR may require to protect HR's rights under this Agreement.

(3) The transferor shall remain liable for all obligations to HR incurred before the date of the Transfer and shall execute any and all instruments reasonably requested by HR to evidence that liability.

D. If Franchisee is an individual or a partnership and desires to Transfer this Agreement to a corporation (or limited liability company) formed for the convenience of ownership, the requirements of Section 18.B. shall apply to such a Transfer; however, Franchisee will not be required to pay a Transfer fee. HR's consent also will be conditioned on the following: **(1)** the corporation (or limited liability company) must be newly organized; **(2)** prior to the Transfer, HR must receive a copy of the documents specified in Section 16.B. and the transferee shall comply with the remaining provisions of Section 16; and **(3)** Franchisee must own all voting securities of the corporation (or membership interests of the limited liability company) or, if Franchisee is owned by more than one individual, each person shall have the same proportionate ownership interest in the corporation (or the limited liability company) as prior to the Transfer.

E. Notwithstanding the provisions of Sections 18.A.and B., the issuance of options or the exercise of options pursuant to a qualified stock option plan or a qualified employee stock ownership plan shall not be considered a Transfer and shall not require the prior written consent of HR; provided no more than a total of 49% of Franchisee's outstanding voting securities are subject to the qualified stock option plan or qualified employee stock ownership plan.

F. If Franchisee was a publicly-held entity as of the date of the first franchise-related agreement between Franchisee and HR or its affiliates, Section 18.B. shall be applicable to transfers of ownership interests in Franchisee only if the proposed Transfer would result in: **(1)** 50% or more of Franchisee's voting securities being held by different shareholders than as of the date of the first franchise-related agreement between Franchisee and HR or its affiliates; or **(2)** any change in ownership of Franchisee's voting securities whereby any existing shareholder of Franchisee acquires an additional 10% or more of Franchisee's voting securities; or **(3)** any change in the membership of the Continuity Group (unless such change is a permitted Transfer pursuant to Section 18.G.).

G. In the event of the death or permanent incapacity of any person with an ownership interest in Franchisee, HR shall not unreasonably withhold its consent to a transfer to any person, persons, partnership or corporation designated by his legal representative, provided, however, that:

(1) The requirements of Section 18.B. and of 18.C. shall have been met.

(2) The proposed transfer is applied for in writing within 2 months of the date of death or permanent incapacity by the legal representative of such individual, and is effected within 6 months thereafter.

(3) In the case of permanent incapacity, the legal representative shall have furnished a certification of a physician designated by HR that Franchisee has been or will be unable to operate the Franchised Restaurant for a period of 6 months or longer.

H. Franchisee shall not grant any security interest in its business, the Franchised Restaurant, the Franchised Location or the assets used in the operation of the Franchised Restaurant without HR's prior written consent, which will not be unreasonably withheld. HR's consent may be conditioned, in its sole discretion, on the written agreement by the secured party that, in the event of a default by Franchisee under any agreement related to the security interest, HR shall have the right and option (but not the obligation) to purchase the rights of the secured party upon payment of all sums then due to the secured party. If Franchisee (or any person with a direct or indirect interest in Franchisee) finances any part of the price paid in connection with the Transfer, the person or entity providing the financing must agree that all obligations of the proposed transferee and any security interests retained in the assets being transferred, will be subordinate to the proposed transferee's obligations to: **(1)** pay all amounts due to HR and its affiliates; and **(2)** otherwise comply with this Agreement and all other agreements with HR or its affiliates.

I. Securities or partnership interests in Franchisee may be sold, by private or public offering, only with HR's prior written consent (whether or not HR's consent is required under any other provision of this Section). In addition to the requirements of Section 18.B., prior to the time that any public offering or private placement of securities or partnership interests in Franchisee is made available to potential investors, Franchisee, at its expense, shall deliver to HR a copy of the offering documents. Franchisee, at its expense, also shall deliver to HR an opinion of Franchisee's legal counsel and an opinion of one other legal counsel selected by HR (both of which shall be addressed to HR and in a form acceptable to HR) that the offering documents properly use the Proprietary Marks and accurately describe Franchisee's relationship with HR and/or its affiliates. The indemnification provisions of Section 27 shall also include any losses or expenses incurred by HR and/or its affiliates in connection with any statements made by or on behalf of Franchisee in any public offering or private placement of Franchisee's securities.

J. If any party holding any direct or indirect interest in Franchisee or in this Agreement receives a bona fide offer (as determined by HR in its reasonable discretion) from a third party or otherwise desires to undertake any Transfer that would require HR's consent (other than a Transfer for convenience of ownership pursuant to Section 18.D. or a Transfer of ownership interests to a parent, sibling, spouse or child), it shall notify HR in writing of the terms of the proposed Transfer, and shall provide such information and documentation relating to the proposed Transfer as HR may reasonably require, including, but not limited to, a copy of the offer. HR or its designee may elect to purchase the interest that the seller proposes to Transfer any time within 30 days after receipt of written notification, and all documents and other information required by Section 18.B., by sending written notice to the seller that HR or its designee intends to purchase the seller's interest on the same financial terms and conditions offered by the third party (except that HR or its designee shall not be obligated to pay any finder's or broker's fees). In purchasing the interest, HR or its designee shall be entitled to set off any monies owed to HR or its affiliates by Franchisee and HR or its designee shall be entitled to all customary representations and warranties that the assets are free and clear (or, if not, accurate and complete disclosure) as to: **(1)** ownership, condition and title; **(2)** liens and encumbrances; **(3)** environmental and hazardous substances; and **(4)** validity of contracts inuring to the purchaser or affecting the assets, whether contingent or otherwise.

If the offer to Franchisee involves assets in addition to this Agreement, the Franchised Location, the Franchised Restaurant and other restaurants operated by Franchisee that are franchised by HR or its affiliates, Franchisee's notice to HR shall state the cash value of that portion of the offer received by Franchisee relating to this Agreement, the Franchised Location, the Franchised Restaurant and those other restaurants. If the proposed Transfer provides for payment of consideration other than cash or it involves intangible benefits, HR or its designee may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties are unable to agree within 30 days on the reasonable equivalent in cash of the non-cash part of the offer received by Franchisee or the cash value of that portion of the offer received by Franchisee relating to this Agreement, the Franchised Location, the Franchised Restaurant and those other restaurants, the amount shall be determined by two professionally certified appraisers, Franchisee selecting one and HR or its designee selecting one. If the higher appraisal is more than 10% greater than the other appraisal, the two appraisers shall select a third professionally certified appraiser who also shall determine the amount. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and HR or its designee may exercise its right of first refusal within 30 days after being advised in writing of the decision of the appraisers. The cost of the appraisers shall be shared equally by the parties.

HR's failure to exercise its right of first refusal shall not constitute consent to the proposed Transfer nor a waiver of any other provision of this Section 18 with respect to a proposed Transfer. If HR does not exercise its right of first refusal, Franchisee may not thereafter Transfer the interest at a lower price or on more favorable terms than those that have been offered to HR. HR shall again be given a right of first refusal if a transaction does not close within 6 months after HR elected not to exercise its right of first refusal. In no event shall Franchisee offer the interest for sale or transfer at public auction, nor at any time shall an offer be made to the public to sell, transfer or assign, through any advertisement, either in the newspapers or otherwise, without first having obtained the written consent of HR to the auction or advertisement.

K. HR's consent to any Transfer shall not constitute a waiver of any claims HR may have against the transferring party, nor shall it be deemed a waiver of HR's right to demand exact compliance with any of the terms of this Agreement by the transferee, nor will it be deemed a waiver of HR's right to give or withhold consent to future Transfers.

19. GENERAL RELEASE

Except as set forth at the end of this Section 19, Franchisee (on behalf of itself and its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities) and all individuals who execute this Agreement (each a "Releasor" and collectively, "Releasors"), freely and without any influence, forever release and covenant not to sue HR, its parents, subsidiaries, affiliates, predecessors and successors and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities (collectively, "HR Releasees"), from any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively "claims"), that any Releasor now owns or holds or may in the future own or hold, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omission occurring on or before the date of this Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, claims for contribution, indemnity and/or subrogation and claims arising out of, or relating to this Agreement and all other agreements between any Releasor and any HR Releasee, the sale of a franchise to any Releasor, the development of the Franchised Restaurant prior to the date of this Agreement and the development and operation of all other restaurants operated by any Releasor that are or were franchised by HR or its parents, subsidiaries, affiliates or predecessors.

Franchisee (on behalf of Releasors) expressly agrees that fair consideration has been given by HR for this release and fully understands that this is a negotiated, complete and final release of all claims. This release does not include a release of claims arising from representations in the Hardee's Franchise Disclosure Document provided to Franchisee in connection with this Agreement or any claims arising under any applicable state or federal franchise laws regulating the offer or sale of the franchise for this Agreement (including without limitation the FTC Rule on Franchising (16 C.F.R. Part 436).

20. COVENANTS

A. Best Efforts

During the term of this Agreement, Franchisee and the Operating Principal shall devote their full-time and best efforts to the development, management and operation of the Franchised Restaurant.

B. Confidentiality

Franchisee acknowledges and agrees that: (**1**) HR owns all right, title and interest in and to the System; **(2)** the System includes trade secrets and confidential and proprietary information and know-how that gives HR a competitive advantage; **(3)** the trade secrets and confidential and proprietary information and know-how derive independent economic value to HR from not being generally known to and not readily ascertainable by others; **(4)** HR has taken all measures appropriate to protect the trade secrets and the confidentiality of the proprietary information and know-how of the System; **(5)** all material or other information now or hereafter provided or disclosed to Franchisee regarding the System is disclosed in confidence; **(6)** Franchisee has no right to disclose any part of the System to anyone who is not an employee of Franchisee; **(7)** Franchisee will disclose to its employees only those parts of the System that an employee needs to know; **(8)** Franchisee will have a system in place to ensure that its employees keep confidential HR's trade secrets and confidential and proprietary information, and, if requested by HR, Franchisee shall obtain from those of its employees designated by HR an executed Confidential Disclosure Agreement in the form prescribed by HR; **(9)** by entering into this Agreement, Franchisee does not acquire any ownership interest in the System; and **(10)** Franchisee's use or duplication of the System or any part of the System in any other business, or disclosure of any part of the System to others for use or duplication in any other business, would constitute an unfair method of competition, for which HR would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

Franchisee shall not, during the term of this Agreement or at any time thereafter, communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that HR or its affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

C. Restrictions

(1) Franchisee acknowledges and agrees that: **(a)** pursuant to this Agreement, Franchisee will have access to valuable trade secrets, specialized training and other confidential information from HR and/or its affiliates regarding the development, operation, product preparation and sales, market and operations research, advertising and marketing plans and strategies, purchasing, sales and marketing methods and techniques of HR and its affiliates and the System; **(b)** the know-how regarding the System and the opportunities, associations and experience acquired by Franchisee pursuant to this Agreement are

of substantial value; **(c)** in developing the System, HR and its affiliates have made substantial investments of time, effort, and money; **(d)** HR would be unable adequately to protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable adequately to encourage a free exchange of ideas and information among operators of Hardee's Restaurants if franchisees or developers were permitted to engage in the activities described in Section 20C.(2)(a) or to hold interests in the businesses described in Sections 20.C.(2)(b) and (3); **(e)** all restaurants operating in a quick-service format are substantial and direct competitors of the System; and **(f)** the restrictions on Franchisee's right to hold interests in, or perform services for, the businesses described in Sections 20.C.(2)(b) and (3) will not unduly limit its activities.

(2) Accordingly, Franchisee covenants and agrees that, except with HR's prior written consent, during the term of this Agreement, and for a continuous period of 2 years following its expiration, Transfer, or termination, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with, any person, firm, partnership, corporation, or other entity:

(a) Divert or attempt to divert any business or customer, or potential business or customer, of any Hardee's Restaurant to any competitor, by direct or indirect inducement or otherwise.

(b) Own, maintain, operate, engage in, grant a franchise to, advise, help, make loans to, lease property to, sell the property underlying the Franchised Location and related assets to, or have any interest in, either directly or indirectly, any restaurant business: **(i)** whose sales of Designated Entrée Items (as defined below) during any daypart are reasonably likely to account collectively for 20% or more of the restaurant's sales of all entrée items during that daypart; **(ii)** that features or promotes any Designated Entrée Item in its advertising; or **(iii)** that operates in a quick-service format (with or without table service). For purposes of the previous sentence, the term "Designated Entrée Items" means any hamburger sandwich, chicken sandwich, breakfast sandwich and any other entrée item of a type designated by HR as part of the System at any time during the term of this Agreement. During the term of this Agreement, there is no geographical limitation on this restriction. Following the expiration, transfer or termination of this Agreement, this restriction shall apply to any restaurant business located within a 2-mile radius of the Franchised Location and any restaurant business within a 2-mile radius of any then-existing Hardee's Restaurant. This restriction shall not apply to Franchisee's existing restaurant or foodservice operations, if any, which are identified in Appendix A, nor shall it apply to other restaurants operated by Franchisee that are franchised by HR or its affiliates.

If any part of these restrictions is found to be unreasonable in time or distance, each month of time or mile of distance may be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court to that deemed reasonable. If, at any time during the 2-year period following the expiration, Transfer or termination of this Agreement, Franchisee fails to comply with its obligations under this Section, that period of noncompliance will not be credited toward Franchisee's satisfaction of the 2-year obligation.

(3) Franchisee acknowledges that the Franchised Location will acquire goodwill associated with the System and that it would be difficult for HR to ascertain that Franchisee has no interest in the operation by a third party of a restaurant concept at that location that would, if operated by Franchisee, violate the restrictions of this Section 20. Accordingly, Franchisee further covenants and agrees that, during the term of this Agreement and for a period of 2 years following the expiration or earlier termination of this Agreement, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, firm, partnership, corporation, or other entity, sell, assign, lease or transfer the Franchised Location to any person, firm, partnership, corporation, or other entity which Franchisee

knows, or has reason to know, intends to operate a restaurant business at the Franchised Location that would violate Section 20.C.(2)(b) if operated by Franchisee. Franchisee, by the terms of any conveyance selling, assigning, leasing or transferring its interest in the Franchised Location, shall include such restrictive covenants as are necessary to ensure that a restaurant business that would violate Section 20.C.(2)(b) if operated by Franchisee is not operated at the Franchised Location for this 2-year period, and Franchisee shall take all steps necessary to ensure that these restrictive covenants become a matter of public record.

D. Modification

HR shall have the right, in its sole discretion, to reduce the scope of any covenant in this Section 20 effective immediately upon Franchisee's receipt of written notice, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 29.

E. Applicability

The restrictions contained in this Section 20 shall apply to Franchisee and all guarantors of Franchisee's obligations. With respect to each guarantor, these restrictions shall apply until 2 years after the earlier of: **(i)** the expiration, Transfer, or termination of this Agreement; or **(ii)** the date the guarantor ceases to be the Operating Principal, a stockholder, member of the Continuity Group or a 10% Owner (or, if a guarantor is the spouse of a person holding one or more of these positions, the date the person ceases to hold the applicable positions). The restrictions contained in this Section 20 shall not apply to ownership of less than a 5% legal or beneficial ownership in the outstanding equity securities of any publicly held corporation. The existence of any claim Franchisee or any guarantor of Franchisee's obligations may have against HR or its affiliates, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by HR of the covenants in this Section 20.

At HR's request, unless otherwise prohibited by law, Franchisee will obtain covenants similar in substance to those set forth in this Section 20 from any of its stockholders, managers, directors, members, officers, or restaurant managers and from family members of guarantors.

F. Injunctive Relief

Franchisee acknowledges and agrees that violation of the covenants contained in this Section 20 will result in immediate and irreparable injury to HR for which money damages are not an adequate remedy. Therefore, in addition to being responsible for any damages caused to HR arising from Franchisee's violation of this Section 20, HR shall be entitled to seek the entry of an injunction prohibiting any conduct by Franchisee in violation of this Section 20.

21. TERMINATION

A. Termination Without Cure Period

In addition to the grounds for termination that may be stated elsewhere in this Agreement, HR may terminate this Agreement, and the rights granted by this Agreement, upon written notice to Franchisee without an opportunity to cure upon the occurrence of any of the following events:

(1) Franchisee ceases to continuously operate the Franchised Restaurant for a period in excess of 5 consecutive days, unless the closing is due to a Force Majeure or is approved in writing in

advance by HR. If the closing is due to fire or other natural disaster, Franchisee must rebuild and reopen the Franchised Restaurant within six months following the fire or other natural disaster event or such longer period of time as agreed to with HR.

(2) Franchisee is insolvent or is unable to pay its creditors (including HR); files a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against Franchisee a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization, which is not dismissed within 60 days of the filing; Franchisee makes an assignment for the benefit of creditors; or a receiver or trustee is appointed for Franchisee and not dismissed within 60 days of the appointment.

(3) Execution is levied against Franchisee's business or property; suit to foreclose any lien or mortgage against the premises or equipment of the Franchised Restaurant is instituted against Franchisee and is not dismissed within 60 days; or the real or personal property of the Franchised Restaurant shall be sold after levy thereupon by any sheriff, marshal or constable.

(4) There is a material breach by Franchisee of any obligation under Section 20.

(5) Any Transfer that requires HR's prior written consent occurs without Franchisee having obtained that prior written consent.

(6) HR discovers that Franchisee made a material misrepresentation or omitted a material fact in the information that was furnished to HR in connection with its decision to enter into this Agreement.

(7) Franchisee knowingly falsifies any report required to be furnished to HR or makes any material misrepresentation in its dealings with HR or fails to disclose any material facts to HR.

(8) Franchisee fails to open the Franchised Restaurant for business within 18 months after the Property Control Date or within 60 days after HR first authorizes the opening of the Franchised Restaurant.

(9) HR makes a reasonable determination that continued operation of the Franchised Restaurant by Franchisee will result in an imminent danger to public health or safety.

(10) Franchisee loses possession of the Franchised Location through its own fault or its failure to extend the lease for the Franchised Location through the Initial Term of this Agreement.

(11) Franchisee, the Operating Principal, any stockholder, member, partner, director or officer of Franchisee, any member of the Continuity Group or any 10% Owner is convicted of, or pleads no contest to, a felony charge; a crime involving moral turpitude; or any other crime or offense that is reasonably likely, in the sole opinion of HR, to adversely affect HR, its affiliates or the System.

(12) Franchisee, the Operating Principal, any member of the Continuity Group, any 10% Owner or any affiliate of Franchisee remains in default beyond the applicable cure period under any other agreement with HR or its affiliates (provided that, if the default is not by Franchisee, Franchisee is given written notice of the default and a 30 day period to cure the default), or Franchisee remains in default beyond the applicable cure period under any real estate lease, equipment lease, or financing instrument relating to the Franchised Restaurant, or Franchisee remains in default beyond the applicable cure period

with any vendor or supplier to the Franchised Restaurant, or Franchisee fails to pay when due any taxes or assessments relating to the Franchised Restaurant or its employees, unless Franchisee is actively prosecuting or defending the claim or suit in a court of competent jurisdiction or by appropriate government administrative procedure or by arbitration or mediation conducted by a recognized alternative dispute resolution organization.

B. Termination Following Expiration of Cure Period

(1) Except for those items listed in preceding Section 21.A., Franchisee shall have 30 days after written notice of default from HR within which to remedy the default and provide evidence of that remedy to HR. If any such default is not cured within that time, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of that time, unless HR notifies Franchisee otherwise in writing. Notwithstanding the foregoing, if the default cannot be corrected within 30 days, Franchisee shall have such additional time to correct the default as reasonably required (not to exceed 90 days), provided that Franchisee begins taking the actions necessary to correct the default during the 30-day cure period and diligently and in good faith pursues those actions to completion. Franchisee will be in default under this Section 21.B.(1) for any failure to materially comply with any of the requirements imposed by this Agreement, the OPM or otherwise in writing, or to carry out the terms of this Agreement in good faith.

(2) Notwithstanding the provisions of preceding Section 21.B.(1), if Franchisee defaults in the payment of any monies owed to HR or its affiliates when such monies become due and payable and Franchisee fails to pay such monies within 10 days after receiving written notice of default, then this Agreement will terminate effective immediately upon expiration of that time, unless HR notifies Franchisee otherwise in writing.

(3) If Franchisee has received 2 or more notices of default within the previous 12 months, HR shall be entitled to send Franchisee a notice of termination upon Franchisee's next default within that 12-month period under this Section 21.B. without providing Franchisee an opportunity to remedy the default.

(4) In addition to the other provisions of this Section 21.B., if HR reasonably determines that Franchisee becomes or will become unable to meet its obligations to HR or its affiliates under this Agreement, HR may provide Franchisee written notice to that effect and demand that Franchisee provide those assurances reasonably designated by HR, which may include security or letters of credit for the payment of Franchisee's obligations to HR and its affiliates. If Franchisee fails to provide the assurances demanded by HR within 30 days after its receipt of written notice from HR, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of that time, unless HR notifies Franchisee otherwise in writing.

C. Termination Following Inspection

HR shall have the right to periodically conduct inspections of the Franchised Restaurant to evaluate Franchisee's compliance with the System and this Agreement. Following each inspection, HR will provide Franchisee an inspection report listing Franchisee's score on the inspection and those conditions at the Franchised Restaurant that must be rectified. If Franchisee fails to achieve a passing score on an inspection, the inspection report shall constitute a notice of default. If Franchisee fails to achieve a passing score on the next inspection (which shall be conducted at least 30 days after Franchisee's receipt of the inspection

report for the prior inspection), HR may terminate this Agreement, without opportunity to cure, by providing Franchisee written notice of termination along with the inspection report.

D. Statutory Limitations

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement requires a notice or cure period prior to termination longer than set forth in this Section, this Agreement will be deemed amended to conform to the minimum notice or cure period required by the applicable law or regulation.

22. OBLIGATIONS ON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement:

A. Franchisee shall immediately cease operating the Franchised Restaurant.

B. Franchisee immediately shall pay HR and its affiliates all sums due and owing HR or its affiliates related to the Franchised Restaurant. In addition, if this Agreement is terminated following Franchisee's default, since it would be difficult, if not impossible, to determine the amount of damages that HR will suffer as a result of Franchisee's breach, unless waived by HR in its sole discretion, Franchisee immediately shall pay HR, as damages and not as a penalty, the royalty fee that Franchisee would have paid during the period ("Damages Period") from the effective date of termination to the earlier of: **(1)** the 3-year anniversary of the effective date of termination; or **(2)** the date on which the Initial Term was scheduled to expire. The amount of such royalty fee during the Damages Period will be calculated by multiplying the average weekly royalty fee owed by Franchisee for the 52-week period prior to the effective date of termination by the number of weeks in the Damages Period. The obligation to pay this royalty fee survives termination of this Agreement and is in addition to, and not in lieu of, Franchisee's obligation to fully comply with its obligations under Section 20.C. following termination of this Agreement.

C. Franchisee promptly shall return to HR the OPM, any copies of the OPM and all other materials and information furnished by HR and delete all electronic copies of the OPM and all other materials and information furnished by HR that are in Franchisee's possession. Franchisee promptly shall return to HR, in good condition and repair excepting normal wear and tear, all computer software, disks, tapes and other electronic and magnetic storage media.

D. Franchisee and all persons and entities subject to the covenants contained in Section 20 shall continue to abide by those covenants and shall not, directly or indirectly, take any action that violates those covenants.

E. Franchisee immediately shall discontinue all use of the Proprietary Marks in connection with the Franchised Restaurant and of any and all items bearing the Proprietary Marks; remove the Proprietary Marks from the Franchised Restaurant and from clothing, signs, materials, motor vehicles and other items owned or used by Franchisee in the operation of the Franchised Restaurant (unless HR directs Franchisee to temporarily refrain from doing so while HR determines if it will exercise its option under Section 23); cancel all advertising for the Franchised Restaurant that contains the Proprietary Marks (including telephone directory listings); and take such action as may be necessary to cancel any filings or registrations for the Franchised Restaurant that contain any Proprietary Marks.

F. Unless HR directs Franchisee to temporarily maintain the existing appearance of the Franchised Location while HR determines if it will exercise its option under Section 23, Franchisee promptly shall make such alterations and modifications to the Franchised Location as may be necessary to clearly distinguish to the public the Franchised Location from its former appearance and also make those specific additional changes as HR may request for that purpose. If Franchisee fails to promptly make these alterations and modifications, HR shall have the right (at Franchisee's expense, to be paid upon Franchisee's receipt of an invoice from HR) to do so without being guilty of trespass or other tort.

G. Franchisee shall furnish HR, within 30 days after the effective date of termination or expiration, evidence (certified to be true, complete, accurate and correct by an authorized officer of Franchisee) satisfactory to HR of Franchisee's compliance with Sections 22.A. through 22.F.

H. Franchisee shall not, except with respect to a restaurant franchised by HR or its affiliates which is then open and operating pursuant to an effective franchise agreement or a restaurant franchised by HR or its affiliates which is under construction pursuant to a fully-signed franchise agreement: **(1)** operate or do business under any name or in any manner that might tend to give the public the impression that Franchisee is connected in any way with HR or its affiliates or has any right to use the System or the Proprietary Marks; **(2)** make, use or avail itself of any of the materials or information furnished or disclosed by HR or its affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or **(3)** assist anyone not licensed by HR or its affiliates to construct or equip a foodservice outlet substantially similar to a Hardee's Restaurant.

23. OPTION TO PURCHASE

A. Upon the expiration or termination of this Agreement for any reason, HR will have the option to purchase from Franchisee some or all of the assets used in the Franchised Restaurant ("Assets"). HR may exercise its option by giving written notice to Franchisee at any time following such expiration or termination up until 60 days after the later of: **(1)** the effective date of termination or expiration; or **(2)** the date Franchisee ceases to operate the Franchised Restaurant. As used in this Section 23, "Assets" shall mean and include, without limitation, leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Franchised Restaurant, and the real estate fee simple or the lease or sublease for the Franchised Location. HR shall be entitled to the entry of interlocutory and permanent orders of specific performance by a court of competent jurisdiction if Franchisee fails or refuses to timely meet its obligations under this Section 23.

B. HR shall have the unrestricted right to assign this option to purchase the Assets. HR or its assignee shall be entitled to all customary representations and warranties that the Assets are free and clear (or, if not, accurate and complete disclosure) as to: **(1)** ownership, condition and title; **(2)** liens and encumbrances; **(3)** environmental and hazardous substances; and **(4)** validity of contracts and liabilities inuring to HR or affecting the Assets, whether contingent or otherwise.

C. The purchase price for the Assets ("Purchase Price") shall be their fair market value, (or, for leased assets, the fair market value of Franchisee's lease) determined as of the effective date of purchase in a manner that accounts for reasonable depreciation and condition of the Assets; provided, however, that the Purchase Price shall take into account the termination of this Agreement. Further, the Purchase Price for the Assets shall not contain any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Franchised Restaurant nor any goodwill or "going concern" value for the Franchised Restaurant. HR may exclude from the Assets purchased in accordance with this Section any equipment, vehicles, furnishings, fixtures, signs, and inventory that are not approved

as meeting then-current standards for a Hardee's Restaurant or for which Franchisee cannot deliver a Bill of Sale in a form satisfactory to HR.

D. If HR and Franchisee are unable to agree on the fair market value of the Assets within 30 days after Franchisee's receipt of HR's notice of its intent to exercise its option to purchase the Assets, the fair market value shall be determined by two professionally certified appraisers, Franchisee selecting one and HR selecting one within 60 days after Franchisee's receipt of HR's notice of intent to exercise its purchase option. If the higher appraisal is more than 10% greater than the other appraisal, the two appraisers shall select a third professionally certified appraiser who also shall appraise the fair market value of the Assets. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and shall be the Purchase Price.

E. The appraisers shall be given full access to the Franchised Restaurant, the Franchised Location and Franchisee's books and records during customary business hours to conduct the appraisal and shall value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section 25. The appraisers' fees and costs shall be borne equally by HR and Franchisee.

F. Within 10 days after the Purchase Price has been determined, HR may exercise its option to purchase the Assets by so notifying Franchisee in writing ("HR's Purchase Notice"). The Purchase Price shall be paid in cash or cash equivalents at the closing of the purchase ("Closing"), which shall take place no later than 60 days after the date of HR's Purchase Notice. From the date of HR's Purchase Notice until Closing:

(1) Franchisee shall operate the Franchised Restaurant and maintain the Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Agreement; and

(2) HR shall have the right to appoint a manager, at HR's expense, to control the day-to-day operations of the Franchised Restaurant and Franchisee shall cooperate, and instruct its employees to cooperate, with the manager appointed by HR. Alternatively, HR may require Franchisee to close the Franchised Restaurant during such time period without removing any Assets from the Franchised Restaurant.

G. For a period of 60 days after the date of HR's Purchase Notice ("Due Diligence Period"), HR shall have the right to conduct such investigations as it deems necessary and appropriate to determine: **(1)** the ownership, condition and title of the Assets; **(2)** liens and encumbrances on the Assets; **(3)** environmental and hazardous substances at or upon the Franchised Location; and **(4)** the validity of contracts and liabilities inuring to HR or affecting the Assets, whether contingent or otherwise. Franchisee will afford HR and its representatives access to the Franchised Restaurant and the Franchised Location at all reasonable times for the purpose of conducting inspections of the Assets; provided that such access does not unreasonably interfere with Franchisee's operation of the Franchised Restaurant.

H. During the Due Diligence Period, at its sole option and expense, HR may **(1)** cause the title to the Assets that consist of real estate interests ("Real Estate Assets") to be examined by a nationally recognized title company and conduct lien searches as to the other Assets; **(2)** procure "AS BUILT" surveys of the Real Estate Assets; **(3)** procure environmental assessments and testing with respect to the Real Estate Assets; and/or **(4)** inspect the Assets that consist of leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory ("Fixed Assets") to determine if the Fixed Assets are in

satisfactory working condition. Prior to the end of the Due Diligence Period, HR shall notify Franchisee in writing of any objections that HR has to any finding disclosed in any title or lien search, survey, environmental assessment or inspection. If Franchisee cannot or elects not to correct any such title defect, environmental objection or defect in the working condition of the Fixed Assets, HR will have the option to either accept the condition of the Assets as they exist or rescind its option to purchase on or before the Closing.

I. Prior to the Closing, Franchisee and HR shall comply with all applicable legal requirements, including the bulk sales provisions of the Uniform Commercial Code of the state in which the Franchised Restaurant is located and the bulk sales provisions of any applicable tax laws and regulations. Franchisee shall, prior to or simultaneously with the Closing, pay all tax liabilities incurred in connection with the operation of the Franchised Restaurant prior to Closing. HR shall have the right to set off against and reduce the Purchase Price by any and all amounts owed by Franchisee to HR, and the amount of any encumbrances or liens against the Assets or any obligations assumed by HR.

J. If the Franchised Location is leased, HR agrees to use reasonable efforts to effect a termination of the existing lease for the Franchised Location. If the lease for the Franchised Location is assigned to HR or HR subleases the Franchised Location from Franchisee, HR will indemnify and hold Franchisee harmless from any ongoing liability under the lease from the date HR assumes possession of the Franchised Location, and Franchisee will indemnify and hold HR harmless from any liability under the lease prior to and including that date.

K. If Franchisee owns the Franchised Location, HR, at its option, will either purchase the fee simple interest or, upon purchase of the other Assets, enter into a standard lease with Franchisee on terms comparable to those for which similar commercial properties in the area are then being leased. The initial term of this lease with Franchisee shall be at least 10 years with 4 options to renew of 5 years each and the rent shall be the fair market rental value of the Franchised Location. If Franchisee and HR cannot agree on the fair market rental value of the Franchised Location, the appraisers (selected in the manner described in Section 23.D.) shall determine the rental value.

L. At the Closing, Franchisee shall deliver instruments transferring to HR or its assignee: **(1)** good and merchantable title to the Assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to HR or its assignee), with all sales and other transfer taxes paid by the Franchisee; **(2)** all licenses and permits for the Franchised Restaurant that may be assigned or transferred, with appropriate consents, if required; and **(3)** the lease or sublease for the Franchised Location, with appropriate consents, if required. If Franchisee cannot deliver clear title to all of the purchased Assets as indicated in this Section, or if there are other unresolved issues, the Closing shall be accomplished through an escrow.

24. RELATIONSHIP OF THE PARTIES

This Agreement does not create a fiduciary or other special relationship between the parties. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Franchisee is not and shall not hold itself out as agent, legal representative, partner, subsidiary, joint venture or employee of HR or its affiliates or a joint employer with HR or its affiliates. Franchisee shall have no right or power to, and shall not, bind or obligate HR or its affiliates in any way or manner, nor represent that Franchisee has any right to do so. Franchisee shall not issue any press releases without the prior written approval of HR.

Franchisee is an independent contractor and is solely responsible for all aspects of the development and operation of the Franchised Restaurant, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Franchisee acknowledges that HR has no responsibility to ensure that the Franchised Restaurant is developed and operated in compliance with all applicable laws, ordinances and regulations and that HR shall have no liability in the event the development or operation of the Franchised Restaurant violates any law, ordinance or regulation.

The sole relationship between Franchisee and HR is a commercial, arms' length business relationship and, except as provided in Section 25, there are no third party beneficiaries to this Agreement. Franchisee's business is, and shall be kept, totally separate and apart from any that may be operated by HR. In all public records, in relationships with other persons, and on letterheads and business forms, Franchisee shall indicate its independent ownership of the Franchised Restaurant and that Franchisee is solely a franchisee of HR. Franchisee shall post a sign in a conspicuous location in the Franchised Restaurant which will contain Franchisee's name and state that the Franchised Restaurant is independently owned and operated by Franchisee under a franchise agreement with HR.

25. INDEMNIFICATION

A. Franchisee and all guarantors of Franchisee's obligations under this Agreement shall, at all times, indemnify, defend (with counsel reasonably acceptable to HR), and hold harmless (to the fullest extent permitted by law) HR and its parents and affiliates, and their respective predecessors, successors, assigns, past and present stockholders, directors, managers, officers, employees, members, agents and representatives (collectively "Indemnitees") from and against all "losses and expenses" (as defined below) incurred in connection with any action, suit, proceeding, claim, demand, investigation, inquiry (formal or informal), judgment or appeal thereof by or against HR and/or Indemnitees or any settlement thereof (whether or not a formal proceeding or action had been instituted), arising out of or resulting from or connected with Franchisee's activities under this Agreement, excluding the gross negligence or willful misconduct of HR. Franchisee promptly shall give HR written notice of any such action, suit, proceeding, claim, demand, inquiry or investigation filed or instituted against Franchisee and, upon request, shall furnish HR with copies of any documents from such matters as HR may request.

At Franchisee's expense and risk, HR may elect to assume (but under no circumstances will HR be obligated to undertake), the defense and/or settlement of any action, suit, proceeding, claim, demand, investigation, inquiry, judgment or appeal thereof subject to this indemnification. Such an undertaking shall, in no manner or form, diminish Franchisee's obligation to indemnify and hold harmless HR and Indemnitees. HR shall not be obligated to seek recoveries from third parties or otherwise mitigate losses.

B. As used in this Section, the phrase "losses and expenses" shall include, but not be limited to, all losses; compensatory, exemplary and punitive damages; fines; charges; costs; expenses; lost profits; reasonable attorneys' fees; expert witness fees; court costs; settlement amounts; judgments; compensation for damages to HR's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

26. CONSENTS, APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of HR, Franchisee shall make a timely written request to HR therefor; and any approval or consent received, in order to be effective and binding upon HR, must be obtained in writing and be signed by an authorized officer of HR.

B. HR makes no warranties or guarantees upon which Franchisee may rely by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Agreement, and assumes no liability or obligation to Franchisee therefor, or by reason of any neglect, delay, or denial of any request therefor. HR shall not, by virtue of any approvals, advice or services provided to Franchisee, assume responsibility or liability to Franchisee or to any third parties to which HR would not otherwise be subject.

C. No failure of HR to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of HR's right to demand exact compliance with any of the terms of this Agreement. A waiver by HR of any particular default by Franchisee shall not affect or impair HR's rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of HR to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions or covenants of this Agreement affect or impair HR's right to exercise the same, nor shall such constitute a waiver by HR of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Subsequent acceptance by HR of any payments due to it hereunder shall not be deemed to be a waiver by HR of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

27. NOTICES

No notice, demand, request or other communication to the parties shall be binding upon the parties unless the notice is in writing, refers specifically to this Agreement and is addressed to: **(A)** if to Franchisee, addressed to Franchisee at the notice address set forth in Appendix A; and **(B)** if to HR, addressed to HR at its principal offices, current address: 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067 (marked Attn: General Counsel) (Email:legal@ckr.com). Any party may designate a new address for notices by giving written notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first rejection) and may be: **(1)** delivered personally; **(2)** transmitted by email to the address set forth above (or in Appendix A) with electronic confirmation of receipt; **(3)** mailed in the United States mail, postage prepaid, certified mail, return receipt requested; or **(4)** mailed via overnight courier.

28. FORCE MAJEURE

As used in this Agreement, the term "Force Majeure" means any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, pandemic, fire or other catastrophe, act of any government or other third party and any other cause not within the control of the party affected thereby. Franchisee's inability to obtain financing (regardless of the reason) shall not constitute Force Majeure. If the performance of any obligation by any party under this Agreement is prevented, hindered or delayed by reason of Force Majeure, which cannot be overcome by reasonable commercial measures, the parties shall be relieved of their respective obligations (to the extent that the parties, having exercised best efforts, are prevented, hindered or delayed in such performance) during the period of such Force Majeure. The party whose performance is affected by an event of Force Majeure shall give prompt written notice of such Force Majeure to the other party by setting forth the nature thereof and

an estimate as to its duration. Notwithstanding the foregoing, nothing in this Section shall permit or excuse any delay or failure to remit any payment due the other party on the due date.

29. ENTIRE AGREEMENT

HR and Franchisee acknowledge that each element of this Agreement is essential and material and that, except as otherwise provided in this Agreement, the parties shall deal with each other in good faith. This Agreement, the OPM, the documents referred to herein, and the attachments hereto, constitute the entire, full and complete agreement between the parties concerning Franchisee's rights, and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth herein, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in the Hardee's Franchise Disclosure Document provided to Franchisee.

30. SEVERABILITY AND CONSTRUCTION

A. Each article, paragraph, subparagraph, term and condition of this Agreement, and any portions thereof, will be considered severable. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to, or in conflict with, any applicable present or future law, rule or regulation in a final, unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which HR is a party, that ruling will not impair the operation of, or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the parties and continue to be given full force and effect.

B. HR has entered, and will continue to enter, into agreements with other franchisees. The manner in which HR enforces its rights and the franchisees' obligations under any of those other agreements shall not affect the ability of HR to enforce its rights or Franchisee's obligations under this Agreement. Except as otherwise provided in Section 25, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee and HR and its affiliates and such of their heirs, successors and assigns, any rights or remedies under or by reason of this Agreement.

C. Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which HR is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. No provision of this Agreement shall be interpreted in favor of, or against, any party because of the party that drafted this Agreement.

E. Whenever HR has expressly reserved in this Agreement a right and/or discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, HR may make such decision or exercise

its right and/or discretion on the basis of its judgment of what is in its best interests. This also applies if HR is deemed to have a right and/or discretion. HR's judgment of what is in the best interests of the System, at the time its decision is made or its right or discretion is exercised, can be made without regard to whether: **(1)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by HR; **(2)** HR's decision or the action taken promotes its financial or other individual interest; **(3)** HR's decision or the action taken applies differently to Franchisee and one or more other franchisees or HR company-operated or affiliate-operated operations; or **(4)** HR's decision or the action taken is adverse to Franchisee's interests. HR will have no liability to Franchisee for any such decision or action. HR and Franchisee intend that the exercise of HR's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, HR and Franchisee agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants HR the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations under this Agreement.

F. Franchisee agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of HR will have any liability for: **(1)** any obligations or liabilities of HR relating to or arising from this Agreement; **(2)** any claim against HR based on, in respect of, or by reason of the relationship between Franchisee and HR; or **(3)** any claim against HR based on any alleged unlawful act or omission of HR. This provision does not include a release of claims arising from representations in the Hardee's Franchise Disclosure Document provided to Franchisee in connection with this Agreement or any claims arising under any applicable state or federal franchise laws regulating the offer or sale of the franchise for this Agreement (including without limitation the FTC Rule on Franchising (16 C.F.R. Part 436)).

31. GOVERNING LAW, FORUM AND LIMITATIONS

A. This Agreement and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Tennessee without regard to conflicts of laws principles. Nothing in this Section is intended, or shall be deemed, to make any Tennessee law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.

B. The parties agree that, to the extent any disputes cannot be resolved directly between them, Franchisee shall file any suit against HR only in the federal or state court having jurisdiction where HR's principal offices are located at the time suit is filed. HR may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Franchisee resides or does business or where the Franchised Restaurant is or was located or where the claim arose. Franchisee consents to the personal jurisdiction of those courts over Franchisee and venue in those courts.

C. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Franchisee) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

D. Franchisee and HR waive, to the fullest extent permitted by law, any right or claim of any consequential, punitive or exemplary damages against each other and agree that, in the event of a dispute between them, each shall be limited to the recovery of actual damages sustained by it. **Franchisee and HR waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suits and the right to trial by jury.**

E. If either party brings an action to enforce this Agreement in a judicial proceeding, the party prevailing in that proceeding shall be entitled to reimbursement of costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, the cost of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of, the proceeding. If HR utilizes legal counsel (including in-house counsel employed by HR) in connection with any failure by Franchisee to comply with this Agreement, Franchisee shall reimburse HR for any of the above-listed costs and expenses incurred by HR. In any judicial proceeding, the amount of these costs and expenses will be determined by the court and not by a jury.

F. No right or remedy conferred upon or reserved to HR or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy. The provisions of this Section 33 shall survive the expiration or earlier termination of this Agreement.

32. MISCELLANEOUS

A. Gender and Number

All references to gender and number shall be construed to include such other gender and number as the context may require.

B. Captions

All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision of this Agreement.

C. Counterparts

This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed an original. This Agreement may be signed using electronic signatures, and such signatures will have full legal force and effect.

D. Time

Time is of the essence of this Agreement for each provision in which time is a factor. Whenever this Agreement refers to a period of days or months, the first day or month to be counted shall be the day or month of the designated action, event or notice. Except where otherwise noted, days shall be measured by calendar days, provided that if the last day of a period is a Saturday, Sunday or national holiday, the period automatically shall be extended to the next day that is not a Saturday, Sunday or national holiday.

E. Injunctive Relief

Franchisee recognizes that its failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with all post-termination obligations, is likely to cause irreparable harm to HR, its affiliates and the System. Therefore, Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, HR shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by HR shall be in addition to, and not in lieu of, all remedies and rights that HR otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

F. Authority

All information Franchisee provided to HR in connection with Franchisee's franchise application and HR's grant of this Franchise is truthful, complete and accurate. The persons signing this Agreement on behalf of Franchisee have full authority to enter into this Agreement and the other agreements contemplated by the parties. Execution of this Agreement or such other agreements by Franchisee does not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Franchisee or any person with an ownership interest in Franchisee is a party.

G. Control During Crisis Situation

If an event occurs at the Franchised Restaurant that may damage the Proprietary Marks, the System or the reputation of HR (collectively "Crisis Situation"), Franchisee shall: **(1)** immediately contact appropriate emergency care providers to assist it in curing the harm or injury; and **(2)** immediately inform HR by telephone of the Crisis Situation. Franchisee shall refrain from making any internal or external announcements (*i.e.*, no communication with the news media) regarding the Crisis Situation (unless otherwise directed by HR or public health officials).

To the extent HR deems appropriate, in its sole and absolute discretion, HR or its designee may control the manner in which the Crisis Situation is handled by the parties, including, without limitation, conducting all communication with the news media and/or temporarily closing the Franchised Restaurant. The parties acknowledge that, in directing the management of any Crisis Situation, HR or its designee may engage the services of attorneys, experts, doctors, testing laboratories, public relations firms and those other professionals as it deems appropriate. Franchisee and its employees shall cooperate fully with HR or its designee in its efforts and activities in this regard and shall be bound by all further Crisis Situation procedures developed by HR from to time hereafter. The indemnification under Section 25 shall include all losses and expenses that may result from the exercise by HR or its designee of the management rights granted in this Section 32.G.

H. Compliance with U.S. Laws

Franchisee acknowledges that under applicable U.S. law, including, without limitation, Executive Order 13224, signed on September 23, 2001 ("Order"), HR is prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Order. Accordingly, Franchisee represents and warrants to HR that as of the date of this Agreement, neither Franchisee nor any person holding any ownership interest in Franchisee, controlled by Franchisee, or under common control with Franchisee is designated under the Order as a person with whom business

may not be transacted by HR, and that Franchisee: **(1)** does not, and hereafter shall not, engage in any terrorist activity; **(2)** is not affiliated with and does not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and **(3)** is not acquiring the rights granted under this Franchise Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

I. FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, WISCONSIN

If Franchisee is a resident of one of the states listed in the heading of this Section 32.I (the "Applicable Franchise Registration State") or a non-resident who is acquiring franchise rights permitting the location of the Franchised Restaurant in the Applicable Franchise Registration State, then the following applies:

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.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

HR:
HARDEE'S RESTAURANTS LLC

By: _____
Print Name: Danell Caron
Title: Vice President, Legal
Date: _____

FRANCHISEE:

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

GUARANTEE AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Hardee's Restaurant Franchise Agreement dated as of _____ ("Agreement") by Hardee's Restaurants LLC ("HR"), entered into with _____ ("Franchisee"), the undersigned ("Guarantors"), each of whom is a member of Franchisee's Continuity Group or a 10% Owner, or the spouse thereof, hereby personally and unconditionally agree as follows:

1. Guarantee To Be Bound by Certain Obligations. Guarantors hereby personally and unconditionally guarantee to HR and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that each will be personally bound by the restrictions contained in Section 20 of the Agreement.

2. Guarantee and Assumption of Franchisee's Obligations. Guarantors hereby: **(A)** guarantee to HR and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement or at law or in equity, that Franchisee and any assignee of Franchisee's interest under the Agreement shall: **(1)** punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and **(2)** punctually pay all other monies owed to HR and/or its affiliates; **(B)** agree to be personally bound by each and every provision in the Agreement, including, without limitation, the provisions of Sections 20 and 25; and **(C)** agree to be personally liable for the breach of each and every provision in the Agreement.

3. General Release. Except as set forth in this Section 3, each Guarantor (if an individual, on behalf of him/herself and his/her heirs, representatives, successors and assigns, and if a business entity, on behalf of itself and its parent, subsidiaries and affiliates) (each a "Releasor" and collectively, "Releasors"), freely and without any influence, forever release and covenant not to sue HR, its parents, subsidiaries, affiliates, predecessors and successors and their respective past and present officers, directors, managers, shareholders, members, agents and employees, in their corporate and individual capacities (collectively, "HR Releasees"), from any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively "claims"), that any Releasor now owns or holds or may in the future own or hold, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omission occurring on or before the date of this Guarantee, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, claims for contribution, indemnity and/or subrogation, and claims arising out of, or relating to the Agreement and all other agreements between any Releasor and any HR Releasee, the sale of a franchise to any Releasor, the development of any Franchised Restaurant and the development and operation of all other restaurants operated by any Releasor that are or were franchised by HR or its parents, subsidiaries, affiliates or predecessors. Each Guarantor (on behalf of the applicable Releasors) expressly agrees that fair consideration has been given by HR for this release and fully understands that this is a negotiated, complete and final release of all claims. This release does not include a release of claims arising from representations in the Hardee's Franchise Disclosure Document provided to any Releasor in connection with the Agreement or any claims arising under any applicable state or federal franchise laws regulating the offer or sale of the franchise for the Agreement as of the date of the Agreement (including without limitation the FTC Rule on Franchising (16 C.F.R. Part 436).

4. General Terms and Conditions. The following general terms and conditions shall apply to this Guarantee:

A. Each of the undersigned waives: **(1)** acceptance and notice of acceptance by HR of the foregoing undertakings; **(2)** notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; **(3)** protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; **(4)** any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability; **(5)** all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guarantee by the undersigned; **(6)** any law or statute which requires that HR make demand upon, assert claims against or collect from Franchisee or any others, foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any others prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guarantee; **(7)** any and all other notices and legal or equitable defenses to which he may be entitled; and **(8)** any and all right to have any legal action under this Guarantee decided by a jury.

B. Each of the undersigned consents and agrees that: **(1)** his direct and immediate liability under this Guarantee shall be joint and several; **(2)** he shall render any payment or performance required under the Agreement if Franchisee fails or refuses punctually to do so; **(3)** such liability shall not be contingent or conditioned upon pursuit by HR of any remedies against Franchisee or any other person; **(4)** such liability shall not be diminished, relieved or otherwise affected by any amendment of the Agreement, any extension of time, credit or other indulgence which HR may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this Guarantee, which shall be continuing and irrevocable during the term of the Agreement and for so long thereafter as there are monies or obligations owing from Franchisee to HR or its affiliates under the Agreement; and **(5)** monies received from any source by HR for application toward payment of the obligations under the Agreement and under this Guarantee may be applied in any manner or order deemed appropriate by HR. In addition, if any of the undersigned ceases to be a member of the Continuity Group, a 10% Owner, an officer or director of Franchisee or own any direct or indirect interest in Franchisee or the Franchised Restaurant, that person (and his spouse, if the spouse is also a guarantor) agrees that the obligations under this Guarantee shall continue to remain in force and effect unless HR in its sole discretion, in writing, releases those person(s) from this Guarantee. Notwithstanding the provisions of the previous sentence, unless prohibited by applicable law, the obligations contained in Section 20.C. of the Agreement shall remain in force and effect for a period of 2 years after any such release by HR. A release by HR of any of the undersigned shall not affect the obligations of any other Guarantor.

C. If HR brings an action to enforce this Guarantee in a judicial proceeding or arbitration, the prevailing party in such proceeding shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. In any judicial proceeding, these costs and expenses shall be determined by the court and not by a jury.

D. If HR utilizes legal counsel (including in-house counsel employed by HR or its affiliates) in connection with any failure by the undersigned to comply with this Guarantee, the undersigned shall reimburse HR for any of the above-listed costs and expenses incurred by it.

E. If any of the following events occur, a default ("Default") under this Guarantee shall exist: **(1)** failure of timely payment or performance of the obligations under this Guarantee; **(2)** breach

of any agreement or representation contained or referred to in this Guarantee; **(3)** the dissolution of, termination of, existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or the commencement of any insolvency or bankruptcy proceeding by or against, any of the undersigned; and/or **(4)** the entry of any monetary judgment or the assessment against, the filing of any tax lien against, or the issuance of any writ of garnishment or attachment against any property of or debts due any of the undersigned. If a Default occurs, the obligations of the undersigned shall be due immediately and payable without notice. Upon the death of one of the undersigned, the estate shall be bound by this Guarantee for all obligations existing at the time of death. The obligations of the surviving Guarantors shall continue in full force and effect.

F. This Guarantee shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. HR's interests in and rights under this Guarantee are freely assignable, in whole or in part, by HR. Any assignment shall not release the undersigned from this Guarantee.

G. Sections 31.A. through 31.F. of the Agreement are incorporated by reference into this Guarantee and all capitalized terms that are not defined in this Guarantee shall have the meaning given them in the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature, under seal.

GUARANTORS:

NAME, individually

Date: _____

_____
Print Name: _____
Address: _____

NAME, individually

Date: _____

_____
Print Name: _____
Address: _____

NAME, individually

Date: _____

_____
Print Name: _____
Address: _____

APPENDIX A

FRANCHISE INFORMATION

1. Franchised Location (Recitals):

2. Initial Franchise Fee (Section 6.A.):

3. Interests in Other Restaurants (Section 20.C.(2)(b)):

4. Franchisee's Notice Address (Section 27):

5. Digital Tech Fee: currently, $160 per 4-week accounting fiscal period, for access to OLO, Data Menu Management, Data Management (customer data processing) and Future (enterprise data management and content management system). Required technology and the Digital Tech Fee are subject to change or modification upon prior notice to Franchisee.

APPENDIX B

WEEKLY ROYALTY FEE

The weekly royalty fee as provided for in Section 6.B. of the Franchise Agreement is as follows:

Year of Operation of the Franchised Restaurant		**Percentage of Gross Sales**

APPENDIX C

FRANCHISEE'S ADVERTISING AND PROMOTION OBLIGATION

Franchisee's APO under Sections 8.B. through 8.D. of the Franchise Agreement and its allocation shall be as set forth below, unless and until modified by HR as provided in Section 8:

1.	HNAF (Section 8.B.)	4.25% of Gross Sales
2.	Regional Co-op (Section 8.C.)	____% of Gross Sales
3.	LSM allocation (Section 8.D.)	____% of Gross Sales

TOTAL APO: 5.50% of Gross Sales

The Franchised Restaurant is located in the following Designated Market Area: _____

NOTES: (a) As noted in Section 8.E, Franchisee's actual APO may be more than what is listed above if the Franchised Restaurant's Regional Co-op increases the regional Co-op contribution.

(b) HR has the right to eliminate the LSM allocation.

APPENDIX D

OWNERSHIP INTERESTS
(Section 16.C)

If Franchisee is a business entity, the following is a list of all holders of a direct or indirect equity interest in Franchisee and their respective percentage interests:

Name	Address	Ownership Interest

Type of Business Entity:_____

CONTINUITY GROUP AND OPERATING PRINCIPAL
(Section 16.E. and Section 16.G.)

Franchisee's Continuity Group shall be comprised of the following persons: _____
_____
Franchisee's Operating Principal is:_____
_____

FRANCHISEE:

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

APPENDIX E

ACKNOWLEDGMENT ADDENDUM TO HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS ACKNOWLEDGMENT ADDENDUM DOES NOT APPLY TO CANDIDATES LOCATED IN, OR FRANCHISED RESTAURANT BUSINESSES TO BE LOCATED IN, ANY OF THE FOLLOWING FRANCHISE REGISTRATION STATES: CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI.

As you know, you and we are entering into a Franchise Agreement for the operation of a Hardee's. Restaurant franchise. Please review each of the following statements carefully and confirm their accuracy or advise us of their inaccuracy.

Acknowledgments and Representations. I, the undersigned Franchisee, hereby acknowledge and represent to Hardee's Restaurants LLC ("HR"), as follows:

A. I have received a copy of Hardee's Restaurants Franchise Disclosure Document (and all exhibits and attachments) (the "Disclosure Document") at least fourteen calendar days prior to signing the Hardee's Restaurants Franchise Agreement (the "Franchise Agreement"). If I am a resident of Iowa, I acknowledge that I received the Disclosure Document at the earlier of the first personal meeting or at least 10 business days before the execution of any franchise or other agreement or payment of any consideration that relates to the franchise relationship. *If not accurate, please comment*:_____

B. The Franchise Agreement involves significant legal and business rights and risks. HR does not guarantee my success. I have read the Franchise Agreement in its entirety, conducted an independent investigation of the business contemplated by the Franchise Agreement, have been thoroughly advised with regard to the terms and conditions of the Franchise Agreement by legal counsel or other advisors of my choosing, recognize that the nature of the business conducted by Hardee's Restaurants may change over time, have had ample opportunity to investigate all representations made by or on behalf of HR, and have had ample opportunity to consult with current and former franchisees of HR. The prospect for success of the business undertaken by me is speculative and depends to a material extent upon my personal commitment, capability and direct involvement in the day-to-day management of the business. *If not accurate, please comment*:_____

C. HR makes no express or implied warranties or representations that I will achieve any degree of success in the development or operation of the Franchised Restaurant and that success in the development and operation of the Franchised Restaurant depends ultimately on my efforts and abilities and on other factors, including, but not limited to, market and other economic conditions, my financial condition and competition. *If not accurate, please comment*:_____

D. HR has entered, and will continue to enter, into agreements with other franchisees. The manner in which HR enforces its rights and the franchisees' obligations under any of those other agreements shall not affect the ability of HR to enforce its rights or my obligations under my Franchise Agreement. *If not accurate, please comment*:_____

E. Other than as expressly stated in Item 19 of the Disclosure Document, I have not received from HR or its affiliates or anyone acting on their behalf, any oral, written or visual claim, statement, promise or representation to me that stated, suggested, predicted or projected sales, revenues, earnings, income or profit levels at any Hardee's Restaurant location. *If not accurate, please comment*:_____

F. I have not received from HR or its affiliates or anyone acting on their behalf, any representations other than those contained in the Hardee's. Franchise Disclosure Document provided to Franchisee as inducements to enter this Agreement. *If not accurate, please comment*:_____

G. I understand that I am responsible for developing my own business plan for my Hardee's Restaurant business, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances, and as part of my planning, I need to take into account the expenses I will incur. Expenses that I may incur include, but are not limited to, royalty and marketing fees, interest on debt service, insurance, legal and accounting charges, and depreciation/ amortization. I have been advised to consult with my professional advisors to assist me to identify the expenses I likely will incur, to prepare my budgets, and to assess the likely or potential financial performance of my Store. In developing the business plan, I understand that I should make necessary allowance for changes in financial results to income, expenses, or both, that may result from operation of my store during periods of, or in geographic areas suffering from, economic downturns, inflation, unemployment, or other negative economic influences. *If not accurate, please comment*:_____

H. I understand that any training, support, guidance or tools HR provides to me as part of the franchise are for the purpose of protecting the Hardee's Restaurants brand and trademarks and to assist me in the operation of my business and not for the purpose of controlling or in any way intended to exercise or exert control over my decisions or day-to-day operations of my business, including my sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of my employees and all other employment and employee related matters. *If not accurate, please comment*:_____

I. On the receipt pages of my Disclosure Document I identified _____ as the franchise sellers involved in this franchise sales process (these are the company representatives who offered me my franchise). The franchise sellers identified above are the only franchise sellers involved with this transaction. *If not accurate, please identify any additional franchise sellers involved with this transaction*: _____

IF MORE SPACE IS NEEDED TO RESPOND TO ANY REPRESENTATION, CONTINUE ON A SEPARATE SHEET AND ATTACH.

I UNDERSTAND THAT MY ANSWERS ARE IMPORTANT AND THAT HARDEE'S RESTAURANTS, LLC WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, I REPRESENT THAT I HAVE CONSIDERED EACH REPRESENTATION CAREFULLY AND RESPONDED FULLY AND TRUTHFULLY.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

FRANCHISEE:

By: _____
Print Name: _____

Title: _____
Date: _____

NAME, individually

By: _____
Date: _____

NAME, individually

By: _____
Date: _____

APPENDIX F

COMMENCEMENT DATE ADDENDUM

COMMENCEMENT DATE ADDENDUM

This Commencement Date Addendum is dated as of _____ and is made between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee").

HR and Franchisee entered into a Franchise Agreement dated _____ (the "Franchise Agreement"). Pursuant to the terms of the Franchise Agreement, the parties agreed to sign this Commencement Date Addendum upon the opening of the Hardee's Franchised Restaurant referenced in the Franchise Agreement (the "Franchised Restaurant"). Accordingly, HR and Franchisee agree that the Franchise Agreement is modified as follows:

1. The Franchised Restaurant opened for business on _____. The Initial Term of the Franchise Agreement expires on _____.

HR and Franchisee agree that the terms of this Commencement Date Addendum are incorporated into the Franchise Agreement. If any term of this Commencement Date Addendum conflicts with the terms of the Franchise Agreement, the terms of this Commencement Date Addendum will control.

HARDEE'S RESTAURANTS LLC

By: _____
Print Name: _____
Title: _____

FRANCHISEE

By: _____
Print Name: _____
Title: _____

APPENDIX G

LEASE ADDENDUM

HARDEE'S LEASE ADDENDUM

THIS ADDENDUM to the Lease Agreement dated as of _____ ("Lease") between _____("Landlord") and _____("Tenant") is entered into as of the effective date of the Lease.

RECITALS:

Pursuant to the Lease, Landlord will lease or has leased to Tenant certain real property as defined in the Lease ("Premises") for the operation of a franchised Hardee's Restaurant ("Restaurant");

Tenant will develop and operate the Restaurant pursuant to a franchise agreement (the "Franchise Agreement") with Hardee's Restaurants LLC or its affiliates (collectively "HR"), and the Lease is contingent upon Tenant's execution of the Franchise Agreement with HR; and

The Franchise Agreement requires, among other things, that the Lease contain certain provisions. Landlord and Tenant desire to modify the Lease to add those required provisions as set forth below, and agree that the terms and provisions of this Lease Addendum are hereby deemed incorporated into and made a part of the Lease.

NOW, THEREFORE, notwithstanding anything to the contrary elsewhere in the Lease, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree as follows:

1. The effectiveness of the Lease is contingent upon Tenant's execution of the Franchise Agreement with HR within 30 days after the date of this Addendum.

2. Landlord consents to Tenant's use of the proprietary signs, distinctive exterior and interior designs, colors and layouts, and the trademarks prescribed by HR (collectively, "Proprietary Marks"), and upon expiration or the earlier termination of the Lease, consents to permit Tenant, at Tenant's expense, to remove all such items and other trade fixtures, so long as Tenant makes repairs to the Premises caused by such removal.

3. Landlord and Tenant each agrees to provide HR (at the same time as sent to the other party) a copy of all amendments, assignments, any notices of default, option and refusal rights notices and any other material documents or correspondence or notices pertaining to the Lease and the Premises, including without limitation, tenant estoppel certificates and subordination agreements. HR's mailing address, until further notice, for this purpose is Attention: Franchise Legal Team, 6700 Tower Circle, Suite 1000, Franklin, TN 37067.

4. Following reasonable notice to Landlord, HR shall have the right to enter the Premises to make any modifications or alterations necessary to protect the "Hardee's Restaurant System" and the Proprietary Marks and to cure any Tenant default under the Lease within the time periods provided by the Lease, and charge Tenant for all costs incurred in making such modifications or alterations and for curing any such default, all without being guilty of trespass or other tort.

5. Landlord agrees that Tenant, and not HR, shall be solely responsible for all obligations, debts and payments under the Lease and that HR shall have no liability in that regard.

6. Landlord agrees that, following the expiration or earlier termination of the Lease or the Franchise Agreement, Tenant shall have the right to make those alterations and modifications (including removal and

demolition of improvements installed by Tenant or HR if necessary) to the Premises or any part thereof as may be necessary to clearly distinguish to the public the Premises from a Hardee's Restaurant and also to make those specific additional changes as HR reasonably may require for that purpose. This includes, but is not limited to, removal of all Proprietary Marks. Landlord further agrees that, if Tenant fails to promptly make the necessary alterations and modifications, HR shall have the right to do so without being guilty of trespass or other tort so long as HR makes repairs to the building caused by such removal.

7. Notwithstanding anything to the contrary contained in the Lease, Landlord agrees not to amend or otherwise modify the Lease in any manner that would affect any of the requirements set forth herein without HR's prior written consent.

8. Tenant may assign the Lease, or any right or rights therein (including without limitation purchase options or rights of first refusal), to HR or its parent, affiliates or subsidiaries (without Landlord's consent) or its designee (with Landlord's consent which consent shall not be unreasonably withheld) and without payment of any assignment fee or similar charge or increase in any rentals or other charges payable to Landlord.

9. Landlord consents to Tenant's collateral assignment of the Lease to HR or its designee, granting HR the option, but not the obligation, to assume the Lease and/or any or all rights therein.

10. If Tenant fails to exercise, for any reason, any term renewal or term extension right under the Lease, then HR may exercise such right, and upon the exercise of such right by HR, Tenant agrees that the Lease shall be deemed transferred and assigned to HR, effective upon the commencement of the renewal or extension term, without any further action of the parties, and Landlord consents to such transfer and assignment, and Tenant shall remain obligated under the Lease. If Tenant fails to exercise, for any reason, any purchase option or right of first refusal or similar right under the Lease, then HR may exercise such right, and upon the exercise of such right by HR, Tenant agrees that such right shall be deemed transferred and assigned to HR without any further action of the parties, and Landlord consents to such transfer and assignment, and Tenant shall remain obligated under the Lease. Landlord and Tenant acknowledge that HR's exercise of the foregoing rights is subject to Tenant's right to exercise such rights, and that if Tenant legally exercises such right within the time permitted under the Lease, HR's exercise of such rights, whether before or after Tenant's exercise, shall be void.

11. HR is hereby deemed a third party beneficiary of this Addendum solely for the purpose of enforcing any rights granted to or otherwise available to HR under this Addendum.

12. Upon the expiration or termination of the Lease or Franchise Agreement, Landlord acknowledges and agrees that HR has the option, in accordance with its rights under the Franchise Agreement, to take an assignment of Tenant's rights and obligations under the Lease. HR may exercise its step-in rights by giving written notice to the Landlord at any time following such expiration or termination of the Lease or Franchise Agreement up until 30 days after the later of: **(1)** the effective date of termination or expiration of the Lease or Franchise Agreement; or **(2)** the date Tenant ceases to operate the Restaurant.

13. The foregoing provisions shall apply during the entire term of the Lease, including any renewal term. To the extent there is any conflict between the terms set forth in the body of the Lease and the terms set forth in this Lease Addendum, the terms of this Lease Addendum will control.

14. This Addendum may be executed in counterparts, and each copy so executed and delivered shall be deemed to be an original.

15. Each of the persons executing this Addendum on behalf of each party represents and warrants that

said party has the full right, power and authority to execute and deliver this Addendum and that each person signing on said party's behalf is authorized to do so.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

LANDLORD:

By:_____

Print Name:_____

Title:_____

Date:_____

TENANT:

By:_____

Print Name:_____

Title:_____

Date:_____

APPENDIX H

ACH AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR DIRECT DEPOSITS (ACH CREDITS)

Company Name _____ Company ID Number_____

I (we) authorize CKE Restaurants, Inc. and its subsidiaries, hereinafter called COMPANY, to initiate variable credit entries to my (our) Checking Account/Savings Account (select one) indicated below at the depository financial institution named below, hereafter called DEPOSITORY, and to credit the same to such account. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Depository Name_____ Branch_____

City_____ State_____ Zip_____

Routing Number_____ Account Number_____

This authorization is to remain in full force and effect until COMPANY has received written notification from me (or either of us) of its termination in such time and such manner as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on it.

Name(s)_____ ID Number_____
(Please Print)

Date _____ Signature _____

NOTE: WRITTEN CREDIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

AUTHORIZATION AGREEMENT FOR DIRECT DEPOSITS (ACH DEBITS)

Company Name _____ Company ID Number_____

I (we) authorize CKE Restaurants, Inc. and its subsidiaries, hereinafter called COMPANY, to initiate variable debit entries to my (our) Checking Account/Savings Account (select one) indicated below at the depository financial institution named below, hereafter called DEPOSITORY, and to debit the same to such account. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Depository Name_____ Branch_____

City_____ State_____ Zip_____

Routing Number_____ Account Number_____

This authorization is to remain in full force and effect until COMPANY has received written notification from me (or either of us) of its termination in such time and such manner as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on it.

Name(s)_____ ID Number_____
(Please Print)

Date _____ Signature _____

NOTE: DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

BE SURE TO ATTACH A VOIDED CHECK

APPENDIX I

STAR UNIVERSITY LICENSE AGREEMENT

STAR UNIVERSITY LICENSE AGREEMENT

THIS **STAR UNIVERSITY LICENSE AGREEMENT** ("'Agreement") is made as of DATE ("Effective Date") by and between **CKE RESTAURANTS HOLDINGS, INC.,** a Delaware corporation ("Licensor"), and FRANCHISEE (collectively, "Licensee").

RECITALS

A. Pursuant to certain franchise or license agreements between Licensee and Licensor's subsidiary identified in Exhibit A ("Franchisor"), Licensee is the operator of the franchised restaurants located at the addresses listed in Exhibit A (collectively, the "Franchised Restaurants"). Licensee may add new Franchised Restaurants to this Agreement, with Licensor's prior written consent, by amending Exhibit A.

B. Licensor is a party to a certain educational, training and testing services Contract made and entered into with Cornerstone On Demand ("Vendor") as of May 12, 2021, pursuant to which Vendor provides certain educational, training and testing services to facilitate the acquisition and evaluation of workplace skills, including without limitation, online courses and interactive multimedia training and creating and administering learning content. (collectively, the "Licensed Program"), for use by Licensor and its subsidiaries and their franchisees.

C. Licensor and/or its subsidiaries own or have the right to use and license to others certain proprietary content that from time to time is contained on the Licensed Program (collectively, the "Content").

D. Licensor has the right to license to Licensee the Licensed Program and Content pursuant to the terms and conditions set forth in this Agreement.

E. Licensee desires to obtain a license, and Licensor desires to grant a license to Licensee, for access to and use of the Licensed Program and Content at the Franchised Restaurants upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1

LICENSE

1.1 License. Licensor grants Licensee a non-exclusive, non-transferable license to use the online Web sites and Web-based applications set forth on Exhibit A to access the Licensed Program and Content offered under the terms of this Agreement solely for Licensee's internal operations at each Franchised Restaurant at which Licensee remains Franchisor's franchisee in good standing ("License"). Licensor has the right to add, modify and/or remove features and elements of the Licensed Program and Content from time to time, without notice to, or the consent of, Licensee. Any data and reports generated by Licensee's use of the Licensed Program and Content are owned solely by Licensor.

1.2 Use of Licensed Program and Content. Licensee shall use the Licensed Program and Content solely for the purposes Licensor expressly permits from time to time in writing and in strict compliance with the standards issued in writing from time to time by Licensor. When accessing the Licensed Program and Content, Licensee shall follow any instructions issued in writing by Licensor.

1.3 Ownership; Proprietary Rights. Licensee acknowledges and agrees that (a) Vendor owns or is the licensee of the Licensed Program and Licensor owns the Content; and (b) the copyright,

patent, trademark, trade secret, and all other intellectual property rights of whatever nature in the Licensed Program and Content are and shall remain the property of Licensor, Vendor or other third parties, as applicable, and nothing in this Agreement should be construed as transferring any aspects of such rights to Licensee or any third party. Licensee shall not alter or delete the intellectual property notices or any other proprietary legends or marks as may be specified on the Licensed Program and Content.

ARTICLE 2
SUPPORT SERVICES

Licensor agrees to provide the following support services (collectively, "Support Services") with respect to the Licensed Program and Content: (1) help desk services, which shall be available throughout the duration of this Agreement at the designated dates and times set by Licensor and which shall be accessible by email directed to StarU@CKR.com or to such other email address that may be designated by Licensor from time to time or by other means designated by Licensor from time to time; and (2) initial training services, which shall be available during the first 30 days following execution of this Agreement by both parties and which shall consist of up to 4 hours of remote instruction (at Licensor' s option, via telephone, Internet or other means) on creating user accounts, reporting processes and general user navigation.

ARTICLE 3
FEES

3.1 License Fee. On the first day of each fiscal period (as defined from time to time by Licensor), Licensee shall pay to Licensor, without any right of set-off or deduction, a license fee ("License Fee") of $14 for each Franchised Restaurant to access and use the Licensed Program, Content and Support Services. Licensor shall have the right, upon 30 days' prior written notice to Licensee, to increase the License Fee. Licensor may, but is not required to, send Licensee an invoice for the License Fee. All License Fees shall be payable in advance.

3.2 Taxes. Licensee shall be responsible for any applicable sales or use taxes or any value added or similar taxes payable with respect to the licensing of the Licensed Program and Content, or arising out of or in connection with this Agreement, other than taxes levied or imposed based upon Licensor's income. In the event that Licensor pays any such taxes on behalf of Licensee, Licensor shall invoice Licensee for such taxes and Licensee agrees to pay such taxes within 30 days from the date of invoice.

3.3 Interest. If any payments by Licensee due to Licensor are not received by Licensor by the due date, Licensee, in addition to paying the amount owed, shall pay Licensor interest on the amount owed from the date due until paid at the maximum rate permitted for indebtedness of this nature in the state in which the Franchised Restaurants are located or 18% per annum calculated on a daily basis, whichever is less.

ARTICLE 4
CONFIDENTIALITY

4.1 Confidential Information. Without limiting the obligations under Franchise Agreements, Licensee agrees to treat the Licensed Program and Content (along with any passwords or account information, downloaded information, reports or other information generated by the Licensed Program or Content) as confidential, proprietary and trade secret information ("Confidential Information"). Licensee agrees that it shall not, without Licensor's prior written consent: (a) modify any Confidential Information; (b) transfer, rent lease, lend or sublicense any Confidential Information to anyone for any purpose; or (c) reveal or disclose any Confidential Information for any purpose to any other person, firm, corporation or

other entity, other than Licensee's employees with a need to know such Confidential Information to perform employment responsibilities consistent with Licensee's rights under this Agreement. Licensee shall safeguard and protect the Confidential Information from theft, piracy or unauthorized access in a manner at least consistent with the protections Licensee uses to protect its own most confidential information. Licensee shall inform any person who is granted access under Licensee of their obligations under this Agreement and shall take such steps as may be reasonable in the circumstances, or as may be reasonably requested by Licensor, to prevent any unauthorized disclosure, copying or use of the Confidential Information.

4.2 Distribution. Except as explicitly provided in this Agreement, Licensee shall not: (a) make available or distribute all or part of the Licensed Program or Content to any third party by assignment, sublicense or by any other means; (b) copy, adapt, reverse engineer, decompile, disassemble, or modify, in whole or in part, any of the Licensed Program or Content; or (c) use the Licensed Program or Content to operate in or as a time- sharing, outsourcing, or service bureau environment, or in any way allow third party access to the Licensed Program or Content.

4.3 Exclusions. Confidential Information does not include information that: (a) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement by Licensee or anyone to whom Licensee transmits the information; (b) becomes available to Licensee on a non-confidential basis from a source other than Licensor who is not known by Licensee to be bound by a confidentiality agreement with Licensor or other legal or fiduciary obligation of secrecy; (c) Licensee can document was known to it or in its possession on a non-confidential basis prior to the date of disclosure by the discloser; (d) is independently developed by the recipient without use of, or reference to, Confidential Information, as demonstrated by tangible evidence; or (e) is furnished by the discloser to others with written confirmation that such information is not confidential and may be disclosed.

4.4 Unauthorized Disclosure. Licensee shall notify Licensor immediately upon discovery of any prohibited use or disclosure of the Confidential Information, or any other breach of these confidentiality obligations by Licensee, and shall fully cooperate with Licensor to help Licensor regain possession of the Confidential Information and prevent the further prohibited use or disclosure of the Confidential Information.

ARTICLE 5
NO WARRANTIES

LICENSOR EXPRESSLY DISCLAIMS, AND LICENSEE HEREBY EXPRESSLY WAIVES, ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF PERFORMANCE, FINANCIAL PERFORMANCE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. LICENSOR DOES NOT WARRANT THAT THE LICENSED PROGRAM OR CONTENT WILL MEET LICENSEE'S REQUIREMENTS OR THAT THE OPERATION OF THE LICENSED PROGRAM OR CONTENT WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT ERRORS IN THE LICENSED PROGRAM OR CONTENT WILL BE CORRECTED. THE ENTIRE RISK OF THE QUALITY AND PERFORMANCE OF THE LICENSED PROGRAM AND CONTENT IS WITH LICENSEE. LICENSEE ACKNOWLEDGES AND AGREES THAT IT IS ACCEPTING THE LICENSED PROGRAM AND CONTENT IN ITS "AS IS" CONDITION. LICENSEE ACKNOWLEDGES THAT THE LICENSED PROGRAM OR CONTENT MAY BE SHUT DOWN OR UNAVAILABLE PERIODICALLY FOR MAINTENANCE, UPGRADES, CHANGES, ETC. LICENSOR MAKES NO REPRESENTATIONS REGARDING THE VENDOR.

ARTICLE 6
INDEMNIFICATION

In addition to and not in substitution for any indemnity provided in the Franchise Agreements, Licensee hereby expressly agrees to indemnify and hold harmless Licensor, its affiliates and their respective employees, officers, directors, principals, successors, assigns, or agents, past or present from and against any claims, losses, costs, expenses (including, without limitation, reasonable legal fees), liabilities and damages arising out of or related to this Agreement and/or Licensee's use of the Licensed Program and Content including but not limited to: (i) any breach of any representation or warranty made by Licensee in this Agreement; (ii) any non-fulfillment or breach by Licensee of any of its agreements, covenants or obligations in this Agreement; or (iii) any reckless, malicious, or other tortious conduct by Licensee in connection with the obligations under this Agreement.

ARTICLE 7
LIMITATION OF LIABILITY

LICENSOR SHALL HAVE NO LIABILITY FOR DIRECT, INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT OR OTHERWISE EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. LICENSOR WILL NOT BE RESPONSIBLE FOR ANY LOSS OF SALES OR LOST PROFITS BY LICENSEE DURING THE PERIOD IN WHICH THE LICENSED PROGRAM OR CONTENT IS INACCESSIBLE OR INOPERATIVE. NOR WILL LICENSOR BE RESPONSIBLE FOR ANY LOSS OR INACCURACY OF DATA CAUSED BY THE LICENSED PROGRAM OR CONTENT. IN ANY EVENT, THE LIABILITY OF LICENSOR TO LICENSEE FOR ANY REASON AND UPON ANY CAUSE OF ACTION SHALL BE LIMITED TO THE AMOUNT PAID TO LICENSOR BY LICENSEE UNDER THIS AGREEMENT DURING THE TRAILING 12 MONTH PERIOD. THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION IN THE AGGREGATE, INCLUDING WITHOUT LIMITATION TO BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATIONS, AND OTHER TORTS. BOTH PARTIES UNDERSTAND AND AGREE THAT THE REMEDIES AND LIMITATIONS SET FORTH IN THIS ARTICLE 7 ALLOCATE THE RISKS OF PRODUCT AND SERVICE NONCONFORMITY BETWEEN THE PARTIES AS AUTHORIZED BY THE UNIFORM COMMERCIAL CODE AND OF OTHER APPLICABLE LAWS. THE FEES IN THIS AGREEMENT REFLECT, AND ARE SET IN RELIANCE UPON, THIS ALLOCATION OF RISK AND THE EXCLUSION OF CONSEQUENTIAL DAMAGES SET FORTH IN THIS AGREEMENT.

ARTICLE 8
TERM AND TERMINATION

8.1 **Term**. Unless this Agreement is terminated by its terms, the term of this Agreement commences on the Effective Date and remains in force until the earlier of: (a) for each Franchised Restaurant, the termination or expiration of the respective Franchise Agreement; or (b) Licensor's determination, in its sole discretion, to require Licensee to license from Licensor or a third-party provider the same or different licensed program and/or content under then-applicable terms. If Licensor loses the right to provide Licensee access to the Licensed Program, then this Agreement shall be amended or terminated as necessary. In addition, Licensee shall have the right to terminate this Agreement for any reason and at any time by providing Licensor with 60 days written notice of its intent to cease using the Licensed Program and Content.

8.2 **Cessation of Use**. Upon termination of this Agreement, Licensor will disconnect Licensee from the Licensed Program and Content and deactivate passwords, as applicable. Licensee shall cease

using the Licensed Program and Content and promptly return to Licensor all copies of all such materials and all other Confidential Information in its possession or control. Licensee shall delete all copies of such materials residing in on-line or off-line computer memory, and destroy all copies of such materials that also incorporate Confidential Information. Licensor shall be entitled to enter the Franchised Restaurants to repossess and remove the Licensed Program and Content, and any other Confidential Information. Licensee shall, within 5 days from the effective date of the termination, certify to Licensor, in writing by an officer or director, that all copies of the Licensed Program and Content have been returned, deleted or destroyed. In the event of termination of the License granted by this Agreement for fewer than all Franchised Restaurants, Licensee shall comply with the foregoing with respect to the applicable Franchised Restaurants. Notwithstanding forgoing, upon request Licensee shall have the right to receive from Licensor such readily accessible reports or information containing data of Licensee's completed training modules (or other available data) with the understanding that Licensor shall not have the right to incur any additional expenses to provide such data to Licensee.

8.3 Injunctive Relief. Licensee acknowledges and agrees that its failure to comply with the terms of this Agreement, including the failure to fully comply with the post-termination obligations set forth in Section 8.2, is likely to cause irreparable harm to Licensor and/or Vendor not fully compensable by money damages and therefore Licensor shall not have an adequate remedy at law. Therefore, Licensee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Licensee, Licensor and Vendor shall be entitled to a preliminary and final injunction restraining the breach and/or to specific performance, without the necessity of posting any bond or undertaking in connection therewith. Any equitable remedies sought by Licensor shall be in addition to, and not in lieu of, all remedies and rights that Licensor otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

ARTICLE 9
GENERAL

9.1 Prior Agreements Related to Learn Center. The parties agree that any prior agreements between them for the Learn Center are terminated as of the effective date of this Agreement.

9.2 Miscellaneous. The headings used in this Agreement are for convenience only and are not intended to be used as an aid to interpretation. If any part of this Agreement is held to be illegal or unenforceable, the validity or enforceability of the remainder of this Agreement shall not be affected. Failure by either party to exercise any right or remedy under this Agreement does not signify acceptance of the event giving rise to such right or remedy. This Agreement contains the entire agreement between the parties concerning the grant of the License to Licensee to use the Licensed Program and Content and supersedes and merges all prior proposals, understandings and all other agreements, oral and written between the parties relating to this Agreement. No amendment to this Agreement is effective unless it is in writing and signed by duly authorized representatives of both parties. Each party to this Agreement agrees that it will perform its obligations hereunder in accordance with all applicable laws, rules and regulations now or hereafter in effect (including, without limitation, any applicable privacy or data protection laws).

9.3 Assignment. This Agreement will be binding upon and inure to the benefit of the parties to this Agreement, their respective successors and permitted assigns. Licensee may not assign its rights or obligations under this Agreement without the prior written consent of Licensor. Licensor may transfer, assign or delegate this Agreement or any part of its rights or obligations under this Agreement to any person, affiliate or legal entity.

9.4 Governing Law. This Agreement and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Agreement and any other claim or controversy between

the parties shall be governed by and construed in accordance with the laws of the State of Tennessee without regard to conflicts of laws principles.

9.5 Force Majeure. Licensor shall not be liable for any loss or damage due to: (a) delays caused by any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government or other third party; (b) food spoilage or loss of business; or (c) any other cause not within its control.

9.6 Limitation of Action. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

9.7 Jurisdiction. The parties agree that, to the extent any disputes cannot be resolved directly between them, Licensee shall file any suit against Licensor only in the federal or state court having jurisdiction where Licensor's principal offices are located at the time suit is filed. Licensor shall file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is tiled, in the jurisdiction where Licensee resides or does business, where any Franchised Restaurant is or was located, or where the claim arose. Licensee consents to the personal jurisdiction of those courts over Licensee and venue in those courts.

9.8 Costs and Expenses. Licensee agrees to pay to Licensor on demand any and all costs and expenses incurred by Licensor in enforcing the terms of this Agreement, including, without limitation, collecting any monies owed by Licensee to Licensor. These costs and expenses include, but are not limited to, costs and commissions due a collection agency, reasonable attorneys' fees, court costs, expert witness fees and discovery costs, together with interest charges on all of the foregoing.

9.9 Notice. No notice, demand, request or other communication to the parties shall be binding upon the parties unless the notice is in writing, refers specifically to this Agreement and is addressed to the party at the address stated in Exhibit A. Any party may designate a new address for notices by giving written notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first refusal of delivery) and may be: (a) delivered personally; (b) transmitted by facsimile to the number(s) set forth in Exhibit A with electronic confirmation of receipt; (c) mailed in the United States mail, postage prepaid, certified mail, return receipt requested; or (d) mailed via overnight courier.

9.10 Survival. Any section of this Agreement that is intended to survive termination or expiration shall so survive.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized representatives as of the date written below.

LICENSOR:
CKE RESTAURANTS HOLDINGS, INC.

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

LICENSEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT A

1. **Franchisor**:

2. **Franchisee**:

3. **Franchised Restaurants**:

Franchisee (Customer #)	Unit Number PS# / Legacy #	Location

4. **Web sites/applications**: https://cke.discoverlink.com

5. **Licensee's Notice Address**:

Facsimile:
E-mail:

6. **Licensor's Notice Address**:

CKE Restaurants, Inc.
Attn: Star University
6700 Tower Circle, Suite 1000
Franklin, TN 37067

E-mail: staracademy@ckr.com

EXHIBIT E

PRELIMINARY AGREEMENT

PRELIMINARY AGREEMENT

THIS AGREEMENT is made as of _____, by and between Hardee's Restaurants LLC ("HR"), a Delaware limited liability company, and _____ and _____ ("Applicant").

RECITALS:

A. Applicant wishes to be considered by HR for a franchise opportunity to develop and operate one or more Hardee's Restaurants ("Franchised Restaurants").

B. Before HR will consider offering Applicant a franchise opportunity, Applicant must attend a meeting at HR's offices and at a Hardee's Restaurant during which Applicant will have the opportunity to meet with, and be evaluated by, various HR personnel ("Discovery Day"). In addition, HR may require that Applicant, and/or an employee or employees or other individual or individuals designated by Applicant, and as agreed to and deemed appropriate by HR ("Other Individuals"), each satisfactorily complete other training programs (collectively "Training Programs"), depending on HR's determination of the need of those attending the Training Programs.

C. HR will provide Applicant and Other Individuals a variety of information both while Applicant and Other Individuals attend Discovery Day and the Training Programs and thereafter, if HR and Applicant continue to pursue a franchise opportunity.

D. The information that will be provided by HR is confidential, and HR is not willing to disclose the information to Applicant or Other Individuals unless they agree to keep the information confidential. Accordingly, the parties are entering into this Agreement to ensure that Applicant and Other Individuals keep all such information confidential.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties agree as follows:

1. Confidential Information. As used in this Agreement, the term "Confidential Information" means any and all information, manuals and materials containing trade secrets; non-public business methods; improvements; data processes; formulae; designs; know-how; maps and trade area analyses; and all confidential technical and non-technical information that is disclosed by or on behalf of HR or its affiliates to Applicant and/or Other Individuals. "Confidential Information" also includes all other information that Applicant and/or Other Individuals know or have reason to know is the confidential, trade secret, or proprietary information of HR and/or its affiliates.

2. Non-Use and Non-Disclosure of Confidential Information.

A. Applicant and Other Individuals may use the Confidential Information solely for the purposes of evaluating whether or not to pursue a franchise opportunity with HR and for participating in the Training Programs. Except as expressly authorized by HR in writing, Applicant and Other Individuals agree to maintain all Confidential Information in strict confidence and not to use, or permit others to use, Confidential Information for any other purpose. Applicant will not disclose any Confidential Information to anyone other than Applicant's employees and/or third parties authorized by HR to receive Confidential Information, each of whom: **(1)** has a reasonable need to know the Confidential Information in connection with the evaluation of the franchise opportunity; **(2)** has been advised of the confidential nature of the

Confidential Information; and **(3)** if requested by HR, has signed an agreement, in a form satisfactory to HR, obligating the employee or third party to comply with all the provisions of this Agreement. The obligations of non-use and non-disclosure with respect to particular items of Confidential Information will remain in effect indefinitely.

B. Applicant and Other Individuals may not make any copies of any Confidential Information, except as may be necessary for uses permitted under this Agreement. Applicant and Other Individuals agree that any copies made will bear a clear stamp or legend indicating their confidential nature. Applicant and Other Individuals agree not to remove, overprint, or deface any notice of copyrights, trademark, logo, or other notices of ownership from any originals or copies of the Confidential Information.

C. Although Applicant and Other Individuals understand that HR has endeavored to include in the Confidential Information that information which HR believes is relevant for Applicant's and Other Individuals' purposes, Applicant and Other Individuals further understand and agree that HR does not make any representation or warranty as to the accuracy or completeness of the Confidential Information. Applicant and Other Individuals agree that neither HR nor its representatives will have any liability to Applicant, its representatives or the Other Individuals resulting from the use of and reliance on the Confidential Information.

D. The Confidential Information, and all copies thereof, remain the property of HR. Neither Applicant nor Other Individuals will acquire any rights in or to the Confidential Information pursuant to this Agreement.

E. Applicant and Other Individuals will immediately notify HR of any information that comes to their attention which indicates that there has been or may be a loss of confidentiality of any of the Confidential Information or a breach of this Agreement.

3. Termination.

A. HR may at any time and without cause: **(1)** terminate Applicant's and/or Other Individuals' participation in the Training Programs; and **(2)** elect not to offer a franchise opportunity to Applicant.

B. Applicant may at any time and without cause: **(1)** terminate Applicant's and/or Other Individuals' participation in the Training Programs; and **(2)** elect not to pursue a franchise opportunity with HR.

4. Obligations Upon Termination. Upon termination of this Agreement, Applicant and Other Individuals will: **(A)** immediately cease to use the Confidential Information; **(B)** return to HR the Confidential Information and all copies thereof (whether or not the copies were authorized) within 10 days after termination and cause any third party to whom disclosure was made to do the same; and **(C)** at the request of HR, certify in writing that Applicant and Other Individuals have complied with this Section.

5. No Agency. Applicant and Other Individuals are not employees or agents of HR or its affiliates and are not entitled to, and will not receive, any compensation, including without limitation, salary, wages or employee benefits for participation in Discovery Day and/or the Training Programs. Applicant and Other Individuals will not receive any reimbursement for costs and expenses incurred by Applicant or Other Individuals as a result of Applicant's or Other Individuals' participation in Discovery Day and/or the Training Programs. Applicant and Other Individuals waive any and all rights to damages, the reimbursement of expenses or costs, as well as the payment of any compensation related directly or indirectly to Applicant's or Other Individuals' participation in the Discovery Day and/or the Training Programs.

6. No Transfer. This Agreement is personal to Applicant and Other Individuals and it may not be transferred by assignment, will or operation of law.

7. Miscellaneous.

A. Applicant and Other Individuals agree that they will not discuss salaries with HR personnel.

B. Applicant and Other Individuals understand and agree that no failure or delay by HR in exercising any right, power, or privilege under this Agreement will operate as a waiver, nor will any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege under this Agreement.

C. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to, or in conflict with any applicable present or future law, rule or regulation in a final, unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which HR is a party, that ruling will not impair the operation of, or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the parties and continue to be given full force and effect. If any material provision of this Agreement should be ruled invalid, HR reserves the right to terminate this Agreement.

8. Injunctive Relief. Applicant and Other Individuals acknowledge and agree that: **(A)** disclosure of the Confidential Information by Applicant, its employees, third parties to whom Applicant has disclosed the Confidential Information or Other Individuals would result in irreparable harm to HR, the extent of which would be difficult to ascertain; **(B)** monetary damages would be an inadequate remedy for such a breach; and **(C)** HR will be entitled to specific performance and injunctive or other equitable relief as a court may deem appropriate in the event of such a breach without posting a bond or other security.

9. Indemnification and Attorneys' Fees. Applicant and Other Individuals agree to indemnify, defend and hold harmless HR and its parents, subsidiaries, affiliates, predecessors, successors and assigns and their past and present directors, officers, employees, agents and representatives from any and all claims, demands and damages (including attorneys' fees) incurred in connection with or resulting from any breach of any obligation under this Agreement by Applicant, Other Individuals or representatives of Applicant. Applicant and Other Individuals agree that, if HR institutes any proceedings to enforce the obligations of Applicant or Other Individuals under this Agreement, HR will be entitled to recover its reasonable costs and expenses (including reasonable attorneys' fees and expenses) incurred in connection with any such proceeding.

10. Entire Agreement. This Agreement constitutes the entire, full and complete agreement between the parties concerning the subject matter covered herein and supersedes any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. No amendment, change or variance from this Agreement will be binding on any party unless mutually agreed to by the parties and executed in writing. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in HR's Franchise Disclosure Document.

11. Governing Law and Jurisdiction.

A. This Agreement and any claim or controversy arising out of, or relating to, the rights and obligations of the parties under this Agreement and any other claim or controversy between the parties will be governed by and construed in accordance with the laws of the State of Tennessee without regard to conflicts of laws principles. Nothing in this Section is intended, or will be deemed, to make any Tennessee law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.

B. The parties agree that, to the extent any disputes cannot be resolved directly between them, Applicant and Other Individuals may file any suit against HR only in the federal or state court having jurisdiction where HR's principal offices are located at the time suit is filed. HR may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Applicant or Other Individuals reside or do business. Applicant and Other Individuals consent to the personal jurisdiction of those courts over Applicant and Other Individuals and to venue in those courts.

C. Unless prohibited by applicable law, any legal action or proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered. **Applicant, Other Individuals and HR waive, to the fullest extent permitted by law, the right to trial by jury.**

12. Franchise Offer. By signing this Preliminary Agreement, HR is not obligated to offer Applicant a franchise and Applicant is not obligated to accept any franchise offer. No franchise offer by HR will come into existence except by a written document executed by an officer of HR which is specifically identified as a Letter of Intent, a License Agreement, a Purchase Agreement, a Development Agreement, or a Franchise Agreement. This Agreement is not an offer of a franchise or a commitment or promise by HR to offer Applicant a franchise, and HR's decision to make any franchise offer rests in HR's sole discretion.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Agreement as of the day and year first above written.

HR:

HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

APPLICANT:

By: _____

Print Name: _____

Title: _____

The persons signing below, who are the "Other Individuals" identified in the foregoing Preliminary Agreement, agree to be bound by the provisions of the Agreement.

OTHER INDIVIDUALS:

_____

_____

EXHIBIT F-1

SOFTWARE SUPPORT AGREEMENT FOR PAR BRINK & CRUNCHTIME

SOFTWARE SUPPORT AGREEMENT
(for PAR Brink and CrunchTime)

THIS AGREEMENT is made as of this _____ day of _____, 2024 by and between **CKE RESTAURANTS HOLDINGS, INC.**, a Delaware corporation ("CKR"), and _____, a _____ ("Franchisee").

RECITALS

A. Pursuant to certain franchise or license agreements ("Franchise Agreement(s)") between Franchisee and CKR's subsidiary, Hardee's Restaurants LLC ("Franchisor"), Franchisee is the operator of the franchised Hardee's restaurants located at the addresses listed in attached Exhibit A ("Franchised Restaurants"). Franchisee may add new Franchised Restaurants to this Agreement, with CKR's consent, by amending Exhibit A.

B. CKR's third party software vendor, Partech, Inc. ("PAR Brink"), has developed a point of sale system used in connection with the operation of a Hardee's restaurant. CKR's third party software vendor CrunchTime, Inc. ("CrunchTime") has developed a back office system used in connection with the operation of a Hardee's restaurant (collectively the software as be referred to as "Licensed Products").

C. Franchisee has entered into Software License Agreements with PAR Brink and CrunchTime to use the Licensed Products upon the terms and conditions contained therein.

D. Franchisee has requested to use, and CKR has agreed to provide certain, in-house technical support for the Licensed Products, on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties agree as follows:

ARTICLE 1

DEFINITIONS

1.1 "Confidential Information" means the Licensed Products and licensed materials which are confidential and proprietary trade secrets of CKR, PAR Brink or CrunchTime.

1.2 "Covered Equipment" means Franchisee's approved point-of-sale system, back office computer and printer, as identified on attached Exhibit B, and any additional equipment identified on Exhibit B that has been approved by CKR for use with the Licensed Products and for use at the Franchised Restaurants. Any equipment currently used in the Franchised Restaurants that does not meet the Franchisor's current specifications and product description listed on Exhibit B will not be considered as Covered Equipment. As Covered Equipment reaches its end of life as set forth on Exhibit B, Franchisee will need to replace the equipment with the then current Franchisor approved equipment.

1.3 "Fiscal Period" or "Period" means a four-week accounting period as defined by CKR.

1.4 "Licensed Products" means collectively the software systems designed by PAR Brink and CrunchTime for use as part of each Franchised Restaurant as further described in attached Exhibit B.

1.5 **"Support Services"** means telephonic help desk Level 1 and 2 maintenance services provided by CKR for the Licensed Products and Covered Equipment as described on Exhibit A.

1.6 "**Software Support Fees**" means that fees payable by Franchisee to CKR for the Support Services.

ARTICLE 2

SUPPORT SERVICES

2.1 **Support Services.** CKR will provide the Support Services to Franchisee subject to the terms and conditions of this Agreement. CKR, in its sole discretion, may subcontract with third party vendor(s) to provide the Support Services directly to Franchisee. Franchisee may request Support Services by calling CKR's Help Desk at the access number set forth in Exhibit A, as modified from time to time

2.2 **Covered Equipment.** In order to facilitate the Support Services, Franchisee agrees to operate the Covered Equipment in accordance with the CKR's and the manufacturer's instructions. Franchisee shall enter into an agreement with Par Tech, Inc. ("Par Tech") or Retail Technology Group, Inc. ("RTG") to provide onsite and telephonic maintenance services to the Covered Equipment. Par Tech or RTG will bill Franchisee directly for such services. The agreements with Par Tech and RTG do not include the cost of any parts and/or labor needed to keep the Covered Equipment functional. Franchisee may add additional equipment to the designated environment, with CKR's consent, by identifying that equipment in Exhibit A.

2.3 **Required Equipment.** Franchisee must install the following Next Generation Connectivity equipment and services in order to receive Support Services from CKR: 1) Cisco Meraki Firewall/Router with Advanced Security License; 2) Cisco Meraki Wireless Access Points, Cisco Meraki 48 port switch; 3) highly reliable internet with auto failover LTE backup; 4) Wi-Fi for guests (if Internet speeds are fast enough to support it) and back of house operations. Franchisee must contract with a CKR approved managed service provider to monitor and manage their network equipment (currently this is limited to AT&T and One Source Communications). Franchisee agrees to procure and install such required dedicated data lines, including telephone and/or high-speed Internet connections, modems and other computer-related accessory or peripheral equipment as specified by CKR and/or Franchisor. Franchisee's dedicated data lines for each Franchised Restaurant are identified in Exhibit A.

2.4 **Access to Data.** Franchisee agrees that CKR and/or its designee shall have the free and unfettered right to retrieve any data, customer information and other information from Franchisee's computers as CKR and/or Franchisor, in their sole discretion, deem appropriate, including electronically polling the daily sales, computer information and other data of the Franchised Restaurants, with the cost of the retrieval to be borne by CKR and/or Franchisor. Franchisee shall backup all data on its computer system daily and comply with any and all other operational requirements required by its Franchise Agreement(s) and any manuals that govern the operation of the Franchised Restaurants.

ARTICLE 3

FEES

3.1 **Software Support Fees.** Commencing at the end of the first Fiscal Period following the date of this Agreement, Franchisee shall pay to CKR, by ACH payment, the Software Support Fees in the amounts and frequency set forth on Exhibit A. CKR shall have the right, upon 60 days' prior written notice to Franchisee, to increase the Support Services Fees.

3.2 **Initial Training Support for PAR Brink and Crunch Time Software.** In order to facilitate the support services, Franchisee agrees to purchase and participate in mandatory initial training programs for

use of the PAR Brink and Crunch Time software. The scope of the training programs for each software is set forth on Exhibit C to this Agreement. The cost for the training programs shall be a one-time fee of $1,250 which will be billed to the Franchisee by CKR upon execution of this Agreement. Additional training programs may be made available to Franchisee, at CKR's discretion, for additional training fees.

3.3 Taxes. Franchisee shall be responsible for any applicable sales or use taxes or any value added or similar taxes payable with respect to the licensing of the Licensed Products, or arising out of or in connection with this Agreement. If CKR pays any taxes on behalf of Franchisee, CKR shall invoice Franchisee for those taxes, and Franchisee agrees to pay those taxes within 30 days from the date of invoice.

3.4 Interest. If any payments by Franchisee due to CKR are not received by CKR by the due date, Franchisee, in addition to paying the amount owed, shall pay CKR interest on the amount owed from the date due until paid at the maximum rate permitted for indebtedness of this nature in the state in which the Franchised Restaurants are located or 18% per annum calculated on a daily basis, whichever is less.

ARTICLE 4

CONFIDENTIALITY

4.1 Confidential Information. Franchisee shall protect the Confidential Information as trade secrets of CKR, PAR Brink and CrunchTime. Franchisee agrees that it shall not, without the written permission of CKR, PAR Brink and CrunchTime: **(a)** modify any Confidential Information; **(b)** reverse engineer, decompile, decrypt or disassemble the Confidential Information or attempt to do so; **(c)** transfer, rent, lease, lend or sublicense any Confidential Information to anyone for any purpose; or **(d)** reveal or disclose any Confidential Information for any purpose to any other person, firm, corporation or other entity, other than Franchisee's employees with a need to know that Confidential Information, to perform employment responsibilities consistent with Franchisee's rights under this Agreement. Franchisee shall safeguard and protect the Confidential Information from theft, piracy or unauthorized access in a manner at least consistent with the protections Franchisee uses to protect its own most confidential information. Franchisee shall inform its employees of their obligations under this Agreement and shall take those steps as may be reasonable in the circumstances, or as may be reasonably requested by CKR, PAR Brink and CrunchTime, to prevent any unauthorized disclosure, copying or use of the Confidential Information.

4.2 Unauthorized Disclosure. Franchisee shall notify CKR immediately upon discovery of any prohibited use or disclosure of the Confidential Information, or any other breach of these confidentiality obligations by Franchisee, and shall fully cooperate with CKR to help CKR regain possession of the Confidential Information and prevent the further prohibited use or disclosure of the Confidential Information.

ARTICLE 5

NO WARRANTY

CKR EXPRESSLY DISCLAIMS, AND FRANCHISEE HEREBY EXPRESSLY WAIVES, ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CKR DOES NOT WARRANT THAT THE LICENSED PRODUCTS WILL MEET FRANCHISEE'S REQUIREMENTS OR THAT THE OPERATION OF THE LICENSED PRODUCTS WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT ERRORS IN THE LICENSED PRODUCTS WILL BE CORRECTED. THE ENTIRE RISK OF THE QUALITY AND PERFORMANCE OF THE LICENSED PRODUCTS IS WITH FRANCHISEE. FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISEE IS ACCEPTING EACH OF THE LICENSED PRODUCTS UNDER THIS LICENSE IN ITS "AS IS" CONDITION.

ARTICLE 6

LIMITATION OF LIABILITY

CKR HAVE NO LIABILITY TO FRANCHISEE FOR CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT OR OTHERWISE, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. CKR WILL NOT BE RESPONSIBLE FOR ANY LOSS OF BUSINESS, LOSS OF PROFIT OR OTHER FINANCIAL LOSS BY FRANCHISEE DURING THE PERIOD IN WHICH THE LICENSED PRODUCTS ARE INOPERATIVE, NOR WILL CKR BE RESPONSIBLE FOR ANY LOSS OR INACCURACY OF DATA CAUSED BY THE LICENSED PRODUCTS. IN ANY EVENT, THE LIABILITY OF CKR TO FRANCHISEE FOR ANY REASON AND UPON ANY CAUSE OF ACTION SHALL BE LIMITED TO THE AMOUNT PAID TO CKR BY FRANCHISEE UNDER THIS AGREEMENT DURING THE TRAILING 12 MONTH PERIOD. THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION IN THE AGGREGATE, INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATIONS AND OTHER TORTS. THE FEES IN THIS AGREEMENT REFLECT, AND ARE SET IN RELIANCE UPON, THIS ALLOCATION OF RISK AND THE EXCLUSION OF CONSEQUENTIAL DAMAGES SET FORTH IN THIS AGREEMENT.

ARTICLE 7

TERM AND TERMINATION

7.1 Term. The term of this Agreement shall, with respect to each Franchised Restaurant, be co-extensive with the term of the applicable Franchise Agreement.

7.2 Termination. This Agreement shall, with respect to each Franchised Restaurant, terminate simultaneously with the termination or expiration of the Franchise Agreement between Franchisee and Franchisor for that Franchised Restaurant. Either party may terminate this Agreement by providing 60 days' prior written notice to the other; provided, however, that CKR may terminate this Agreement, without prejudice to any other remedy CKR may have, immediately without further obligation to Franchisee in the event of: **(a)** any breach by Franchisee of any material provision of this Agreement which breach is not or cannot be remedied within 24 hours of CKR's notice to Franchisee; or **(b)** any assignment by Franchisee for the benefit of its creditors, the filing under any voluntary bankruptcy or insolvency law, under the reorganization or arrangement provisions of the United States Bankruptcy Code, or under the provisions of any law of like import in connection with Franchisee, or the appointment of a trustee or receiver for Franchisee or its property.

ARTICLE 8

GENERAL

8.1 Miscellaneous. The headings used in this Agreement are for convenience only and are not intended to be used as an aid to interpretation. If any part of this Agreement is held to be illegal or unenforceable, the validity or enforceability of the remainder of this Agreement shall not be affected. This Agreement will be binding upon and inure to the benefit of the parties to this Agreement, their respective successors and permitted assigns. Franchisee may not assign its rights or obligations under this Agreement without the prior written consent of CKR. Failure by either party to exercise any right or remedy under this Agreement does not signify acceptance of the event giving rise to such right or remedy. This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes and merges all prior proposals, understandings and all other agreements, oral and written, between the parties relating to this Agreement.

8.2 **Governing Law.** This Agreement and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Tennessee without regard to conflicts of laws principles.

8.3 **Force Majeure.** CKR shall not be liable for any loss or damage due to: **(a)** delays caused by any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government or other third party; **(b)** food spoilage or loss of business; or **(c)** any other cause not within its control.

8.4 **Limitation of Action.** Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement shall be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

8.5 **Jurisdiction.** The parties agree that, to the extent any disputes cannot be resolved directly between them, Franchisee shall file any suit against CKR only in the federal or state court having jurisdiction where CKR's principal offices are located at the time suit is filed. CKR may file suit in the federal or state court located in the jurisdiction where CKR's principal offices are located at the time suit is filed, in the jurisdiction where Franchisee resides or does business, where any Franchised Restaurant is or was located, where the claim arose or where Franchisor has its principal offices at the time suit is filed. Franchisee consents to the personal jurisdiction of those courts over Franchisee and venue in those courts.

8.6 **Costs and Expenses.** Franchisee agrees to pay to CKR on demand any and all costs and expenses incurred by CKR in enforcing the terms of this Agreement, including, without limitation, collecting any monies owed by Franchisee to CKR. These costs and expenses include, but are not limited to, costs and commissions due a collection agency, reasonable attorneys' fees, court costs, expert witness fees and discovery costs, together with interest charges on all of the foregoing.

8.7 **Notice.** No notice, demand, request or other communication to the parties shall be binding upon the parties unless the notice is in writing, refers specifically to this Agreement and is addressed to: **(a)** if to Franchisee, Franchisee at the notice address set forth in Exhibit A; and **(b)** if to CKR, CKE Restaurants Holdings, Inc., 6700 Tower Circle, Suite 1000, Franklin, TN 37065 (marked Attn: Restaurant Technology) (Email: restauranttechnology@ckr.com). Any party may designate a new address for notices by giving written notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first rejection) and may be: **(i)** delivered personally; **(ii)** transmitted by email to the address set forth above (or in Exhibit A) with electronic confirmation of receipt; **(iii)** mailed in the United States mail, postage prepaid, certified mail, return receipt requested; or **(iv)** mailed via overnight courier.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized representatives to be effective as of the date first written above.

CKR:
CKE RESTAURANTS HOLDINGS, INC.

By: _____

Print Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT A

1. Franchised Restaurants:

Unit Number	Location

2. Software Support Fees:

L1/L2 Help Desk Support	$118 per Franchised Restaurant per Fiscal Period (i.e., CKR's 4-week accounting period)
Hosting Fee	$6.50 per Fiscal Period (4-week accounting period), plus the CrunchTime hosting fee of $1.50 per Fiscal Period

3. Support Services: Licensor shall provide access to help desk support services at designated dates and times set by Licensor and which shall be accessible by the Help Desk Access Number set forth below or to such other telephone number, email address or other means that may be designated by Licensor from time to time.

4. Help Desk Access Number: (866) 400-2253

5. Franchisee's Notice Address: _____

EXHIBIT B

COVERED EQUIPMENT*

Milestone	Definition	Date
End-of-Life Announcement Date	The date the document that announces the end-of-sale and end-of-life of a product is distributed to the general public.	January 20, 2021

EOL Equipment	Product Description	Replacement Equipment	Additional Information
KITCHEN			
QSR ePic (DE4000)	Older QSR controller with DOS/Win7	XCEED VIDEO CONTROLER, CE6 R3	QSR AUTOMATIONS
		Brink Kitchens w/HP controllers	HP-T530 w/ approved Bump Bar
POS Terminals			
PAR 7700 Terminal (ES7K) & older PAR terminals	POS Ready 7 embedded w/ EOL Oct 2021	TERMINAL,COUNTER,ES 8500 (ES8K)	PAR TECH INC.
		TERMINAL, ES 600	PAR TECH INC.
Dell AIO	WIN7 devices need to be upgraded to WIN10	Dell 3030/3050	All units out of warranty and limited supply
Pin Pad Devices			
Elavon IPP 350	Device is EOL - now in a Break/Replace format (no Brink SAF)	Elavon Lane 3000	Device - only certified with Brink SAF
Back Office Computers			
Dell 7010,7020,5040 , 3010, 3020	Win 7 devices	Dell 3070	Dell I5 (can use Dell 5050T)
Drive Thru Devices			
HyperView POE Display	HAT POE OCB - HX2-K50	SiCOM oDMB w/ OCB embedded	SiCOM - with multiple options of screens and pre-sale board
		DELPHI OCB - 9207	Delphi IP based OCB - Serial w/ RPxxxxxxx
Delphi OCB - serial based or pre-RP network based	Older Delphi OCBs - including serial and pre-9200 series IP based	SiCOM oDMB w/ OCB embedded	SiCOM - with multiple options of screens and pre-sale board
		DELPHI OCB - 9207	Delphi IP based OCB - Serial w/ RPxxxxxxx

EOL Equipment	Product Description	Replacement Equipment	Additional Information
Delphi FTT1000/FTT3000	Serial based timers from FastTrak - EOL	TIMER, HME ZOOM DRIVE-THRU	C12061 - Zoom timer with Cloud enablement and CKE Data Feed
HyperActive Q-Timer (Acrelec)/ Delphi FTT3000DTIS	Current timers will function on BOC w/ minor modifications - cannot install BOC dependent new	Replacements will need to be planned as POS System independent (Stand Alone) w/ secondary server and cloud feed.	
LMS Training		**LMS TRAINING**	
Dell 7010,7020,5040 , 3010, 3020	Dell desktops used for LMS - will function but OOW and not being repaired	Galaxy Android tablet	Obtained via SHI and tied to CKE WiFi
		Dell 5050T - Small FF Desktop	Hardwired w/ Meraki connection (direct support only)

* Franchisee must replace end of life equipment with current Franchisor approved equipment. CKE will not support equipment that has reached its end of life as accounted by CKE.

EXHIBIT C

SCOPE OF TRAINING FOR PAR BRINK AND CRUNCHTIME

CrunchTime Scope of Training

- Train-the-trainer model
- Start Date: TBD
- Remote training only
- 4 hours of remote training to be conducted in classroom attendance
- Training will include a screen share
- Advance Class registration required

PAR Brink Scope of Training

- Train-the-trainer model
- Start Date:
- Remote training only (onsite training not available)
- 4 hours of remote training to be conducted Monday – Thursday
- Training will include a screen share/ virtual terminal walk through of order taking (front of house) operations.
- 2 days of post install go-live support for first 2 Franchised Restaurants

EXHIBIT F-2

OLO AUTHORIZED OPERATOR AGREEMENT

OLO AUTHORIZED OPERATOR AGREEMENT

This Olo Authorized Operator Agreement (the "Agreement"), effective as of _____ (the "Effective Date"), is made by and between Olo Inc., a Delaware corporation with a business address at 285 Fulton St. 82nd Floor, New York, NY 10007 ("Olo") and _____, a _____ with a business address at _____ ("Operator").

RECITALS

WHEREAS, Olo offers e-commerce, delivery enablement, payment solutions, and other associated solutions and services; and

WHEREAS, Operator is an authorized franchisee or licensee of CKE Restaurants Holdings, Inc. ("Customer");

WHEREAS, Customer has entered into an agreement ("Master Services Agreement") with Olo, whereby Olo shall provide certain services to Customer which may include e-commerce, delivery enablement, payment solutions, and other associated solutions and services; and

WHEREAS, Operator desires to use the services made available to Customer pursuant to the Master Services Agreement, and Olo desires to make available such services for use by Operator, all pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Definitions

"Aggregator" means an entity that offers End Users the ability to order Products (as defined below) from a range of different brands via a unified consumer-facing mobile application, website, storefront, or other means. For the avoidance of doubt, an Aggregator shall also be considered as a "Customer Third Party Provider.

"Customer Third Party Providers" means third parties used and/or directed by Customer that interface with the Licensed Applications.

"End User(s)" means the consumers who access the Customer or Operator's Licensed Applications (as defined herein) directly or indirectly, typically in conjunction with placing a digital order for the Product(s).

"Licensed Applications" means the products and services that are developed and operated by Olo to provide e-commerce, Aggregator integration, delivery enablement, and payment solutions and other associated services to its customers generally (through web, mobile web, mobile applications, voice ordering and call center solutions as applicable), and other related products and services which may be added from time-to-time, including any associated application program interfaces ("API(s)") and any enhancements or modifications thereto.

"Operator Launch Date" means the specific date on which the initial Licensed Applications are available to End Users from Operator locations.

"Personally Identifiable Information" or "PII" means any and all individually identifiable information or data relating to a natural person that (a) directly or indirectly identifies or can be used to directly or indirectly identify an individual or household, (b) that relates to an individual or household, whose identity can be either directly or indirectly inferred, including any information that is linked or linkable to that individual or household, or (c) that may be considered personally identifiable information under any applicable Data Protection Laws (which includes any and all statutes, laws, ordinances, rules, regulations, codes, orders, official guidance, or other requirements of any federal, state, local, or foreign government or political subdivision thereof, or any arbitrator, court, or tribunal of any competent jurisdiction, relating to the protection, use, or security of personally identifiable information, including, but not limited to, the California Consumer Protection Act).

"Product" means the food, beverage and/or any other good provided by the Operator for order by an End User.

"Services" means any services that Olo provides with each Licensed Application to Operator.

2. Services

2.1. Use of this Agreement. To the extent applicable, terms and conditions specific to each selected Licensed Application and the Services shall be set forth in Addendums attached hereto.

The Services shall also include any required, usual, appropriate or acceptable methods to perform activities related to the Services, including without limitation (a) conducting analytics and other product improvement activities, (b) carrying out the Services or the business of which the Services are a part, (c) carrying out any benefits, rights and obligations related to the Services, (d) maintaining records relating to the Services, and (e) complying with any legal or self-regulatory obligations related to the Services.

3. License; Proprietary Rights

3.1. License. Subject to the terms and conditions of the Agreement and the applicable Addendums, Olo hereby grants to Operator, during the Term, a non-exclusive, non-sublicensable (except as permitted hereunder), non-transferable (except pursuant to Section 10.4) license to access and use for itself and its End Users, the specific Licensed Applications selected in the applicable Customer Order Form. Operator shall not (a) assign this Agreement to any third party (it being understood that any such assignment shall be void ab initio); or (b) transfer, sell, or assign the right to use the Licensed Applications, including for the avoidance of doubt to any Customer Third Party Provider (except pursuant to Section 10.4). Olo reserves the right, in its sole discretion, to promulgate commercially reasonable standards that must be adhered to by Customer Third Party Providers (including, but not limited to, Olo's certification of all integrations to the Olo APIs). Any Customer Third Party Provider's breach or suspected breach of data security or confidentiality, abuse, or malicious or suspected malicious activities, may (at Olo's sole discretion) necessitate the immediate suspension, and possible termination, of Customer Third Party Provider's access to the Licensed Applications. A breach of the obligations set forth in this Section 3.1 by Operator may constitute a material breach of this Agreement.

3.2. Proprietary Rights. As between Operator and Olo, Operator hereby acknowledges and agrees that Olo owns all right, title and interest, including all copyrights and other intellectual property and proprietary rights, in and to the Licensed Applications, and all custom developed documents, designs, computer programs, computer systems, computer documentation and other work product authored or prepared by Olo upon the request of Customer or otherwise arising out of the Services (collectively, "Olo IP").

3.3. Trademark License. Operator acknowledges that the ownership, right, title and interest in and to Olo's trademarks rests with Olo and agrees that it will do nothing inconsistent with such ownership. Operator may use the slogan "Skip the Line®" in marketing materials and store displays in reference to the order ahead program utilizing the Licensed Applications; provided however that any display of such slogan clearly denotes the slogan as a registered trademark of Olo.

4. Confidentiality; Security

4.1. A Party receiving Confidential Information may only use Confidential Information to exercise its rights and fulfill its obligations under this Agreement and will take reasonable measures to avoid unauthorized disclosure or misuse of the Confidential Information, including, but not necessarily limited to, taking such security precautions as it takes to protect its own Confidential Information. During and after the Term, the receiving Party agrees not to disclose Confidential Information, except (a) to its employees, agents, independent contractors, or professional advisors who have a need to know the same and who are legally bound to keep it confidential; (b) to a potential acquirer of the receiving Party's relevant assets, stock, or business under a strict duty of confidentiality, but only to the extent such potential acquirer has executed a term sheet, letter of intent or other similar agreement to negotiate such acquisition, and (c) as required to be disclosed by applicable Law, or judicial or other governmental or regulatory order (provided that the disclosing Party must use reasonable efforts to notify the other Party, unless legally prohibited, prior to disclosure in order to afford such other Party the opportunity to at its own expense seek a protective order or otherwise prevent or limit the disclosure). For the avoidance of doubt, the terms of this Agreement are Confidential Information belonging to both parties.

4.2. Security. The terms of Olo's Security Policy, available at www.olo.com/security-policy, are hereby incorporated by reference. Customer may provide in writing additional minimum security requirements, which Olo will use commercially reasonable efforts to promptly implement.

5. Representations and Warranties

5.1. Each party represents and warrants that (a) it has the legal power and authority to enter into this Agreement; (b) it will not violate, or use or provide the Services (as applicable) in violation of, any applicable Laws, including any applicable privacy and Data Protection Laws, or any third party right; (c) it will use or provide the Services (as applicable) in compliance with its agreements with third parties; and (d) it will comply with the terms of the Olo Security Policy, which are incorporated into this Agreement by reference. Olo further represents and warrants that (i) it will provide the Services in a manner consistent with general industry standards reasonably applicable to the provision thereof, and (ii) its Security Policy will be no less stringent throughout the Term, and for two (2) years following the termination of this Agreement, than is as described at www.olo.com/security-policy; (iii) the Licensed Applications will be free from viruses or other disabling features and perform in all material respects to the applicable documentation for each Licensed Application.

5.2. OLO MAKES NO REPRESENTATION OR WARRANTY OTHER THAN THOSE SET FORTH IN THIS AGREEMENT. THE WARRANTIES STATED IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS EXPRESSED OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. Term and Termination

6.1. Term – Generally. The Term of this Agreement shall begin on the Operator Launch Date and shall remain in force for a period that shall expire once all corresponding Order Forms have terminated. . This Agreement and corresponding Order Forms may terminate earlier as provided in Section 7.2 or Section 7.3, or as the parties may otherwise agree in writing.

6.2. Termination of the Master Services Agreement. This Agreement shall automatically terminate if and when the Master Services Agreement is terminated between Olo and Customer.

6.3. Termination for Cause; Reasonable Opportunity to Cure Breach. If a party breaches any material provision of this Agreement, the non-breaching party may terminate this Agreement and corresponding Order Forms by giving thirty (30) days' notice to the other party, except that such a termination shall not take effect if the breaching party cures the breach before the end of such thirty (30) day period. For purposes of this Agreement, breach of a material provisions means a breach that has caused or, with the passage of time, will cause substantial harm to the interests of the aggrieved party, specifically including but not limited to breaches

of 3.1 (License), 3.2 (Proprietary Rights), 3.3 (Trademark License) and 5 (Confidentiality; Security), or if the aggregate effect of non-material breaches by the same party satisfies this standard for materiality.

6.4. Termination of Franchise Agreement/Elimination of Location. This Agreement shall automatically terminate as to a franchised location if and when (i) the franchise agreement between Customer and Operator is terminated, in which case this Agreement shall terminate as to all Customer franchised locations of Operator, or (ii) Operator no longer owns and operates the franchised location, in which case, this Agreement shall only terminate as to such franchised location.

7. Indemnification

7.1. Each of Olo and Customer (in such capacity, the "Indemnifying Party") shall defend, indemnify and hold harmless the other Party and its officers, directors and employees (each an "Indemnified Party") from all third-party claims and liabilities (including reasonable outside attorney's fees) arising out of or relating to the Indemnifying Party's (i) negligent acts or omissions including the negligent acts or omissions of its employees, subcontractors or representatives and with respect to Customer, its Third Party Providers or Authorized Operators; (ii) breach of Section 5 or 6; or (iii) infringement or misappropriation of a third party's trade secret, or United States patent, trademark or copyright, or other intellectual property right in connection with (a) with respect to Olo, the Licensed Applications, software or other technology Olo uses to provide the Services to Customer hereunder and (b) with respect to Customer, the technology, data, or other materials Customer provides or uses with the Services ("Customer Materials") (the indemnification obligation of each Party described in this clause (iii), the "IP Infringement Obligation"). The previous sentence states the sole liability of the Indemnifying Party, and the sole remedy of the Indemnified Party, with respect to any third-party claim arising out of the Indemnifying Party's negligent acts or omissions (other than claims arising from fraud, criminal activity or willful misconduct).

7.2. Additionally, Customer shall defend, indemnify and hold harmless Olo and and its officers, directors and employees (each, an "Indemnified Party") from all third-party claims and liabilities (including reasonable outside attorney's fees) arising out of or relating to (i) any action against Olo arising out of any Customer Third Party Provider's disclosure or misuse of Customer Data or related to Olo's release of such Customer Data, including PII, if the release of such information was requested in writing by Customer; (ii) Customer's failure to properly collect and remit taxes or other government payments or fees associated with its usage of the Services, which shall be the sole responsibility of the Customer and, if applicable, the Authorized Operators; and (iii) the transfer of Customer Data by any means not recommended or deemed reasonably secure by Olo.

7.3. The Indemnified Party must (a) promptly notify the Indemnifying Party in writing of any third-party claim (provided that a failure to promptly notify will not relieve the Indemnifying Party of its indemnification obligations, except to the extent it has been prejudiced by such failure); (b) reasonably cooperate with the Indemnifying Party in the defense of the matter; and (c) give the Indemnifying Party primary control of the defense of the matter and negotiations for its settlement. The Indemnified Party may, at its own expense, join in the defense with counsel of its choice. The Indemnifying Party may not enter into a settlement unless it (i) involves only the payment of monetary damages by the Indemnifying Party, and (ii) includes a complete release of liability in favor of the Indemnified Party; any other settlement will be subject to the written consent of the Indemnified Party (not to be unreasonably withheld).

7.4. Olo's IP Infringement Obligation will not apply to claims to the extent arising from (i) Customer's use of the Licensed Applications or Services in violation of this Agreement, (ii) the Customer Materials' infringement or misappropriation of a third party's trade secret, or U.S. patent, trademark, or copyright, or (iii) the combination, operation, or use of the Service(s) with any product, service or material not provided by Olo or on Olo's behalf. Customer's IP Infringement Obligation will not apply to claims to the extent arising from (a) Olo's provision of the Service in violation of this Agreement, or (b) Olo's infringement or misappropriation of a third party's trade secret, or U.S. patent, trademark, or copyright. If a Service is, or in Olo's reasonable opinion is likely to be, ruled by a court of

competent jurisdiction as infringing upon a third party's intellectual property, Olo will promptly notify Customer and, at Olo's sole option and expense, either: (a) procure the right to continue providing the Service as contemplated by this Agreement, (b) modify the Service to render it non-infringing, or (c) replace the Service with a substantially equivalent, non-infringing service. If none of the foregoing options is commercially practicable, then each Party will have the right to terminate this Agreement with respect to the infringing Service.

8. Limitation of Liability

EXCLUDING EITHER PARTY'S IP INFRINGEMENT INDEMNIFICATION OBLIGATIONS, A PARTY'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF CONFIDENTIALITY, DATA PRIVACY OR DATA SECURITY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR (A) ANY CONSEQUENTIAL, INDIRECT, PUNITIVE, EXEMPLARY, SPECIAL, OR INCIDENTAL DAMAGES ARISING FROM OR RELATING TO THIS AGREEMENT, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, EVEN IF ONE OR BOTH PARTIES KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES, AND (B) BUT FOR THE EXCLUSIONS ABOVE WITH RESPECT TO WHICH EACH PARTY'S TOTAL CUMULATIVE LIABILITY ARISING FROM OR RELATING TO THIS AGREEMENT WILL NOT EXCEED FIVE MILLION DOLLARS ($5,000,000), EACH PARTY'S TOTAL CUMULATIVE LIABILITY ARISING FROM OR RELATING TO THIS AGREEMENT WILL NOT EXCEED THE AMOUNT OF FEES PAID OR PAYABLE TO OLO IN CONNECTION WITH OLO'S PROVISION OF THE SERVICES DURING THE TWELVE (12) MONTHS BEFORE THE DATE WHEN THE LIABILITY AROSE. THE PARTIES ACKNOWLEDGE THAT THE TERMS OF THIS SECTION 9 REFLECT THE ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT AND THAT THE PARTIES WOULD NOT HAVE ENTERED INTO THIS AGREEMENT WITHOUT THESE LIMITATIONS OF LIABILITY.

9. Miscellaneous

9.1. Notices. All notices and other communications sent under this Agreement must be in writing (including by email) and will be deemed effective when delivered. All notices shall be sent to the applicable mailing address or email address set forth on the signature page hereof.

9.2. Governing Law. This Agreement is governed by and construed in accordance with the laws of Delaware, without regard to the conflicts of law rules thereof. The parties consent to the exclusive jurisdiction and venue of courts in Castle County, Delaware for all disputes hereunder.

9.3. Insurance. Olo shall maintain the following insurance coverage throughout the term of this Agreement, with minimum limits as follows:

i. Commercial General Liability on an occurrence basis, with a limit of $1,000,000 per Occurrence/$2,000,000 Aggregate for bodily injury and property damage liability.

ii. Workers' Compensation as provided for under any workers' compensation or similar law in the jurisdiction where work is performed. Employer's Liability with a limit of $1,000,000 Each Accident; $1,000,000 Disease-EA Employee; $1,000,000 Disease-Policy Limit

iii. Umbrella Liability with a limit of $5,000,000 in excess of Liability insurance.

iv. Professional/Cyber/Media Tech Liability Limit to $40,000,000

1. Professional (Errors and Omissions) Liability covering the Liability for financial loss due to errors, omissions, negligence of employees or machine malfunction

2. Technology Errors and Omissions/Cyber Liability including Network Security/Privacy covering

liability for loss or damage due to an act, error, omission, or negligence and for claims arising from unauthorized access to or use of the Licensed Software. Such insurance shall cover network security and privacy risks, including, but not limited to, unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of PII, privacy perils, and including coverage amounts and a copy of Olo's Certificates of Insurance.for related regulatory defense and penalties. Furthermore, the insurance shall cover data breach expenses and be payable whether incurred by Customer or Olo, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services. The coverage shall be written on a claims made and reported basis.

3. Intellectual Property Infringement Liability

All policies shall maintain a minimum A.M. Best rating of A- (V) at all times during the term of this Agreement. The General Liability and Umbrella policies shall include Customer, its parent, affiliates, subsidiaries and franchisees as additional insureds, on a primary and non-contributory basis and shall include a thirty (30) day written notice of cancellation. Olo must provide to Customer a certificate of insurance evidencing the required coverages prior to commencing any work for Customer. It is the responsibility of Olo to notify Customer of any material changes and/or renewals to its required insurance. Olo shall require all permitted subcontractors to maintain the required insurance. No goods or services shall be provided hereunder until this insurance is obtained, a certificate is provided to Customer and Customer has approved the certificate in writing.

9.4. Assignment. Neither party may assign or transfer any part of this Agreement without the prior written consent of the other Party except that this Agreement may be assigned without consent: (a) to a person or entity who acquires all or substantially all of the assigning Party's assets, stock or business, and (b) to any affiliate or subsidiary of a Party; in each case, so long as the assignee accepts the obligations hereunder in writing. Any purported assignment of rights or obligations, except as expressly permitted herein, will be null and void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties and their respective permitted successors and assigns.

9.5. Severability. If any provision of the Agreement is found unenforceable, it and any related provisions will be interpreted to best accomplish the unenforceable provision's essential purpose.

9.6. Relationship of Parties. The Parties are independent contractors, and this Agreement does not create an agency, partnership, or joint venture.

9.7. Amendment/Modification. This Agreement may be modified or amended only by a separate writing signed by Olo and Customer expressly so modifying or amending this Agreement or the Master Services Agreement.

9.8. Certain Remedies. The parties acknowledge that the breach of Sections 3 and 5 will give rise to irreparable injury to the non-breaching party inadequately compensable in damages. Accordingly, the parties agree that injunctive relief will be an appropriate remedy to prevent violation of the parties' respective rights and/or obligations under those two sections. However, nothing in this Section 10.8 shall limit a party's right to any other remedies in equity or at law, including the recovery of damages.

9.9. Force Majeure. Neither party will be deemed to be in default of or to have breached any provision of this Agreement as a result of any delay, failure in performance or interruption of service, resulting directly or indirectly from acts of God, acts of civil or military authorities, civil disturbances, wars, fires, state-sponsored cyber

terrorism, cyber-attacks or brute force attacks, espionage, sabotage, other catastrophes, and other causes beyond its reasonable control; provided, however, that Operator shall have no obligation to pay Olo during a Force Majeure event.

9.10. Counterparts. This Agreement may be executed in two counterparts, which together shall constitute but one and the same instrument. Executed counterparts transmitted electronically (via email or e-signature software) shall constitute originals for all intents and purposes.

9.11. Waiver. A waiver by either party of any term or condition of this Agreement in one or more instances will not constitute a permanent waiver of the term or condition or any other term or condition of this Agreement or a general waiver.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers.

Operator	Olo Inc.
By _____ Name _____ Title. _____	By _____ Name _____ Title. _____
Date _____	Date _____
Mailing Address for Notices: 6700 Tower Circle Suite 1000 Franklin, TN 37067	Mailing Address for Notices: One World Trade Center 285 Fulton Street, 82nd Floor New York, NY 10007

Digital Ordering Terms & Conditions Addendum

This Addendum forms a part of the Agreement and is applicable upon execution of the Agreement in conjunction with a Customer Order Form in which Customer and Olo have agreed that Olo will provide Operator with its Customer-branded Licensed Applications which will power Customer's digital ordering solution ("Digital Ordering"). In the event that this Addendum conflicts with the Agreement or there is an inconsistency, this Addendum shall control. Unless otherwise defined herein, capitalized terms have the meanings ascribed to such terms in the Agreement.

1. Exclusivity. During the Digital Ordering Term, Olo shall be the exclusive provider of Digital Ordering to Operator. Operator agrees to require the Olo program for all existing and future locations owned by Operator. Notwithstanding the foregoing, Operator shall have the right to use Aggregators at their sole discretion.
2. Service Level. During the Digital Ordering Term, Digital Ordering will be operational and available to Operator at least 99% of the time in any calendar month (the "SLA"). Solely to the extent that Customer chooses the Pro or Enterprise Service Editions, the SLA thresholds and applicable service credits are as follows:
    a. If Olo does not meet the SLA, and if Customer and Operator meet its obligations under the Agreement and this Addendum, Operator will be eligible to receive the Service Credits described below. Subject to this SLA and 7.3 of the Agreement, this SLA states Operator's sole and exclusive remedy for any failure by Olo to meet the SLA.
    b. Definitions. The following definitions shall apply to the SLA:
        i. "Downtime" means the period of time during which Digital Ordering fails to be operational and available across any platform to End Users to place a digital order (for reasons other than those set forth below) until Digital Ordering, on all platforms, again becomes operational and available to End Users.
        ii. "Permitted Downtime" means the period of time during which Digital Ordering fails to be operational and available due to software upgrades and scheduled maintenance, conducted on a regular basis between 3:00 a.m. and 6:00 a.m. Eastern Time, of which Olo will give Customer and Authorized Operator a minimum of twenty-four (24) hours advanced notice. Notwithstanding the foregoing, Olo shall be permitted to take up to five (5) minutes of downtime on any day during the calendar year between 4:00 a.m. and 6:00 a.m. Eastern Time without prior notice to Customer.
        iii. "Monthly Uptime Percentage" means the total number of minutes in a calendar month minus the number of minutes of Downtime suffered in a calendar month, divided by the total number of minutes in a calendar month.
        iv. "Service Credit" means the following:

Monthly Uptime Percentage	Service Credit
99.9% - 99.5%	5% reduction in next month's Digital Ordering fees
99.49% - 98.0%	10% reduction in next month's Digital Ordering fees
97.99% - 96.0%	20% reduction in next month's Digital Ordering fees
< 95.9%	30% reduction in next month's Digital Ordering fees

*Service Credit shall be calculated using the Service Edition Monthly Fee for the month in which Olo does not meet the SLA, and shall be applied to the following month's invoice.

c. Olo shall notify Customer and Operator within five (5) business days from the end of the month if Customer is eligible to receive a Service Credit for the preceding month. To the extent that any Downtime having been determined by Olo, in its good faith reasonable discretion, was caused by a reason outlined in Paragraph 4(e) below, Olo shall have an additional ten (10) business days to notify Customer and Operator of their Service Credit for the preceding month if any.

d. The aggregate maximum Service Credit to be issued by Olo to Operator for all Downtime (not including Permitted Downtime) that occurs in a single calendar month shall not exceed a thirty percent (30%) credit in the next month's fees.

e. The SLA does not apply to any Downtime to the extent it was caused by: (i) Customer or Authorized Operator environment issues affecting connectivity or interfering with Digital Ordering, including without limitation, Customer or Authorized Operator's connection to the Internet (i.e., problems with the Customer or Authorized Operator's Internet Service Provider, modem, cable, DSL or dial-up connection, mobile phone connection or other Customer or Authorized Operator Internet connectivity issues) or any other Customer or Authorized Operator equipment or software (including third party attacks, including without limitation, hacks, intrusions, distributed denial-of-service attacks or any other third party actions intended to cause harm to or disrupt Customer's Third Party Providers, including without limitation, e-commerce software, payment gateways, Aggregators, and loyalty or rewards providers, that are integrated into the Olo APIs), Customer or Authorized Operator's firewall software, hardware or security settings, Customer or Authorized Operator's configuration of anti-virus software or anti-spyware or malicious software, Customer's use of or placement of Javascript code and/or other tracking or measurement software or code (including Google Analytics), or operator error of Customer or Authorized Operator; (ii) directly or indirectly integrating any Aggregator orders into the POS if such failure to integrate is no fault of Olo; (iii) Customer or Authorized Operator's Point of Sale (POS) failure(s) or the failure to properly maintain the POS environment, including updating the POS firmware or version of the software running on the POS as recommended by either Olo, a third party POS reseller or servicer, or the POS provider themselves; (iv) verified bugs of any third party software used in conjunction with Digital Ordering and failure of third party professional services; (v) force majeure events as described in Section 10.10 of the Master Services Agreement; (vi) issues related to third party domain name system (DNS) errors or failures; (vii) emergency maintenance of the Licensed Applications, including without limitation suspension of Licensed Applications in response to a Breach of Security, for which Customer or Authorized Operator may not receive advanced notice; or (viii) Permitted Downtime.

f. Olo will post notifications publicly to https://status.olo.com of any outages in production systems under its control and that may impact multiple customers for more than one (1) minute in any twenty-four (24) hour period other than as permitted under Section 3(b)(ii) above. Olo may occasionally post notifications of significant outages at third party providers, which may include Customer Third Party Providers, outside of Olo's control, such as payment, POS, loyalty, Delivery Service Providers, or Aggregators. Olo cannot be relied upon for comprehensive reporting of outages at third party providers and makes no representation that Olo's information is accurate or up to date. Olo's incident response procedures prioritize triaging and problem resolution over public communication, which may result in delays in posting status updates. Timestamps on status updates may not reflect the actual times of an incident.

Dispatch Services Terms & Conditions Addendum

This Addendum forms a part of the Master Services Agreement and is applicable upon execution of an Order Form in which the parties have agreed that Olo will provide the Customer with its delivery platform allowing for the scheduling and billing of delivery services ("Dispatch"). In the event that this Addendum conflicts with the Agreement, or there is an inconsistency, this Addendum shall control. Unless otherwise defined herein, capitalized terms have the meanings ascribed to such terms in the Agreement.

1. Definitions

"**Available Delivery Service Providers**" shall mean the Delivery Service Providers who have been selected and approved by Olo to create a Profile on the Platform and are available to Operator (to the extent applicable) to make deliveries to End Users in a given Delivery Area on behalf of Operator.

"**Confirmed Delivery Response**" shall mean that the Platform has transmitted an End User delivery request to a Selected Delivery Service Provider(s) that has responded back with an acceptance of that delivery request.

"**Delivery Area**" shall mean the area(s) in which a Delivery Service Provider offers delivery service to End Users.

"**Delivery Fees**" shall mean the fees that are quoted by Olo as "delivery service fees" plus a tip (if any) added to the payment form the End User fills out for the delivery of the Product.

"**Delivery Guidelines**" shall mean the rules and responsibilities associated with the delivery of the Product to the End User, which are located at www.olo.com/delivery-guidelines and which may be updated by Olo from time to time.

"**Delivery Service Providers**" shall mean the providers of delivery services, selected by Olo and given access to the Platform by Olo, that use their own employees or independent delivery drivers.

"**Delivery Requirements**" shall mean the requirements established by Customer or Operator in the Platform relating to the selection of the Delivery Service Providers who may be Available Delivery Service Providers for Operator.

"**Platform**" means the system operated by Olo that allows customers to provide Delivery Requirements and place requests with Olo to deliver Products to End Users and facilitates through those Delivery Service Providers who meet the Delivery Requirements, including any associated application program interfaces and technology and any enhancements or modifications thereto.

"**Profile**" means the information provided by a Delivery Service Provider for review by Olo and as updated by Olo quarterly or upon material changes, in order to allow the Delivery Service Provider to participate on the Platform.

"**Selected Delivery Service Provider**" means an Available Delivery Service Provider that is selected by Olo on behalf of Operator (based on the Delivery Requirements established by Customer or Operator) to deliver a given order for Products to End Users on behalf of the Operator in the Delivery Area.

2. Selection of Delivery Service Providers

2.1 Available Delivery Service Providers. As part of the Platform, Olo allows Delivery Service Providers to sign up for use of the Platform and complete a Profile. Operator may access a list of Available Delivery Service Providers based on the Delivery Requirements.

2.2 Selection of Available Delivery Service Providers. Olo will select the Selected Delivery Service Providers based on the Delivery Requirements and the Profiles of Available Delivery Service Providers in each Delivery Area. Notwithstanding the foregoing, to the extent that Customer or Operator does not provide any parameters for Olo to choose an Available Delivery Service Provider, one shall be selected automatically by Olo. Customer or Operator may change its Delivery Requirements at any time in its sole discretion.

3. Delivery

3.1 Quotes. Olo provides Operators with access to the Platform in order to request and receive delivery quotes (delivery time and pricing) and Olo will provide such quotes if there is an Available Delivery Service Provider available for a given order.

3.2 Availability. The Operator may seek a bid for the delivery to a given End User of the Product(s) ordered by that End User through the Platform. Each Selected Delivery Service Provider who is available to make a delivery in a given Delivery Area may respond to the request for a delivery and the delivery order will be assigned based upon the Delivery Requirements provided by Customer or Operator. If a delivery response does not meet that Customer's Delivery Requirements, or any additional filters or criteria which may be applied by Olo from time to time, then delivery may not be available for that End User order.

4. Additional Obligations

4.1 Olo Obligations. In addition to the other obligations set forth in this Agreement, Olo shall also use commercially reasonable efforts to: (a) require that the Delivery Service Providers maintain an accurate Profile; (b) require that the Delivery Service Providers maintain and enforce strict guidelines for their drivers, including any independent delivery drivers; (c) require that the Delivery Service Providers; use of the End User data is subject to Olo's privacy policy in effect at the time; (d) require that no End User PII is used by Delivery Service Providers to market any additional products or services to those End Users; and (e) require that all End User PII will be secured from unauthorized access, use, disclosure, loss and theft using industry standard security practices and technologies.

4.2 Operator Obligations. In addition to the other obligations set forth in this Agreement, Operator shall also use commercially reasonable efforts to: (a) ensure they comply with the Delivery Guidelines; (b) ensure that they promptly respond to all End Users' inquiries; (c) use the Platform to promptly respond to all End User issues, including cancellations and refunds; and (d) use best efforts to create tickets in Dashboard or the Olo API, as applicable, for Selected Delivery Service Providers for issues related to the order or delivery in question. To the extent Operator integrates directly with the Olo API, Operator hereby agrees to any additional terms of service that may be applicable to its Selected Delivery Service Providers. Operator shall not create any obligation of the Delivery Service Provider or Olo to provide any refund other than as specifically set forth in the Delivery Parameters and Refund Matrix located at www.olo.com/delivery-parameters-and-refund-matrix.

5. Third Party Beneficiaries

Olo operates a Platform for Customers and Delivery Service Providers to transact with each other. Olo does not provide the delivery services, and therefore does not assume, and expressly disclaims, any liability arising from Operator's use of the delivery services and the Selected Delivery Service Providers' provision of the delivery services. To facilitate direct dispute resolution between Operator and each Selected Delivery Service Provider in connection with Operator's use of delivery services, Operator's Selected Delivery Service Providers are third-party beneficiaries of Operator's obligations as set forth herein, and Operator is a third-party beneficiary of Operator's Selected Delivery Service Providers' obligations as set forth in their agreements with Olo. Olo will indicate to Operator through the Platform which Delivery Service Providers are subject to such third-party beneficiary obligations. Olo's Delivery Service Providers which have contractually committed to such third-party

beneficiary obligations have agreed not to assert a defense based on lack of privity against any Operaotr seeking to enforce their third-party beneficiary rights hereunder.

6. Disclaimer.

OLO MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OF ANY PROFILE INFORMATION AND OLO MAKES NO INDEPENDENT VERIFICATION OF THE INFORMATION PROVIDED BY A DELIVERY SERVICE PROVIDER (OTHER THAN THE REPRESENTATIONS AND WARRANTIES MADE BY THAT DELIVERY SERVICE PROVIDER AS TO THE ACCURACY OF THE PROFILE INFORMATION). OLO MERELY MAKES A PLATFORM AVAILABLE TO FACILITATE THE INTERACTIONS BETWEEN DELIVERY SERVICE PROVIDERS AND CUSTOMERS; OLO IS NOT RESPONSIBLE FOR THE PERFORMANCE OF DELIVERY SERVICE PROVIDERS.

Rails Terms & Conditions Addendum

This Addendum forms a part of the Agreement and is applicable upon execution of the Agreement and in conjunction with a Customer Order Form in which Olo and Customer have agreed that Olo will provide Operator with its Aggregator integration and management platform ("Rails"). In the event that this Addendum conflicts with the Agreement, or there is an inconsistency, this Addendum shall control. Unless otherwise defined herein, capitalized terms have the meanings ascribed to such terms in the Agreement.

"Rails" means the service, provided by Olo, and utilized by Operator at its sole discretion, in which Aggregators connect to the Olo platform in order to (a) receive store information including, but not limited to, store location data, menu item availability, product make times, available production capacity, and item pricing; (b) transmit orders made on Aggregator website or mobile application to the Customer's or Operator's Point of Sale systems (POS) through the Olo APIs; (c) monitor and report Aggregator activity; and, at Operator's sole discretion, (d) control order flow into the store.

In order for Operator to utilize Rails, Operator consents to allow Olo to transfer, or otherwise provide access to, certain data, including but not limited to, menu information and general restaurant information to Aggregator. Olo will not share any PII with Aggregator. Data may only be used for the limited purpose outlined above, namely use of Rails. Operator agrees that Olo shall have no liability to Operator for the granting of access to, or the misuse of such data, by Aggregator, or any other claims arising out of or related to the granting of access to the data unless such claims are based on Olo's negligence in such actions.

Olo shall be the exclusive provider of integration services for Aggregator ordering platforms to Operator. Also during the Term, Operator shall not use, test or support any Aggregator-initiated ordering service in lieu of Licensed Applications. Operator agrees to require the Olo program for all existing and future locations owned by Operator.

Google Rails Premium Addendum

This Addendum (this "GRP Addendum") forms a part of the Agreement and is applicable upon execution of the Agreement and in conjunction with a Customer Order Form in which Olo and Customer have agreed that Olo will provide Operator with Google Rails Premium ("GRP"). In the event that this Addendum conflicts with the Agreement, or there is an inconsistency, this Addendum shall control. Unless otherwise defined herein, capitalized terms have the meanings ascribed to such terms in the Agreement.

1. Definitions

"Actions on Google" means Google's platform that allows the integration of Licensed Content (and related services) with assistive experiences and services across products and services.

"Brand Features" means Customer's trade names, trademarks, service marks, logos, domain names, and other distinctive brand features.

"Google Data" means (i) data provided by Google to Olo via the Google API that facilitates actions by Customer and End Users and (ii) any reporting provided by Google to Olo.

"Licensed Content" means (a) any Customer content that is provided to or retrieved by Google through a Google API or other mutually agreed delivery mechanism, and (b) any Updates.

"Updates" means any update, refresh, correction or modification to the Licensed Content provided by Customer under this GRP Addendum.

2. Grant.

a. **Transfer of Data.** Customer consents to allow Olo to transfer, or otherwise provide access to, certain data, including but not limited to, menu information and general restaurant information to Google pursuant to this GRP Addendum ("Data"). Olo will not share any PII with Google. The Data may only be used for the limited purpose outlined above, namely use of GRP. Customer agrees that Olo shall have no liability to Customer for the granting of access to, or the misuse of the Data, by Google, or any other claims arising out of or related to the granting of access to the Data.

b. **Licensed Content.** Customer grants to Olo a perpetual, irrevocable, worldwide royalty-free, nonexclusive, license to use the Licensed Content in connection with GRP (including Actions on Google and Google products and services made available on third party devices and interfaces). Customer acknowledges that its Licensed Content may be sublicensed by Google but only to the extent necessary to permit end users to use GRP products and services, including those made available on third party devices and interfaces.

c. **Google Data.** Any Google Data to which Customer is provided access through Olo may only be used by Customer to respond to End User queries received from Google products and services to communicate with particular End Users identified by Google (e.g., to process or deliver a food order, issue a refund). Customer may only use Google Data to provide assistance to these End Users who have placed a food order.

d. **Retention of Rights.** Customer retains all rights in Licensed Content and its Brand Features and has no right to any Google Data or any content created, submitted, or used in connection with the Google products and services.

3. Prohibited Actions.

a. Customer will not:

i. use Google Data other than to provide assistance to or to market to end users who have placed a food order provided that such marketing shall only be via email and to End Users that have provided Google with consent to receive marketing from Customer;

ii. generate automated, fraudulent, or otherwise invalid activity (including queries, clicks, or conversions);

iii. use any automated means or data scraping or extraction to access or collect Actions on Google-related information except as expressly permitted by Google;

iv. knowingly provide inaccurate or outdated information, including for Licensed Content;

v. engage in deceptive, misleading, and/or unethical practices;

vi. make false or misleading representations with regards to Actions on Google;

vii. alter, interfere with, or otherwise tamper with customer reviews of Customer's services or the services of its competitors; or

viii. attempt to interfere with Actions on Google's proper functioning.

4. Customer Support/Termination.

a. As between Customer, Olo and Google, an End User's satisfaction with Customer is solely Customer's responsibility. Customer must immediately notify Olo if it no longer wants to be surfaced to End Users via Actions on Google and Olo will then remove Customer from Actions on Google and/or remove their information from the Licensed Content, so that it is no longer shown to Google end users and customers.

b. Google may contact Customer.

c. Upon termination of GRP, Google may continue to use the Licensed Content submitted through Google API(s), in accordance with its standard terms & conditions (which are available from Google).

5. Other Google Products.

a. If at any time, Customer uses other Google products or services, then a separate agreement will be required.

EXHIBIT G

OPERATION PROCEDURES MANUAL
TABLE OF CONTENTS

TABLE OF CONTENTS

0100 – 0125: Food Handling

HACCP Definitions 0100
Food Safety Basics 0101
Regulation 0102
QA Audit Program 0103
Checking Product Quality 0104
Cold Food Storage Power Outage 0105
Food Contamination 0106
Handling Food Products 0107
Handling Incorrectly Prepared Orders 0108
Handling Time & Temperature Control for Safety 0109
Handling Special Orders 0110
Storing Products 0113
Thawing Procedures 0114
Tong Procedures 0115
Transferring Products Safely 0116
Vendor Product Approval 0117
Cut Resistant Gloves 0118
TILT Time in Lieu of Temperature 0119
Insect & Rodent Control 0120
Proper Ice Bath Procedures 0121
Bagging Ice 0122
Daily Temperature Tracking *(How To)* 0123
Allergens 0124
Temporary Closure Policy 0125

0200 - 0215: Ingredients Preparation – Proteins

Bacon Strips 0200
Bacon Bits 0201
Beef Patties 0202
Beef Patty Holding 0203
Roast Beef 0205
Bone-In Fried Chicken 0209
Sausage Patties 0210
Ham 0212
Breakfast Steak 0213
Pork Chops 0215

0230 - 0238: Ingredients Preparation – Produce

Iceberg Lettuce 0231
Diced Yellow Onions 0233
Sliced Yellow Onions 0234
Grilled Onions 0235
Deli Pickles 0236
Sliced Tomatoes 0237
Lemons 0238

0240 - 0242: Ingredients Preparation – Cheese & Dairy

Cheese Slices....0240
Shredded Cheese....0241
Milk *(For Hand-Scooped Ice-Cream Shakes™)*....0242

0250 - 0256: Ingredients Preparation – Sauces

Mayonnaise....0250
Special Sauce....0251
Ketchup & Mustard....0253
Mushroom Sauce....0254
Chili....0256

0260 - 0268: Ingredients Preparation – Buns & Bread

Toasting Buns....0260
Frozen Buns....0261
Potato Buns *(Frozen & Delivered)*....0262
Sourdough Bread....0263
Croissants....0264
Liquid Margarine....0266
English Muffins....0268

0300 - 0321: Breakfast

Loaded Breakfast Burrito....0300
Pork Chop 'N' Gravy Biscuit....0302
Country Ham Biscuit....0303
Monster Biscuit....0304
Sunrise Croissants....0305
Frisco Breakfast Sandwich®....0306
Loaded Omelet Biscuit....0307
Bacon Swiss Chicken Biscuit....0308
Low Carb Breakfast Bowl....0309
Hardee Breakfast Platter®....0310
Sausage Gravy....0311
Loaded Omelet Blend....0312
Biscuit 'N' Gravy™....0313
Liquid Eggs....0314
Folded Eggs....0315
Scrambled Eggs....0316
Liquid Margarine....0317
Tortilla Procedures....0318
Grits....0319
French Toast Dips®....0320
English Muffin Sandwiches....0321

0400 - 0420: Burgers & Sandwiches

Bacon Cheeseburger 0401
Mushroom & Swiss Angus Burger 0402
Frisco 0403
Monster 0404
Low Carb Burger 0405
Famous Star 0406
Super Star 0407
Big Cheeseburger 0410
Roast Beef *(Regular & Big)* 0411
Monster Roast Beef 0412
Hot Ham & Cheese *(Regular & Big)* 0413
Spicy Chicken Sandwich 0416
Hand-Breaded Chicken Sandwich 0417
Double Cheeseburger 0418
Kids Hamburger 0419
Packaging Burgers & Sandwiches 0420
Bacon Double Cheeseburger 0421
StarPals® Grilled Cheese Sandwich 0417

0500 - 0514: Sides

Cinnamon Rolls 0500
Hash Rounds 0501
Packaging Breakfast Side Orders 0502
French Fries 0503
French Fry Trouble Shooting 0504
Crispy Curls® 0505
Coleslaw Side 0508
Green Beans 0509
Mashed Potatoes & Gravy 0510
Side Salad 0511
Hot Dogs 0512
Jumbo Chili Dog 0514

0600 - 0613: Beverages & Shakes

Cold Drinks 0600
Hot Drinks 0601
Iced Tea 0602
Water 0603
Orange Juice 0604
Coffee 0605
Cold Brew Coffee 0606
Beverage Bar 0608
Ice Cream 0609
Hand-Scooped Ice-Cream Shakes™ 0610
Whipped Topping 0611
Product Specifications 0612
Portion Control Creamers 0613

0700 - 0723: Operating Standards

Daily Checklists....0700
Drive Thru Operating System....0701
Handling Guest Complaints....0702
Instant Service....0703
Super Star Service....0705
Operating Hours....0706
Alcoholic Beverages....0707
Animals....0708
Coupons....0709
Guest Cards....0710
Guest Disturbances &Emergencies....0711
No Smoking Policy....0712
Senior Citizen Discounts....0713
Serving the Disabled....0714
Visitors Policy....0715
Robbery & Security....0716
Appearance & Personal Hygiene....0717
Employee Discounts....0718
Drive-Thru Headsets Cleaning and Sanitizing....0719
Cut Resistant Gloves....0720
Prince Castle Holding....0721
Shortening Management....0722
Grill Cooler Layout....0723

0800 - 0821: Interior

Carpets....0800
Ceilings....0801
Dining Room Seating....0802
Cleaners & Chemicals....0803
Counter & Display Cases....0804
Doors....0805
Exit Signs....0806
Insect & Rodent Control....0807
Lighting....0808
Lobby Floors & Tiles....0809
Menu Boards....0810
Mop Stalls....0811
Music & Temperature....0812
POP Material & Signage....0813
Restrooms....0814
Sink Areas....0815
Storage Areas....0816
Trash Cans & Drops....0817
Walls, Clocks & Pictures....0818
Washing & Sanitizing Smallwares....0819
Water Conservation....0820
Window & Shades....0821

0900 - 0911: Exterior

Building Exterior 0900
Drive-Thru Menu Boards & OCB 0901
Flags & Flag Poles 0902
Landscaping & Planters 0903
Exterior Lights 0904
Newspaper Racks 0905
Parking Lots 0906
Playgrounds 0907
Roofs 0908
Signs 0909
Outside Trash Areas & Receptacles 0910
Waste Disposal 0911

1000 - 1024: Red Burrito

Refried Beans 1000
Taco Beef 1001
Cheddar Cheese Sauce 1002
Red Burrito Chicken 1003
Chunky Salsa 1004
Sour Cream 1005
Rice 1006
Taco Salad Bowls 1007
Tortilla Chips 1008
Diced Tomatoes 1009
Fried Taco Shell 1010
Jalapeño Coins 1011
Burrito Rolling Procedures 1012
Rice, Bean & Cheese Burrito 1013
Grilled Chicken Burrito 1014
Grilled Beef Burrito 1015
Chicken & Beef Hard Tacos 1016
Chicken & Beef Soft Tacos 1017
Chicken Quesadilla 1018
Super Nachos 1019
Taco Salad 1020
Chicken & Beef Bowls 1021
Chips & Salsa 1022
Chips & Queso 1023
Sides & Combos 1024

1100 - 1107: Made From Scratch™ Biscuits

Pan Spray 1100
Biscuit Flour 1101
Buttermilk 1102
Liquid Margarine 1103
Made From Scratch Biscuits™ 1104
Made From Scratch Biscuits™ Trouble Shooting 1105
Biscuit Assembly 1106
Biscuit Packaging Guidelines 1107

1108: Par-Baked Biscuits

Par-Baked Biscuits 1108

1200 - 1205: Hand-Breaded Chicken

Breading 1200
Hand-Breaded Chicken 1201
Buttermilk 1202
Egg Wash Preparation 1203
Hand-Breaded Chicken Tender Boxes (10-, 15- & 20-Piece) 1204
3- & 5-Piece Hand-Breaded Chicken Tenders 1205

1302: Desserts

Apple Turnovers 1302

1400 - 1405: Mobile Ordering

Mobile Ordering 1401
Loyalty - MyRewards™ 1402
Mobile Order Training 1403
OLO Dashboard 1404
Mobile Order Troubleshooting 1405

EXHIBIT H

LIST OF FRANCHISEES THAT CLOSED/TRANSFERRED FRANCHISED RESTAURANTS IN LAST FISCAL YEAR

LIST OF FRANCHISEES THAT CLOSED/TRANSFERRED FRANCHISED RESTAURANTS IN FISCAL YEAR 2025

The following is a list of the name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of each franchisee that had a franchised restaurant terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement, including in connection with a transfer, during fiscal year 2025; or failed to communicate with Hardee's Restaurants LLC within 10 weeks of the application date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Transfers**:**

Franchisee	Address	City	State	Zip
Chesapeake Products & Services, Inc.	30759 Sussex Hwy	Laurel	DE	19956
Phase Three Star, LLC	24915 W Newberry Road	Newberry	FL	32669
Northern Star, Inc.	5705 N. Hwy 27	Science Hill	KY	42553
Dave Bowar	503 Rossville Road	Waukon	IA	52172
Chesapeake Products & Services, Inc.	9521 Ocean Highway	Delmar	MD	21875
TAP Enterprises (Tom Taylor &Mary Jo Taylor)	534 E. Main St.	Owosso	MI	48867
Oshkosh Restaurant, LLC	2100 S. Koeller St.	Oshkosh	WI	54902
Dave Bowar	944 S. Marquette Street	Prairie Du Chien	WI	53821
Dave Bowar	1819 S. Main Street	Rice Lake	WI	54868
Jack Leichtfuss & Vivian Leightfuss	3132 Church Street	Stevens Point	WI	54481

Terminations / Non-Renewals / Ceased Operations:

Franchisee	Address	City	State	Zip
Paradigm Investment Group, LLC	5870 Wall Trainia Hwy	Madison	AL	35758
OTAC No. 6, Inc.	1801 Pulaski Highway	Bear	DE	19701
Anba Hedra LLC	451 E. Altamonte Dr., Suite 2165	Atlamonte Springs	FL	32701
Circle K Stores Inc.	810 N. US Hwy. 27	Minneola	FL	34755
Circle K Stores Inc.	5690 W. State Rd. 46	Sanford	FL	32771
Saulat Enterprises, Inc.	100 Governor Trutlen Rd.	Pooler	GA	31322
Saulat Enterprises, Inc.	501 S. Main St.	Swainsboro	GA	30401
Pioneer Restaurants, LLC	1600 Broadway Street	Mt. Vernon	IL	62864
Midwest First Star Inc.	5223 Franklin Street	Michigan City	IN	46360
Superior Star, LLC	660 N. Main	Sioux Center	IA	51250

Franchisee	Address	City	State	Zip
Mountain Star LLC	378 Southside Mall, US Rt.119	South Williamson	KY	41503
Northland Restaurant Group, LLC	1250 S. Pokegama	Grand Rapids	MN	52806
Saddle Peak LLC	749 Goodman Road West	Horn Lake	MS	38637
Red Diamond Restaurants, LLC	311 North Church Ave.	Louisville	MS	39339
Pioneer Restaurants, LLC	17368 Chesterfield Airport Road	Chesterfield	MO	63005
Pioneer Restaurants, LLC	10858 Lilac Avenue	St. Louis	MO	63137
Pioneer Restaurants LLC	1944 Wentzville Parkway	Wentzville	MO	63385
Superior Star, LLC	2405 Dakota Avenue	South Sioux City	NE	68776
Boddie-Noell Enterprises, Inc.	12872 US 70 Hwy West	Clayton	NC	27520
Boddie-Noell Ent., Inc.	1106 Western Blvd.	Jacksonville	NC	28546
Boddie-Noell Enterprises, Inc.	5639 Hillsborough Street	Raleigh	NC	27606
Boddie-Noell Ent., Inc.	886 West Raleigh Boulevard	Rocky Mount	NC	27802
Boddie-Noell Enterprises, Inc.	418 Roland Ave.	Surf City	NC	28445
Midwest First Star Inc.	2695 Gilchrist Road	Akron	OH	44305
ARC Burgers, LLC	5201 Ashley Phosphate Road	North Charleston	SC	29414
DBJ Enterprises, Inc.	6013 Shallowford Dv.	Chattanooga	TN	37421
Boddie-Noell Ent., Inc.	505 E. Main St.	Bedford	VA	24523
Boddie-Noell Ent., Inc.	904 Prices Fork Rd.	Blacksburg	VA	24060
Boddie-Noell Enterprises, Inc.	1700 Princess Anne St.	Fredericksburg	VA	22401
River Valley Restaurants, LLC	10401 MacCorkle Ave.	Marmet	WV	25315
Doro, Inc.	2690 Eaton Rd.	Bellevue	WI	54311
RRC FDL, LLC	759 W. Johnson	Fond du Lac	WI	54935

EXHIBIT I

LIST OF FRANCHISEES AND FRANCHISED LOCATIONS

LIST OF FRANCHISEES AND FRANCHISED LOCATIONS
As of 1/27/2025

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PHASE THREE STAR LLC	650 OZARK RD	ABBEVILLE	AL	36310	N	3345856111
PARADIGM INVESTMENT GROUP, LLC	11024 US HIGHWAY 431	ALBERTVILLE	AL	35950	N	2568783777
PARADIGM INVESTMENT GROUP, LLC	1249 CHEROKEE RD	ALEXANDER CITY	AL	35010	N	2562344191
PARADIGM INVESTMENT GROUP, LLC	1202 E BYPASS	ANDALUSIA	AL	36420	N	3342227315
PARADIGM INVESTMENT GROUP, LLC	1110 S JEFFERSON ST	ATHENS	AL	35611	N	2562328400
PARADIGM INVESTMENT GROUP, LLC	25 LAKEVIEW CIR	ATMORE	AL	36502	N	2514461657
PHASE THREE STAR LLC	800 WIRE RD	AUBURN	AL	36832	N	3348876003
PARADIGM INVESTMENT GROUP, LLC	701 DOLIVE ST	BAY MINETTE	AL	36507	N	2519372378
PARADIGM INVESTMENT GROUP, LLC	1771 US HIGHWAY 431	BOAZ	AL	35957	N	2565937366
PARADIGM INVESTMENT GROUP, LLC	50770 OLD HWY 72	BRIDGEPORT	AL	35740	N	2564952181
PARADIGM INVESTMENT GROUP, LLC	499 W TROY ST	BRUNDIDGE	AL	36010	N	3347353537
PARADIGM INVESTMENT GROUP, LLC	35 HIGHWAY 41 N	CAMDEN	AL	36726	N	3346824147
C & C FOOD SYSTEMS, INC.	19765 N 3RD ST	CITRONELLE	AL	36522	N	2518660325
PARADIGM INVESTMENT GROUP, LLC	1708 BELTLINE RD	DECATUR	AL	35601	N	2563505999
PARADIGM INVESTMENT GROUP, LLC	3241 POINT MALLARD PKWY SE	DECATUR	AL	35603	N	2563532958
PARADIGM INVESTMENT GROUP, LLC	810 6TH AVE NORTHEAST	DECATUR	AL	72802	N	2563408978
PHASE THREE STAR LLC	1086 ROSS CLARK CIR	DOTHAN	AL	36303	N	3347928085
PHASE THREE STAR LLC	2727 S OATES ST	DOTHAN	AL	36301	N	3347936585
PHASE THREE STAR LLC	4624 W. MAIN STREET	DOTHAN	AL	36305	N	3344463058

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PHASE THREE STAR LLC	911 FORT RUCKER BLVD	ENTERPRISE	AL	36330	N	3343474922
PARADIGM INVESTMENT GROUP, LLC	3194 S EUFAULA AVE	EUFAULA	AL	36027	N	3346882135
FRANCIECO., L.P.	7561 MESOPOTAMIA ST	EUTAW	AL	35462	N	2053729244
PARADIGM INVESTMENT GROUP, LLC	845 LIBERTY HILL DR	EVERGREEN	AL	36401	N	2515781983
PARADIGM INVESTMENT GROUP, LLC	21514 HIGHWAY 31	FLOMATON	AL	36441	N	2512962362
PARADIGM INVESTMENT GROUP, LLC	1113 E 5TH AVE	FLORALA	AL	36442	N	3348583711
PARADIGM INVESTMENT GROUP, LLC	2935 S MCKENZIE ST	FOLEY	AL	36535	N	2519435960
ARC BURGER, LLC	1301 MAPLE AVE	GENEVA	AL	36340	N	3346846220
PARADIGM INVESTMENT GROUP, LLC	9400 GRAND BAY WILMER RD	GRAND BAY	AL	36541	N	2518655363
DRAIN ENTERPRISES, INC.	3541 CATHEDRAL CAVERNS HWY	GRANT	AL	35747	N	2567285988
PARADIGM INVESTMENT GROUP, LLC	912 FORTDALE RD	GREENVILLE	AL	36037	N	3343822352
PARADIGM INVESTMENT GROUP, LLC	837 GULF SHORES PKWY	GULF SHORES	AL	36542	N	2519484232
DRAIN ENTERPRISES, INC.	5975 HIGHWAY 72 E	GURLEY	AL	35748	N	2567764152
PHASE THREE STAR LLC	110 S STATE HIGHWAY 167	HARTFORD	AL	36344	N	3345880530
PARADIGM INVESTMENT GROUP, LLC	680 HIGHWAY 31 SW	HARTSELLE	AL	35640	N	2567730435
PHASE THREE STAR LLC	16832 US HWY 431 SOUTH	HEADLAND	AL	36345	N	3346930750
PARADIGM INVESTMENT GROUP, LLC	79 FOLMAR PKWY	HOPE HULL	AL	36043	N	3346139879
PARADIGM INVESTMENT GROUP, LLC	2015 DRAKE AVE	HUNTSVILLE	AL	35801	N	2568821639
PARADIGM INVESTMENT GROUP, LLC	300 ANDREW JACKSON WAY	HUNTSVILLE	AL	35801	N	2565367713
PARADIGM INVESTMENT GROUP, LLC	104 GREEN COVE RD SE	HUNTSVILLE	AL	35803	N	2562709397

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PARADIGM INVESTMENT GROUP, LLC	3751 AL HIGHWAY 53	HUNTSVILLE	AL	35806	N	2568521270
PARADIGM INVESTMENT GROUP, LLC	2800 COLLEGE AVE	JACKSON	AL	36545	N	2512469265
PARADIGM INVESTMENT GROUP, LLC	13151 N HICKORY ST	LOXLEY	AL	36551	N	2519646250
PARADIGM INVESTMENT GROUP, LLC	742 S FOREST AVE	LUVERNE	AL	36049	N	3343353864
PARADIGM INVESTMENT GROUP, LLC	8827 MADISON BLVD	MADISON	AL	35758	N	2567723270
PARADIGM INVESTMENT GROUP, LLC	11909 HIGHWAY 231 431 N	MERIDIANVILLE	AL	35759	N	2568282377
PARADIGM INVESTMENT GROUP, LLC	3691 HIGHWAY 14	MILLBROOK	AL	36054	N	3342850010
PARADIGM INVESTMENT GROUP, LLC	3715 MOFFAT RD	MOBILE	AL	36618	N	2513433553
PARADIGM INVESTMENT GROUP, LLC	565 GOVERNMENT ST	MOBILE	AL	36602	N	2514324286
PARADIGM INVESTMENT GROUP, LLC	930 SCHILLINGER RD S	MOBILE	AL	36695	N	2516390616
PARADIGM INVESTMENT GROUP, LLC	3225 ST STEPHENS RD	MOBILE	AL	36612	N	2512870662
PARADIGM INVESTMENT GROUP, LLC	1608 S ALABAMA RD	MONROEVILLE	AL	36460	N	2515752691
PARADIGM INVESTMENT GROUP, LLC	5401 ATLANTA HWY	MONTGOMERY	AL	36109	N	3342721191
PARADIGM INVESTMENT GROUP, LLC	1183 W SOUTH BLVD	MONTGOMERY	AL	36105	N	3342817367
PARADIGM INVESTMENT GROUP, LLC	906 ANN ST	MONTGOMERY	AL	36107	N	3342620650
PARADIGM INVESTMENT GROUP, LLC	2715 TAYLOR RD	MONTGOMERY	AL	36117	N	3342722004
PARADIGM INVESTMENT GROUP, LLC	11838 AL HWY 157	MOULTON	AL	35650	N	2569746363
PARADIGM INVESTMENT GROUP, LLC	10139 HIGHWAY 431 S	NEW HOPE	AL	35760	N	2567235988
PHASE THREE STAR LLC	2530 PEPPERELL PKWY	OPELIKA	AL	36801	N	3347493678

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PHASE THREE STAR LLC	1902 MARVYN PKWY	OPELIKA	AL	36804	N	3347495862
PARADIGM INVESTMENT GROUP, LLC	803 FLORALA HWY	OPP	AL	36467	N	3344933314
PARADIGM INVESTMENT GROUP, LLC	2515 MOUNTAIN COVE DR	OWENS CROSS ROADS	AL	35763	N	2565339430
PHASE THREE STAR LLC	1333 ANDREWS AVE	OZARK	AL	36360	N	3347744812
PHASE THREE STAR LLC	1300 280 BYP	PHENIX CITY	AL	36867	N	3342985713
PARADIGM INVESTMENT GROUP, LLC	706 EAST MAIN STREET	PRATTVILE	AL	36067	N	3343653065
PARADIGM INVESTMENT GROUP, LLC	2525 COBBS FORD RD	PRATTVILLE	AL	36066	N	3342857549
PARADIGM INVESTMENT GROUP, LLC	104 MCCURDY AVE S	RAINSVILLE	AL	35986	N	2566382240
PARADIGM INVESTMENT GROUP, LLC	16191 HIGHWAY 72	ROGERSVILLE	AL	35652	N	2562471327
PARADIGM INVESTMENT GROUP, LLC	1016 HIGHWAY 43	SARALAND	AL	36571	N	2516790658
DRAIN ENTERPRISES, INC.	23470 JOHN T REID PKWY	SCOTTSBORO	AL	35768	N	2562596364
PARADIGM INVESTMENT GROUP, LLC	1201 HIGHLAND AVE	SELMA	AL	36703	N	3348128351
PARADIGM INVESTMENT GROUP, LLC	1300 GILMER AVE	TALLASSEE	AL	36078	N	3342834635
PARADIGM INVESTMENT GROUP, LLC	5796 TWIN OAKS COURT	THEODORE	AL	36582	N	2516538422
PARADIGM INVESTMENT GROUP, LLC	32450 HIGHWAY 43	THOMASVILLE	AL	36784	N	2516362850
PARADIGM INVESTMENT GROUP, LLC	1102 HIGHWAY 231 S	TROY	AL	36081	N	3345660609
RED DIAMOND RESTAURANTS, LLC	611 15TH ST E	TUSCALOOSA	AL	35401	N	2053455262
RED DIAMOND RESTAURANTS, LLC	2515 PAUL BRYANT DR	TUSCALOOSA	AL	35401	N	2053491313
RED DIAMOND RESTAURANTS, LLC	929 SKYLAND BLVD E	TUSCALOOSA	AL	35405	N	2053452184
SUMMIT FOODS, INC.	6718 HWY 69 S	TUSCALOOSA	AL	35405	N	2053660299

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PARADIGM INVESTMENT GROUP, LLC	419 HWY 43 S	TUSCUMBIA	AL	35674	N	2563839338
PARADIGM INVESTMENT GROUP, LLC	5091 US HIGHWAY 231	WETUMPKA	AL	36092	N	3345677035
DIAMOND HOSPITALITY ENTERPRISES, LLC	850 S ST LOUIS STREET	BATESVILLE	AR	72501	N	5017935799
SADDLE PEAK LLC	21 US HWY 64	BEEBE	AR	72012	N	5018823247
SADDLE PEAK LLC	1221 W SOUTH STREET	BENTON	AR	72015	N	5013164200
SADDLE PEAK LLC	3783 E HIGHWAY 18	BLYTHEVILLE	AR	72315	N	8708246450
SADDLE PEAK LLC	2201 NORTH 2ND STREET	CABOT	AR	72023	N	5018430229
SADDLE PEAK LLC	2500 CLARK RD	CLARKSVILLE	AR	72830	N	4797548774
SADDLE PEAK LLC	1055 DAVE WARD DR	CONWAY	AR	72034	N	5014996462
DIAMOND MANAGEMENT, LLC	2720 ROGERS AVE	FORT SMITH	AR	72901	N	4797827452
DIAMOND MANAGEMENT, LLC	1820 PHOENIX AV	FORT SMITH	AR	72901	N	4796461719
TRICO DEVELOPMENT CORPORATION	1331 RED WOLF BLVD	JONESBORO	AR	72401	N	8709330994
FRANCIECO., L.P.	11700 INTERSTATE 30	LITTLE ROCK	AR	72210	N	5019751999
SHAY, MICHEL D.	500 E North St	MOUNTAIN HOME	AR	72653	N	5014259393
DIAMOND HOSPITALITY ENTERPRISES, LLC	604 NE MAIN	MOUNTAIN VIEW	AR	72560	Y	8702698009
DIAMOND HOSPITALITY ENTERPRISES, LLC	1700 MALCOLM	NEWPORT	AR	72112	N	5015236282
SADDLE PEAK LLC	4901 JOHN F KENNEDY BLVD	NORTH LITTLE ROCK	AR	72116	N	5017539668
DIAMOND HOSPITALITY ENTERPRISES, LLC	301 LINWOOD	PARAGOULD	AR	72450	N	5012363727
DIAMOND HOSPITALITY ENTERPRISES, LLC	950 EAST MAIN	PIGGOTT	AR	72454	N	5015982024
FRANCIECO., L.P.	116 RON HARROD RD	PRESCOTT	AR	71857	N	8708871744
SADDLE PEAK LLC	3095 E MAIN ST	RUSSELLVILLE	AR	72802	N	4798906226
FRANCIECO., L.P.	2505 QUEENSWAY ST	SEARCY	AR	72143	N	5012789954

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
SADDLE PEAK LLC	2997 E RACE AVE	SEARCY	AR	72143	N	5012684858
SADDLE PEAK LLC	201 N ROCK ST	SHERIDAN	AR	72150	N	8709427015
OTAC NO. 4, INC.	519 S BAY RD	DOVER	DE	19901	N	3026740371
OTAC NO. 4, INC.	50 GREENTREE DR	DOVER	DE	19904	N	3026748335
OTAC NO. 4, INC.	7237 MILFORD HARRINGTON HWY	HARRINGTON	DE	19952	N	3023970343
POOJA LAUREL HOSPITALITY, INC.	30759 SUSSEX HWY	LAUREL	DE	19956	N	3028757107
OTAC NO. 4, INC.	340 DOVE RUN DR	MIDDLETOWN	DE	19709	N	3024492036
OTAC NO. 4, INC.	698 N DUPONT BLVD	MILFORD	DE	19963	N	3024226083
OTAC NO. 4, INC.	28552 DUPONT BLVD	MILLSBORO	DE	19966	N	3029349106
OTAC NO. 4, INC.	328 W STEIN HWY	SEAFORD	DE	19973	N	3026298677
OTAC NO. 6, INC.	100 JIMMY DR	SMYRNA	DE	19977	N	3026537213
PHASE THREE STAR LLC	126 MAGNOLIA AVE	AUBURNDALE	FL	33823	N	8639679220
PHASE THREE STAR LLC	300 E VAN FLEET DRIVE	BARTOW	FL	33830	N	8638003949
ARBOR CAPITAL PARTNERS, LLC	5741 SE ABSHIER BLVD	BELLEVIEW	FL	34420	N	3522035404
ARC BURGER, LLC	2111 S WAUKESHA ST	BONIFAY	FL	32425	N	8505474666
BUSY BEE BURGERS, INC.	404 HWY 27	BRANFORD	FL	32008	N	3869353979
HUDSON FOODS	399 N. HATHAWAY AVE.	BRONSON	FL	32621	N	3523534574
PHASE THREE STAR LLC	1685 W JEFFERSON ST	BROOKSVILLE	FL	34601	N	3527996126
PHASE THREE STAR LLC	542309 US HWY 1	CALLAHAN	FL	32011	N	9048795748
ARC BURGER, LLC	651 WEST WASHINGTON ST	CHATTAHOOCHEE	FL	32324	N	8505884162
PHASE THREE STAR LLC	1024 N YOUNG BLVD	CHIEFLAND	FL	32626	N	3524931116
ARC BURGER, LLC	1212 MAIN ST	CHIPLEY	FL	32428	N	8506388532
PHASE THREE STAR LLC	2994 CRAWFORDVILLE HWY	CRAWFORDVILLE	FL	32327	N	8509268337
PHASE THREE STAR LLC	15909 SE 19 HWY	CROSS CITY	FL	32628	N	3524985077
PHASE THREE STAR LLC	16 NE HIGHWAY 19	CRYSTAL RIVER	FL	34429	N	3257940280
PHASE THREE STAR LLC	39837 US HWY 27	DAVENPORT	FL	33837	N	8634191715
CIRCLE K STORES, INC.	1098 W INTERNATIONAL SPEEDWAY BLVD	DELAND	FL	32720	N	3867381469

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
ARBOR CAPITAL PARTNERS, LLC	400 WELCOME CENTER DRIVE	DELTONA	FL	32725	N	3862599543
PHASE THREE STAR LLC	28199 HWY 27	DUNDEE	FL	33838	N	8634396184
ARBOR CAPITAL PARTNERS, LLC	11582 WILLIAMS ST	DUNNELLON	FL	34432	N	3524659111
CIRCLE K STORES, INC.	241 US HWY 17 S	EAST PALATKA	FL	32131	N	3863286469
FRANCIECO., L.P.	13700 US HWY 441	ELLISVILLE	FL	32025	N	3867529966
S.W. FLORIDA FRANCHISE SERVICE	4900 PALM BEACH BLVD	FORT MYERS	FL	33905	N	2396935797
FRANCIECO., L.P.	200 S KINGS HWY	FORT PIERCE	FL	34945	N	7724892184
ARC BURGER, LLC	5425 COTTON ST	GRACEVILLE	FL	32440	N	8502634919
PHASE THREE STAR LLC	1323 N ORANGE AVE	GREEN COVE SPRINGS	FL	32043	N	9045299437
ARBOR CAPITAL PARTNERS, LLC	266 W BROAD ST	GROVELAND	FL	34736	N	3524299377
PHASE THREE STAR LLC	19143 NW US HWY 441	HIGH SPRINGS	FL	32643	N	3864541933
PHASE THREE STAR LLC	3960 S SUNCOAST BLVD	HOMOSASSA	FL	34448	N	3526281990
PHASE THREE STAR LLC	873 LANE AVE S	JACKSONVILLE	FL	32205	N	9046959522
PHASE THREE STAR LLC	9210 BAYMEADOWS RD	JACKSONVILLE	FL	32256	N	9047373252
PHASE THREE STAR LLC	498 BUSCH DR	JACKSONVILLE	FL	32218	N	9047511805
PHASE THREE STAR LLC	6852 WILSON AVE	JACKSONVILLE	FL	32210	N	9047729669
PHASE THREE STAR LLC	6914 NORWOOD AVENUE	JACKSONVILLE	FL	32208	N	9047646518
PHASE THREE STAR LLC	8040 NORMANDY BLVD	JACKSONVILLE	FL	32221	N	9046930467
PHASE THREE STAR LLC	9111 MERRILL ROAD	JACKSONVILLE	FL	32225	N	9047451629
PHASE THREE STAR LLC	12771 ATLANTIC BLVD	JACKSONVILLE	FL	32225	N	9042217136
PHASE THREE STAR LLC	6680 COMMONWEALTH AVE	JACKSONVILLE	FL	32254	N	9047830960
PHASE THREE STAR LLC	11191 SAN JOSE BLVD	JACKSONVILLE	FL	32223	N	9048862700
PHASE THREE STAR LLC	675 NAUTICA DR	JACKSONVILLE	FL	32218	N	9047512841
PHASE THREE STAR LLC	1616 US HIGHWAY 41 NW	JASPER	FL	32052	N	3867921088
PHASE THREE STAR LLC	7401 STATE RD 21	KEYSTONE HEIGHTS	FL	32656	N	3524737745

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
ANBA HEDRA LLC	504 W. VINE ST.	KISSIMMEE	FL	34741	N	4076249020
PHASE THREE STAR LLC	342 SHINN BLVD	LAKE ALFRED	FL	33850	N	8638752436
PHASE THREE STAR LLC	1205 E MAIN STREET	LAKE BUTLER	FL	32054	N	3864961361
PHASE THREE STAR LLC	279 W DUVAL ST	LAKE CITY	FL	32055	N	3867526621
PHASE THREE STAR LLC	2609 W US HIGHWAY 90	LAKE CITY	FL	32055	N	3867554672
SONI, DHIMANT & GITA	2399 SE BAYA DR	LAKE CITY	FL	32025	N	3867520393
GERGES, GERGES S., & GERGES, AIHAB	43 E C 470	LAKE PANASOFFKEE	FL	33538	N	3527931111
PHASE THREE STAR LLC	2050 W MEMORIAL BLVD	LAKELAND	FL	33815	N	8636820794
SHARON HASKINS	24 PAFFORD RD	LAMONT	FL	32336	N	8509972228
ARBOR CAPITAL PARTNERS, LLC	802 S 14TH ST	LEESBURG	FL	34748	N	3524600410
PHASE THREE STAR LLC	608 OHIO AVE S	LIVE OAK	FL	32064	N	3863627238
PHASE THREE STAR LLC	1490 S 6TH ST	MACCLENNY	FL	32063	N	9042596999
PHASE THREE STAR LLC	4652 E HIGHWAY 90	MARIANNA	FL	32446	N	8504823100
WARD, KENNETH W.	3992 S BABCOCK ST	MELBOURNE	FL	32901	N	3216764740
PHASE THREE STAR LLC	2730 BLANDING BLVD	MIDDLEBURG	FL	32068	N	9042821889
PARADIGM INVESTMENT GROUP, LLC	6527 HWY 90	MILTON	FL	32570	N	8506233018
FRANCIECO., L.P.	4440 HWY. 46	MIMS	FL	32754	N	3215296986
PHASE THREE STAR LLC	515 E CANAL ST	MULBERRY	FL	33860	N	8634252043
HUDSON FOODS	24915 W NEWBERRY RD	NEWBERRY	FL	32669	N	3524724220
CIRCLE K STORES, INC.	6155 SR 200	OCALA	FL	34476	N	3528730039
GERGES, GERGES S., & GERGES, AIHAB	908 NW PINE AVE	OCALA	FL	34475	N	3526221463
HUDSON FOODS	25807 SE US HWY. 19	OLD TOWN	FL	32680	N	3525428887
HABERKAMP, MARILYN	5212 SILVER STAR RD	ORLANDO	FL	32808	N	4072934784
PARADIGM INVESTMENT GROUP, LLC	4200 HWY 90	PACE	FL	32571	N	8509942153
PARADIGM INVESTMENT GROUP, LLC	3439 HIGHWAY 77	PANAMA CITY	FL	32405	N	8507636227

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PARADIGM INVESTMENT GROUP, LLC	11769 PANAMA CITY BEACH PKWY	PANAMA CITY BEACH	FL	32407	N	8502350618
PARADIGM INVESTMENT GROUP, LLC	8001 PENSACOLA BLVD	PENSACOLA	FL	32534	N	8504778256
PARADIGM INVESTMENT GROUP, LLC	2500 WILDE LAKE BLVD	PENSACOLA	FL	32526	N	8509447668
PARADIGM INVESTMENT GROUP, LLC	805 N NAVY BLVD	PENSACOLA	FL	32507	N	8504532840
PARADIGM INVESTMENT GROUP, LLC	12275 LILLIAN HWY	PENSACOLA	FL	32506	N	8509124150
PARADIGM INVESTMENT GROUP, LLC	7137 N 9TH AVE	PENSACOLA	FL	32504	N	8504788639
PHASE THREE STAR LLC	2046 S BYRON BUTLER PKWY	PERRY	FL	32348	N	8505846714
PHASE THREE STAR LLC	1713 JAMES REDMAN PKWY	PLANT CITY	FL	33563	N	8137523075
PHASE THREE STAR LLC	8407 US HIGHWAY 19	PORT RICHEY	FL	34668	N	7274846259
PHASE THREE STAR LLC	100 W JEFFERSON ST	QUINCY	FL	32351	N	8506272424
AMG RESTAURANTS, INC.	402 S TAMIAMI TRAIL	RUSKIN	FL	33570	N	8136457940
PHASE THREE STAR LLC	3795 34TH ST N	SAINT PETERSBURG	FL	33713	N	7275277494
PARADIGM INVESTMENT GROUP, LLC	3000 US HIGHWAY 98 W	SANTA ROSA	FL	32459	N	8506606572
PHASE THREE STAR LLC	11705 E US HIGHWAY 92	SEFFNER	FL	33584	N	8136200756
FRANCIECO., L.P.	1025 SR 206W	ST. AUGUSTINE	FL	30721	N	9044179010
PHASE THREE STAR LLC	435 S TEMPLE AVE	STARKE	FL	32091	N	9049646700
PHASE THREE STAR LLC	5818 N MONROE ST	TALLAHASSEE	FL	32303	N	8505141073
PHASE THREE STAR LLC	1829 CAPITAL CIRCLE NE	TALLAHASSEE	FL	32308	N	8503090155
ARBOR CAPITAL PARTNERS, LLC	301 E BURLEIGH BLVD	TAVARES	FL	32778	N	3523431990
HUDSON FOODS	1625 E WADE STREET	TRENTON	FL	31705	N	3526588024
CDP ENTERPRISES	6292 COMMERCIAL WAY	WEEKI WACHEE	FL	34613	N	3525969068
ARBOR CAPITAL PARTNERS, LLC	404 S MAIN ST	WILDWOOD	FL	34785	N	3527486262
ARBOR CAPITAL PARTNERS, LLC	549 STATE HIGHWAY 44	WILDWOOD	FL	34785	N	3526613538

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PHASE THREE STAR LLC	306 W NOBLE AVE	WILLISTON	FL	32696	N	3525280047
JAKG PETRO TRUCK STOP VENTURES, LLC	15821 HWY 231 N	YOUNGSTOWN	FL	32466	N	8507227181
PHASE THREE STAR LLC	36502 STATE RD 54	ZEPHYRHILLS	FL	33541	N	8137886622
ARC BURGER, LLC	101 PRINCETON BLVD	ADAIRSVILLE	GA	30103	N	7707733710
PHASE THREE STAR LLC	807 W 4TH ST	ADEL	GA	31620	N	2298967967
PHASE THREE STAR LLC	2324 E OGLETHORPE BLVD	ALBANY	GA	31705	N	2298880880
PHASE THREE STAR LLC	436 N SLAPPEY BLVD	ALBANY	GA	31701	N	2298899750
WIV RESTAURANTS LLC	922 S PIERCE ST	ALMA	GA	31510	N	9126328441
PHASE THREE STAR LLC	220 TRIPP ST	AMERICUS	GA	31709	N	2299244559
ARC BURGER, LLC	2516 BOULDERCREST RD SE	ATLANTA	GA	30316	N	4042430047
GEORGIA STAR RESTAURANTS IV, LLC	3309 PEACH ORCHARD RD	AUGUSTA	GA	30906	N	7063649400
PHASE THREE STAR LLC	1000 E SHOTWELL ST	BAINBRIDGE	GA	39819	N	2292460610
WIV RESTAURANTS LLC	653 SOUTH MAIN ST	BAXLEY	GA	31513	N	9122780453
ARC BURGER, LLC	99 SANDY RUN RD.	BONAIRE	GA	31005	N	4784498210
ARC BURGER, LLC	515 ALABAMA AVE S	BREMEN	GA	30110	Y	7705370356
SAULAT ENTERPRISES, INC.	4428 NEW JESUP HWY	BRUNSWICK	GA	31520	N	9122618751
ARC BURGER, LLC	1520 BUFORD HWY	BUFORD	GA	30518	N	7709456397
ARC BURGER, LLC	242 HWY 49	BYRON	GA	31008	N	4789561262
PHASE THREE STAR LLC	98 U S HIGHWAY 84	CAIRO	GA	39828	N	2293771197
ARC BURGER, LLC	2284 US 41 HWY NW	CALHOUN	GA	30701	Y	7066296961
ARC BURGER, LLC	1375 S PARK ST	CARROLLTON	GA	30117	Y	7708328821
DBJ ENTERPRISES INC.	1099 NORTH THIRD ST	CHATSWORTH	GA	30705	N	7066958675
DBJ ENTERPRISES INC.	12876 N. HIGHWAY 27	CHICKAMAUGA	GA	30707	N	7063758374
PHASE THREE STAR LLC	226 W CRAWFORD ST	COLQUITT	GA	39837	N	2297586142
PHASE THREE STAR LLC	3848 ST MARYS RD	COLUMBUS	GA	31906	N	7066871809
PHASE THREE STAR LLC	2501 AIRPORT THRUWAY	COLUMBUS	GA	31904	N	7063221304
ARC BURGER, LLC	44 HOMER RD	COMMERCE	GA	30529	N	7063353000

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PHASE THREE STAR LLC	1702 E 16TH AVE	CORDELE	GA	31015	N	2292733467
ARC BURGER, LLC	3112 HWY 278 W	COVINGTON	GA	30014	N	7703853535
ARC BURGER, LLC	125 W MAPLE ST	CUMMING	GA	30040	N	7708444440
DBJ ENTERPRISES INC.	1301 GLENWOOD AVE	DALTON	GA	30721	N	7032595878
DBJ ENTERPRISES INC.	580 E WALNUT AVE	DALTON	GA	30721	N	7062264914
ARC BURGER, LLC	350 GENERAL DANIEL AVE N	DANIELSVILLE	GA	30633	Y	7067953969
PHASE THREE STAR LLC	899 FORRESTER DR SE	DAWSON	GA	39842	N	2299956062
PHASE THREE STAR LLC	310 E 3RD ST	DONALSONVILLE	GA	39845	N	2295245059
PHASE THREE STAR LLC	1392 BOWENS MILL RD SW	DOUGLAS	GA	31533	N	9123839552
ARC BURGER, LLC	1208 INDUSTRIAL BLVD	EAST ELLIJAY	GA	30540	Y	7065264638
GEORGIA BLACK OAK, LLC	4360 WASHINGTON RD	EVANS	GA	30809	N	7062285188
ARC BURGER, LLC	975 N GLYNN ST	FAYETTEVILLE	GA	30214	N	7707195413
ARC BURGER, LLC	260 N LEE ST	FORSYTH	GA	31029	N	4789944118
DBJ ENTERPRISES INC.	1086 BATTLEFIELD PARKWAY	FORT OGLETHORPE	GA	30742	N	7068611769
ARC BURGER, LLC	2154 FRANKLIN PARKWAY	FRANKLIN	GA	30217	Y	7066759626
FRANCIECO., L.P.	SONNY PERDUE DR. AND DEAN FORREST RD	GARDEN CITY	GA	31408	N	912 5080450
ARC BURGER, LLC	1619 N EXPRESSWAY	GRIFFIN	GA	30223	N	7702295865
SADDLE PEAK LLC	4305 WRIGHTSBORO ROAD	GROVETOWN	GA	30813	N	7063038411
GEORGIA STAR RESTAURANTS III, LLC	310 MILLEDGEVILLE ROAD	HARLEM	GA	30814	N	7064498330
ARC BURGER, LLC	341 BROAD ST	HAWKINSVILLE	GA	31036	N	4788923750
WIV RESTAURANTS LLC	21 E COFFEE ST	HAZLEHURST	GA	31539	N	9123750160
SADDLE PEAK LLC	3696 WINDSOR SPRING RD	HEPHZIBAH	GA	30815	N	7063034407
WIV RESTAURANTS LLC	1090 NORTH 1ST ST	JESUP	GA	31545	N	9122780453
HASKINS RESTAURANTS I, LLC	7212 LAKES BLVD	LAKE PARK	GA	31636	N	2295596266
ARC BURGER, LLC	603 S VALDOSTA RD	LAKELAND	GA	31635	N	2294823930
PHASE THREE STAR LLC	258 US 19 S	LEESBURG	GA	31763	N	2297592150

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GEORGIA BLACK OAK, LLC	112 ELM STREET	LINCOLNTON	GA	30817	N	7063596840
FRANCIECO., L.P.	1500 MONTICELLO RD	MADISON	GA	30650	N	7067520910
ARC BURGER, LLC	182 KEYS FERRY ST	MCDONOUGH	GA	30253	N	7709541581
ARC BURGER, LLC	1575 HIGHWAY 20 W	MCDONOUGH	GA	30253	N	6784321240
ARC BURGER, LLC	315 S BROAD ST	MONROE	GA	30655	N	7702675700
ARC BURGER, LLC	1729 1ST AVE SE	MOULTRIE	GA	31768	N	2299851711
PHASE THREE STAR LLC	620 SOUTH DAVIS	NASHVILLE	GA	31639	N	2296987344
ARC BURGER, LLC	231 TEMPLE AVE	NEWNAN	GA	30263	N	7702517806
ARC BURGER, LLC	4538 OAKWOOD RD	OAKWOOD	GA	30566	N	7705324210
PHASE THREE STAR LLC	135 CURRY ST NE	PELHAM	GA	31779	N	2292942278
DBJ ENTERPRISES INC.	5486 ALABAMA HWY	RINGGOLD	GA	30736	N	7069352188
ARC BURGER, LLC	3110 CEDARTOWN HWY SW	ROME	GA	30161	Y	7062912998
ARC BURGER, LLC	1204 TURNER MCCALL BLVD	ROME	GA	30161	N	7062912021
DBJ ENTERPRISES INC.	300 MCFARLAND AVE	ROSSVILLE	GA	30741	N	7068613368
ARC BURGER, LLC	1031 FRANKLIN SPRINGS ST	ROYSTON	GA	30662	N	7062455106
ARC BURGER, LLC	195 WALMART CIRCLE	SANDERSVILLE	GA	31082	N	4782400790
SAULAT ENTERPRISES, INC.	1 GATEWAY BLVD S	SAVANNAH	GA	31419	N	9129253869
ARC BURGER, LLC	5259 STONE MOUNTAIN HWY	STONE MOUNTAIN	GA	30087	N	7704690345
ARC BURGER, LLC	624 N CHURCH ST	THOMASTON	GA	30286	N	7066478444
ARC BURGER, LLC	1440 REMINGTON AVE	THOMASVILLE	GA	31792	N	2292289287
ARC BURGER, LLC	318 S VIRGINIA AVE	TIFTON	GA	31794	N	2293888454
FRANCIECO., L.P.	178 SOUTHWELL BLVD	TIFTON	GA	31794	N	2293826231
DBJ ENTERPRISES INC.	HIGHWAY 136 W. KILLIAN	TRENTON	GA	30752	N	7066577588
ARC BURGER, LLC	2901 N ASHLEY ST	VALDOSTA	GA	31602	N	2292428377
ARC BURGER, LLC	816 S PATTERSON ST	VALDOSTA	GA	31601	N	2292449628
ARC BURGER, LLC	2829 WATSON BLVD	WARNER ROBINS	GA	31093	N	4782250535
WIV RESTAURANTS LLC	2609 PLANT AVE	WAYCROSS	GA	31501	N	9122780453

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
FRANCIECO., L.P.	I-85, EXIT 2 SEC	WEST POINT	GA	31833	N	7065884058
SUPERIOR STAR, LLC	140 E VIENNA ST	ANNA	IL	62906	N	6188333980
TRISTAR VENTURES, LLC	5515 S ADAMS ST	BARTONVILLE	IL	61607	Y	3096970500
SUPERIOR STAR, LLC	10095 US HWY 67	BEARDSTOWN	IL	62618	N	2173231122
PIONEER RESTAURANTS, LLC	2 S BELT E	BELLEVILLE	IL	62220	Y	6182346659
PIONEER RESTAURANTS, LLC	1617 N BELT WEST	BELLEVILLE	IL	62226	Y	6182355551
PIONEER RESTAURANTS, LLC	2516 GREEN MOUNT COMMONS DR	BELLEVILLE	IL	62221	Y	6182342192
SUPERIOR STAR, LLC	629 W MAIN ST	BENTON	IL	62812	Y	6184353286
TASTY STAR, INC.	8800 OLD US HIGHWAY 50	BREESE	IL	62230	Y	6185262946
TRISTAR VENTURES, LLC	220 GREEN ST	BUSHNELL	IL	61422	N	3095884038
TRISTAR VENTURES, LLC	638 N MAIN ST	CANTON	IL	61520	N	3096473055
SUPERIOR STAR, LLC	454 N BROAD ST	CARLINVILLE	IL	62626	N	2178546871
TASTY STAR, INC.	1251 12TH ST	CARLYLE	IL	62231	Y	6185944200
TRISTAR VENTURES, LLC	123 N. MADISON	CARTHAGE	IL	62321	N	2173400155
PIONEER RESTAURANTS, LLC	8850 PETROFF DR	CASEYVILLE	IL	62232	Y	6183980704
SUPERIOR STAR, LLC	750 W BROADWAY	CENTRALIA	IL	62801	N	6185321714
SUPERIOR STAR, LLC	217 W HOLMES ST	CHESTER	IL	62233	Y	6188264020
TRISTAR VENTURES, LLC	108 N 4TH ST	CHILLICOTHE	IL	61523	N	3092742747
SUPERIOR STAR, LLC	307 S GRANT ST	CLINTON	IL	61727	Y	2179356222
PIONEER RESTAURANTS, LLC	519 BELT LINE RD	COLLINSVILLE	IL	62234	Y	6183459681
SUPERIOR STAR, LLC	15 W FAIRCHILD ST	DANVILLE	IL	61832	N	2174311171
FRANCIECO., L.P.	3925 COUNTY FAIR DRIVE	DECATUR	IL	62526	N	2178758035
SUPERIOR STAR, LLC	1080 W ELDORADO ST	DECATUR	IL	62522	N	2174286100
NORTHLAND RESTAURANT GROUP, LLC	619 S GALENA ST	DIXON	IL	61021	N	8152885221
FRANCIECO., L.P.	12 W NORTHBROOK DR	DWIGHT	IL	60420	N	8155849596
NORTHLAND RESTAURANT GROUP, LLC	4008 KENNEDY DR	EAST MOLINE	IL	61244	N	3097557521

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
TRISTAR VENTURES, LLC	101 N MAIN ST	EAST PEORIA	IL	61611	N	3096993201
NORTHLAND RESTAURANT GROUP, LLC	1505 W FAYETTE AVE	EFFINGHAM	IL	62401	N	2173473455
SUPERIOR STAR, LLC	1205 US HIGHWAY 45 N	ELDORADO	IL	62930	N	6182732308
TRISTAR VENTURES, LLC	507 W CENTER ST	EUREKA	IL	61530	Y	3094673223
NORTHLAND RESTAURANT GROUP, LLC	1413 KNOX HIGHWAY 9	GALESBURG	IL	61401	Y	3092894932
NORTHLAND RESTAURANT GROUP, LLC	913 EAST MAIN	GALESBURG	IL	61401	N	3093444558
NORTHLAND RESTAURANT GROUP, LLC	2163 S OAKWOOD AVE	GENESEO	IL	61254	N	3099446155
PIONEER RESTAURANTS, LLC	4207 S, IL-159	GLEN CARBON	IL	62034	Y	6182887239
PIONEER RESTAURANTS, LLC	2720 GODFREY RD	GODFREY	IL	62035	Y	6184669161
PIONEER RESTAURANTS, LLC	3249 W CHAIN OF ROCKS	GRANITE CITY	IL	62040	Y	6189317748
SUPERIOR STAR, LLC	700 E POPLAR	HARRISBURG	IL	62946	N	6182526990
TRISTAR VENTURES, LLC	401 W DEARBORN ST	HAVANA	IL	62644	Y	3095433080
SUPERIOR STAR, LLC	615 S PARK AVE	HERRIN	IL	62948	N	6189424700
PIONEER RESTAURANTS, LLC	12620 STATE RTE 143	HIGHLAND	IL	62249	Y	6186544112
SUPERIOR STAR, LLC	201 SCHOOL ST	HILLSBORO	IL	62049	N	2175323861
SUPERIOR STAR, LLC	842 W MORTON AVE	JACKSONVILLE	IL	62650	Y	2172454932
PIONEER RESTAURANTS, LLC	528 S STATE ST	JERSEYVILLE	IL	62052	Y	6184983412
NORTHLAND RESTAURANT GROUP, LLC	1310 STATE ST	LAWRENCEVILLE	IL	62439	N	6189433800
SUPERIOR STAR, LLC	539 WOODLAWN RD	LINCOLN	IL	62656	N	2177326118
SUPERIOR STAR, LLC	1106 N CARBON ST	MARION	IL	62959	N	6189974113
SUPERIOR STAR, LLC	1117 LAKELAND BLVD	MATTOON	IL	61938	N	2172343845
SUPERIOR STAR, LLC	601 FERRY ST	METROPOLIS	IL	62960	Y	6185242536
NORTHLAND RESTAURANT GROUP, LLC	US 67 & 3RD AVENUE	MILAN	IL	61264	N	3097872370

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
NORTHLAND RESTAURANT GROUP, LLC	2301 16TH STREET	MOLINE	IL	61265	N	3097975610
FRANCIECO., L.P.	ST. RT 6 & BRISBIN RD	MORRIS	IL	60450	N	8157059259
PIONEER RESTAURANTS, LLC	4333 BROADWAY ST	MOUNT VERNON	IL	62864	Y	6182444846
SUPERIOR STAR, LLC	340 WALNUT ST	MURPHYSBORO	IL	62966	N	6186842712
PIONEER RESTAURANTS, LLC	180 S MILL ST	NASHVILLE	IL	62263	Y	6183274450
FRANCIECO., L.P.	8690 RICHTER SCHOOL RD	NEW BADEN	IL	62265	N	6183872684
NORTHLAND RESTAURANT GROUP, LLC	701 WEST JOURDAN AVENUE	NEWTON	IL	62448	N	6187832179
TRISTAR VENTURES, LLC	1523 E COLLEGE AVE	NORMAL	IL	61761	N	3094545420
PIONEER RESTAURANTS, LLC	110 EAST HIGHWAY 50	O FALLON	IL	62269	Y	6186326344
PIONEER RESTAURANTS, LLC	124 HARTMAN LN	O FALLON	IL	62269	Y	6186321194
FRANCIECO., L.P.	17919 NEWTON ROAD	OAKWOOD	IL	61858	N	2173543873
FRANCIECO., L.P.	1001 W WALNUT ST	OGLESBY	IL	61348	N	8158833691
SUPERIOR STAR, LLC	2625 COLUMBUS ST	OTTAWA	IL	61350	N	8154348688
SUPERIOR STAR, LLC	316 S MAIN ST	PARIS	IL	61944	N	2174655222
SUPERIOR STAR, LLC	451 W OTTAWA RD	PAXTON	IL	60957	N	2173799903
TRISTAR VENTURES, LLC	105 N 5TH ST	PEKIN	IL	61554	N	3093475044
TRISTAR VENTURES, LLC	3505 NE ADAMS ST	PEORIA	IL	61603	Y	3096827003
TRISTAR VENTURES, LLC	8787 N KNOXVILLE AVE	PEORIA	IL	61615	Y	3096921338
TRISTAR VENTURES, LLC	3909 W WAR MEMORIAL DRIVE	PEORIA	IL	61615	N	3096929571
TRISTAR VENTURES, LLC	3431 N UNIVERSITY STREET	PEORIA	IL	61604	N	3096811847
SUPERIOR STAR, LLC	401 E SANGAMON AVE	PETERSBURG	IL	62675	N	2176324160
EHRHARDT, ALVIN E. (SPIKE)	2916 BROADWAY	QUINCY	IL	62301	N	2172239572
TRISTAR VENTURES, LLC	1526 NO 12TH ST	QUINCY	IL	62301	N	2172238372
NORTHLAND RESTAURANT GROUP, LLC	502 E. MAIN STREET	ROBINSON	IL	62454	N	6185448410
FRANCIECO., L.P.	400 STEWARD RD	ROCHELLE	IL	61068	N	8155611125

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DORO, INC.	503 FIRST AVE	ROCK FALLS	IL	61071	N	8156253783
NORTHLAND RESTAURANT GROUP, LLC	1419 38TH ST	ROCK ISLAND	IL	61201	N	3097941523
FRANCIECO., L.P.	4628 S MAIN ST	ROCKFORD	IL	61101	N	7792385962
FRANCIECO., L.P.	13477 QUALITY DR	ROSCOE	IL	61073	N	8153891925
TRISTAR VENTURES, LLC	600 W CLINTON ST	RUSHVILLE	IL	62681	N	2173400154
PIONEER RESTAURANTS, LLC	501 W MAIN ST	SALEM	IL	62881	Y	6185486602
FRANCIECO., L.P.	1533 E 162ND STREET	SOUTH HOLLAND	IL	60473	N	7083317399
SUPERIOR STAR, LLC	1835 SANGAMON AVE	SPRINGFIELD	IL	62702	N	2175259010
SUPERIOR STAR, LLC	2501 STEVENSON DR	SPRINGFIELD	IL	62703	N	2175291331
SUPERIOR STAR, LLC	600 W JEFFERSON ST	SPRINGFIELD	IL	62702	N	2175289332
SUPERIOR STAR, LLC	3217 E CLEAR LAKE AVE	SPRINGFIELD	IL	62702	N	2176793645
PIONEER RESTAURANTS, LLC	117 N HIBBARD	STAUNTON	IL	62088	Y	6186355453
SUPERIOR STAR, LLC	203 W JACKSON	SULLIVAN	IL	61951	N	2177284123
FRANCIECO., L.P.	809 MOORE AVE	TUSCOLA	IL	61953	N	2172536855
TRISTAR VENTURES, LLC	1102 PEORIA ST	WASHINGTON	IL	61571	N	3094442023
PIONEER RESTAURANTS, LLC	912 N MARKET	WATERLOO	IL	62298	Y	6182236035
PIONEER RESTAURANTS, LLC	1099 EDWARDSVILLE RD.	WOOD RIVER	IL	62095	Y	6182581224
NEW BEGINNINGS RESTAURANT GROUP, LLC	5627 S SCATTERFIELD ROAD	ANDERSON	IN	46013	N	7656499247
FRANCIECO., L.P.	3443 W MAUMEE ST	ANGOLA	IN	46703	N	2606653319
NEW BEGINNINGS RESTAURANT GROUP, LLC	1510 16TH ST	BEDFORD	IN	47421	Y	8122798783
NEW BEGINNINGS RESTAURANT GROUP, LLC	3301 W 3RD ST	BLOOMINGTON	IN	47404	N	8123337315
MIDWEST FIRST STAR INC.	211 N MAIN ST	BLUFFTON	IN	46714	N	2608242668
NORTHLAND RESTAURANT GROUP, LLC	304 E NATIONAL AVE	BRAZIL	IN	47834	N	8124481826
GIANT HOSPITALITY, LLC	1741 E STATE RD 163	CLINTON	IN	47842	N	7658322713

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
MIDWEST FIRST STAR INC.	500 N EASTERN AVE	CONNERSVILLE	IN	47331	N	7658259001
NEW BEGINNINGS RESTAURANT GROUP, LLC	549 E MAIN ST	DANVILLE	IN	46122	N	3177455716
5 STAR VENTURES, LLC	240 N 13TH ST	DECATUR	IN	46733	N	2603019158
NEW BEGINNINGS RESTAURANT GROUP, LLC	12000 N HARTMAN DR	EDINBURGH	IN	46124	Y	8125265293
MIDWEST FIRST STAR INC.	2620 CASSOPOLIS ST	ELKHART	IN	46514	N	5742647737
MIDWEST FIRST STAR INC.	2820 E MAIN ST	ELWOOD	IN	46036	N	7655522345
SUPERIOR STAR, LLC	1501 N BOEKE RD	EVANSVILLE	IN	47711	N	8124776743
SUPERIOR STAR, LLC	4400 COVERT AVE	EVANSVILLE	IN	47714	N	8124762059
SUPERIOR STAR, LLC	2315 W ILLINOIS ST	EVANSVILLE	IN	47712	N	8124220151
NEW BEGINNINGS RESTAURANT GROUP, LLC	11660 ALLISONVILLE RD	FISHERS	IN	46038	Y	3175775914
5 STAR VENTURES, LLC	5918 LIMA RD	FORT WAYNE	IN	46818	N	2604890447
5 STAR VENTURES, LLC	2720 MAPLECREST ROAD	FORT WAYNE	IN	46815	N	2607550054
MIDWEST FIRST STAR INC.	4950 BEANER BLVD	GAS CITY	IN	46933	N	7656740000
FRANCIECO., L.P.	2201 CR 17	GOSHEN	IN	46528	N	5743891739
NEW BEGINNINGS RESTAURANT GROUP, LLC	1215 W MAIN ST	GREENFIELD	IN	46140	Y	3174622011
NEW BEGINNINGS RESTAURANT GROUP, LLC	1881 N STATE ST	GREENFIELD	IN	46140	Y	3174680503
5 STAR VENTURES, LLC	2209 NORTH JEFFERSON STREET	HUNTINGTON	IN	46750	N	2602246667
CIRCLE CITY STAR LLC	4401 E 10TH STREET	INDIANAPOLIS	IN	46201	Y	3173594655
CIRCLE CITY STAR LLC	921 E WASHINGTON ST	INDIANAPOLIS	IN	46202	Y	3176318890
CIRCLE CITY STAR LLC	9020 E 21ST ST	INDIANAPOLIS	IN	46229	Y	3178970262
CIRCLE CITY STAR LLC	710 W 10TH ST	INDIANAPOLIS	IN	46202	Y	3176348441
CIRCLE CITY STAR LLC	4915 E. 56TH STREET	INDIANAPOLIS	IN	46220	Y	3172538127
NEW BEGINNINGS RESTAURANT GROUP, LLC	8009 PENDLETON PIKE	INDIANAPOLIS	IN	46226	Y	3178970515

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
NEW BEGINNINGS RESTAURANT GROUP, LLC	5950 BROOKVILLE RD	INDIANAPOLIS	IN	46219	Y	3173597513
NEW BEGINNINGS RESTAURANT GROUP, LLC	6313 W WASHINGTON ST	INDIANAPOLIS	IN	46241	Y	3172430531
NEW BEGINNINGS RESTAURANT GROUP, LLC	8015 S MERIDIAN ST	INDIANAPOLIS	IN	46217	Y	3178813414
NEW BEGINNINGS RESTAURANT GROUP, LLC	8601 ALLISONVILLE RD	INDIANAPOLIS	IN	46250	Y	3178424569
NEW BEGINNINGS RESTAURANT GROUP, LLC	1426 E 86TH ST	INDIANAPOLIS	IN	46240	Y	3178430433
NEW BEGINNINGS RESTAURANT GROUP, LLC	2525 N HIGH SCHOOL RD	INDIANAPOLIS	IN	46224	N	3172919270
NEW BEGINNINGS RESTAURANT GROUP, LLC	4945 S EMERSON AVE	INDIANAPOLIS	IN	46203	N	3177818131
NEW BEGINNINGS RESTAURANT GROUP, LLC	5016 HARDING LN	INDIANAPOLIS	IN	46217	Y	3177844953
NEW BEGINNINGS RESTAURANT GROUP, LLC	3005 W 86TH ST	INDIANAPOLIS	IN	46268	Y	3173340204
SUPERIOR STAR, LLC	762 SECOND ST	JASPER	IN	47546	N	8124775569
SUPERIOR STAR, LLC	2740 ALLISON LANE	JEFFERSONVILLE	IN	47130	N	8127250145
MIDWEST FIRST STAR INC.	1500 E MORGAN ST	KOKOMO	IN	46901	N	7654563140
FRANCIECO., L.P.	2400 E 200 N	LAFAYETTE	IN	47905	N	7654207030
MIDWEST FIRST STAR INC.	710 SAGAMORE PARKWAY N	LAFAYETTE	IN	47904	N	7644755355
MIDWEST FIRST STAR INC.	1036 W EADS PKWY	LAWRENCEBURG	IN	47025	N	8125778341
FRANCIECO., L.P.	6582 S. State Road 66	LEAVENWORTH	IN	47137	N	8127392024
NEW BEGINNINGS RESTAURANT GROUP, LLC	425 S LEBANON ST	LEBANON	IN	46052	Y	7654821148
MIDWEST FIRST STAR INC.	1121 E MARKET ST	LOGANSPORT	IN	46947	N	5747537249
SUPERIOR STAR, LLC	330 CLIFTY DRIVE	MADISON	IN	47250	N	8122749038
MIDWEST FIRST STAR INC.	3808 S WESTERN AVE	MARION	IN	46953	N	7656771110

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NEW BEGINNINGS RESTAURANT GROUP, LLC	589 STATE ROAD 39 BYP S	MARTINSVILLE	IN	46151	Y	7653425811
MIDWEST FIRST STAR INC.	129 S MEMORIAL DR	NEW CASTLE	IN	47362	N	7655930409
NEW BEGINNINGS RESTAURANT GROUP, LLC	1001 N US HIGHWAY 31	NEW WHITELAND	IN	46184	Y	3175355399
SUPERIOR STAR, LLC	4033 BELL RD	NEWBURGH	IN	47630	N	8128532674
NEW BEGINNINGS RESTAURANT GROUP, LLC	2500 CONNER ST	NOBLESVILLE	IN	46060	Y	3177734642
SUPERIOR STAR, LLC	2305 N. HIGHWAY 3	NORTH VERNON	IN	47265	N	8128180004
MCGINNIS, JOHN T.	789 NORTH GOSPEL	PAOLI	IN	47454	N	8127234133
NEW BEGINNINGS RESTAURANT GROUP, LLC	7160 S STATE RD 67	PENDLETON	IN	46064	Y	7657787922
MIDWEST FIRST STAR INC.	301 N BROADWAY	PERU	IN	46970	N	7654733269
NEW BEGINNINGS RESTAURANT GROUP, LLC	1630 E MAIN ST	PLAINFIELD	IN	46168	Y	3178392707
FRANCIECO., L.P.	2952 GARY DRIVE SUITE 101	PLYMOUTH	IN	46563	N	5749353413
FRANCIECO., L.P.	2698 US HIGHWAY 35 N	RICHMOND	IN	47374	N	7659391619
MIDWEST FIRST STAR INC.	1925 CHESTER BLVD	RICHMOND	IN	47374	N	7659393580
MIDWEST FIRST STAR INC.	200 S MAIN ST	RUSHVILLE	IN	46173	N	7659381218
SUPERIOR STAR, LLC	1128 W MCCLAIN AVE	SCOTTSBURG	IN	47170	N	7752530604
SUPERIOR STAR, LLC	240 S. INDIANA AVE	SELLERSBURG	IN	47172	N	8127480304
MIDWEST FIRST STAR INC.	207 W IRELAND RD	SOUTH BEND	IN	46614	N	5745201988
NORTHLAND RESTAURANT GROUP, LLC	888 W STATE RD 154	SULLIVAN	IN	47882	N	8122680025
FRANCIECO., L.P.	1730 E HARLAN DRIVE	TERRE HAUTE	IN	47802	N	8122989812
NORTHLAND RESTAURANT GROUP, LLC	200 N THIRD ST	TERRE HAUTE	IN	47807	N	8122321741
NORTHLAND RESTAURANT GROUP, LLC	3381 S US HIGHWAY 41	TERRE HAUTE	IN	47802	N	8122341458
FRANCIECO., L.P.	1875 CAMPBELL CROSSING	TIPTON	IN	46072	N	7659634169

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
NORTHLAND RESTAURANT GROUP, LLC	1906 HART STREET	VINCENNES	IN	47591	N	8128825729
NORTHLAND RESTAURANT GROUP, LLC	2004 E NATIONAL HWY	WASHINGTON	IN	47501	N	8122546627
TRISTAR VENTURES, LLC	1118 S CLINTON	ALBIA	IA	52531	N	6419325386
WESTAR FOODS, INC.	1510 SW TRADITION DR	ANKENY	IA	50023	N	5152897853
NORTHLAND RESTAURANT GROUP, LLC	1930 STATE ST	BETTENDORF	IA	52722	N	5634417758
WESTAR FOODS, INC.	907 LAWRENCE DR	BURLINGTON	IA	52601	N	3197524029
WESTAR FOODS, INC.	1981 BLAIRS FERRY RD	CEDAR RAPIDS	IA	52402	N	3193959168
WESTAR FOODS, INC.	3505 29TH AVE SW	CEDAR RAPIDS	IA	52404	N	3193964498
WESTAR FOODS, INC.	100 E MAPLE ST	CENTERVILLE	IA	52544	N	6418568110
TRISTAR VENTURES, LLC	2002 COURT AVE	CHARITON	IA	50049	N	6415696419
NORTHLAND RESTAURANT GROUP, LLC	329 CENTRAL AVENUE WEST	CLARION	IA	50525	N	5155322442
DORO, INC.	117 S 2ND ST	CLINTON	IA	52732	N	5632433790
WESTAR FOODS, INC.	107 2ND ST	CORALVILLE	IA	52241	N	3193544275
WESTAR FOODS, INC.	3200 S EXPRESSWAY ST	COUNCIL BLUFFS	IA	51501	N	7123669549
WESTAR FOODS, INC.	807 W TAYLOR	CRESTON	IA	50801	N	6417828917
NORTHLAND RESTAURANT GROUP, LLC	5232 BRADY STREET	DAVENPORT	IA	52806	N	5633869585
NORTHLAND RESTAURANT GROUP, LLC	1715 DIVISION ST	DAVENPORT	IA	52804	N	5633232213
WESTAR FOODS, INC.	8755 UNIVERSITY AVE	DES MOINES	IA	50325	N	5152250410
WESTAR FOODS, INC.	1449 E EUCLID AVE	DES MOINES	IA	50316	N	5152664465
WESTAR FOODS, INC.	915 ARMY POST RD	DES MOINES	IA	50315	N	5152859892
NORTHLAND RESTAURANT GROUP, LLC	2100 TWIN VALLEY DR	DUBUQUE	IA	52003	N	5635839404
WESTAR FOODS, INC.	105 S 9TH AVE	ELDRIDGE	IA	52748	N	5632858377
FRANCIECO., L.P.	1400 INDUSTRIAL PARK ROAD	ELLSWORTH	IA	50075	N	6413982440

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
SUPERIOR STAR, LLC	1736 CENTRAL AVE	ESTHERVILLE	IA	51334	N	7123627415
WESTAR FOODS, INC.	6 S 15TH ST	FORT DODGE	IA	50501	N	5155763471
TRISTAR VENTURES, LLC	1431 AVENUE H	FORT MADISON	IA	52627	N	3193729426
NORTHLAND RESTAURANT GROUP, LLC	605 HIGHWAY 18 WEST	GARNER	IA	50438	N	6419233489
NORTHLAND RESTAURANT GROUP, LLC	10 3RD STREET SW	HAMPTON	IA	50441	N	6414563312
LVP QSR 3 DEVELOPMENT LLC	2010 INDORF AVENUE	HOLSTEIN	IA	51025	N	7123686213
WESTAR FOODS, INC.	1203 10TH AVE N	HUMBOLDT	IA	50548	N	5153325626
WESTAR FOODS, INC.	300 EAST TRAIL RIDGE AVE	INDIANOLA	IA	50125	N	5159612198
WESTAR FOODS, INC.	1405 S LINCOLN ST	KNOXVILLE	IA	50138	N	6418422346
SUPERIOR STAR, LLC	1205 HAWKEYE AVE SW	LE MARS	IA	51031	N	7127220227
WESTAR FOODS, INC.	205 W MAIN	MANCHESTER	IA	52057	N	5639275888
WESTAR FOODS, INC.	902 S CENTER ST	MARSHALLTOWN	IA	50158	N	6417530577
STM ENTERPRISES, LTD.	515 S DELAWARE	MASON CITY	IA	50401	N	6414245395
WESTAR FOODS, INC.	102 HIGHWAY 1 S	MOUNT VERNON	IA	52314	N	3198956520
WESTAR FOODS, INC.	905 E WASHINGTON ST	MT PLEASANT	IA	52641	N	3193854848
WESTAR FOODS, INC.	705 GRANDVIEW AVE	MUSCATINE	IA	52761	N	5632646096
WESTAR FOODS, INC.	1205 W 19TH ST S	NEWTON	IA	50208	N	6147926702
SUPERIOR STAR, LLC	809 ALBANY PLACE	ORANGE CITY	IA	51041	N	7127378979
TRISTAR VENTURES, LLC	1787 VENTURE DR	OTTUMWA	IA	52501	N	6416821179
SUPERIOR STAR, LLC	505 2ND AVE	SHELDON	IA	51201	N	7123245286
SUPERIOR STAR, LLC	910 GORDON DR	SIOUX CITY	IA	51101	N	7122585499
SUPERIOR STAR, LLC	4440 SERGEANT ROAD	SIOUX CITY	IA	51106	N	7122768395
SUPERIOR STAR, LLC	704 SOUTH GRAND	SPENCER	IA	51301	N	7122625988
SUPERIOR STAR, LLC	605 FLINDT DRIVE	STORM LAKE	IA	50588	N	7127324015
A&J ENTERPRISES, INC.	601 CEDAR ST	TIPTON	IA	52772	N	5638863140
A&J ENTERPRISES, INC.	118 W HIGHWAY 30	TOLEDO	IA	52342	N	5154844926
WESTAR FOODS, INC.	805 FRANKLIN ST	WATERLOO	IA	50703	N	3192362595

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
WESTAR FOODS, INC.	1410 FLAMMANG DR	WATERLOO	IA	50702	N	3192331771
ONDELL OF WAUKON, INC.	503 ROSSVILLE RD	WAUKON	IA	52172	N	5635684438
NORTHLAND RESTAURANT GROUP, LLC	117 HWY 150 NORTH	WEST UNION	IA	52175	N	5634225411
WESTAR FOODS, INC.	1007 N JOHN WAYNE DR	WINTERSET	IA	50273	N	5154624810
FRANCIECO., L.P.	2232 FAIR ROAD	ABILENE	KS	67410	N	7852633482
ARC BURGER, LLC	1126 E 12TH AVE	EMPORIA	KS	66801	N	6203426166
ARC BURGER, LLC	8021 STATE AVE	KANSAS CITY	KS	66112	N	9132998523
FRANCIECO., L.P.	2400 E KANSAS AVE	MCPHERSON	KS	67460	N	6202414099
ARC BURGER, LLC	815 S PARKER ST	OLATHE	KS	66061	N	9137647266
FRANCIECO., L.P.	203 E 27TH AVE	OTTAWA	KS	66067	N	7852422117
ARC BURGER, LLC	10500 METCALF AVE	OVERLAND PARK	KS	66212	N	9136498066
ARC BURGER, LLC	2424 SW 6TH AVE	TOPEKA	KS	66606	N	7852355772
ARC BURGER, LLC	2100 SW WANAMAKER RD	TOPEKA	KS	66614	N	7852737062
MCGINNIS, JOHN T.	1808 MAIN ST	BEAVER DAM	KY	42320	N	2702743449
SUPERIOR STAR, LLC	61 US HIGHWAY 68 W	BENTON	KY	42025	N	2705279035
MICHAEL RAY ENTERPRISES, INC.	127 CUMBERLAND TRACE RD	BOWLING GREEN	KY	42103	N	2707813663
MICHAEL RAY ENTERPRISES, INC.	592 INTERSTATE DRIVE	BOWLING GREEN	KY	42101	N	2707459930
MICHAEL RAY ENTERPRISES, INC.	2370 RUSSELLVILLE RD	BOWLING GREEN	KY	42101	N	2708424380
MICHAEL RAY ENTERPRISES, INC.	241 BRENNER ST	BOWLING GREEN	KY	42101	N	2708430370
SUPERIOR STAR, LLC	1303 EAST BROADWAY	CAMPBELLSVILLE	KY	42718	N	2707891386
HERITAGE ASSETS LLC	90 DOHONEY TRACE	COLUMBIA	KY	42728	N	2703859097
FRANCIECO., L.P.	222 HIGHWAY 770	CORBIN	KY	40701	N	6065268116
HERITAGE ASSETS LLC	411 S MAIN ST	CORBIN	KY	40701	N	6065281472
BODDIE-NOELL ENTERPRISES, INC.	1716 EAST MAIN STREET	CUMBERLAND	KY	40823	N	6065895912
HERITAGE ASSETS LLC	681 US HWY 27 S	CYNTHIANA	KY	41031	N	8592343959
FRANCIECO., L.P.	601 SOUTH RING ROAD	ELIZABETHTOWN	KY	42701	N	2709822660
SUPERIOR STAR, LLC	1706 N DIXIE HWY	ELIZABETHTOWN	KY	42701	N	2707374830

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
SUPERIOR STAR, LLC	104 BUFFALO CREEK DR	ELIZABETHTOWN	KY	42701	N	2709867136
HERITAGE ASSETS LLC	705 SCHENKEL LN	FRANKFORT	KY	40601	N	5028752771
HERITAGE ASSETS LLC	1248 US HIGHWAY 127 S	FRANKFORT	KY	40601	N	5028751002
MICHAEL RAY ENTERPRISES, INC.	240 S L ROGER WELLS BLVD	GLASGOW	KY	42141	N	2706513756
MICHAEL RAY ENTERPRISES, INC.	2000 EDMONTON ROAD	GLASGOW	KY	42141	N	2706292020
SUN VENTURES, INC.	801 NORTH CAROL MALONE BLVD.	GRAYSON	KY	41143	N	6064759966
MCGINNIS, JOHN T.	840 N MAIN ST	GREENVILLE	KY	42345	N	2703384411
FRANCIECO., L.P.	325 VETERANS DRIVE	HANSON	KY	42413	N	2703229002
MCGINNIS, JOHN T.	1120 OLD HWY 60 EAST	HARDINSBURG	KY	40143	N	2707565232
BODDIE-NOELL ENTERPRISES, INC.	1548 S. US HWY 421 BYPASS	HARLAN	KY	40831	N	6065733910
BODDIE-NOELL ENTERPRISES, INC.	1326 KENTUCKY HIGHWAY 15	HAZARD	KY	41701	N	6064394910
SUPERIOR STAR, LLC	100 N GREEN ST	HENDERSON	KY	42420	N	2708270245
LARUE COUNTY RESTAURANTS, INC.	101 LINCOLN DR	HODGENVILLE	KY	42748	Y	2703588881
FRANCIECO., L.P.	11700 FORT CAMPBELL BLVD.	HOPKINSVILLE	KY	42262	N	2708879142
LESLIE COUNTY RESTAURANTS, INC.	25 FIRE HOUSE LN	HYDEN	KY	41749	N	6066725142
HERITAGE ASSETS LLC	98 RICHMOND ROAD	IRVINE	KY	40336	N	6067232141
BODDIE-NOELL ENTERPRISES, INC.	HIGHWAY 15	JACKSON	KY	41339	N	6066668149
BODDIE-NOELL ENTERPRISES, INC.	9433 HIGHWAY 805	JENKINS	KY	41537	N	6068322641
ARW, LLC	100 SHELBY JUNCTION LANE	JUNCTION CITY	KY	40440	N	8598540444
HERITAGE ASSETS LLC	50 CORPORATE DR	LEBANON	KY	40033	N	2706993622
MCGINNIS, JOHN T.	406 S MAIN ST	LEITCHFIELD	KY	42754	N	2702593700
HERITAGE ASSETS LLC	1125 WINCHESTER RD	LEXINGTON	KY	40505	N	8592524044
HERITAGE ASSETS LLC	202 W NEW CIRCLE RD	LEXINGTON	KY	40505	N	8592932424
MCGINNIS, JOHN T.	2990 RICHMOND RD	LEXINGTON	KY	40509	N	8592697589
HERITAGE ASSETS LLC	815 N WALLACE WILKINSON BLVD	LIBERTY	KY	42539	N	8285060400

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
BODDIE-NOELL ENTERPRISES, INC.	1974 WEST HIGHWAY 192	LONDON	KY	40741	N	6068771045
HERITAGE ASSETS LLC	814 S MAIN ST	LONDON	KY	40741	N	6068649824
BODDIE-NOELL ENTERPRISES, INC.	67 N HIGHWAY 3	LOUISA	KY	41230	N	6066380122
SUPERIOR STAR, LLC	2909 FERN VALLEY RD	LOUISVILLE	KY	40213	N	5029660927
SUPERIOR STAR, LLC	11201 OSCAR ROAD	LOUISVILLE	KY	40241	N	5026321794
SUPERIOR STAR, LLC	5352 DIXIE HWY	LOUISVILLE	KY	40216	N	5027424545
SUPERIOR STAR, LLC	770 E CENTER ST	MADISONVILLE	KY	42431	N	2708250072
SUPERIOR STAR, LLC	1033 PARIS RD	MAYFIELD	KY	42066	N	2702475968
MIDWEST FIRST STAR INC.	1504 US HIGHWAY 68	MAYSVILLE	KY	41056	N	6067597200
BODDIE-NOELL ENTERPRISES, INC.	1310 N 12TH STREET	MIDDLESBORO	KY	40965	N	6062483836
HERITAGE ASSETS LLC	1445 N MAIN ST	MONTICELLO	KY	42633	N	6063484629
HERITAGE ASSETS LLC	1691 FLEMINGSBURG RD	MOREHEAD	KY	40351	N	6067841311
MCGINNIS, JOHN T.	127 VETERANS WAY	MORGANTOWN	KY	42261	N	2705263880
HERITAGE ASSETS LLC	215 INDIAN MOUND DRIVE	MOUNT STERLING	KY	40353	N	8594984986
BODDIE-NOELL ENTERPRISES, INC.	RT 25	MT VERNON	KY	40456	N	6062564702
SUPERIOR STAR, LLC	505 N 12TH ST	MURRAY	KY	42071	Y	2707533246
HERITAGE ASSETS LLC	903 S MAIN ST	NICHOLASVILLE	KY	40356	N	8598856975
SUPERIOR STAR, LLC	3101 FREDERICA ST	OWENSBORO	KY	42301	N	2706855200
SUPERIOR STAR, LLC	5104 HINKLEVILLE RD	PADUCAH	KY	42001	N	2704433687
SUPERIOR STAR, LLC	3024 LONE OAK RD	PADUCAH	KY	42003	N	2705548424
SUPERIOR STAR, LLC	1726 BROADWAY ST	PADUCAH	KY	42001	N	2704423419
SUPERIOR STAR, LLC	3700 CLARKS RIVER RD	PADUCAH	KY	42003	N	2704432234
BODDIE-NOELL ENTERPRISES, INC.	545 NORTH MAYO TRAIL	PAINTSVILLE	KY	41240	N	6067892415
HERITAGE ASSETS LLC	1411 MAIN ST	PARIS	KY	40361	N	8599871450
BODDIE-NOELL ENTERPRISES, INC.	667 HAMBLEY	PIKEVILLE	KY	41501	N	6064374288
BODDIE-NOELL ENTERPRISES, INC.	909 N. LAKE DR.	PRESTONSBURG	KY	41653	N	6068861052
SUPERIOR STAR, LLC	370 US HIGHWAY 62 W	PRINCETON	KY	42445	N	2703652077
HERITAGE ASSETS LLC	524 EASTERN BYPASS	RICHMOND	KY	40475	N	8596242750

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
HERITAGE ASSETS LLC	103 S KEENELAND DR	RICHMOND	KY	40475	N	8596249710
RUSSELL SPRINGS RESTAURANTS, INC.	2378 HIGHWAY 127	Russell Springs	KY	42642	N	2708662080
FRANCIECO., L.P.	313 PORTER RD	SADIEVILLE	KY	40370	N	5028570978
MK KY 001, LLC	5705 N HIGHWAY 27	SCIENCE HILL	KY	42553	N	6064233467
MCGINNIS, JOHN T.	1927 MIDLAND TRAIL	SHELBYVILLE	KY	40065	N	5026331181
HERITAGE ASSETS LLC	409 S HIGHWAY 27	SOMERSET	KY	42501	N	6066794998
RUSSELL SPRINGS RESTAURANTS, INC	3895 S HIGHWAY 27	SOMERSET	KY	42501	N	6066790133
BODDIE-NOELL ENTERPRISES, INC.	801 BARDSTOWN ROAD	SPRINGFIELD	KY	40069	N	8593360428
HERITAGE ASSETS LLC	220 S MAIN ST	STANTON	KY	40380	N	6066632858
HERITAGE ASSETS LLC	1292 WEST MAIN ST	WEST LIBERTY	KY	39440	N	6067433781
WHITLEY CO. RESTAURANTS, INC.	730 S 10TH ST	WILLIAMSBURG	KY	40769	N	6065493952
HERITAGE ASSETS LLC	1466 W LEXINGTON AVE	WINCHESTER	KY	40391	N	8597448305
C & C FOOD SYSTEMS, INC.	300 CUMBERLAND ST	BOGALUSA	LA	70427	N	9857322900
FRANCIECO., L.P.	1118 LOWE GROUT RD	IOWA	LA	70647	N	3375823719
FRANCIECO., L.P.	4158 I-49 SERVICE RD.	OPELOUSAS	LA	70570	N	4054647560
OTAC NO. 4, INC.	800 WOODS RD	CAMBRIDGE	MD	21613	N	4102284080
OTAC NO. 4, INC.	501 CHURCH HILL RD	CENTREVILLE	MD	21617	N	4107583126
POOJA DELMAR HOSPITALITY, INC.	9521 OCEAN HWY	DELMAR	MD	21875	N	4108964390
OTAC NO. 4, INC.	8335 OCEAN GTWY	EASTON	MD	21601	N	4108220024
OTAC, INC.	1699 CRAIN HWY S	GLEN BURNIE	MD	21061	N	4107603241
RESTAURANT MANAGEMENT CORPORATION	42 EAST MAIN STREET	HANCOCK	MD	21750	N	3016786307
OTAC NO. 3, INC.	2635 ANNAPOLIS RD	HANOVER	MD	21076	N	4105519363
OTAC NO. 4, INC.	718 NURSERY RD	LINTHICUM	MD	21090	N	4106090870
OTAC NO. 4, INC.	4111 MOUNTAIN RD	PASADENA	MD	21122	N	4103608100
OTAC NO. 4, INC.	125 POCOMOKE MARKETPLACE	POCOMOKE CITY	MD	21851	N	4109571140

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
OTAC NO. 4, INC.	30362 MT VERNON RD	PRINCESS ANNE	MD	21853	N	4106519699
OTAC NO. 4, INC.	1301 S SALISBURY BLVD	SALISBURY	MD	21801	N	4105463188
OTAC NO. 5, INC.	2403 N SALISBURY BLVD	SALISBURY	MD	21801	N	4103417183
OTAC NO. 4, INC.	1157 SHOPPING CENTER RD	STEVENSVILLE	MD	21666	N	4106436155
FRANCIECO., L.P.	6560 DIXIE HIGHWAY	BRIDGEPORT	MI	48722	N	9897469567
NORTHLAND RESTAURANT GROUP, LLC	606 N LINCOLN RD	ESCANABA	MI	49829	N	9062330381
FRANCIECO., L.P.	1609 NADEAU ROAD	FRENCHTOWN	MI	48162	N	7342894111
FRANCIECO., L.P.	7300 W. GRAND RIVER AVE.	GRAND LEDGE	MI	48837	N	5176267372
ISHAAN ENTERPRISES, LLC	23240 JOHN R RD	HAZEL PARK	MI	48030	N	2485452470
FRANCIECO., L.P.	9790 ADAMS ST	HOLLAND	MI	49423	N	6167723101
NORTHLAND RESTAURANT GROUP, LLC	315 N STEPHENSON AVE	IRON MOUNTAIN	MI	49801	N	9067761064
NORTHLAND RESTAURANT GROUP, LLC	350 EAST U.S. HWY 2	MANISTIQUE	MI	49854	N	9063410500
NORTHLAND RESTAURANT GROUP, LLC	1120 W WASHINGTON ST	MARQUETTE	MI	49855	N	9062255935
FRANCIECO., L.P.	18720 PARTELLO RD	MARSHALL	MI	49068	N	2697819278
FRANCIECO., L.P.	14137 PLANK ROAD	MILAN	MI	48160	N	7144397558
NORTHLAND RESTAURANT GROUP, LLC	525 E M-28	MUNISING	MI	49862	N	9063875750
YOUSIF DENHA AND FAMILY 4 LLC	534 E MAIN ST	OWOSSO	MI	48867	Y	9897252616
ISHAAN ENTERPRISES, LLC	35155 MOUND RD	STERLING HEIGHTS	MI	48310	N	5862749708
NORTHLAND RESTAURANT GROUP, LLC	1147 S BROADWAY AVE	ALBERT LEA	MN	56007	N	5073736101
NORTHLAND RESTAURANT GROUP, LLC	605 50TH AVE W	ALEXANDRIA	MN	56308	N	3207625425
NORTHLAND RESTAURANT GROUP, LLC	1406 4TH ST NW	AUSTIN	MN	55912	N	5076938470

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
NORTHLAND RESTAURANT GROUP, LLC	205 PAUL BUNYAN DR NW	BEMIDJI	MN	56601	N	2187518823
NORTHLAND RESTAURANT GROUP, LLC	119 WASHINGTON ST	BRAINERD	MN	56401	N	2188291343
FRANCIECO., L.P.	I-35 & HWY 97	COLUMBUS	MN	55025	N	6158431007
SUPERIOR STAR, LLC	2000 N STATE ST	FAIRMONT	MN	56031	N	5072381290
NORTHLAND RESTAURANT GROUP, LLC	1940 CARDINAL LN	FARIBAULT	MN	55021	N	5073314426
NORTHLAND RESTAURANT GROUP, LLC	2524 COLLEGE WAY	FERGUS FALLS	MN	56537	N	2189985060
SUPERIOR STAR, LLC	147 HIGHWAY 212 E	GRANITE FALLS	MN	56241	N	3205644887
MESABA FOOD COMPANY	2527 E 13TH AVE	HIBBING	MN	55746	N	2182624425
NORTHLAND RESTAURANT GROUP, LLC	401 1/2 FIRE MONUMENT RD	HINCKLEY	MN	55037	N	3203846098
PETE-HAM FOOD SERVICES, INC.	1600 HIGHWAY 71	INTERNATIONAL FALLS	MN	56649	N	2182839945
SUPERIOR STAR, LLC	1405 MADISON AVE	MANKATO	MN	56001	N	5076253114
SUPERIOR STAR, LLC	101 W LIND CT	MANKATO	MN	56001	N	5077797475
SUPERIOR STAR, LLC	1402 E COLLEGE DR	MARSHALL	MN	56258	N	5075325027
NORTHLAND RESTAURANT GROUP, LLC	925 1ST ST E	MILACA	MN	56353	N	3209833040
SUPERIOR STAR, LLC	3402 28TH AVENUE SOUTH	MOORHEAD	MN	56560	N	2182840419
NORTHLAND RESTAURANT GROUP, LLC	240 HIGHWAY 65 S	MORA	MN	55051	N	3206795974
SUPERIOR STAR, LLC	1710 WESTRIDGE RD	NEW ULM	MN	56073	N	5073540224
NORTHLAND RESTAURANT GROUP, LLC	7099 11TH ST N	OAKDALE	MN	55128	N	7155630098
NORTHLAND RESTAURANT GROUP, LLC	1120 HOFFMAN DR	OWATONNA	MN	55060	N	5074511766
FRANCIECO., L.P.	8708 Crossing Dr.	ROCKVILLE	MN	56301	N	3204430179
FRANCIECO., L.P.	2102 ENTERPRISES DR	SAINT CHARLES	MN	55972	N	9522393939

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NORTHLAND RESTAURANT GROUP, LLC	369 HAMLINE AVE N	SAINT PAUL	MN	55104	N	6516462332
NORTHLAND RESTAURANT GROUP, LLC	1180 MAIN ST S	SAUK CENTRE	MN	56378	N	3203526448
SUPERIOR STAR, LLC	320 MAIN ST W	SLEEPY EYE	MN	56085	N	5077943592
NORTHLAND RESTAURANT GROUP, LLC	151 COUNTY ROAD 120	ST. CLOUD	MN	56303	N	3202815577
NORTHLAND RESTAURANT GROUP, LLC	1400 13TH ST	VIRGINIA	MN	55792	N	7154952350
NORTHLAND RESTAURANT GROUP, LLC	204 MINNESOTA AVENUE	WALKER	MN	56484	N	2185472664
SUPERIOR STAR, LLC	1704 1ST STREET S	WILLMAR	MN	56001	N	3204412441
SUPERIOR STAR, LLC	250 3RD AVE	WINDOM	MN	56101	N	5078313429
NORTHLAND RESTAURANT GROUP, LLC	12520 FREMONT AVE	ZIMMERMAN	MN	55398	N	7638563330
RED DIAMOND RESTAURANTS, LLC	909 HWY 278 ST EAST	AMORY	MS	38821	N	6622563681
SADDLE PEAK LLC	693 HWY 6 EAST	BATESVILLE	MS	38606	N	6625639060
C & C FOOD SYSTEMS, INC.	2813 HWY 15	BAY SPRINGS	MS	39422	N	6017646526
RED DIAMOND RESTAURANTS, LLC	1202 N 2ND ST	BOONEVILLE	MS	38829	N	6627281746
C & C FOOD SYSTEMS, INC.	3530 HIGHWAY 49	COLLINS	MS	39428	N	6017650738
C & C FOOD SYSTEMS, INC.	809 HWY 98 BYP	COLUMBIA	MS	39429	N	6017364221
RED DIAMOND RESTAURANTS, LLC	1460 OLD ABERDEEN RD	COLUMBUS	MS	39705	N	6623275811
RED DIAMOND RESTAURANTS, LLC	203 ALABAMA ST	COLUMBUS	MS	39702	N	6623270304
PARADIGM INVESTMENT GROUP, LLC	10324 DIBERVILLE BLVD	DIBERVILLE	MS	39540	N	2283922666
RED DIAMOND RESTAURANTS, LLC	600 SOUTH ADAMS ST	FULTON	MS	38843	N	6628627002

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PARADIGM INVESTMENT GROUP, LLC	2403 HIGHWAY 90	GAUTIER	MS	39553	N	2284974801
PARADIGM INVESTMENT GROUP, LLC	12219 HWY 49 N	GULFPORT	MS	39503	N	2288312248
C & C FOOD SYSTEMS, INC.	4964 HARDY ST	HATTIESBURG	MS	39402	N	6012646248
RED DIAMOND RESTAURANTS, LLC	444 N JACKSON STREET	HOUSTON	MS	38851	N	6624569356
FRANCIECO., L.P.	1212 HWY 82 EAST	INDIANOLA	MS	38751	N	6628877885
RED DIAMOND RESTAURANTS, LLC	1610 1ST AMERICAN DR	IUKA	MS	38852	N	6624231008
C & C FOOD SYSTEMS, INC.	710 N 16TH AVE	LAUREL	MS	39440	N	6016496089
C & C FOOD SYSTEMS, INC.	2621 ELLISVILLE BLVD	LAUREL	MS	39440	N	6015842723
C & C FOOD SYSTEMS, INC.	913 CHANTILLY ST	LAUREL	MS	39440	N	6016495572
PARADIGM INVESTMENT GROUP, LLC	24 COWART ST	LUCEDALE	MS	39452	N	6019472190
FRANCIECO., L.P.	1790 SIMPSON HIGHWAY 49	MAGEE	MS	39111	N	6018491836
PARADIGM INVESTMENT GROUP, LLC	6712 HWY 63 N	MOSS POINT	MS	39563	N	2284752672
SADDLE PEAK LLC	7015 HACKS CROSS ROAD	OLIVE BRANCH	MS	38654	N	6628906030
PARADIGM INVESTMENT GROUP, LLC	2701 DENNY AVE	PASCAGOULA	MS	39567	N	2282025098
C & C FOOD SYSTEMS, INC.	106 W CENTRAL AVE	PETAL	MS	39465	N	6015846249
C & C FOOD SYSTEMS, INC.	1102 MEMORIAL BLVD	PICAYUNE	MS	39466	N	6017991116
RED DIAMOND RESTAURANTS, LLC	124 HWY 15 NORTH	PONTOTOC	MS	38863	N	6624893002
C & C FOOD SYSTEMS, INC.	1016 S MAIN ST	POPLARVILLE	MS	39470	Y	6017954057
C & C FOOD SYSTEMS, INC.	302 S ARCHUSA AVE	QUITMAN	MS	39355	N	6017765456
RED DIAMOND RESTAURANTS, LLC	112 WILLOW BROOK DR	SALTILLO	MS	38866	N	6018692424
RED DIAMOND RESTAURANTS, LLC	411 HIGHWAY 12 EAST	STARKVILLE	MS	39759	N	6623238047

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
RED DIAMOND RESTAURANTS, LLC	477 E MAIN ST	TUPELO	MS	38804	N	6628443497
RED DIAMOND RESTAURANTS, LLC	2439 WEST MAIN STREET	TUPELO	MS	38801	N	6628411528
RED DIAMOND RESTAURANTS, LLC	5016 RAYMOND ST	TUPELO	MS	38801	N	6625661414
C & C FOOD SYSTEMS, INC.	903 AZALEA DR	WAYNESBORO	MS	39367	N	6017359962
RED DIAMOND RESTAURANTS, LLC	6757 HWY 45 SOUTH	WEST POINT	MS	39773	N	6624940440
SHAY, MICHEL D.	2010 SOUTH ELLIOTT AVENUE	AURORA	MO	65605	N	4176784843
ARC BURGER, LLC	910 SW MISSOURI ROUTE 7	BLUE SPRINGS	MO	64014	N	8162292495
PIONEER RESTAURANTS, LLC	1010 HIGHWAY K	BONNE TERRE	MO	63628	Y	5733583369
FRANCIECO., L.P.	2501 W ASHLEY RD	BOONVILLE	MO	65233	N	6608827359
PIONEER RESTAURANTS, LLC	18054 HIGHWAY 161	BOWLING GREEN	MO	63334	Y	5733245583
SHAY, MICHEL D.	19001 MISSOURI BUSINESS 13	BRANSON WEST	MO	65737	N	4172728854
ARC BURGER, LLC	1100 W DALLAS ST	BUFFALO	MO	65622	N	4173455259
SUPERIOR STAR, LLC	2115 WILLIAM ST	CAPE GIRARDEAU	MO	63703	Y	5733345151
SHAY, MICHEL D.	1616 EAST OHIO STREET	CLINTON	MO	64735	N	6608855439
ARC BURGER, LLC	702 N FRANKLIN ST	CUBA	MO	65453	N	5738851601
PIONEER RESTAURANTS, LLC	12974 HIGHWAY 21	DESOTO	MO	63020	Y	6365869190
OZARK STARS, LLC	301 E 4TH ST	ELDON	MO	65026	N	5733925772
PIONEER RESTAURANTS, LLC	545 MAIN STREET	FENTON	MO	63026	Y	6363435221
PIONEER RESTAURANTS, LLC	1305 VETERANS BLVD	FESTUS	MO	63028	Y	6369312604
SUPERIOR STAR, LLC	501 E HIGHWAY 72	FREDERICKTOWN	MO	63645	N	5737833593
TRISTAR VENTURES, LLC	2900 JAMES RD	HANNIBAL	MO	63401	N	5732212662
PIONEER RESTAURANTS, LLC	4699 GRAVOIS RD	HOUSE SPRINGS	MO	63051	Y	6366710502
ARC BURGER, LLC	926 S SAM HOUSTON BLVD	HOUSTON	MO	65483	N	4179673454
ARC BURGER, LLC	4011 S NOLAND RD	INDEPENDENCE	MO	64055	N	8162521944
ARC BURGER, LLC	17701 E US HIGHWAY 24	INDEPENDENCE	MO	64056	N	8167963066

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
SUPERIOR STAR, LLC	421 E JACKSON BLVD	JACKSON	MO	63755	N	5732437990
ARC BURGER, LLC	3601 COUNTRY CLUB DR	JEFFERSON CITY	MO	65109	N	5738935516
FRANCIECO., L.P.	4013 HWY 43	JOPLIN	MO	64804	N	4172060684
ARC BURGER, LLC	6323 INDEPENDENCE AVE	KANSAS CITY	MO	64125	N	8162312272
ARC BURGER, LLC	5373 EAST BANNISTER ROAD	KANSAS CITY	MO	64137	N	8169664550
TRISTAR VENTURES, LLC	1411 S BALTIMORE ST	KIRKSVILLE	MO	63501	N	6606273884
PIONEER RESTAURANTS, LLC	10 CENTRE ON THE LAKE	LAKE SAINT LOUIS	MO	63367	Y	6366256272
PIONEER RESTAURANTS, LLC	100 PLAZA SQ	LEADINGTON	MO	63601	Y	5734315988
ARC BURGER, LLC	1300 S JEFFERSON	LEBANON	MO	65536	N	4175889707
ARC BURGER, LLC	1100 SW 3RD ST	LEES SUMMIT	MO	64081	N	8165245220
PIONEER RESTAURANTS, LLC	2580 LEMAY FERRY RD	LEMAY	MO	63125	Y	3148945551
TRISTAR VENTURES, LLC	1703 N MISSOURI ST	MACON	MO	63552	N	6603852612
AYCORP DEVELOPMENT, LLC	908 N DOUGLASS ST	MALDEN	MO	63863	N	5732764558
ARC BURGER, LLC	707 W JACKSON ST	MEXICO	MO	65265	N	5735811748
ARC BURGER, LLC	308 HWY 24 E	MOBERLY	MO	65270	N	6602636007
TRISTAR VENTURES, LLC	1003 US HIGHWAY 24/36 E	MONROE CITY	MO	63456	N	5737352548
SHAY, MICHEL D.	530 S NEOSHO BLVD	NEOSHO	MO	64850	N	4174516518
FRANCIECO., L.P.	17550 HWY 19	NEW LONDON	MO	63459	N	5739855700
PIONEER RESTAURANTS, LLC	1212 W OSAGE	PACIFIC	MO	63069	Y	6362715598
TRISTAR VENTURES, LLC	500 E MAIN CROSS ST	PALMYRA	MO	63461	N	5737694310
SUPERIOR STAR, LLC	11 N KINGSHIGHWAY ST	PERRYVILLE	MO	63775	N	5735475052
TRICO DEVELOPMENT CORPORATION	101 S WESTWOOD BLVD	POPLAR BLUFF	MO	63901	N	5737853300
PIONEER RESTAURANTS, LLC	103 HEALTHWAY DRIVE	POTOSI	MO	63664	Y	5734385075
PIONEER RESTAURANTS, LLC	2023 ZUMBEHL RD	SAINT CHARLES	MO	63303	Y	6369474606
PIONEER RESTAURANTS, LLC	2701 MO-94 N.	SAINT CHARLES	MO	63301	Y	6369469610
ARC BURGER, LLC	3911 N BELT HWY	SAINT JOSEPH	MO	64506	N	8163643226
PIONEER RESTAURANTS, LLC	4321 BUTLER HILL RD	SAINT LOUIS	MO	63128	Y	3148947511

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
PIONEER RESTAURANTS, LLC	2110 HAMPTON AVE	SAINT LOUIS	MO	63139	Y	3146452336
PIONEER RESTAURANTS, LLC	501 MID RIVERS MALL DR	SAINT PETERS	MO	63376	Y	6362782798
ARC BURGER, LLC	715 E BROADWAY BLVD	SEDALIA	MO	65301	N	6608263559
SUPERIOR STAR, LLC	1105 S MAIN ST	SIKESTON	MO	63801	N	5734711922
SHAY, MICHEL D.	3465 W CHESTNUT EXPWY	SPRINGFIELD	MO	65802	N	4178621214
SHAY, MICHEL D.	2260 NORTH GLENSTONE	SPRINGFIELD	MO	65803	N	4178621091
SHAY, MICHEL D.	1444 EAST BATTLEFIELD	SPRINGFIELD	MO	65804	N	4178823473
SHAY, MICHEL D.	1515 W BATTLEFIELD	SPRINGFIELD	MO	65807	N	4178895009
FRANCIECO., L.P.	400 N STATE HWY 125	STRAFFORD	MO	65757	N	4137369043
ARC BURGER, LLC	1849 E 9TH ST	TRENTON	MO	64683	N	6603595460
PIONEER RESTAURANTS, LLC	231 E HIGHWAY 47	TROY	MO	63379	Y	6365287222
PIONEER RESTAURANTS, LLC	300 US 50E	UNION	MO	63084	Y	6365838330
PIONEER RESTAURANTS, LLC	850 MERAMEC STATION RD	VALLEY PARK	MO	63088	Y	6362258134
PIONEER RESTAURANTS, LLC	902 MERAMEC STATION RD	VALLEY PARK	MO	63088	Y	6368252264
ARC BURGER, LLC	228 W 5TH ST	WASHINGTON	MO	63090	Y	6362397924
SHAY, MICHEL D.	905 PORTER WAGONER BLVD	WEST PLAINS	MO	65775	N	4172568876
ARC BURGER, LLC	2404 CENTRAL AVE	BILLINGS	MT	59102	N	4066525926
ARC BURGER, LLC	608 N 27TH ST	BILLINGS	MT	59101	N	4062593344
ARC BURGER, LLC	2625 10TH AVE S	GREAT FALLS	MT	59405	N	4067611044
FRANCIECO., L.P.	1270 N HIGHWAY 47	HARDIN	MT	59034	N	4066654138
ARC BURGER, LLC	320 EUCLID AVE	HELENA	MT	59601	N	4064429650
FRANCIECO., L.P.	8077 HWY 10 WEST	MISSOULA	MT	59808	N	4067218386
WESTAR FOODS, INC.	811 N 205 ST	ELKHORN	NE	68022	N	4025508074
WESTAR FOODS, INC.	3350 ELK LN	FREMONT	NE	68025	N	4027211614
FRANCIECO., L.P.	1300 W MONROE AVENUE	NORFOLK	NE	68701	N	4023791393
WESTAR FOODS, INC.	102 HOLIDAY FRONTAGE ROAD	NORTH PLATTE	NE	69101	N	3082216644
WESTAR FOODS, INC.	9407 S 145TH ST	OMAHA	NE	68138	N	4028962068

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
WESTAR FOODS, INC.	3225 L ST	OMAHA	NE	68107	N	4027316434
WESTAR FOODS, INC.	12424 L ST	OMAHA	NE	68137	N	4023300810
FRANCIECO., L.P.	188 NORTH 30 RD	SYRACUSE	NE	68446	N	4022692258
FRANCIECO., L.P.	6201 Shortman Road	Ripley	NY	14755	N	7167362033
BAY FOODS, INC.	1664 NC HWY 5	ABERDEEN	NC	28315	N	2529372000
BAY FOODS, INC.	1304 SANDHILLS BLVD N	ABERDEEN	NC	28315	N	9109441834
BODDIE-NOELL ENTERPRISES, INC.	104 NC 561 EAST	AHOSKIE	NC	27910	N	2528620086
MORNING STAR, LLC	705 LEONARD AVE	ALBEMARLE	NC	28001	N	7049860535
MOUNTAIN STAR LLC	2765 STEWART RD	ANDREWS	NC	28901	N	8283219566
BODDIE-NOELL ENTERPRISES, INC.	253 N RALEIGH STREET	ANGIER	NC	27501	N	9193314185
BODDIE-NOELL ENTERPRISES, INC.	10455 US HIGHWAY 64	APEX	NC	27502	N	919 3623995
MORNING STAR, LLC	1411 W 3RD ST	AYDEN	NC	28513	N	2527462430
BODDIE-NOELL ENTERPRISES, INC.	6474 DEANS ST	BAILEY	NC	27807	N	2522352977
BODDIE-NOELL ENTERPRISES, INC.	7047 NC HIGHWAY 4	BATTLEBORO	NC	27809	N	2524427444
WADE-CARY ENTERPRISES, INC.	870 HWY 264 EAST	BELHAVEN	NC	27810	N	2529436878
BODDIE-NOELL ENTERPRISES, INC.	611 NORTH MAIN STREET	BELMONT	NC	28012	N	7048253272
BODDIE-NOELL ENTERPRISES, INC.	11959 NC 210	BENSON	NC	27504	N	9499890129
WADE-CARY ENTERPRISES, INC.	120 WEST MAIN STREET	BEULAVILLE	NC	28518	N	9102985494
MOUNTAIN STAR LLC	344 E KING ST	BOONE	NC	28607	N	8282623201
BODDIE-NOELL ENTERPRISES, INC.	124 N C ST	BRIDGETON	NC	28519	N	2526332810
BODDIE-NOELL ENTERPRISES, INC.	420 Main St.	BUNN	NC	27508	N	9197290538
BODDIE-NOELL ENTERPRISES, INC.	500 US HIGHWAY 117	BURGAW	NC	28425	N	9102595255
BODDIE-NOELL ENTERPRISES, INC.	2349 MAPLE AVENUE	BURLINGTON	NC	27215	N	9102260432
BODDIE-NOELL ENTERPRISES, INC.	2124 WEST WEBB AVENUE	BURLINGTON	NC	27217	N	3365842727
BODDIE-NOELL ENTERPRISES, INC.	2756 ALAMANCE ROAD	BURLINGTON	NC	27215	N	3362296151
MOUNTAIN STAR LLC	318 W US HIGHWAY 19E BYP	BURNSVILLE	NC	28714	N	8286822612
BODDIE-NOELL ENTERPRISES, INC.	100 TOWNE CENTER DRIVE	CAMDEN	NC	27921	N	2523312538

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
BODDIE-NOELL ENTERPRISES, INC.	4480 BUFFALO LAKE RD	CAMERON	NC	28326	N	9105561277
BODDIE-NOELL ENTERPRISES, INC.	1018 MONROE ST	CARTHAGE	NC	28327	N	9109473770
BAY FOODS, INC.	5601 CASTLE HAYNE RD	CASTLE HAYNE	NC	28429	N	9106752522
BODDIE-NOELL ENTERPRISES, INC.	6116 FARRINGTON ROAD	CHAPEL HILL	NC	27517	N	9194902964
MORNING STAR, LLC	4201 EAST W.T.HARRIS BLVD	CHARLOTTE	NC	28215	N	7045356128
MORNING STAR, LLC	509 HWY 29 NORTH	CHINA GROVE	NC	28023	N	7048552190
BODDIE-NOELL ENTERPRISES, INC.	US HWY 17 & FIRST STREET	CHOCOWINITY	NC	27817	N	2529466956
BODDIE-NOELL ENTERPRISES, INC.	3099 WEST MAIN STREET	CLAREMONT	NC	28610	N	8284591446
BODDIE-NOELL ENTERPRISES, INC.	36 SPRINGBROOK AVE	CLAYTON	NC	27520	N	919 5856441
WADE-CARY ENTERPRISES, INC.	1514 SUNSET AVE	CLINTON	NC	28328	N	9102990216
BODDIE-NOELL ENTERPRISES, INC.	459 NORTH MCKINLEY	COATS	NC	27521	N	9108973286
BODDIE-NOELL ENTERPRISES, INC.	547 NORTH CHURCH STREET	CONCORD	NC	28025	N	7047862815
BODDIE-NOELL ENTERPRISES, INC.	609 CONOVER BOULEVARD W	CONOVER	NC	28613	N	8284649042
BODDIE-NOELL ENTERPRISES, INC.	2568 W LYON STATION RD	CREEDMOOR	NC	27522	N	9195756838
BODDIE-NOELL ENTERPRISES, INC.	6090 N HIGHWAY 16	DENVER	NC	28037	N	7044833390
CIRCLE K STORES, INC.	873 LONG BRANCH RD	DUNN	NC	28334	N	9108926163
BODDIE-NOELL ENTERPRISES, INC.	3912 NORTH DUKE STREET	DURHAM	NC	27704	N	9194778830
BODDIE-NOELL ENTERPRISES, INC.	2721 CHAPEL HILL RD	DURHAM	NC	27707	N	9194896958
BODDIE-NOELL ENTERPRISES, INC.	262 W KINGS HWY	EDEN	NC	27288	N	3366271268
BODDIE-NOELL ENTERPRISES, INC.	1001 US HWY 17 S	ELIZABETH CITY	NC	27909	N	2523311702
BAY FOODS, INC.	213 S. POPLAR STREET	ELIZABETHTOWN	NC	28337	N	9108623548
BODDIE-NOELL ENTERPRISES, INC.	105 SOUTH MCDANIEL STREET	ENFIELD	NC	27823	N	2524455773
WADE-CARY ENTERPRISES, INC.	600 E JACKSON BLVD	ERWIN	NC	28339	N	9108914036
BODDIE-NOELL ENTERPRISES, INC.	3803 MORGANTON ROAD	FAYETTEVILLE	NC	28314	N	9108683271
BODDIE-NOELL ENTERPRISES, INC.	3405 MURCHISON ROAD	FAYETTEVILLE	NC	28311	N	9104880360
BODDIE-NOELL ENTERPRISES, INC.	2497 HOPE MILLS ROAD	FAYETTEVILLE	NC	28304	N	9104243555

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BODDIE-NOELL ENTERPRISES, INC.	6397 RAMSEY ST	FAYETTEVILLE	NC	28311	N	9106303015
BODDIE-NOELL ENTERPRISES, INC.	360 N EASTERN BLVD	FAYETTEVILLE	NC	28301	N	9104833086
BODDIE-NOELL ENTERPRISES, INC.	8139 CLIFFDALE RD	FAYETTEVILLE	NC	23834	N	9103391395
SMOKY STAR, LLC	710 E MAIN ST	FRANKLIN	NC	28734	N	8283698180
BRYANNA ENTERPRISES, LLC	3257 U.S. HIGHWAY 1	FRANKLINTON	NC	27525	N	9194941230
BODDIE-NOELL ENTERPRISES, INC.	1560 NORTH BROAD STREET	FUQUAY VARINA	NC	27526	N	9195529772
BODDIE-NOELL ENTERPRISES, INC.	100 VANDORA SPRINGS RD	GARNER	NC	27529	N	9197727209
BODDIE-NOELL ENTERPRISES, INC.	2898 CORNWALLIS RD	GARNER	NC	27529	N	9198798728
BODDIE-NOELL ENTERPRISES, INC.	100 LAWRENCEVILLE ROAD	GASTON	NC	27832	N	2525351400
BODDIE-NOELL ENTERPRISES, INC.	1901 SOUTH YORK ROAD	GASTONIA	NC	28052	N	7048673921
MORNING STAR, LLC	2135 N CHESTER ST	GASTONIA	NC	28052	N	7048524142
BODDIE-NOELL ENTERPRISES, INC.	1109 11TH ST	GOLDSBORO	NC	27534	N	9197358374
BODDIE-NOELL ENTERPRISES, INC.	220 E ASH ST	GOLDSBORO	NC	27530	N	9197344948
BODDIE-NOELL ENTERPRISES, INC.	6501 CARATOKE HIGHWAY 158	GRANDY	NC	27939	N	2524533993
MORNING STAR, LLC	27 PINEWOOD RD	GRANITE FALLS	NC	28630	N	8283968455
BODDIE-NOELL ENTERPRISES, INC.	3741 CHARLES BOULEVARD	GREENVILLE	NC	27858	N	2527566875
MORNING STAR, LLC	701 WEST HAMLET AVE	HAMLET	NC	28345	N	9105822421
BODDIE-NOELL ENTERPRISES, INC.	14535 US HWY 17 SOUTH	HAMPSTEAD	NC	28443	N	9102709426
MORNING STAR, LLC	4280 HWY 49 N	HARRISBURG	NC	28075	N	7044553030
BODDIE-NOELL ENTERPRISES, INC.	120 DABNEY DR	HENDERSON	NC	27536	N	2524383754
CR VENTURES 08, LLC	200 OCEAN HIGHWAY S.	HERTFORD	NC	27944	N	2524266533
MORNING STAR, LLC	1110 LENOIR RHYNE BLVD	HICKORY	NC	28602	N	8283040011
MORNING STAR, LLC	324 S CENTER ST	HILDEBRAN	NC	28637	N	8283976677
BODDIE-NOELL ENTERPRISES, INC.	380 SOUTH CHURTON STREET	HILLSBOROUGH	NC	27278	N	9197323592
BODDIE-NOELL ENTERPRISES, INC.	4260 LEGION ROAD	HOPE MILLS	NC	28348	N	9018260027
MORNING STAR, LLC	14101 STATESVILLE RD	HUNTERSVILLE	NC	28078	N	7048750290
BODDIE-NOELL ENTERPRISES, INC.	3001 RICHLANDS HIGHWAY	JACKSONVILLE	NC	28540	N	9109382597

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MOUNTAIN STAR LLC	799 E MAIN ST	JEFFERSON	NC	28640	N	3368465504
BODDIE-NOELL ENTERPRISES, INC.	140 DALE EARNHARDT BLVD	KANNAPOLIS	NC	28081	N	7049389896
WADE-CARY ENTERPRISES, INC.	HWY 50 LIMESTONE RD	KENANSVILLE	NC	28349	N	9102960015
MORNING STAR, LLC	509 E KING ST	KINGS MOUNTAIN	NC	28086	N	7047398571
BODDIE-NOELL ENTERPRISES, INC.	1344 HIGHWAY 258 S	KINSTON	NC	28504	N	2525277925
BODDIE-NOELL ENTERPRISES, INC.	4171 W VERNON AVENUE	KINSTON	NC	28504	N	2525233323
BAY FOODS, INC.	101 VILLAGE RD NE	LELAND	NC	28451	N	9103710902
MORNING STAR, LLC	670 MORGANTON BLVD	LENOIR	NC	28645	N	8287589700
BODDIE-NOELL ENTERPRISES, INC.	521 SALEM STREET	LEXINGTON	NC	27292	N	3362431091
BODDIE-NOELL ENTERPRISES, INC.	1102 S MAIN ST	LILLINGTON	NC	27546	N	9108932187
BODDIE-NOELL ENTERPRISES, INC.	1102 EAST MAIN ST	LINCOLNTON	NC	28092	N	7047353436
BODDIE-NOELL ENTERPRISES, INC.	221 E MAIN ST	LITTLETON	NC	27850	N	2525864977
BODDIE-NOELL ENTERPRISES, INC.	110 S BRICKETT BLVD	LOUISBURG	NC	27549	N	9193409997
BODDIE-NOELL ENTERPRISES, INC.	716 MCADENVILLE RD	LOWELL	NC	28098	N	7048240758
BODDIE-NOELL ENTERPRISES, INC.	2475 N ROBERTS AVENUE	LUMBERTON	NC	28358	N	9107386379
BODDIE-NOELL ENTERPRISES, INC.	3007 W 5TH ST	LUMBERTON	NC	28358	N	9107381080
BODDIE-NOELL ENTERPRISES, INC.	101 JACKSON COURT	LUMBERTON	NC	28358	N	9107381477
BODDIE-NOELL ENTERPRISES, INC.	604 BURTON STREET	MADISON	NC	27025	N	3364274325
MORNING STAR, LLC	5860 STARTOWN ROAD	MAIDEN	NC	28650	N	8284698908
MOUNTAIN STAR LLC	3240 HIGHWAY 226 S	MARION	NC	28752	N	8286527358
MORNING STAR, LLC	701 MAIN ST	MAYSVILLE	NC	28555	N	9107432333
FRANCIECO., L.P.	1217 TROLLINGWOOD HAWFIELDS RD	MEBANE	NC	27302	N	9195238759
BODDIE-NOELL ENTERPRISES, INC.	1350 HIGHWAY 601 SOUTH	MOCKSVILLE	NC	27028	N	3367517896
BD LYNCH ENTERPRISES, INC.	503 W ROOSEVELT BLVD	MONROE	NC	28110	N	7042838018
MORNING STAR, LLC	863 N GREEN ST	MORGANTON	NC	28655	N	8284331035
MORNING STAR, LLC	1205 BURKEMONT AVE	MORGANTON	NC	28655	N	8284380225
BODDIE-NOELL ENTERPRISES, INC.	2154 ROCKFORD STREET	MOUNT AIRY	NC	27030	N	3367891601

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BODDIE-NOELL ENTERPRISES, INC.	1221 WEST PINE STREET	MOUNT AIRY	NC	27030	N	3367895900
BODDIE-NOELL ENTERPRISES, INC.	205 W. NC HIGHWAY 55	MOUNT OLIVE	NC	28365	N	9196352496
BODDIE-NOELL ENTERPRISES, INC.	8440 HIGHWAY 49 N	MOUNT PLEASANT	NC	28124	N	7044362622
BODDIE-NOELL ENTERPRISES, INC.	410 CARATOKE HWY	MOYOCK	NC	27958	N	2524352585
BODDIE-NOELL ENTERPRISES, INC.	361 W WASHINGTON ST	NASHVILLE	NC	27856	N	2524597777
MOUNTAIN STAR LLC	570 PINEOLA ST	NEWLAND	NC	28657	N	8287335172
FRANCIECO., L.P.	1760 SOUTHFORK DRIVE	NEWTON	NC	28658	N	8284666790
BODDIE-NOELL ENTERPRISES, INC.	105 W WEEKSDALE DR	NEWTON GROVE	NC	28366	N	9105940871
BAY FOODS, INC.	3678 MACO ROAD	NORTHWEST	NC	28451	N	9106550907
BODDIE-NOELL ENTERPRISES, INC.	1651 SEASIDE ROAD SW	OCEAN ISLE BEACH	NC	28469	N	9105790808
BODDIE-NOELL ENTERPRISES, INC.	620 LEWIS STREET	OXFORD	NC	27565	N	9196036998
WADE-CARY ENTERPRISES, INC.	5040 HWY 117 N	PIKEVILLE	NC	27863	N	9192424946
BODDIE-NOELL ENTERPRISES, INC.	200 WEST MAIN STREET	PILOT MOUNTAIN	NC	27041	N	3363685787
BODDIE-NOELL ENTERPRISES, INC.	28 EAST ST	PITTSBORO	NC	27312	N	9195422943
BODDIE-NOELL ENTERPRISES, INC.	101 SMITH STREET	PRINCETON	NC	27569	N	2529362152
BODDIE-NOELL ENTERPRISES, INC.	112 FAYETTEVILLE ROAD	RAEFORD	NC	28376	N	9108753043
BODDIE-NOELL ENTERPRISES, INC.	2304 GORMAN ST	RALEIGH	NC	27606	N	9192338287
BODDIE-NOELL ENTERPRISES, INC.	5601 CREEDMOOR RD	RALEIGH	NC	27612	N	9197814332
BODDIE-NOELL ENTERPRISES, INC.	610 E 4TH AVE	RED SPRINGS	NC	28377	N	9108433745
BODDIE-NOELL ENTERPRISES, INC.	1702 FREEWAY DRIVE	REIDSVILLE	NC	27320	N	3363422838
WADE-CARY ENTERPRISES, INC.	8901 RICHLANDS HIGHWAY 24	RICHLANDS	NC	28574	N	9103241221
BODDIE-NOELL ENTERPRISES, INC.	1711 JULIAN R ALLSBROOK HWY	ROANOKE RAPIDS	NC	27870	N	2525377865
BODDIE-NOELL ENTERPRISES, INC.	120 EAST 10TH ST	ROANOKE RAPIDS	NC	27870	N	2525373619
BLD STAR INC.	481 US HIGHWAY 1 S	ROCKINGHAM	NC	28379	N	9108955785
MORNING STAR, LLC	507 W MAIN ST	ROCKWELL	NC	28138	N	7042795692

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BODDIE-NOELL ENTERPRISES, INC.	1200 E RALEIGH BLVD	ROCKY MOUNT	NC	27801	N	2524461810
BODDIE-NOELL ENTERPRISES, INC.	600 N WESLEYAN BLVD	ROCKY MOUNT	NC	27804	N	2524434016
BODDIE-NOELL ENTERPRISES, INC.	3525 SUNSET AVE	ROCKY MOUNT	NC	27804	N	2524435050
BODDIE-NOELL ENTERPRISES, INC.	1831 N WESLEYAN BLVD	ROCKY MOUNT	NC	27804	N	2529852432
BODDIE-NOELL ENTERPRISES, INC.	4891 SUNSET AVENUE	ROCKY MOUNT	NC	27804	N	2524435511
BAY FOODS, INC.	8081 US HIGHWAY 117 S	ROCKY POINT	NC	28457	N	9106758224
BODDIE-NOELL ENTERPRISES, INC.	403 SOUTH MAIN STREET	ROLESVILLE	NC	27571	N	9195542720
WADE-CARY ENTERPRISES, INC.	205 HWY 24	ROSEBORO	NC	28382	N	9105254573
BODDIE-NOELL ENTERPRISES, INC.	303 N MADISON BOULEVARD	ROXBORO	NC	27573	N	3365992942
MORNING STAR, LLC	726 E INNES ST	SALISBURY	NC	28144	N	7046330721
BODDIE-NOELL ENTERPRISES, INC.	3002 S HORNER BLVD	SANFORD	NC	27332	N	9197757553
BODDIE-NOELL ENTERPRISES, INC.	5184 NC 87 N	SANFORD	NC	27332	N	9194990335
BRYANNA ENTERPRISES, LLC	2255 JEFFERSON DAVIS HWY	SANFORD	NC	27330	N	9197741942
WADE-CARY ENTERPRISES, INC.	608 SOUTH MAIN STREET	SCOTLAND NECK	NC	27874	N	2528262770
WEST HILL RANCH GROUP LLC	434 LITTLE RIVER RD	SEAGROVE	NC	27341	N	3368739068
BODDIE-NOELL ENTERPRISES, INC.	437 US HWY 70	SELMA	NC	27576	N	9192029829
BAY FOODS, INC.	4414 MAIN STREET	SHALLOTTE	NC	28470	N	9107542031
BODDIE-NOELL ENTERPRISES, INC.	3651 N. HATHAWAY BLVD	SHARPSBURG	NC	27878	N	2529779719
MORNING STAR, LLC	324 E GROVER ST	SHELBY	NC	28150	N	7044871507
MORNING STAR, LLC	7946 VILLAGE CENTER NORTH	SHERRILLS FORD	NC	28673	N	828 4781560
BODDIE-NOELL ENTERPRISES, INC.	1262 N BRIGHTLEAF BLVD	SMITHFIELD	NC	27577	N	9199345580
BODDIE-NOELL ENTERPRISES, INC.	968 NC HWY 210	SNEADS FERRY	NC	28460	N	9103272535
MOUNTAIN STAR LLC	417 S MAIN ST	SPARTA	NC	28675	N	3363724903
MORNING STAR, LLC	441 HIGHWAY 27 S	STANLEY	NC	28164	N	7042631221
MORNING STAR, LLC	255 N CENTER ST	STATESVILLE	NC	28677	N	7048735853
MORNING STAR, LLC	1205 E GARNER BAGNAL BLVD	STATESVILLE	NC	28677	N	7048726154
BODDIE-NOELL ENTERPRISES, INC.	5189 CLINTON RD	STEDMAN	NC	28391	N	9104841003

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BAY FOODS, INC.	5 OCEAN HWY E	SUPPLY	NC	28462	N	9107543311
BODDIE-NOELL ENTERPRISES, INC.	2791 OCEAN VIEW AVE S.W.	SUPPLY	NC	28462	N	9108420723
MORNING STAR, LLC	677 W CORBETT AVE	SWANSBORO	NC	28584	N	9103261317
MORNING STAR, LLC	101B WB MCLEAN BLVD	SWANSBORO	NC	28584	N	2529322113
SMOKY STAR, LLC	475 E. MAIN ST	SYLVA	NC	28779	N	8285860400
BRYANNA ENTERPRISES, LLC	700 WESTERN BLVD	TARBORO	NC	27886	N	2526411701
BODDIE-NOELL ENTERPRISES, INC.	1025 RANDOLPH STREET	THOMASVILLE	NC	27360	N	3364759416
BAY FOODS, INC.	807 N NORWOOD ST	WALLACE	NC	28466	N	9102856136
BODDIE-NOELL ENTERPRISES, INC.	417 W RIDGEWAY ST	WARRENTON	NC	27589	N	2522571111
BAY FOODS, INC.	2427 W 5TH ST	WASHINGTON	NC	27889	N	2529460635
BODDIE-NOELL ENTERPRISES, INC.	1290 JOHN SMALL AVE	WASHINGTON	NC	27889	N	2529461209
SMOKY STAR, LLC	65 WEAVER BLVD	WEAVERVILLE	NC	28787	N	8284849814
BODDIE-NOELL ENTERPRISES, INC.	2888 WENDELL BOULEVARD	WENDELL	NC	27591	N	919 3666979
MOUNTAIN STAR LLC	1901 ADDISON AVE	WILKESBORO	NC	28697	N	3366674344
MORNING STAR, LLC	1585 WASHINGTON ST	WILLIAMSTON	NC	27892	N	2527891500
BAY FOODS, INC.	2518 CAROLINA BEACH RD	WILMINGTON	NC	28401	N	9107623904
BAY FOODS, INC.	1420 FLORAL PKWY	WILMINGTON	NC	28403	N	9107915457
BAY FOODS, INC.	1970 S 17TH ST	WILMINGTON	NC	28401	N	9107633446
BAY FOODS, INC.	1900 CASTLE HAYNE RD	WILMINGTON	NC	28401	N	9107627647
BODDIE-NOELL ENTERPRISES, INC.	2313 FOREST HILLS RD	WILSON	NC	27893	N	2522937809
BODDIE-NOELL ENTERPRISES, INC.	2837 US HIGHWAY 301 SOUTH	WILSON	NC	27893	N	2522342954
BODDIE-NOELL ENTERPRISES, INC.	2089 NC HIGHWAY 86 N	YANCEYVILLE	NC	27379	N	3366945218
BODDIE-NOELL ENTERPRISES, INC.	607 W GANNON ST	ZEBULON	NC	27597	N	9192697810
NORTHLAND RESTAURANT GROUP, LLC	1301 CAPITAL AVE	BISMARCK	ND	58501	N	7012581023
NORTHLAND RESTAURANT GROUP, LLC	515 HIGHWAY 2 E	DEVILS LAKE	ND	58301	N	7016624430

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
NORTHLAND RESTAURANT GROUP, LLC	233 W VILLARD ST	DICKINSON	ND	58601	N	7012270663
SUPERIOR STAR, LLC	3819 MAIN AVE	FARGO	ND	58103	N	7012811617
SUPERIOR STAR, LLC	3072 45TH ST	FARGO	ND	58104	N	7013561718
NORTHLAND RESTAURANT GROUP, LLC	1213 47TH STREET	GRAND FORKS	ND	58201	N	7017758505
NORTHLAND RESTAURANT GROUP, LLC	2205 N BROADWAY	MINOT	ND	58703	N	7018384408
NORTHLAND RESTAURANT GROUP, LLC	2000 S BROADWAY	MINOT	ND	58701	N	7018526960
NORTHLAND RESTAURANT GROUP, LLC	104 9TH AVE SE	WATFORD CITY	ND	58854	N	7018050750
SUPERIOR STAR, LLC	1450 13TH AVE	WEST FARGO	ND	58078	N	7014784196
NORTHLAND RESTAURANT GROUP, LLC	1020 2ND AVE W	WILLISTON	ND	58801	N	7017748118
MIDWEST FIRST STAR INC.	1395 S ARLINGTON ST	AKRON	OH	46305	N	2345712066
MIDWEST FIRST STAR INC.	4010 COLONEL GLENN HWY	BEAVER CREEK	OH	45431	N	9374262232
FRANCIECO., L.P.	2001 State Route 540	BELLEFONTAINE	OH	43311	N	9375656068
RIVER VALLEY RESTAURANTS, LLC	1801 WASHINGTON STREET	BELPRE	OH	45714	Y	7404234050
FRANCIECO., L.P.	2008 STATE ROUTE 850	BIDWELL	OH	45614	N	7402455037
GIANT HOSPITALITY, LLC	801 ARLINGTON ROAD	BROOKVILLE	OH	45309	N	8137400422
SUPERIOR STAR, LLC	536 S SANDUSKY STREET	BUCYRUS	OH	44820	N	4195629980
FRANCIECO., L.P.	10145 AVON LAKE RD	BURBANK	OH	44214	N	3306240919
MIDWEST FIRST STAR INC.	300 W MAIN ST	CIRCLEVILLE	OH	43113	N	7404746858
MIDWEST FIRST STAR INC.	1559 US HWY 20	CLYDE	OH	43410	N	4197653065
SUPERIOR STAR, LLC	3444 SOUTH HIGH STREET	COLUMBUS	OH	43207	N	6142954566
SUPERIOR STAR, LLC	325 S 2ND ST	COSHOCTON	OH	43812	Y	7406221110
FRANCIECO., L.P.	2217 S EDWIN C MOSES BLVD	DAYTON	OH	45417	N	9372225202
MIDWEST FIRST STAR INC.	2500 NEEDMORE RD	DAYTON	OH	45414	N	9372783661

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
FRANCIECO., L.P.	1910 E. 5TH STREET	DELPHOS	OH	24012	N	7403403172
FRANCIECO., L.P.	9901 SCHUSTER WAY	ETNA	OH	43018	N	7409637134
AVI FOOD SYSTEMS, INC.	6410 COUNTY RD 165	GENOA	OH	43430	N	4197423149
AVI FOOD SYSTEMS, INC.	6164 COUNTY RD 165	GENOA	OH	43430	N	4198553478
MIDWEST FIRST STAR INC.	699 WAGNER AVE	GREENVILLE	OH	45331	N	9377414852
MIDWEST FIRST STAR INC.	7508 BRANDT PIKE	HUBER HEIGHTS	OH	45424	N	9372361024
MIDWEST FIRST STAR INC.	65 S CHESTNUT ST	JEFFERSON	OH	44047	N	4405762400
FRANCIECO., L.P.	13023 US HIGHWAY 35 NW	JEFFERSONVILLE	OH	43128	N	7409482441
FRANCIECO., L.P.	HWY 33 & LANCASTER-CIRCLEVILLE RD	LANCASTER	OH	43130	N	7402774740
MIDWEST FIRST STAR INC.	8209 SPRINGBORO PIKE	MIAMISBURG	OH	45342	N	9374361479
SUPERIOR STAR, LLC	500 SOUTH BREIEL BLVD	MIDDLETOWN	OH	45044	N	5134331300
MIDWEST FIRST STAR INC.	709 E LINCOLN WAY	MINERVA	OH	44657	N	3308685700
SUPERIOR STAR, LLC	2333 E HIGH ST	NEW PHILADELPHIA	OH	44663	Y	3303391944
FRANCIECO., L.P.	4898 Shuffel St. NW	NORTH CANTON	OH	44720	N	3305267334
FRANCIECO., L.P.	SR 7 & INTERSTATE 76	NORTH LIMA	OH	22553	N	3305427030
FRANCIECO., L.P.	6023 ALUM CREEK DR	OBETZ	OH	43207	N	6144918695
MIDWEST FIRST STAR INC.	1286 EAST ASH ST	PIQUA	OH	45356	N	9375384581
GIANT HOSPITALITY, LLC	6134 STATE HWY 14	RAVENNA	OH	44266	N	3308398039
MIDWEST FIRST STAR INC.	8750 WOOSTER PIKE	SEVILLE	OH	44273	N	3307693020
FRANCIECO., L.P.	2241 FAIR ROAD	SIDNEY	OH	45365	N	9374921144
SUPERIOR STAR, LLC	782 S WOOSTER AVENUE	STRASBURG	OH	44680	Y	3308785090
FRANCIECO., L.P.	1301 N WARPOLE ST	UPPER SANDUSKY	OH	43351	N	4192090955
DIAMOND MANAGEMENT, LLC	2102 E CHEROKEE AVE	SALLISAW	OK	74955	N	9187755882
RESTAURANT MANAGEMENT CORPORATION	1804 WEST TRINDLE ROAD	CARLISLE	PA	17013	N	7174624017
RESTAURANT MANAGEMENT CORPORATION	625 LINCOLN WAY EAST	CHAMBERSBURG	PA	17201	N	7172643630

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
RESTAURANT MANAGEMENT CORPORATION	820 EAST MAIN STREET	DALLASTOWN	PA	17313	N	7172446110
RESTAURANT MANAGEMENT CORPORATION	724 ALLEGHENY ST	DAUPHIN	PA	17018	N	7179218238
RESTAURANT MANAGEMENT CORPORATION	30 S ANTRIM WAY	GREENCASTLE	PA	17225	N	7175977460
RESTAURANT MANAGEMENT CORPORATION	2203 PAXTON ST	HARRISBURG	PA	17111	N	7172327873
RESTAURANT MANAGEMENT CORPORATION	646 MAIN STREET	MCSHERRYSTOWN	PA	17344	N	7176327810
RESTAURANT MANAGEMENT CORPORATION	230 NISSLEY ST	MIDDLETOWN	PA	17057	N	7179447717
STEELTOWN RESTAURANTS, INC.	1201 NORTH AVE	MILLVALE	PA	15209	N	4128213643
RESTAURANT MANAGEMENT CORPORATION	198 W LINCOLN AVENUE	MYERSTOWN	PA	17067	N	7178665522
RESTAURANT MANAGEMENT CORPORATION	500 NORTH MAIN STREET	SPRING GROVE	PA	17362	N	7172253496
RESTAURANT MANAGEMENT CORPORATION	1527 EAST MAIN STREET	WAYNESBORO	PA	17268	N	7177627252
RIVER VALLEY RESTAURANTS, LLC	124 E ROY FURMAN HWY	WAYNESBURG	PA	15370	Y	7246276742
RESTAURANT MANAGEMENT CORPORATION	2020 WEST MARKET STREET	YORK	PA	17404	N	7177929406
RESTAURANT MANAGEMENT CORPORATION	1617 NORTH GEORGE STREET	YORK	PA	17404	N	7178486051
SADDLE PEAK LLC	100 WEST GREENWOOD ST	ABBEVILLE	SC	29620	N	310 6580428
SADDLE PEAK LLC	2648 COLUMBIA HIGHWAY N	AIKEN	SC	29805	N	8036494452
SADDLE PEAK LLC	1733 WHISKEY RD	AIKEN	SC	29803	N	8036491139
BREWER FOODS, INC.	601 RAILROAD AVENUE	ALLENDALE	SC	29810	N	8035844200
FRANCIECO., L.P.	I-85 EXIT 32	ANDERSON	SC	29669	N	8649478788
BREWER FOODS, INC.	2999 MAIN HIGHWAY	BAMBERG	SC	29003	N	8032454895

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
BREWER FOODS, INC.	10262 DUNBARTON BLVD	BARNWELL	SC	29812	N	8032597233
BAY FOODS, INC.	216 S MAIN ST	BISHOPVILLE	SC	29010	N	8034845605
ARC BURGER, LLC	2109 SAVANNAH HWY	CHARLESTON	SC	29414	Y	8437638826
CAROLINA FOOD SYSTEMS, INC.	801 MARKET ST	CHERAW	SC	29520	N	8435373691
MORNING STAR, LLC	1791 J A COCHRAN BYP	CHESTER	SC	29706	N	8033771818
SADDLE PEAK LLC	4445 JEFFERSON DAVIS HWY	CLEARWATER	SC	29822	N	8035939566
MORNING STAR, LLC	206 S MAIN ST	CLOVER	SC	29710	N	8032229092
CAROLINA FOOD SYSTEMS, INC.	217 S MAIN ST	DARLINGTON	SC	29532	N	8433985049
BREWER FOODS, INC.	18255 HERITAGE HWY	DENMARK	SC	54615	N	8037933007
BREWER FOODS, INC.	301 N 2ND ST	DILLON	SC	29536	N	8437749581
R.L. JORDAN OIL COMPANY OF NC, INC.	3883 CROSS ANCHOR ROAD	ENOREE	SC	29335	N	8649697085
BREWER FOODS, INC.	6448 E OLD MARION HWY	FLORENCE	SC	29506	N	8436679116
CAROLINA FOOD SYSTEMS, INC.	1606 S IRBY ST	FLORENCE	SC	29505	N	8434139310
CAROLINA FOOD SYSTEMS, INC.	2302 W LUCAS ST	FLORENCE	SC	29501	N	8432929282
MORNING STAR, LLC	875 GOLD HILL RD	FORT MILL	SC	29708	N	8035480071
ARC BURGER, LLC	1311 CHURCH ST	GEORGETOWN	SC	29440	N	8435466413
ARC BURGER, LLC	201 N GOOSE CREEK BLVD	GOOSE CREEK	SC	29445	N	8435537780
SADDLE PEAK LLC	630 BYPASS 25 NE	GREENWOOD	SC	29646	N	8642233919
SADDLE PEAK LLC	102 COMMONS DR	GREENWOOD	SC	29649	N	8642233005
ARC BURGER, LLC	1005 ELM ST W	HAMPTON	SC	29924	N	8039434781
CAROLINA FOOD SYSTEMS, INC.	909 S FIFTH ST	HARTSVILLE	SC	29550	N	8433831901
BREWER FOODS, INC.	301 S MAIN ST	HEMINGWAY	SC	29554	N	8435587070
BREWER FOODS, INC.	215 W MAIN ST	KINGSTREE	SC	29556	N	8433547720
BREWER FOODS, INC.	115 S RON MCNAIR BLVD	LAKE CITY	SC	29560	N	8433942219
MORNING STAR, LLC	297 LANCASTER BYP E	LANCASTER	SC	29720	N	8032860181
BREWER FOODS, INC.	226 S RICHARDSON ST.	LATTA	SC	29565	N	8434181262
BODDIE-NOELL ENTERPRISES, INC.	4206 E MAIN STREET	LORIS	SC	29569	N	8437561300

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
BREWER FOODS, INC.	102 SUNSET DRIVE	MANNING	SC	29102	N	8034358007
SADDLE PEAK LLC	101 S MINE ST	MC CORMICK	SC	29835	N	8644653602
ARC BURGER, LLC	422 N HIGHWAY 52	MONCKS CORNER	SC	29461	N	8439961435
BREWER FOODS, INC.	2680 E HIGHWAY 76	MULLINS	SC	29574	N	8434230550
SADDLE PEAK LLC	130 MAIN ST E	NINETY SIX	SC	29666	N	8645432484
SADDLE PEAK LLC	313 EDGEFIELD RD	NORTH AUGUSTA	SC	29841	N	8032791004
FRANCIECO., L.P.	2210 Highway 601N	PAGELAND	SC	29728	N	8435175002
BREWER FOODS, INC.	1450 RIBAUT RD	PORT ROYAL	SC	29935	N	8435229021
BREWER FOODS, INC.	6320 SAVANNAH HWY	RAVENEL	SC	29470	N	8438896897
MORNING STAR, LLC	188 S HERLONG AVE	ROCK HILL	SC	29732	N	8033664333
MORNING STAR, LLC	2165 MANA COURT	ROCK HILL	SC	29730	N	8033271950
ARC BURGER, LLC	6002 W JIM BILTON BLVD	SAINT GEORGE	SC	29477	Y	8435634156
CAROLINA FOOD SYSTEMS, INC.	401 S HARRY C RAYSOR DR	SAINT MATTHEWS	SC	29135	N	8036555549
ARC BURGER, LLC	10005 DORCHESTER RD	SUMMERVILLE	SC	29485	Y	8438735740
ARC BURGER, LLC	1402 N MAIN ST	SUMMERVILLE	SC	29483	N	8438716152
CAROLINA FOOD SYSTEMS, INC.	493 N GUIGNARD DR	SUMTER	SC	29150	N	8037757494
BREWER FOODS, INC.	105 N CHURCH ST	SWANSEA	SC	29160	N	8035680202
BREWER FOODS, INC.	315 EAST SMITH STREET	TIMMONSVILLE	SC	29161	N	8433465063
ARC BURGER, LLC	503 N JEFFERIES BLVD	WALTERBORO	SC	29488	N	8435492632
BREWER FOODS, INC.	12733 MAIN ST	WILLISTON	SC	29853	N	8032664567
FRANCIECO., L.P.	409 YEMASSEE HWY	YEMASSEE	SC	29945	N	8435893250
MORNING STAR, LLC	1125 FILBERT HIGHWAY	YORK	SC	29745	N	8036202138
NORTHLAND RESTAURANT GROUP, LLC	2504 FIFTH AVE	BELLE FOURCHE	SD	57717	N	6058926170
FRANCIECO., L.P.	679 REAGAN AVE	BOX ELDER	SD	57719	N	6059234306
SUPERIOR STAR, LLC	1201 E HIGHWAY 12	MILBANK	SD	57252	N	6054324916
NORTHLAND RESTAURANT GROUP, LLC	305 W SIOUX AVE	PIERRE	SD	57501	N	6052240420

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
NORTHLAND RESTAURANT GROUP, LLC	2250 N HAINES AVE	RAPID CITY	SD	57701	N	6053413056
NORTHLAND RESTAURANT GROUP, LLC	604 5TH ST	RAPID CITY	SD	57701	N	6053485692
NORTHLAND RESTAURANT GROUP, LLC	1204 E. NORTH STREET	RAPID CITY	SD	57701	N	6053426864
NORTHLAND RESTAURANT GROUP, LLC	4801 W 12TH ST	SIOUX FALLS	SD	57106	N	6053393982
NORTHLAND RESTAURANT GROUP, LLC	2900 S MINNESOTA AVE	SIOUX FALLS	SD	57105	N	6053343660
PARADIGM INVESTMENT GROUP, LLC	26094 MAIN ST	ARDMORE	TN	38449	N	9314276869
DBJ ENTERPRISES INC.	1219 CONGRESS PKWY S	ATHENS	TN	37303	N	4237455014
DBJ ENTERPRISES INC.	104 S WHITE ST	ATHENS	TN	37303	N	4237455927
RIVER VALLEY RESTAURANTS, LLC	3283 HWY 126	BLOUNTVILLE	TN	37617	N	4232122721
RIVER VALLEY RESTAURANTS, LLC	1313 VOLUNTEER PARKWAY	BRISTOL	TN	37620	N	4239689265
DBJ ENTERPRISES INC.	1651 LAUDERDALE MEMORIAL HWY	CHARLESTON	TN	37310	N	4233363702
DBJ ENTERPRISES INC.	220 BROWNS FERRY RD	CHATTANOOGA	TN	37419	N	4238210522
DBJ ENTERPRISES INC.	4007 MCCAHILL ROAD	CHATTANOOGA	TN	37415	N	4238705651
DBJ ENTERPRISES INC.	4831 HWY 58	CHATTANOOGA	TN	37416	N	4238944317
DBJ ENTERPRISES INC.	6305 RINGGOLD ROAD	CHATTANOOGA	TN	37412	N	4238942307
DBJ ENTERPRISES INC.	110 BERNHAM DR N W	CLEVELAND	TN	37312	N	4234792254
DBJ ENTERPRISES INC.	2005 SPRING PLACE ROAD	CLEVELAND	TN	37323	N	4234762261
DBJ ENTERPRISES INC.	2410 BLUE SPRINGS RD SE	CLEVELAND	TN	37311	N	4234726946
DBJ ENTERPRISES INC.	1651 25TH STREET NW	CLEVELAND	TN	37311	N	4234720581
RIVER VALLEY RESTAURANTS, LLC	4256 FORT HENRY DRIVE	COLONIAL HEIGHTS	TN	37663	Y	4232397727
111 QSR FOODS PARTNERS LLC	1750 SALEM RD	COOKEVILLE	TN	38506	N	9315598240

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
DBJ ENTERPRISES INC.	5088 HIGHWAY 64	COPPERHILL	TN	37317	N	4234963899
DBJ ENTERPRISES INC.	7474 RHEA COUNTY HWY	DAYTON	TN	37321	N	4237759126
DBJ ENTERPRISES INC.	17659 STATE HIGHWAY 58 N	DECATUR	TN	37322	N	4233341345
DBJ ENTERPRISES INC.	17068 RANKIN AVENUE	DUNLAP	TN	37327	N	4239494433
RIVER VALLEY RESTAURANTS, LLC	107 E BROAD ST	ELIZABETHTON	TN	37643	N	4235424271
RIVER VALLEY RESTAURANTS, LLC	NORTH MAIN ST RT 1 BOX 1237	ERWIN	TN	37650	N	4237435050
DBJ ENTERPRISES INC.	859 HIGHWAY 411 NORTH	ETOWAH	TN	37331	N	4232631979
PARADIGM INVESTMENT GROUP, LLC	1116 HUNTSVILLE HWY	FAYETTEVILLE	TN	37334	N	9314334752
RIVER VALLEY RESTAURANTS, LLC	711 ASHEVILLE HIGHWAY	GREENEVILLE	TN	37743	Y	4236361730
RIVER VALLEY RESTAURANTS, LLC	2676 E ANDREW JOHNSON HWY	GREENEVILLE	TN	37745	N	4236397980
HIA, INC.	6680 CUMBERLAND GAP PKWY	HARROGATE	TN	37752	N	4238695142
FRANCIECO., L.P.	1165 AEDC ROAD	HILLSBORO	TN	37342	N	9312536001
SADDLE PEAK LLC	348 E MAIN ST	HOHENWALD	TN	38462	N	9317962154
FRANCIECO., L.P.	2050 HIGHWAY 70 EAST	JACKSON	TN	38305	N	7314220901
DBJ ENTERPRISES INC.	1210 HWY 28	JASPER	TN	37347	N	4239426021
RIVER VALLEY RESTAURANTS, LLC	2702 NORTH ROAN STREET	JOHNSON CITY	TN	37601	Y	4232828126
RIVER VALLEY RESTAURANTS, LLC	2102 WEST MARKET ST	JOHNSON CITY	TN	37604	Y	4239297667
RIVER VALLEY RESTAURANTS, LLC	4707 N ROAN ST	JOHNSON CITY	TN	37615	N	4232327358
RIVER VALLEY RESTAURANTS, LLC	395 EAST JACKSON BLVD	JONESBOROUGH	TN	37659	N	4237534501
RIVER VALLEY RESTAURANTS, LLC	1405 E STONE DR	KINGSPORT	TN	37660	N	4233784249
RIVER VALLEY RESTAURANTS, LLC	1401 JOHN B DENNIS PKWAY	KINGSPORT	TN	37660	N	4232455669
HARCO FOODS, LLC	4315 RUTLEDGE PIKE	KNOXVILLE	TN	37914	N	8659097737

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
DBJ ENTERPRISES INC.	541 HWY 321 N	LENOIR CITY	TN	37771	N	8659867747
DBJ ENTERPRISES INC.	4750 NEW HIGHWAY 68	MADISONVILLE	TN	37354	N	4234425814
HARCO FOODS, LLC	2105 E BROADWAY	MARYVILLE	TN	37804	N	8659826937
HARCO FOODS, LLC	1516 E LAMAR ALEXANDER PKWY	MARYVILLE	TN	37804	N	8656817730
HARCO FOODS, LLC	2601 US HIGHWAY 411 S	MARYVILLE	TN	37801	N	8656814505
HARCO FOODS, LLC	1575 Robert C Jackson Dr	MARYVILLE	TN	37801	N	8653245090
HIA, INC.	2825 MAYNARDVILLE HWY	MAYNARDVILLE	TN	37807	N	8659928811
SADDLE PEAK LLC	4628 SUMMER AVE	MEMPHIS	TN	38122	N	9014981950
SADDLE PEAK LLC	2005 WHITTEN ROAD	MEMPHIS	TN	38133	N	9013080115
SADDLE PEAK LLC	8523 N US HWY 51	MILLINGTON	TN	38053	N	9015865641
DBJ ENTERPRISES INC.	716 PARKER ST	MONTEAGLE	TN	37356	N	9319242175
RIVER VALLEY RESTAURANTS, LLC	530 W MAIN STREET	MOUNT CARMEL	TN	37645	N	4233578405
FRANCIECO., L.P.	150 COUCHVILLE INDUSTRIAL PIKE	MOUNT JULIET	TN	37122	N	6155833461
MOUNTAIN STAR LLC	141 PIONEER VILLAGE DR	MOUNTAIN CITY	TN	37683	N	4237279977
DBJ ENTERPRISES INC.	4083 HIGHWAY 411	OCOEE	TN	37361	N	4233384083
DBJ ENTERPRISES INC.	9201 LEE HIGHWAY	OOLTEWAH	TN	37363	N	4232385499
SUPERIOR STAR, LLC	1005 MINERAL WELLS AVE	PARIS	TN	38242	N	7316424220
SADDLE PEAK LLC	148 TENNESSEE AVE NORTH	PARSONS	TN	38363	Y	7318472424
RIVER VALLEY RESTAURANTS, LLC	5680 HWY 11 EAST	PINEY FLATS	TN	37686	N	4235384845
RIVER VALLEY RESTAURANTS, LLC	198 PARK BLVD	ROGERSVILLE	TN	37857	Y	4232725763
HIA, INC.	7685 RUTLEDGE PIKE	RUTLEDGE	TN	37861	Y	8658288424
SADDLE PEAK LLC	180 MAIN STREET	SAVANNAH	TN	38372	N	7319256106
SADDLE PEAK LLC	619 MULBERRY AVE	SELMER	TN	38375	N	7316455342
HIA, INC.	HIGHWAY 33 & HARRISON ST	SNEEDVILLE	TN	37869	N	4237334538
DBJ ENTERPRISES INC.	9398 RECO DR	SODDY DAISY	TN	37379	N	4233344494

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
DBJ ENTERPRISES INC.	177 FRONT STREET	SPRING CITY	TN	37381	N	4233656834
DBJ ENTERPRISES INC.	730 NEW HWY 68	SWEETWATER	TN	37874	N	4233375883
HIA, INC.	US HIGHWAY 33 & IRISH CEMETARY ROAD	TAZEWELL	TN	37879	N	4236267208
DBJ ENTERPRISES INC.	127 BANK ST	TELLICO PLAINS	TN	37385	N	4232533350
SUPERIOR STAR, LLC	2060 US 45 BYPASS SOUTH	TRENTON	TN	38382	N	7318552383
SUPERIOR STAR, LLC	1200 W REELFOOT AVE	UNION CITY	TN	38261	N	7318852898
DBJ ENTERPRISES INC.	1001 HIGHWAY 411	VONORE	TN	37885	N	4238842260
DBJ ENTERPRISES INC.	12075 VALLEY VIEW HWY	WHITWELL	TN	37397	N	4236582561
RIVER VALLEY RESTAURANTS, LLC	602 CUMMINGS ST.	ABINGDON	VA	24210	Y	2766288511
BODDIE-NOELL ENTERPRISES, INC.	1022 MAIN ST	ALTAVISTA	VA	24517	N	4343695323
BODDIE-NOELL ENTERPRISES, INC.	10151 SUPERIOR WAY	AMELIA COURT HOUSE	VA	23002	N	5045612489
BODDIE-NOELL ENTERPRISES, INC.	114 AMBRIAR PLAZA	AMHERST	VA	24521	N	4349469615
BRYANNA ENTERPRISES, LLC	7551 RICHMOND HWY	APPOMATTOX	VA	24522	N	4343527212
BODDIE-NOELL ENTERPRISES, INC.	106 N WASHINGTON HWY	ASHLAND	VA	23005	N	8047989016
BODDIE-NOELL ENTERPRISES, INC.	915 US 460 HWY	BEDFORD	VA	24523	N	5402964059
BODDIE-NOELL ENTERPRISES, INC.	711 WOOD AVE E	BIG STONE GAP	VA	24219	N	2765234704
BODDIE-NOELL ENTERPRISES, INC.	101 NORTH MAIN STREET	BLACKSTONE	VA	23824	N	4342924948
BODDIE-NOELL ENTERPRISES, INC.	701 S COLLEGE AVE	BLUEFIELD	VA	24605	N	2763224009
RIVER VALLEY RESTAURANTS, LLC	1950 LEE HWY	BRISTOL	VA	24201	N	2764662711
RIVER VALLEY RESTAURANTS, LLC	1860 EUCLID AVE	BRISTOL	VA	24201	Y	2764662041
BODDIE-NOELL ENTERPRISES, INC.	2801 BEECH AVENUE	BUENA VISTA	VA	24416	N	5402613353
BODDIE-NOELL ENTERPRISES, INC.	22031 LANKFORD HIGHWAY	CAPE CHARLES	VA	23310	N	7573314029
BODDIE-NOELL ENTERPRISES, INC.	131 CEDAR HILL LANE	CEDAR BLUFF	VA	24609	N	2765963331
BODDIE-NOELL ENTERPRISES, INC.	230 EAST SECOND STREET	CHASE CITY	VA	23924	N	4343722009
BODDIE-NOELL ENTERPRISES, INC.	13689 US HIGHWAY 29	CHATHAM	VA	24531	N	4344322707

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
BODDIE-NOELL ENTERPRISES, INC.	864 N. GEORGE WASHINGTON HWY	CHESAPEAKE	VA	23323	N	7574855025
BODDIE-NOELL ENTERPRISES, INC.	1433 GEORGE WASHINGTON	CHESAPEAKE	VA	23323	N	7574879392
BODDIE-NOELL ENTERPRISES, INC.	1506 MOUNT PLEASANT ROAD	CHESAPEAKE	VA	23322	N	7574827624
BODDIE-NOELL ENTERPRISES, INC.	1240 CEDAR ROAD	CHESAPEAKE	VA	23322	N	7574363037
BODDIE-NOELL ENTERPRISES, INC.	4006 BAINBRIDGE BLVD	CHESAPEAKE	VA	23324	N	7575451702
BODDIE-NOELL ENTERPRISES, INC.	1029 BATTLEFIELD BLVD NORTH	CHESAPEAKE	VA	23320	N	7575478230
BODDIE-NOELL ENTERPRISES, INC.	109 S GEORGE WASHINGTON	CHESAPEAKE	VA	23323	N	7574859663
BODDIE-NOELL ENTERPRISES, INC.	1901 WEST HUNDRED ROAD	CHESTER	VA	23836	N	8047484892
BODDIE-NOELL ENTERPRISES, INC.	506 WHITETOP RD	CHILHOWIE	VA	24319	N	2766463492
BODDIE-NOELL ENTERPRISES, INC.	2347 ROANOKE STREET	CHRISTIANSBURG	VA	24073	N	5403825954
BODDIE-NOELL ENTERPRISES, INC.	103 ROANOKE ST	CHRISTIANSBURG	VA	24073	N	5403826536
BODDIE-NOELL ENTERPRISES, INC.	2880 MARKET STREET	CHRISTIANSBURG	VA	24073	N	5403827680
BODDIE-NOELL ENTERPRISES, INC.	916 VIRGINIA AVE	CLARKSVILLE	VA	23927	N	4343742391
BODDIE-NOELL ENTERPRISES, INC.	502 W RIDGEWAY ST	CLIFTON FORGE	VA	24422	N	5408622621
BODDIE-NOELL ENTERPRISES, INC.	5012 DICKENSON HWY	CLINTWOOD	VA	24228	N	2769268934
BODDIE-NOELL ENTERPRISES, INC.	HIGHWAY 58 A	COEBURN	VA	24230	N	2763955441
BODDIE-NOELL ENTERPRISES, INC.	2927 VIRGINIA AVE	COLLINSVILLE	VA	24078	N	2766478585
BODDIE-NOELL ENTERPRISES, INC.	1850 BOULEVARD	COLONIAL HEIGHTS	VA	23834	N	8045269118
BODDIE-NOELL ENTERPRISES, INC.	801 TEMPLE AVENUE	COLONIAL HEIGHTS	VA	23834	N	8045261451
BAY FOODS, INC.	28384 SOUTHAMPTON PKWY	COURTLAND	VA	23837	N	7576532004
BODDIE-NOELL ENTERPRISES, INC.	1122 S ALLEGHANY AVENUE	COVINGTON	VA	24426	N	5409629257
BODDIE-NOELL ENTERPRISES, INC.	200 EAST VIRGINIA AVE	CREWE	VA	23930	N	4346459937
BODDIE-NOELL ENTERPRISES, INC.	1192 PINEY FOREST ROAD	DANVILLE	VA	24540	N	4348362139
BODDIE-NOELL ENTERPRISES, INC.	1298 S BOSTON RD	DANVILLE	VA	24540	N	4347930705
BODDIE-NOELL ENTERPRISES, INC.	3135 RIVERSIDE DR	DANVILLE	VA	24541	N	4347995581

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BODDIE-NOELL ENTERPRISES, INC.	1314 W MAIN ST	DANVILLE	VA	24541	N	4347974930
BODDIE-NOELL ENTERPRISES, INC.	9300 FOUNTAIN DR	DISPUTANTA	VA	23842	N	8047321002
BODDIE-NOELL ENTERPRISES, INC.	208 COLLEGE AVENUE	DUBLIN	VA	24084	N	5406740074
BODDIE-NOELL ENTERPRISES, INC.	711 DUFF-PATT ROAD	DUFFIELD	VA	24244	N	2764314433
BODDIE-NOELL ENTERPRISES, INC.	101 MARKET STREET EMPORIA	EMPORIA	VA	23847	N	4346344988
BODDIE-NOELL ENTERPRISES, INC.	4151 LANKFORD HWY	EXMORE	VA	23350	N	7574422536
BODDIE-NOELL ENTERPRISES, INC.	567 WARRENTON ROAD	FALMOUTH	VA	22406	N	5408993117
BODDIE-NOELL ENTERPRISES, INC.	1521 SOUTH MAIN STREET	FARMVILLE	VA	23901	N	4343913422
BODDIE-NOELL ENTERPRISES, INC.	402 W MAIN ST	FLOYD	VA	24091	N	5407452171
BODDIE-NOELL ENTERPRISES, INC.	17051 FOREST ROAD	FOREST	VA	24551	N	4346162437
BODDIE-NOELL ENTERPRISES, INC.	105 MECHANIC ST NORTH	FRANKLIN	VA	23851	N	7575622740
BODDIE-NOELL ENTERPRISES, INC.	10706 Patriot Highway	FREDERICKSBURG	VA	22408	N	5408981236
BODDIE-NOELL ENTERPRISES, INC.	11825 TIDEWATER TRAIL	FREDERICKSBURG	VA	22408	N	5403741358
BODDIE-NOELL ENTERPRISES, INC.	425 MAIN ST	GALAX	VA	24333	N	2762362161
BODDIE-NOELL ENTERPRISES, INC.	157 KANE ST	GATE CITY	VA	24251	N	2763866798
BODDIE-NOELL ENTERPRISES, INC.	7007 GEORGE WASHINGTON MEM HWY	GLOUCESTER	VA	23061	N	8046930363
BODDIE-NOELL ENTERPRISES, INC.	1945 SANDY HOOK RD	GOOCHLAND	VA	23063	N	8045566741
BODDIE-NOELL ENTERPRISES, INC.	110 W GORDON AVENUE	GORDONSVILLE	VA	22942	N	5408327665
BODDIE-NOELL ENTERPRISES, INC.	5408 GEORGE WASHINGTON HY	GRAFTON	VA	23692	N	7578980970
BODDIE-NOELL ENTERPRISES, INC.	410 SOUTH MAIN STREET	HALIFAX	VA	24558	N	4344761380
BODDIE-NOELL ENTERPRISES, INC.	8104 NEW MARKET DR	HAMPTON	VA	23605	N	7578267678
BODDIE-NOELL ENTERPRISES, INC.	63 EAST MERCURY BLVD	HAMPTON	VA	23669	N	7577235567
BODDIE-NOELL ENTERPRISES, INC.	306 ABERDEEN RD	HAMPTON	VA	23661	N	7578262068
BODDIE-NOELL ENTERPRISES, INC.	785 MARTIN LUTHER KING WAY	HARRISONBURY	VA	22801	N	5404338224
BODDIE-NOELL ENTERPRISES, INC.	2398 GEORGE WASHINGTON MEM HWY	HAYES	VA	23072	N	8046423950

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BODDIE-NOELL ENTERPRISES, INC.	1120 E NINE MILE ROAD	HIGHLAND SPRINGS	VA	23075	N	8047371064
BODDIE-NOELL ENTERPRISES, INC.	115 N MAIN ST	HILLSVILLE	VA	24343	N	2767284668
BODDIE-NOELL ENTERPRISES, INC.	310 WEST RANDOLPH ROAD	HOPEWELL	VA	23860	N	8044580184
BODDIE-NOELL ENTERPRISES, INC.	2915 OAK LAWN	HOPEWELL	VA	23860	N	8044580360
BODDIE-NOELL ENTERPRISES, INC.	501 SOUTH HICKS STREET	LAWRENCEVILLE	VA	23868	N	4348482595
BODDIE-NOELL ENTERPRISES, INC.	1273 EAST MAIN STREET	LEBANON	VA	24266	N	2768893300
BODDIE-NOELL ENTERPRISES, INC.	76 E. MIDLAND TRAIL	LEXINGTON	VA	24450	N	5404635003
BODDIE-NOELL ENTERPRISES, INC.	413 EAST MAIN	LOUISA	VA	23093	N	5409679592
BODDIE-NOELL ENTERPRISES, INC.	607 EAST MAIN STREET	LURAY	VA	22835	N	5407431500
BODDIE-NOELL ENTERPRISES, INC.	20265 TIMBERLAKE RD	LYNCHBURG	VA	24502	N	4342372792
BODDIE-NOELL ENTERPRISES, INC.	2231 LANGHORNE RD	LYNCHBURG	VA	24501	N	4345280007
BODDIE-NOELL ENTERPRISES, INC.	3750 CANDLERS MOUNTAIN RD	LYNCHBURG	VA	24502	N	4348467707
BODDIE-NOELL ENTERPRISES, INC.	161 LAKEVIEW DR	MADISON HEIGHTS	VA	24572	N	4348463212
BODDIE-NOELL ENTERPRISES, INC.	347 N MAIN ST	MARION	VA	24354	N	2767836441
BODDIE-NOELL ENTERPRISES, INC.	901 E CHURCH ST	MARTINSVILLE	VA	24112	N	5406381614
BODDIE-NOELL ENTERPRISES, INC.	547 MEMORIAL BLVD S	MARTINSVILLE	VA	24112	N	2766387056
BODDIE-NOELL ENTERPRISES, INC.	27 MAIN ST	MATHEWS	VA	23109	N	8047257468
BODDIE-NOELL ENTERPRISES, INC.	13736 HULL STREET ROAD	MIDLOTHIAN	VA	23112	N	8047399427
BODDIE-NOELL ENTERPRISES, INC.	10210 HULL STREET ROAD	MIDLOTHIAN	VA	23112	N	8047454433
BODDIE-NOELL ENTERPRISES, INC.	14655 MONETA RD	MONETA	VA	24121	N	5402547610
BODDIE-NOELL ENTERPRISES, INC.	5298 MAIN ST.	MOUNT JACKSON	VA	22842	N	5404779211
BODDIE-NOELL ENTERPRISES, INC.	11017 JEFFERSON AVENUE	NEWPORT NEWS	VA	23601	N	7575994454
BODDIE-NOELL ENTERPRISES, INC.	430 DENBIGH BLVD	NEWPORT NEWS	VA	23608	N	7578751737
BODDIE-NOELL ENTERPRISES, INC.	11014 WARWICK BLVD	NEWPORT NEWS	VA	23601	N	7575991966
BODDIE-NOELL ENTERPRISES, INC.	13165 JEFFERSON AVE	NEWPORT NEWS	VA	23608	N	7579898905
BODDIE-NOELL ENTERPRISES, INC.	7480 TIDEWATER DRIVE	NORFOLK	VA	23505	N	7575839004

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BODDIE-NOELL ENTERPRISES, INC.	8405 HAMPTON BLVD	NORFOLK	VA	23505	N	7574511924
BODDIE-NOELL ENTERPRISES, INC.	2301 E LITTLE CREEK RD	NORFOLK	VA	23518	N	7575834277
BODDIE-NOELL ENTERPRISES, INC.	505 WEST 21ST STREET	NORFOLK	VA	23517	N	7576253003
BODDIE-NOELL ENTERPRISES, INC.	3908 PRINCESS ANNE ROAD	NORFOLK	VA	23502	N	7578535834
BODDIE-NOELL ENTERPRISES, INC.	377 CAMPOSTELLA ROAD	NORFOLK	VA	23523	N	7575439189
BODDIE-NOELL ENTERPRISES, INC.	5859 E VIRGINIA BEACH BLVD	NORFOLK	VA	23502	N	7574611628
BODDIE-NOELL ENTERPRISES, INC.	475 WHARTON LN NE	NORTON	VA	24273	N	2766797347
BODDIE-NOELL ENTERPRISES, INC.	25048 LANKFORD HWY	ONLEY	VA	23418	N	7577878947
BODDIE-NOELL ENTERPRISES, INC.	194 MADISON RD	ORANGE	VA	22960	N	5406722466
BODDIE-NOELL ENTERPRISES, INC.	528 N MAIN STREET	PEARISBURG	VA	24134	N	5409212503
BODDIE-NOELL ENTERPRISES, INC.	712 E MORGAN AVE	PENNINGTON GAP	VA	24277	N	2765465269
BODDIE-NOELL ENTERPRISES, INC.	1865 S CRATER RD	PETERSBURG	VA	23805	N	8048616315
BODDIE-NOELL ENTERPRISES, INC.	5412 BOYDTON PLANK ROAD	PETERSBURG	VA	23803	N	8048615109
BODDIE-NOELL ENTERPRISES, INC.	5900 W HIGH STREET	PORTSMOUTH	VA	23703	N	7574846424
BODDIE-NOELL ENTERPRISES, INC.	850 LONDON BLVD	PORTSMOUTH	VA	23704	N	7573995281
BODDIE-NOELL ENTERPRISES, INC.	5705 PORTSMOUTH BLVD	PORTSMOUTH	VA	23701	N	7574880548
BODDIE-NOELL ENTERPRISES, INC.	1032 MAIN STREET	PULASKI	VA	24301	N	5409801101
BODDIE-NOELL ENTERPRISES, INC.	7353 LEE HIGHWAY	RADFORD	VA	24141	N	5406330917
BODDIE-NOELL ENTERPRISES, INC.	SECOND ST	RICHLANDS	VA	24641	N	2769630150
BODDIE-NOELL ENTERPRISES, INC.	4801 JEFFERSON DAVIS HWY	RICHMOND	VA	23234	N	8042710207
BODDIE-NOELL ENTERPRISES, INC.	7917 MIDLOTHIAN TURNPIKE	RICHMOND	VA	23235	N	8043200303
BODDIE-NOELL ENTERPRISES, INC.	6302 LAKESIDE AVENUE	RICHMOND	VA	23228	N	8042625164
BODDIE-NOELL ENTERPRISES, INC.	4841 LABURNUM AVE	RICHMOND	VA	23231	N	8042221444
BODDIE-NOELL ENTERPRISES, INC.	3815 MECHANICSVILLE PIKE	RICHMOND	VA	23223	N	8043295478
BODDIE-NOELL ENTERPRISES, INC.	11121 MIDLOTHIAN TURNPIKE	RICHMOND	VA	23235	N	8047941490
BODDIE-NOELL ENTERPRISES, INC.	3201 E. PARHAM ROAD	RICHMOND	VA	23228	N	8042669590
BODDIE-NOELL ENTERPRISES, INC.	4800 GREENSBORO RD	RIDGEWAY	VA	24148	N	2769568244

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BODDIE-NOELL ENTERPRISES, INC.	3401 PLANTATION ROAD NE	ROANOKE	VA	24012	N	5405630992
BODDIE-NOELL ENTERPRISES, INC.	3729 BRAMBLETON AVE SW	ROANOKE	VA	24018	N	5409895533
BODDIE-NOELL ENTERPRISES, INC.	605 9TH STREET SE	ROANOKE	VA	24013	N	5409810103
BODDIE-NOELL ENTERPRISES, INC.	2301 ORANGE AVENUE NE	ROANOKE	VA	24012	N	5409811973
BODDIE-NOELL ENTERPRISES, INC.	3011 HERSHBERGER ROAD	ROANOKE	VA	24017	N	5403628606
BODDIE-NOELL ENTERPRISES, INC.	4060 ELECTRIC ROAD	ROANOKE	VA	24018	N	5409898214
BODDIE-NOELL ENTERPRISES, INC.	4201 WILLIAMSON ROAD NW	ROANOKE	VA	24012	N	5403667366
BODDIE-NOELL ENTERPRISES, INC.	2398 PETERS CREEK RD NW	ROANOKE	VA	24017	N	5405621707
BODDIE-NOELL ENTERPRISES, INC.	889 VILLAGE HWY	RUSTBURG	VA	24588	N	4343323800
BODDIE-NOELL ENTERPRISES, INC.	16403 WISE ST	SAINT PAUL	VA	24283	N	2767625488
BODDIE-NOELL ENTERPRISES, INC.	2038 W. MAIN ST	SALEM	VA	24153	N	5403870342
BODDIE-NOELL ENTERPRISES, INC.	1557 E. MAIN STREET	SALEM	VA	24153	N	5409863006
BODDIE-NOELL ENTERPRISES, INC.	1255 ELECTRIC ROAD	SALEM	VA	24153	N	5403896459
BODDIE-NOELL ENTERPRISES, INC.	199 GLOUCESTER ROAD	SALUDA	VA	23149	N	8047584931
BODDIE-NOELL ENTERPRISES, INC.	1909 S CHURCH ST	SMITHFIELD	VA	23430	N	7573573910
BODDIE-NOELL ENTERPRISES, INC.	1117 WILBORN AVE	SOUTH BOSTON	VA	24592	N	4345724042
BODDIE-NOELL ENTERPRISES, INC.	1010 BILL TUCK HIGHWAY BOX 6B	SOUTH BOSTON	VA	24592	N	4345721266
BODDIE-NOELL ENTERPRISES, INC.	903 EAST ATLANTIC STREET	SOUTH HILL	VA	23970	N	4344474898
BODDIE-NOELL ENTERPRISES, INC.	9811 COURTHOUSE RD	SPOTSYLVANIA	VA	22553	N	5408982683
BODDIE-NOELL ENTERPRISES, INC.	20 PROSPERITY RD	STAFFORD	VA	22556	N	5407206221
BODDIE-NOELL ENTERPRISES, INC.	933 FAIRYSTONE PARK HWY	STANLEYTOWN	VA	24168	N	2766291122
BODDIE-NOELL ENTERPRISES, INC.	241 N CENTRAL AVENUE	STAUNTON	VA	24401	N	5408855767
BRYANNA ENTERPRISES, LLC	314 S MAIN ST	STUART	VA	24171	N	2766943501
BODDIE-NOELL ENTERPRISES, INC.	2578 STUARTS DRAFT HWY	STUARTS DRAFT	VA	24477	N	5403373234
BODDIE-NOELL ENTERPRISES, INC.	843 WEST CONSTANCE ROAD	SUFFOLK	VA	23434	N	7575390484
BODDIE-NOELL ENTERPRISES, INC.	2301 PRUDEN BLVD	SUFFOLK	VA	23434	N	7579347641
BODDIE-NOELL ENTERPRISES, INC.	1508 HOLLAND RD	SUFFOLK	VA	23434	N	7575391151

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BODDIE-NOELL ENTERPRISES, INC.	2136 FINCASTLE TURNPIKE	TAZEWELL	VA	24651	N	2769889500
BODDIE-NOELL ENTERPRISES, INC.	14078 TIMBERWAY	TIMBERVILLE	VA	22853	N	5408963446
BODDIE-NOELL ENTERPRISES, INC.	2860 LEE HIGHWAY SOUTH	TROUTVILLE	VA	24175	N	5409925640
BODDIE-NOELL ENTERPRISES, INC.	277 LAUREL HILL	VERONA	VA	24482	N	5402484031
BODDIE-NOELL ENTERPRISES, INC.	1494 GENERAL BOOTH BLVD	VIRGINIA BEACH	VA	23454	N	7577217723
BODDIE-NOELL ENTERPRISES, INC.	2188 GREAT NECK SQUARE	VIRGINIA BEACH	VA	23454	N	7574817008
BODDIE-NOELL ENTERPRISES, INC.	1951 LYNNHAVEN PARKWAY	VIRGINIA BEACH	VA	23453	N	7574712068
BODDIE-NOELL ENTERPRISES, INC.	6075 INDIAN RIVER RD	VIRGINIA BEACH	VA	23464	N	7574242123
BODDIE-NOELL ENTERPRISES, INC.	701 INDEPENDENCE BLVD	VIRGINIA BEACH	VA	23455	N	7574970894
BODDIE-NOELL ENTERPRISES, INC.	2248 VIRGINIA BEACH BLVD	VIRGINIA BEACH	VA	23454	N	7574865122
BODDIE-NOELL ENTERPRISES, INC.	1201 BAKER ROAD	VIRGINIA BEACH	VA	23455	N	7574603317
BODDIE-NOELL ENTERPRISES, INC.	4261 HOLLAND RD	VIRGINIA BEACH	VA	23452	N	7574959657
BODDIE-NOELL ENTERPRISES, INC.	305 DORSET AVENUE	VIRGINIA BEACH	VA	23462	N	7574970339
BODDIE-NOELL ENTERPRISES, INC.	3342 VIRGINIA BEACH BLVD	VIRGINIA BEACH	VA	23452	N	7574867941
BODDIE-NOELL ENTERPRISES, INC.	3252 HOLLAND ROAD	VIRGINIA BEACH	VA	23453	N	7573680302
BODDIE-NOELL ENTERPRISES, INC.	4733 RICHMOND ROAD	WARSAW	VA	22572	N	8043335066
BODDIE-NOELL ENTERPRISES, INC.	239 SOUTH COUNTY DRIVE	WAVERLY	VA	23890	N	8048349848
BODDIE-NOELL ENTERPRISES, INC.	1416 W MAIN ST	WAYNESBORO	VA	22980	N	5409429798
BODDIE-NOELL ENTERPRISES, INC.	323 14TH ST	WEST POINT	VA	23181	N	8048434274
BODDIE-NOELL ENTERPRISES, INC.	6450 RICHMOND PLAZA	WILLIAMSBURG	VA	23188	N	7575650464
BODDIE-NOELL ENTERPRISES, INC.	538 2ND ST	WILLIAMSBURG	VA	23185	N	7572295973
BODDIE-NOELL ENTERPRISES, INC.	403 WEST MAIN STREET	WISE	VA	24293	N	2763282036
BODDIE-NOELL ENTERPRISES, INC.	1015 E MAIN ST	WYTHEVILLE	VA	24382	N	2762287292
BODDIE-NOELL ENTERPRISES, INC.	5001 VICTORY BLVD	YORKTOWN	VA	23693	N	7579881715
MOUNTAIN STAR LLC	901 BLUEFIELD AVE	BLUEFIELD	WV	24701	N	3043279382
RIVER VALLEY RESTAURANTS, LLC	208 S. KANAWHA STREET	BUCKHANNON	WV	26201	N	3044721019
RIVER VALLEY RESTAURANTS, LLC	1506 BIGLEY AVE	CHARLESTON	WV	25302	N	3043422898

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RIVER VALLEY RESTAURANTS, LLC	4400 PENNSYLVANIA AVENUE	CHARLESTON	WV	25302	Y	3049657029
RIVER VALLEY RESTAURANTS, LLC	722 E MAIN ST	CLARKSBURG	WV	26301	Y	3046233740
RIVER VALLEY RESTAURANTS, LLC	27 RANDOLPH AVENUE	ELKINS	WV	26241	Y	3046367127
RIVER VALLEY RESTAURANTS, LLC	2649 WHITE HALL BLVD	FAIRMONT	WV	26554	Y	3043667582
MOUNTAIN STAR LLC	1701 WASHINGTON AVE	HUNTINGTON	WV	25704	N	3044294191
RIVER VALLEY RESTAURANTS, LLC	405 MAIN ST	KINGWOOD	WV	26537	Y	3043291420
RIVER VALLEY RESTAURANTS, LLC	2029 N JEFFERSON ST	LEWISBURG	WV	24901	Y	3046453826
MOUNTAIN STAR LLC	122 HUFF CREEK HWY	MAN	WV	25635	N	3045836655
RIVER VALLEY RESTAURANTS, LLC	1600 EARL L CORE RD	MORGANTOWN	WV	26505	N	3042969012
RIVER VALLEY RESTAURANTS, LLC	2309 PIKE STREET	PARKERSBURG	WV	26101	N	3044222455
RIVER VALLEY RESTAURANTS, LLC	1440 7TH STREET	PARKERSBURG	WV	26101	Y	3044287980
RIVER VALLEY RESTAURANTS, LLC	4327 EMERSON AVE.	PARKERSBURG	WV	26104	Y	3044228280
RIVER VALLEY RESTAURANTS, LLC	130 SOUTH MAIN STREET	PHILIPPI	WV	26416	N	3044574766
MOUNTAIN STAR LLC	170 MEADOWFIELD LN	PRINCETON	WV	24740	N	3044253886
MOUNTAIN STAR LLC	1306 STAFFORD DR	PRINCETON	WV	24740	N	3044257048
MOUNTAIN STAR LLC	889 ROBERT C BYRD DR	SOPHIA	WV	25921	N	3046839622
RIVER VALLEY RESTAURANTS, LLC	612 MAC CORKLE AVE	SOUTH CHARLESTON	WV	25303	Y	3047444702
RIVER VALLEY RESTAURANTS, LLC	1401 WEBSTER ROAD	SUMMERSVILLE	WV	26651	N	3048725749
RIVER VALLEY RESTAURANTS, LLC	598 US HIGHWAY 33E	WESTON	WV	26452	N	3042697392
RIVER VALLEY RESTAURANTS, LLC	164 POCHAHONTAS TRAIL	WHITE SULPHUR SPRING	WV	24986	Y	3045363243

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
ARC BURGER, LLC	104 E HART ST	BUFFALO	WY	82834	N	3076847971
ARC BURGER, LLC	207 S MILLER	GILLETTE	WY	82716	N	3076871620
DORO, INC.	3401 N BALLARD RD	APPLETON	WI	54911	N	9207392844
DORO, INC.	2106 55TH AVE	BALDWIN	WI	54002	N	7156844740
DORO, INC.	605 N. WATER ST.	BLACK RIVER FALLS	WI	54615	N	7152847191
DORO, INC.	2070 19TH AVE	BLOOMER	WI	54724	N	7155682450
DORO, INC.	2933 WESTERN AVE	EAU CLAIRE	WI	54703	N	7158366814
DORO, INC.	2910 GOLF ROAD	EAU CLAIRE	WI	54701	N	7158367490
FRANCIECO., L.P.	100 E. COMMERCE CT	ELKHORN	WI	53121	N	2627238885
DORO, INC.	2611 WEST MASON STREET	GREEN BAY	WI	54303	N	9204943169
DORO, INC.	1593 E MASON ST	GREEN BAY	WI	54302	N	9209405050
DORO, INC.	2328 HUMES RD	JANESVILLE	WI	53545	N	6087571557
NORTHLAND RESTAURANT GROUP, LLC	1311 ROSE ST	LA CROSSE	WI	54603	N	6087841082
NORTHLAND RESTAURANT GROUP, LLC	2205 HALL AVE	MARINETTE	WI	54143	N	7157321113
DORO, INC.	1618 SOUTH CENTRAL AVE	MARSHFIELD	WI	54449	N	7153891618
NORTHLAND RESTAURANT GROUP, LLC	537 GATEWAY AVE	MAUSTON	WI	53948	N	6088482324
HARDEE'S OF MEDFORD, LLC	230 S EIGHTH STREET	MEDFORD	WI	54451	N	7157485115
FRANCIECO., L.P.	5930 BADGER DRIVE	MENOMONIE	WI	54751	N	7152312178
DORO, INC.	902 S GREEN BAY ROAD	NEENAH	WI	54956	N	9207223466
FRANCIECO., L.P.	220 N OAKWOOD ST	OAKDALE	WI	54660	N	6083723920
ORG, LLC	2100 S KOELLER AVE	OSHKOSH	WI	54902	N	9202311234
DORO, INC.	12613 TENTH ST.	OSSEO	WI	54758	N	7155972533
FRANCIECO., L.P.	W9493 CITY HWY CS	POYNETTE	WI	53955	N	6086354436
SANDY'S OF PRAIRIE, INC.	944 S MARQUETTE STREET	PRAIRIE DU CHIEN	WI	53821	N	6083266967
DORO, INC.	1235 S. GREEN BAY	RACINE	WI	53406	N	2626340535

Franchisee	Address	City	State	Zip Code	Dual Concept	Phone
DORO, INC.	2171 LINCOLN	RHINELANDER	WI	54501	N	7153692012
COG, INC.	1819 S MAIN	RICE LAKE	WI	54868	N	7152348001
DORO, INC.	2450 E LAYTON AVE	SAINT FRANCIS	WI	53235	N	4147449690
DORO, INC.	1120 EAST GREEN BAY ST	SHAWANO	WI	54166	N	7155262900
DORO, INC.	4409 STATE HIGHWAY 42 NORTH	SHEBOYGAN	WI	53083	N	9204579570
FRANCIECO., L.P.	6710 S BUSINESS DRIVE	SHEBOYGAN	WI	53081	N	9204571955
JVL RESTAURANTS, INC.	3132 CHURCH STREET	STEVENS POINT	WI	54481	N	7153416241
NORTHLAND RESTAURANT GROUP, LLC	1510 BELKNAP AVE	SUPERIOR	WI	54880	N	7153921300
DORO, INC.	715 EAST MAIN STREET	WATERTOWN	WI	53094	N	9202629640
RJS ENTERPRISES OF WAUPACA, INC.	640 W FULTON ST	WAUPACA	WI	54981	N	7152580220
DORO, INC.	2609 WEST STEWART AVENUE	WAUSAU	WI	54401	N	7158455506

HR LIST OF FRANCHISEES WHO HAVE SIGNED A FRANCHISE AGREEMENT BUT HAVE NOT YET OPENED
(as of January 27, 2025)

NONE

The following is a list of each current Hardee's Developer that has entered into a Development Agreement but has not yet opened a Hardee's Restaurant:

NONE

EXHIBIT J

ADDENDA REQUIRED BY CERTAIN STATES

RIDER TO STATE ADDENDUM
TO THE HARDEE'S RESTAURANTS
FRANCHISE DISCLOSURE DOCUMENT

FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, WISCONSIN

The following language is hereby added to the Franchise Disclosure Document if you are a resident of one of the states listed in the heading of this Rider (the "Applicable Franchise Registration State") or a non-resident who is acquiring franchise rights permitting the location of one or more Hardee's Restaurants in the Applicable Franchise Registration State:

"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."

ADDITIONAL DISCLOSURES REQUIRED FOR CALIFORNIA FRANCHISEES

The following information applies to franchises and franchisees subject to the California Franchise Investment Act.

A. **The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

B. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

C. California Business and Professions Code Sections 20000 through 20043 provide rights to the Franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

D. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

E. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

F. The Franchise Agreement requires application of the laws of Tennessee. This provision may not be enforceable under California law.

G. The franchisor, any person or franchise broker in Item 2 of the FDD is not 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.

H. Under California AB 1228, you must comply with the minimum wage standards for your employees beginning April 1, 2024. You must also adhere to certain working conditions, including health and safety standards and training, as set forth in the Operations Manual. Failure to comply could lead to violation of the law and possible fines and lawsuits brought by your employees."

I. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION at www.dfpi.ca.gov.

ADDENDUM TO THE HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT
REQUIRED FOR CALIFORNIA FRANCHISEES

This Addendum to the Hardee's Restaurant Development Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of California; **(B)** Developer is a resident of the State of California; and/or **(C)** part or all of the Development Territory is located in the State of California.

2. The following sentences are added immediately before the last sentence of Section 11:

Developer (on behalf of all Releasors) and all guarantors also expressly agree that, with respect to this release, any and all rights granted under Section 1542 of the California Civil Code are expressly waived. That Section reads as follows: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor."

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

4. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
REQUIRED FOR CALIFORNIA FRANCHISEES

This Addendum to the Hardee's Restaurant Franchise Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of the franchise to Franchisee was made in the State of California; **(B)** Franchisee is a resident of the State of California; and/or **(C)** the Restaurant will be located or operated in the State of California.

2. The following sentences are added immediately before the last sentence of Section 16:

Franchisee (on behalf of all Releasors) and all guarantors also expressly agree that, with respect to this release, any and all rights granted under Section 1542 of the California Civil Code are expressly waived. That Section reads as follows: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor."

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR ILLINOIS FRANCHISEES

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, 815 ILCS 705/1-44 (West 2016), any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

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

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

ADDENDUM TO THE HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES

This Addendum to the Hardee's Restaurant Development Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Illinois; **(B)** Developer is a resident of the State of Illinois; and/or **(C)** part or all of the Development Territory is located in the State of Illinois.

2. The following sentence is added to the end of Section 22.A.:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. The following sentence is added to the end of Section 22.B.:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

4. The following sentence is added to the end of Section 22.C.:

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years after the violation, 1 year after the franchisee becomes aware of the underlying facts or circumstances, or 90 days after delivery to the franchisee of a written notice disclosing the violation.

5. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently of this Addendum.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

7. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES

This Addendum to the Hardee's Restaurant Franchise Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of the franchise to Franchisee was made in the State of Illinois; **(B)** Franchisee is a resident of the State of Illinois; and/or **(C)** the Franchised Restaurant will be located or operated in the State of Illinois.

2. The following sentence is added to the end of Section 27.A.:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. The following sentence is added to the end of Section 27.B.:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

4. The following sentence is added to the end of Section 27.C.:

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years of the violation, 1 year after the franchisee becomes aware of the underlying facts or circumstances or 90 days after delivery to the franchisee of a written notice disclosing the violation.

5. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently of this Addendum.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

7. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE PRELIMINARY AGREEMENT
REQUIRED FOR ILLINOIS APPLICANTS

This Addendum to the Preliminary Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Applicant") is entered into simultaneously with the execution of the Preliminary Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Preliminary Agreement. This Addendum is being executed because the offer of the franchise to Applicant was made in the State of Illinois.

2. The following sentence is added to the end of Section 11.A.:

Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. The following sentence is added to the end of Section 11.B.:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise-related agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

4. The following sentences are added to the end of Section 11.C.:

Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years of the violation, 1 year after the franchise applicant becomes aware of the underlying facts or circumstances or 90 days after delivery to the franchise applicant of a written notice disclosing the violation. In addition, Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act is void.

5. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently of this Addendum.

6. Except as expressly modified by this Addendum, the Preliminary Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

The persons signing below, who are the "Other Individuals" identified in the Preliminary Agreement, agree to be bound by this Addendum.

OTHER INDIVIDUALS:

_____

_____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR MARYLAND FRANCHISEES

Items 5 and 7, Additional Disclosures. The following statement is added to Items 5 and 7:

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 franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

Item 17, Additional Disclosures. The following statements are added to Item 17:

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

The "Summary" column of Item 17(H) of the Disclosure Document, pertaining to "Cause defined – defaults that cannot be cured" is supplemented to state that any provision in the Franchise Agreement which terminates the franchise upon the bankruptcy of the Franchisee may not be enforceable under federal bankruptcy law.

Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, provided that the Franchise Agreement may provide for arbitration in a forum outside of Maryland.

Section 14-227(e) of the Maryland Franchise Registration and Disclosure Law requires that any claims arising under that Law be brought within 3 years after the grant of the franchise.

ADDENDUM TO THE HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES

This Addendum to the Hardee's Restaurant Development Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Maryland; **(B)** Developer is a resident of the State of Maryland; and/or **(C)** part or all of the Development Territory is located in the State of Maryland.

2. The following statement is added to the end of Section 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 franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

3. The following sentences are added to the end of Sections 4 and 5.E.:

Notwithstanding anything to the contrary in this Agreement, including, but not limited to, this Section, in the State of Maryland, HR will defer the payment of: **(A)** the Development Fee until the first Franchised Restaurant developed hereunder opens for business; and **(B)** with respect to each Franchised Restaurant developed hereunder, the Initial Franchise Fee and any other initial fees owed by Developer to HR for the Franchised Restaurant until that Franchised Restaurant opens for business. Upon the opening of the first Franchised Restaurant developed hereunder, Developer will pay HR the Development Fee. Upon the opening of each Franchised Restaurant developed hereunder, Developer will pay HR the Initial Franchise Fee and any other initial fees owed by Developer to HR for that Franchised Restaurant.

4. The following sentence is added to the end of Sections 10.B.(5) (transfer) and 11 (general release):

Any provision requiring Developer to sign a general release of claims against HR does not release any claim Developer may have under the Maryland Franchise Registration and Disclosure Law.

5. The following sentence is added to the end of Section 22.B.:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The following sentence is added to the end of Section 22.C.:

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

7. The following sentence is added to the end of Section 24:

Representations in this Agreement are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

8. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently of this Addendum.

9. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

10. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES

This Addendum to the Hardee's Restaurant Franchise Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of the franchise to Franchisee was made in the State of Maryland; **(B)** Franchisee is a resident of the State of Maryland; and/or **(C)** the Franchised Restaurant will be located or operated in the State of Maryland.

2. The following sentence is added to the end of Sections 2.B.(2)(e) (renewal), 15.B.(5) (transfer) and 16 (general release):

Any provision requiring Franchisee to sign a general release of claims against HR does not release any claim Franchisee may have under the Maryland Franchise Registration and Disclosure Law.

3. The following statement is added to the end of Section 3.A:

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 franchise agreement.

4. The following sentences are added to the end of Sections 3.A., 8 and 9.B.:

Notwithstanding anything to the contrary in this Agreement, including, but not limited to, this Section, in the State of Maryland, HR will defer the payment of the Initial Franchise Fee, the opening training support team fee and any other initial fees owed by Franchisee to HR for the Franchised Restaurant until the Franchised Restaurant opens for business. Upon the opening of the Franchised Restaurant, Franchisee will pay HR the Initial Franchise Fee, the opening training support team fee and any other initial fees owed by Franchisee to HR for the Franchised Restaurant.

5. The following sentence is added to the end of Section 27.B.:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The following sentence is added to the end of Section 27.C.:

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

7. The following sentence is added to the end of Section 29:

Representations in this Agreement are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

8. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently of this Addendum.

9. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

10. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR MINNESOTA FRANCHISEES

The following information applies to franchises and franchisees subject to Minnesota statutes and regulations.

1. The following statement is added to Items 5 and 7:

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 franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

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

3. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

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

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

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

7. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

8. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5. If the Franchise Agreement contains a limitations period for bringing claims against Franchisor which is shorter than the limitations period provided under the Minnesota Act, the Franchise Agreement shall be modified to conform to the Minnesota Act.

9. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

ADDENDUM TO THE HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT
REQUIRED FOR MINNESOTA FRANCHISEES

This Addendum to the Hardee's Restaurant Development Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Minnesota; **(B)** Developer is a resident of the State of Minnesota; and/or **(C)** part or all of the Development Territory is located in the State of Minnesota.

2. The following statement is added to the end of Section 4:

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 franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

3. The following sentence is added to the end of Sections 10.B.(5) and 11:

Notwithstanding the foregoing, Developer will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

4. Section 12.B.(12) is deleted and replaced with the following statement:

Developer's use or duplication of the Hardee's System or any part of the Hardee's System in any other business, or disclosure of any part of the Hardee's System to others for use or duplication in any other business, would constitute an unfair method of competition, for which HR would be entitled to all legal and equitable remedies, including the right to seek injunctive relief.

5. The following sentence is added to the end of Section 13.A.:

With respect to franchises governed by Minnesota law, HR will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreements.

6. The following sentences are added to the end of Sections 22.A.-B.:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit HR from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

7. The second sentence of Section 22.D. is deleted and replaced with the following sentence:

Developer and HR waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suits.

8. The second sentence of Section 23.E. is deleted and replaced with the following sentence:

Therefore, Developer agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Developer, HR shall be entitled to seek injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance.

9. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act and the Rules and Regulation promulgated thereunder are met independently of this Addendum.

10. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

11. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

12. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
REQUIRED FOR MINNESOTA FRANCHISEES

This Addendum to the Hardee's Restaurant Franchise Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of the franchise to Franchisee was made in the State of Minnesota; **(B)** Franchisee is a resident of the State of Minnesota; and/or **(C)** the Franchised Restaurant will be located or operated in the State of Minnesota.

2. The following sentence is added to the end of Sections 2.B.(2)(e), 15.B.(5) and 16:

Notwithstanding the foregoing, Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

3. The following sentence is added to the end of Section 2.B.:

With respect to franchises governed by Minnesota law, HR will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of franchise agreements.

4. The following statement is added to the end of Section 3.A:

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 franchise agreement.

5. The following sentence is added to the end of Section 11:

Notwithstanding the foregoing, HR will indemnify Franchisee against liability to a third party resulting from claims that Franchisee's use of a Proprietary Mark infringes trademark rights of a third party; provided, that HR will not indemnify against the consequences of Franchisee's use of the Proprietary Marks unless the use is in accordance with the requirements of this Agreement and the System.

6. Section 17.B.(9) is deleted and replaced with the following statement:

Franchisee's use or duplication of the System or any part of the System in any other business, or disclosure of any part of the System to others for use or duplication in any other business, would constitute an unfair method of competition, for which HR would be entitled to all legal and equitable remedies, including the right to seek injunctive relief.

7. The following sentence is added to the end of Section 18:

With respect to franchises governed by Minnesota law, HR will comply with Minnesota Statute § 80C.14, Subdivision 3, 4, and 5 which requires, except in certain cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of franchise agreements.

8. The following sentences are added to the end of Sections 27.A.-B.:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit HR from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreements can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

9. The second sentence of Section 27.D. is deleted and replaced with the following sentence:

Franchisee and HR waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suits.

10. The second sentence of Section 28.E. is deleted and replaced with the following sentence:

Therefore, Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, HR shall be entitled to seek injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance.

11. The provisions of this Addendum will be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act and the Rules and Regulation promulgated thereunder are met independently of this Addendum.

12. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

13. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

14. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES

Items 5 and 7, Additional Disclosures. The following statement is added to Items 5 and 7:

Franchisor will defer collection of the Initial Franchise Fees until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Pursuant to the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void. The laws of the State of North Dakota will govern any dispute.

Any general release the franchisee is required to assent to is not intended to nor shall it act as a release, estoppel or waiver of any liability Hardee's Restaurants LLC may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete upon termination or expiration of the franchise agreement are generally not enforceable in the State of North Dakota, except in certain instances as provided by law.

The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Hardee's Restaurants LLC in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement.

The Franchise Disclosure Document and Franchise Agreement state that franchisee must consent to the jurisdiction of courts in the state of Tennessee. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and the Franchise Agreement.

The Franchise Disclosure Document and Franchise Agreement may require franchisees to consent to termination or liquidated damages. The Commissioner has determined this to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is

deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead the statute of limitations under North Dakota law will apply.

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 THE HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES

This Addendum to the Hardee's Restaurant Development Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of North Dakota; **(B)** Developer is a resident of the State of North Dakota; and/or **(C)** part or all of the Development Territory is located in the State of North Dakota.

2. The following sentence is added to the end of Section 4:

Franchisor will defer collection of the Development Fee until all initial obligations owed to the developer under the Development Agreement or other documents have been fulfilled by the franchisor and the developer has commenced doing business pursuant to the Development Agreement.

3. Any release executed in connection herewith shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

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

5. The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. The laws of the State of North Dakota will govern any dispute.

6. The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Development Agreement.

7. The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Development Agreement.

8. The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Development Agreement.

9. The Development Agreement states that franchisee must consent to the jurisdiction of courts in the state of Tennessee. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Development Agreement.

10. The Development Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.

11. The Development Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Hardee's Restaurants LLC in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

12. 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.

13. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

[*Signatures on following page.*]

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES

This Addendum to the Hardee's Restaurant Franchise Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of the franchise to Franchisee was made in the State of North Dakota; **(B)** Franchisee is a resident of the State of North Dakota; and/or **(C)** the Franchised Restaurant will be located or operated in the State of North Dakota.

2. The following sentence is added to the end of Section 3.A.:

Franchisor will defer collection of the Initial Franchise Fee until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

3. Any release executed in connection herewith shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

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

5. The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. The laws of the State of North Dakota will govern any dispute.

6. The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.

7. The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.

8. The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.

9. The Franchise Agreement states that franchisee must consent to the jurisdiction of courts in the state of Tennessee. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.

10. The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.

11. The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Hardee's Restaurants LLC in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

12. 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.

13. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR SOUTH DAKOTA FRANCHISEES

Items 5 and 7, Additional Disclosures. The following statement is added to Items 5 and 7:

We will defer collection of the Initial Franchise Fees until such time as we have fulfilled our pre-opening obligations to you and you have opened your Restaurant.

ADDENDUM TO THE HARDEE'S RESTAURANT DEVELOPMENT AGREEMENT
REQUIRED FOR SOUTH DAKOTA FRANCHISEES

This Addendum to the Hardee's Restaurant Development Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of South Dakota; **(B)** Developer is a resident of the State of South Dakota; and/or **(C)** part or all of the Development Territory is located in the State of South Dakota.

2. The following sentence is added to the end of Section 4:

We will defer collection of the Development Fee until such time as we have fulfilled our pre-opening obligations to you and you have opened your first Restaurant.

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

DEVELOPER:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
REQUIRED FOR SOUTH DAKOTA FRANCHISEES

This Addendum to the Hardee's Restaurant Franchise Agreement dated _____ between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of the franchise to Franchisee was made in the State of South Dakota; **(B)** Franchisee is a resident of the State of South Dakota; and/or **(C)** the Franchised Restaurant will be located or operated in the State of South Dakota.

2. The following sentence is added to the end of Section 3.A.:

We will defer collection of the Initial Franchise Fee until such time as we have fulfilled our pre-opening obligations to you and you have opened your Restaurant.

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

ADDENDUM TO THE HARDEE'S RESTAURANT
FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, DEVELOPMENT AGREEMENT, AND ALL RELATED AGREEMENTS
REQUIRED FOR WASHINGTON FRANCHISEES

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is

inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20_____.

_____	_____
Signature of Franchisor Representative	Signature of Franchisee Representative
_____	_____
Title of Franchisor Representative	Title of Franchisee Representative

EXHIBIT K

FINANCIAL STATEMENTS

Carl's Jr. SPV Guarantor LLC and subsidiaries, and Hardee's SPV Guarantor LLC and subsidiaries (the "CKE Securitization Entities")

Combined Consolidated Financial Statements
for the fiscal years ended January 27, 2025 and January 29, 2024

(With Independent Auditors' Report Thereon)

KPMG LLP
1201 Demonbreun Street
Suite 1100
Nashville, TN 37203

Independent Auditors' Report

Managing Member
Carl's Jr. SPV Guarantor LLC and Hardee's SPV Guarantor LLC:

Opinion

We have audited the combined consolidated financial statements of Carl's Jr. SPV Guarantor LLC and its subsidiaries, and Hardee's SPV Guarantor LLC and its subsidiaries (the Company), which comprise the combined consolidated balance sheets as of January 27, 2025 and January 29, 2024, and the related combined consolidated statements of income, members' deficit, and cash flows for each of the fiscal years then ended, and the related notes to the combined consolidated financial statements.

In our opinion, the accompanying combined consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 27, 2025 and January 29, 2024, and the results of its operations and its cash flows for each of the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

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 Auditors' Responsibilities for the Audit of the Combined Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Combined Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a

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substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined consolidated 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 combined consolidated 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 combined consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Other Information

Management is responsible for the other information included in the supplemental schedules. The other information comprises the combining consolidating balance sheets and combining consolidating statements of operations included in the supplemental schedules, but does not include the combined consolidated financial statements and our auditors' report thereon. Our opinion on the combined consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the combined consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the combined consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

KPMG LLP

Nashville, Tennessee
April 2, 2025

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED BALANCE SHEETS
(In thousands)

	January 31, 2025	January 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 10,581	$ 12,340
Cash and cash equivalents - restricted	18,147	15,942
Accounts receivable, net	23,790	21,748
Due from affiliates	2,458	425
Inventories	2,987	2,852
Prepaid expenses	721	470
Other current assets	—	79
Total current assets	58,684	53,856
Property and equipment, net	343,242	353,893
Operating lease assets	370,418	395,698
Intangible assets, net	760,749	777,538
Other assets, net	38,373	31,858
Total assets	$ 1,571,466	$ 1,612,843
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities:		
Current portion of long-term debt	$ 11,800	$ 11,800
Current portion of finance leases	1,512	1,515
Current portion of operating leases	73,887	73,773
Accounts payable	3,073	4,467
Due to affiliates	2,141	1,989
Other current liabilities	36,700	35,053
Total current liabilities	129,113	128,597
Long-term debt, less current portion	1,112,394	1,108,024
Finance leases, less current portion	21,279	23,369
Operating leases, less current portion	314,846	339,680
Other long-term liabilities	235,470	250,801
Total liabilities	1,813,102	1,850,471
Commitments and contingencies (Notes 8, 9, 10 and 14)		
Members' deficit:		
Members' deficit	(241,636)	(237,628)
Total liabilities and members' deficit	$ 1,571,466	$ 1,612,843

See Accompanying Notes to Combined Consolidated Financial Statements

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED STATEMENTS OF INCOME
(In thousands)

	Fiscal 2025	Fiscal 2024
Revenue:		
Company-operated restaurants	$ 383,304	$ 368,842
Franchised restaurants and other	288,134	292,713
Total revenue	671,438	661,555
Operating costs and expenses:		
Company-operated restaurants:		
Food and packaging	98,751	97,879
Payroll and other employee benefits	129,677	122,640
Occupancy and other	108,719	104,616
Total company-operated restaurants	337,147	325,135
Franchised restaurants and other	91,566	93,626
Advertising	21,763	20,726
General and administrative	43,710	47,953
Facility action charges, net	190	2,183
Total operating costs and expenses	494,376	489,623
Operating income	177,062	171,932
Interest expense	(68,772)	(61,863)
Other income, net	1,244	4,790
Income before income taxes	109,534	114,859
Income tax expense	6,346	5,914
Net income	$ 103,188	$ 108,945

See Accompanying Notes to Combined Consolidated Financial Statements

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED STATEMENTS OF MEMBERS' DEFICIT
(In thousands)

	Members' Deficit
Balance as of January 31, 2023	$ (248,506)
Capital contributions	35,679
Distributions to members	(133,746)
Net income	108,945
Balance as of January 31, 2024	(237,628)
Capital contributions	36,922
Distributions to members	(144,118)
Net income	103,188
Balance as of January 31, 2025	$ (241,636)

See Accompanying Notes to Combined Consolidated Financial Statements

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal 2025	Fiscal 2024
Cash flows from operating activities:		
Net income	$ 103,188	$ 108,945
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	47,342	46,692
Amortization of deferred financing costs	3,497	3,419
Loss on early extinguishment of Series 2018-1 Class A-2-II Notes	1,283	—
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property	(1,386)	—
Gain on refranchising transaction	—	(817)
Gain on disposal of other property and equipment	(2,637)	(602)
Provision for losses on impairments, accounts receivable and other items, net	5,198	4,806
Net changes in operating assets and liabilities:		
Receivables, inventories, prepaid expenses and other current and non-current assets	(6,502)	(1,985)
Accounts payable and other current and long-term liabilities	(546)	(3,089)
Operating lease assets and liabilities, net	(115)	1,096
Net cash provided by operating activities	149,322	158,465
Cash flows from investing activities:		
Proceeds from refranchising transactions	—	2,092
Proceeds from sale of other property and equipment	8,128	2,412
Other investing activities	219	154
Net cash provided by investing activities	8,347	4,658
Cash flows from financing activities:		
Net change in book overdraft	(251)	(1,260)
Repayments of Class A-2 Notes	(11,800)	(11,800)
Payments for deferred financing costs of Series 2018-1 VFN Notes	(2,068)	—
Payments for deferred financing costs of Series 2024-1 Class A-2 Notes	(5,792)	—
Payments for early extinguishment of Series 2018-1 Class A-2-II Notes	(330,750)	—
Issuance of Series 2024-1 Class A-2 Notes	350,000	—
Repayments of finance leases obligations	(1,571)	(1,520)
Repayments of financing method sale-leaseback obligations	(10,582)	(10,164)
Distributions to members	(144,118)	(133,746)
Net advances (to) from affiliates	(291)	276
Net cash used in financing activities	(157,223)	(158,214)
Net increase in cash, cash equivalents and restricted cash	446	4,909
Cash, cash equivalents and restricted cash at beginning of period	28,282	23,373
Cash, cash equivalents and restricted cash at end of period	$ 28,728	$ 28,282

See Accompanying Notes to Combined Consolidated Financial Statements

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC own, operate and franchise the Carl's Jr.®, Hardee's®, Green Burrito® and Red Burrito® concepts. Domestic Carl's Jr. restaurants are predominantly located in the Western United States, primarily in California. International Carl's Jr. restaurants are located primarily in Mexico, with a growing presence in the rest of Latin America, Asia, Canada and Europe. Domestic Hardee's restaurants are predominantly located throughout the Southeastern and Midwestern United States. International Hardee's restaurants have an established and growing presence in the Middle East and Central Asia. The Green Burrito concept is located in dual-branded Carl's Jr. restaurants. The Red Burrito concept is located in dual-branded Hardee's restaurants. As of January 31, 2025, our system-wide restaurant portfolio consisted of:

Company-operated	252
Domestic franchised	2,351
International franchised	1,160
Total restaurants	3,763

Basis of Presentation and Fiscal Year

These Combined Consolidated Financial Statements include the combined accounts of Carl's Jr. SPV Guarantor LLC and its consolidated subsidiaries, consisting of Carl's Jr. Funding LLC and Carl's Jr. Restaurants LLC, and Hardee's SPV Guarantor LLC and its consolidated subsidiaries, consisting of Hardee's Funding LLC and Hardee's Restaurants LLC (collectively, the "CKE Securitization Entities"). The indirect corporate parent of Carl's Jr. SPV Guarantor LLC and Hardee's SPV Guarantor LLC is CKE Restaurants Holdings, Inc. ("CKE Restaurants"), and the indirect corporate parent of CKE Restaurants is CKE Holding Corporation ("CKE"). All of the CKE Securitization Entities are limited liability companies established on January 30, 2013 and were organized in the state of Delaware. The CKE Securitization Entities are special purpose, bankruptcy remote entities that hold substantially all of the restaurant businesses, franchising assets, real estate and other productive assets of CKE Restaurants and its subsidiaries. CKE Restaurants, together with certain other non-securitization entities, acts as the manager ("Manager") by managing and servicing the assets, performing certain franchising, marketing, real estate, intellectual property and operating and reporting services on behalf of the CKE Securitization Entities. References to "we", "us", "our" and the "Company" may relate to any or all of the CKE Securitization Entities, as may be applicable, but do not relate to CKE or CKE Restaurants.

These Combined Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). All significant intercompany balances and transactions are eliminated in combination and consolidation.

We operate on a retail accounting calendar, ending on the last Monday in January. For clarity of presentation, we generally label all years presented as if the fiscal year ended January 31. The fiscal year ended January 27, 2025 is referred to herein as fiscal 2025 or the fiscal year ended January 31, 2025. The fiscal year ended January 29, 2024 is referred to herein as fiscal 2024 or the fiscal year ended January 31, 2024. The first quarter of our fiscal year has four periods, or 16 weeks. All other quarters generally have three periods, or 12 weeks.

Our restaurant sales, and therefore our profitability, are subject to seasonal fluctuations and are traditionally higher during the spring and summer months because of factors such as increased travel during school vacations and improved weather conditions, which affect the public's dining habits.

Inflation and Middle East Conflict

Inflationary pressures on labor and commodity price increases directly impacted our results of operations during the years ended January 31, 2025 and January 31, 2024. We attempt to manage any inflationary costs and commodity price increases through selective menu price increases and changes in product mix. Competitive pressures, consumer spending levels and other factors may limit our ability to recover such costs increases in the future.

Beginning October 2023, certain of our Hardee's international markets began being impacted by a military conflict in the Middle East. As a result, international franchised restaurants same-store sales were impacted to varying degrees within the Middle East. Further continuation of this conflict could have an adverse impact on our business and results of operations.

Variable Interest Entities

We do not maintain ownership interests in our franchisees, and none of our assets serve as collateral for the creditors of our franchisees. Under the terms of their franchise agreements, franchise entities hold the power to direct the activities that most significantly impact their economic performance. As a result, we do not consider ourselves the primary beneficiary of any franchise entity that might be a variable interest entity.

Estimations

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Our most significant areas of estimation are:

- estimation of future cash flows used to assess the recoverability of long-lived assets, including intangible assets, finance lease assets and operating lease assets;
- determination of appropriate estimated liabilities for loss contingencies;
- determination of appropriate assumptions to use in evaluating leases for finance versus operating lease treatment, establishing depreciable lives for leasehold improvements and establishing straight-line rent expense periods; and
- estimation of the appropriate allowances associated with franchise and other receivables.

Cash and Cash Equivalents

For purposes of reporting cash and cash equivalents, highly liquid investments purchased with original maturities of three months or less are considered cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents of $18,147 and $15,942 as of January 31, 2025 and 2024, respectively, consisted of cash and cash equivalents that are held by the trustee of our Series 2018-1 Senior Notes, Series 2020-1 Senior Notes, Series 2021-1 Senior Notes and Series 2024-1 Senior Notes (as defined in Note 8) to be used for debt service payments on our Senior Notes.

Inventories

Inventories are stated at the lower of cost (on a first-in, first-out basis) or net realizable value and consist primarily of restaurant food, packaging and supplies.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method based on the assets' estimated useful lives, which generally range from three to 40 years.

Leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the related lease terms. The amortization period for leasehold improvements includes renewal option periods only in

instances in which the exercise of the renewal option is reasonably certain at the acquisition date because failure to exercise such option would result in an economic penalty.

We capitalize direct costs associated with construction projects that have a future benefit. If we subsequently make a determination that a site for which development costs have been capitalized will not be acquired or developed, any previously capitalized development costs are expensed and included in general and administrative expenses.

Leases

Lessor Accounting

We recognize lease payments for operating leases as property revenue on a straight-line basis over the lease term. We recognize variable lease payment income for operating leases in the period when changes in facts and circumstances on which the variable lease payments are based occur. We recognize variable lease payment income for operating and financing leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Lessee Accounting

We recognize an operating lease asset and lease liability at lease commencement, which are measured by discounting lease payments using the estimated risk free rate as the discount rate. We made an accounting policy election to use the risk-free rate as our discount rate to determine the initial and subsequent measurement of operating lease liabilities. Subsequent amortization of the operating lease asset and accretion of the lease liability for an operating lease is recognized as a single lease cost, on a straight-line basis, over the lease term. Reductions to the operating lease asset and the change in the lease liability are included in changes in operating lease assets and liabilities, net in the Combined Consolidated Statements of Cash Flows.

A finance lease asset is depreciated on a straight-line basis over the lesser of the useful life of the leased asset or lease term. Interest on each finance lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability. Operating lease and finance lease assets are assessed for impairment in accordance with our long-lived asset impairment policy.

We reassess lease classification and remeasure assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate contract or upon certain other events that require reassessment. We recognize variable lease cost for operating and finance leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Intangible Assets

Our indefinite-lived intangible assets consist of trademarks / tradenames. We test trademarks / tradenames for impairment on an annual basis or more frequently if events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable. We first assess qualitative factors to determine whether it is more likely than not that the fair value of the indefinite-lived intangible asset is less than its carrying amount. If we conclude that it is more likely than not that the indefinite-lived intangible asset is impaired, we then perform a quantitative test to determine whether the carrying amount is less than the fair value of the indefinite-lived intangible asset and measure the amount of impairment, if any.

Our definite-lived intangible assets consist of franchise agreements and favorable lease agreements and are amortized on a straight-line basis over their estimated useful lives. Our definite-lived intangible assets are tested for impairment when events or circumstances indicate the carrying value may be impaired. Refer to discussion of facility action charges (see Note 16) for a discussion of impairment of restaurant-level long-lived assets.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized, utilizing the effective interest method, as a component of interest expense over the terms of the respective financing arrangements. See Note 8 for further discussion.

Book Overdraft

Book overdraft liabilities are included within accounts payable in our accompanying Combined Consolidated Balance Sheets. As of January 31, 2025 and 2024, our book overdraft liability was $116 and $367, respectively. We classify changes in book overdraft balances as a financing activity in our accompanying Combined Consolidated Statements of Cash Flows.

Loss Contingencies

We routinely assess loss contingencies to develop estimates of likelihood of loss and range of possible settlement. We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. We do not record liabilities for losses we believe are only reasonably possible to result in an adverse outcome. See Note 14 for further discussion.

Revenue Recognition

Company-operated restaurants revenue is recognized upon the sale of food or beverage to a customer in the restaurant, which is when our obligation to perform is satisfied.

Franchised restaurants and other revenue includes royalties, franchise fees and rent revenue. Royalties from franchised restaurants are based on a percentage of net sales of the franchised restaurant and are recognized as earned. Royalties are typically billed and paid monthly and are usually 4% to 5% per restaurant. Franchise development and commitment fees are deferred when received, allocated to each agreed upon restaurant, and recognized as revenue over the contractual term of each respective franchise agreement, once the restaurant has opened. Initial franchise fees, training fees, renewal fees and transfer fees are recognized as revenue over the contractual term of the franchise agreements, once the restaurant has opened. Upfront franchise fees are typically billed and paid when a new franchise agreement becomes effective or when an existing agreement is transferred to another franchisee. These franchise fees are considered highly dependent upon and interrelated with the franchise right granted in the franchise agreement. Further, franchise fees are forfeited and recognized as revenue upon the termination of the related commitments to open new franchised restaurants, the franchised restaurants closing prior to the end of the contractual agreement or the franchised restaurants being acquired by the Company. Property revenues consist of rental income from properties we lease or sublease to franchisees. Property revenues are accounted for in accordance with applicable accounting guidance for leases (see Leases above). We present all revenue net of sales tax.

Franchise Operations and Credit Risk

Franchised restaurants and other expense includes rent and occupancy costs related to our franchised restaurants, amortization of franchise agreements, credit losses and other miscellaneous expenses directly related to our franchise operations. These costs are expensed as incurred.

Accounts receivable consists primarily of amounts due from franchisees for royalties, franchise fees and rent. In addition, we have notes and other receivables from certain of our franchisees. The financial condition of our franchisees is, in part, dependent upon the underlying business trends of our brand. This concentration of credit risk is mitigated, in part, by the large number of franchisees and the short-term nature of the receivables.

We record provisions for estimated credit losses on receivables when we believe our franchisees are unable to make their required payments. We cease accruing royalties and rent revenue from franchisees during the fiscal quarter in which we determine that collectibility of such amounts is not reasonably assured. There are a number of different actions we and/or our franchisees may take to resolve or mitigate franchise collection issues. These actions may include a reduction or deferral of future royalties, a reduction or deferral of future rent for which we are the landlord or the primary obligor to the landlord, or if necessary, acquiring the restaurants or terminating the franchise agreement.

Advertising

Domestic Carl’s Jr. restaurants contribute to a national advertising fund (the “Carl’s Jr. Fund”) that is administered by Manager. Domestic Hardee’s restaurants contribute to Hardee's National Advertising Fund (“HNAF”) that is administered by Manager and co-operative advertising funds that are administered by a third party (collectively, the “Hardee’s Funds”), but

consolidated by Manager since Manager is the primary beneficiary of the Hardee's Funds. Further, both international Carl's Jr. restaurants and Hardee's restaurants contribute to certain international advertising funds that are administered by Manager.

We expense advertising costs for company-operated restaurants' contributions to the Carl's Jr. Fund and the Hardee's Funds as company-operated restaurants revenue is earned since we are obligated to share ratably in the cost of the related advertising programs. The cost of local and incremental advertising that is not funded by the Carl's Jr. Fund or the Hardee's Funds is expensed as incurred.

Facility Action Charges

From time to time, we identify restaurants that have carrying values in excess of their fair values and, as a result, we may record impairment charges. We may also close or refranchise these or other restaurants and lease or sublease the restaurant property to a franchisee or to a business other than one of our restaurant concepts. The financial statement impact resulting from these and similar actions are recorded in our accompanying Combined Consolidated Statements of Income as facility action charges, net and include:

(i) impairment of restaurant-level long-lived assets for restaurants to be disposed of or held and used;
(ii) store closure costs, including rent, taxes, depreciation and other costs incurred for closing a store; and
(iii) gain or loss on the sale of restaurants, including refranchising transactions.

Considerable management judgment is necessary to estimate future cash flows, including cash flows from continuing use, terminal value, closure costs, expected sublease income and refranchising proceeds. Accordingly, actual results could vary significantly from our estimates.

(i) Impairment of Restaurant-Level Long-Lived Assets

Whenever events or circumstances indicate that the carrying value of assets may be impaired, we evaluate our restaurant-level long-lived assets for impairment. For purposes of impairment testing, assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities, which is generally the individual restaurant level for fixed assets, finance lease assets and operating lease assets. For each asset group, we evaluate whether there are indicators of impairment such as sequential annual cash flow losses or adverse changes in the physical condition or expected use of the asset group. When indicators of impairment exist, we evaluate whether the assets are recoverable by comparing the undiscounted future cash flows that we expect to generate from their use and disposal to their carrying value. Restaurant-level assets that are not deemed to be recoverable are written down to their estimated fair value, which is determined by assessing the highest and best use of the assets and the amounts that would be received for such assets in an orderly transaction between market participants.

Our impairment analyses rely upon a number of estimates, assumptions and measurements with significant Level 2 and Level 3 unobservable inputs (see Note 13), including estimates of future cash flows, assumptions of future same-store sales and projected operating expenses for each of our restaurants over their estimated remaining useful lives in order to evaluate recoverability and estimate fair value. Future cash flows are estimated based upon experience gained, current intentions about refranchising or closing restaurants, recent and expected sales trends, internal plans, the period of time since the restaurant was opened or remodeled, the maturity of the related market and other relevant information. We generally estimate the useful life of restaurants on owned property to be 20 to 40 years and estimate the useful life of restaurants subject to leases to range from the end of the lease term then in effect to the end of such lease term including option periods. If our future cash flows or same-store sales do not meet or exceed our forecasted levels, or if restaurant operating cost increases exceed our forecast and we are unable to recover such costs through price increases, the carrying value of certain of our restaurants may prove to be unrecoverable, and we may incur additional impairment charges in the future.

(ii) Store Closure Costs

We typically make decisions to close restaurants based on prospects for estimated future profitability. However, sometimes we are forced to close restaurants due to circumstances beyond our control (e.g., a landlord's refusal to negotiate a new lease). When restaurants perform poorly for an extended period of time, we consider a number of factors, including the demographics of the location and the likelihood of being able to improve an unprofitable restaurant. Based on the operators' judgment and a financial review, we estimate the future cash flows. If we determine that the restaurant will not, within a

reasonable period of time, operate at break-even cash flow or be profitable, and we are not contractually obligated to continue operating the restaurant, we may decide to close the restaurant.

(iii) Gain or Loss on the Sale of Restaurants, Including Refranchising Transactions

We record gains and losses on the sale of restaurants as the difference between the net proceeds received and net carrying values of the net assets of the restaurants sold. If we sublease a restaurant to a franchisee on terms that result in a probable loss, then we will establish a lease subsidy allowance and record a loss at the time we enter into the lease arrangement. As further described above, the amount of the estimated liability for the lease subsidy is the present value of our estimated future payments, net of the present value of the expected sublease income.

Contract Liabilities - Deferred Franchise Fees

The following table provides information about contract liabilities, specifically deferred franchise fees, received from contracts with customers:

	2025	2024
Deferred franchise fees, beginning of year	$ 35,964	$ 36,129
Revenue recognized during the period	(5,395)	(5,084)
New deferrals due to cash received	3,775	4,919
Deferred franchise fees, end of year	$ 34,344	$ 35,964

The following table reflects the estimated franchise fees to be recognized in the future related to performance obligations that are unsatisfied at the end of the period:

Fiscal:	
2026	$ 3,340
2027	2,961
2028	2,815
2029	2,693
2030	2,551
Thereafter	19,984
Total estimated future amortization income	$ 34,344

Deferred franchise fees are recorded in other current liabilities and other long-term liabilities in our accompanying Consolidated Balance Sheets as of January 31, 2025 and January 31, 2024, respectively.

Distributor Concentration Risk

We currently rely on a limited number of distributors to deliver food, packaging and supplies to our restaurants. Although we could use alternative distributors, an unforeseen change in distributor could cause a delay in receipt of food, packaging or supplies and possibly result in unfavorable costs and loss of sales.

Comprehensive Income

We did not have any items of other comprehensive income during fiscal 2025 and 2024.

Subsequent Events

We have evaluated subsequent events through April 2, 2025, the date our Combined Consolidated Financial Statements were available to be issued. We concluded that no subsequent events required disclosure in these financial statements.

NOTE 2 — ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

Income Tax Disclosures

In December 2023, the FASB issued guidance that enhances income tax disclosures including expanded qualitative effective tax rate reconciliation. The standard also requires annual disclosure of income taxes paid disaggregated by federal, state and foreign taxes. The standard is effective for annual reporting periods beginning after December 15, 2024 for public entities. For other entities, the standard is effective for annual reporting periods beginning after December 15, 2025. Early adoption of the guidance is permitted. We are currently evaluating the impact the adoption of this standard will have on our Combined Consolidated Financial Statements.

NOTE 3 — ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Trade receivables	$ 26,269	$ 21,364
Leases receivable	217	181
Notes receivable	1,492	2,096
Allowance for credit losses	(4,188)	(1,893)
Total accounts receivable, net	$ 23,790	$ 21,748

The following table summarizes the activity in the allowance for credit losses:

	Fiscal 2025	Fiscal 2024
Allowance for credit losses, beginning of year	$ 1,893	$ 1,550
Provision	2,868	1,316
Recoveries	(404)	(540)
Charge-offs	(169)	(433)
Allowance for credit losses, end of year	$ 4,188	$ 1,893

NOTE 4 — PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consisted of the following as of January 31, 2025 and 2024:

	Estimated Useful Life	2025	2024
Land	Indefinite	$ 189,921	$ 191,712
Leasehold improvements	3-25 years	108,560	98,777
Buildings and improvements	3-40 years	169,591	189,373
Equipment, furniture and fixtures	3-8 years	118,404	108,475
Finance leases	5-33 years	15,173	18,174
		601,649	606,511
Less accumulated depreciation and amortization[(1)]		(258,407)	(252,618)
Total property and equipment, net		$ 343,242	$ 354,382

(1) The accumulated amortization related to finance leases was $1,195 and $333 as of January 31, 2025 and 2024, respectively.

Depreciation and amortization expense related to property and equipment for fiscal 2025 and 2024 was $30,661 and $31,280, respectively. Amortization of property under finance leases is included within depreciation and amortization expense.

NOTE 5 — ACQUISITIONS AND REFRANCHISING ACTIVITY

CKE Restaurants Acquisition

During the fiscal year ended January 31, 2025, CKE Restaurants acquired one Carl's Jr. restaurant from a franchisee. During the year ended January 31, 2024, CKE Restaurants acquired nineteen Hardee's restaurants and one Carl's Jr. restaurant from franchisees. CKE Restaurants contributed these restaurants to the CKE Securitization Entities (the “CKE Restaurants Acquisition”). In connection with the acquisition of these restaurants, the CKE Securitization Entities recorded the following:

	Fiscal 2025	Fiscal 2024
Net working capital	$ 5	$ 55
Property and equipment	106	12,281
Operating lease assets	—	5,048
Reacquired franchise rights	—	1,810
Operating leases	—	(5,048)
Finance leases	—	(10,708)
Net assets acquired and liabilities assumed	$ 111	$ 3,438

The acquisitions result in no goodwill.

Refranchising Transaction

During fiscal 2024, CKE Restaurants sold one Hardee's restaurant and certain related inventory and fixed assets with a net book value of $1,265. In connection with the sale of this restaurant, we received aggregate consideration of $2,082, and recognized a net gain of $817, which is included in facility action charges, net, in our accompanying Combined Consolidated Statements of Income. In connection with the refranchising transaction, the franchisee acquired real property and equipment related to the restaurant location.

NOTE 6 — INTANGIBLE ASSETS, NET

The table below presents our intangible assets as of January 31, 2025 and 2024:

		2025			2024		
	Weighted-Average Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks / tradenames	Indefinite	$ 614,400	$ —	$ 614,400	$ 614,400	$ —	$ 614,400
Franchise agreements	20	321,665	(176,641)	145,024	321,665	(160,157)	161,508
Favorable lease agreements	17	5,429	(4,104)	1,325	5,875	(4,245)	1,630
Total intangible assets		$ 941,494	$ (180,745)	$ 760,749	$ 941,940	$ (164,402)	$ 777,538

Amortization expense related to these intangible assets for fiscal 2025 and 2024 was $16,789 and $17,302, respectively. Our future amortization expense related to these intangible assets is set forth as follows:

Fiscal:	
2026	$ 16,611
2027	16,532
2028	16,333
2029	16,273
2030	16,245
Thereafter	64,355
Total estimated future amortization expense	$ 146,349

NOTE 7 — OTHER CURRENT LIABILITIES

Other current liabilities as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Financing method sale-leaseback liability, current portion	$ 11,658	$ 11,287
Accrued interest	6,358	5,663
Accrued property taxes	4,146	2,952
Salaries, wages and other benefits	3,623	3,231
Deferred franchise and development fees	3,340	3,477
State sales tax	1,621	1,938
Utilities	992	1,004
Income taxes payable	500	545
Other accrued liabilities	4,462	4,956
Total other current liabilities	$ 36,700	$ 35,053

NOTE 8 — LONG-TERM DEBT

Long-term debt as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Class A-2 Notes:		
4.959% Series 2018-1 Class A-2-II Notes, repaid in April 2024	$ —	$ 331,625
5.710% Series 2018-1 Class A-2-III Notes, anticipated repayment date June 2028	234,375	236,875
3.981% Series 2020-1 Class A-2 Notes, anticipated repayment date December 2027	384,000	388,000
2.865% Series 2021-1 Class A-2 Notes, anticipated repayment date June 2028	173,700	175,500
7.253% Series 2024-1 Class A-2 Notes, anticipated repayment date March 2031	347,375	—
Unamortized deferred financing costs on Senior Notes	(15,256)	(12,176)
Total debt, net	1,124,194	1,119,824
Less current portion	(11,800)	(11,800)
Long-term debt, less current portion	$ 1,112,394	$ 1,108,024

As of January 31, 2025, the aggregate maturities of our long-term debt, based on the anticipated repayment date and excluding the effects of amortization of the deferred financing costs on the Class A-2 Notes are as follows:

Fiscal:	
2026	$ 11,800
2027	11,800
2028	383,800
2029	398,675
2030	3,500
Thereafter	329,875
Total long-term debt	$ 1,139,450

Senior Notes

In April 2013, Carl's Jr. Funding LLC and Hardee's Funding LLC (collectively, the “Co-Issuers”) issued outstanding senior secured notes under securitized facility loans. The indenture governing the facility loans (the “Indenture”) allows the Co-Issuers to issue additional series of notes in the future subject to certain conditions.

As of January 31, 2025, the Co-Issuers had issued the following outstanding series of fixed rate senior secured notes: (i) 2018-1 Class A-2-III Notes with an initial principal amount of $250,000; (ii) 2020-1 Class A-2 Notes with an initial principal amount of $400,000; (iii) 2021-1 Class A-2 Notes with an initial principal amount of $180,000 and (iv) 2024-1 Class A-2 Notes with an initial principal amount of $350,000 (collectively, the notes described in (i) to (iv) are referred to herein as the “Class A-2 Notes”).

The Series 2018-1 Variable Funding Notes provide for senior secured revolving facility loans, including subfacilities for swingline loans and letters of credit, in an aggregate amount of $125,000. On April 5, 2024, the Series 2018-1 Variable Funding Notes were amended to increase the borrowing capacity from $70,000 to $125,000 and to extend the maturity date to March 2029, including options for renewal for two additional twelve-month terms (subject to certain conditions, including a minimum debt service coverage ratio). The Series 2018-1 Variable Funding Notes bear interest at a variable interest rate equal to (a) a commercial paper rate plus 3.00%, (b) the term SOFR rate plus 3.00% or (c) 2.00% plus the greater of (i) the Prime Rate, (ii) the Federal Funds rate plus 0.50%, or (iii) term SOFR plus 1.00%. The actual interest rate incurred is determined by how the borrowings were funded by participating investors, but in any event, will fall under one of the three scenarios described above. The Series 2018-1 Variable Funding Notes require us to pay a commitment fee of 0.50% per annum for unused commitments and letter of credit fees of 3.00% per annum on our outstanding non-cash collateralized letters of credit. Interest

and other fees on the Series 2018-1 Variable Funding Notes are due quarterly in arrears on the 20th day of each March, June, September and December. As of January 31, 2025, the Co-Issuers had zero outstanding loan borrowings, $24,245 of outstanding letters of credit and remaining availability of $100,755 under our Series 2018-1 Variable Funding Notes. The Class A-2 Notes and the 2018-1 Variable Funding Notes are collectively referred to as the "Senior Notes."

The Senior Notes are secured by substantially all assets of the CKE Securitization Entities, but are not guaranteed by or secured with the assets of CKE or its other subsidiaries, including CKE Restaurants. The Indenture requires the CKE Securitization Entities to report and remit weekly cash flows of the CKE Securitization Entities to the trustee of the Senior Notes. The weekly cash flows are subject to a priority of payments that provides for the payment of funds to specific trust accounts for debt service and other specified purposes set forth in the Indenture. The amount of weekly cash flow, if any, that exceeds the amounts required by the priorities of payment is remitted to CKE Restaurants in the form of an equity distribution.

Interest and principal payments on the Class A-2 Notes are payable on a quarterly basis. The Class A-2 Notes require scheduled quarterly principal payments of $2,950 that are due on the 20th of each March, June, September and December. The requirement to make such quarterly principal payments on the Class A-2 Notes is subject to certain financial conditions set forth in the Indenture. The legal final maturity dates for the Class A-2 Notes range from 2048-2054. If the Co-Issuers have not repaid or refinanced the Class A-2 Notes prior to their respective anticipated repayment dates, which range from 2027-2031, additional interest will accrue pursuant to the Indenture.

We expect to repay or refinance each tranche of the Class A-2 Notes at or before its respective anticipated repayment date. However, in the event that we do not repay any tranche of Class A-2 Notes in full by its anticipated repayment date, such tranche of the Class A-2 Notes would be subject to additional interest at an interest rate of at least 5% per annum on the outstanding principal amount, and principal payments on all outstanding Senior Notes would accelerate until the debt is paid in full. If certain conditions are met, including a maximum leverage ratio for the CKE Securitization Entities of 5.0x of total net indebtedness to net cash flow, each as defined in the Indenture, the Co-Issuers may elect not to make the scheduled principal payments on the Class A-2 Notes. We may optionally prepay up to 35% of the original principal amount of the Series 2018-1 Class A-2-III Note at any time at par, other than with proceeds from indebtedness. Generally, any optional (and certain mandatory) prepayments in excess of such amount would be subject to a make-whole premium as defined in the Indenture. Beginning thirty months prior to the anticipated repayment date for the Series 2018-1 Class A-2-III Notes, thirty-six months prior to the anticipated repayment date for the Series 2020-1 Class A-2 Notes, forty-two months prior to the anticipated repayment date for the Series 2021-1 Class A-2 Notes and twenty-four months prior to the anticipated repayment date for the Series 2024-1 Class A-2 Notes, we may repay all or a portion of the remaining principal amount of such applicable tranche of Class A-2 Notes at par.

Covenants and Restrictions

The Senior Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) required actions to protect the security interest in certain collateral upon the occurrence of certain performance-related events, (ii) application of certain disposition proceeds as note prepayments, subject to certain exceptions, (iii) maintenance of specified reserve accounts, (iv) maintenance of certain debt service coverage ratios, (v) mandatory prepayments with indemnification payments for defective or ineffective collateral, and (vi) covenants relating to record keeping, access to information and similar matters. If certain covenants or restrictions are not satisfied or complied with, the Senior Notes are subject to accelerated repayment events and events of default. Although management does not anticipate an event of default, if any such event occurred and was not cured within any applicable cure period, the unpaid amounts outstanding could become immediately due and payable.

Refinancing Transaction

In April 2024, we completed a refinancing transaction (the "Series 2024-1 Refinancing") under which we issued the Series 2024-1 Class A-2 Notes. A portion of the net proceeds from the sale of the Series 2024-1 Class A-2 Notes were used to repay in full our outstanding Series 2018-1 Class A-2-II Notes, including transaction costs. As a result of the refinancing, we recorded a loss on early extinguishment of debt of $1,283 during fiscal 2025, which was comprised of the write-off of the Series 2018-1 Class A-2-II Notes unamortized deferred financing costs. The loss is included in other income, net in the Combined Consolidated Statements of Income.

Debt issuance costs

In connection with the Series 2024-1 Refinancing and the amendment of the Series 2018-1 Variable Funding Notes, we incurred debt issuance costs of $7,860, which were capitalized and allocated between the Series 2024-1 Class A-2 Notes and the Series 2018-1 Variable Funding Notes. These deferred financing costs will be amortized to interest expense within the Combined Consolidated Statements of Income using the effective interest method over the expected term of the Series 2024-1 Class A-2 Notes of seven years and five years for the Series 2018-1 Variable Funding Notes.

Interest Expense

Interest expense consisted of the following:

	Fiscal 2025	Fiscal 2024
Series 2018-1 Class A-2-III Notes	$ 16,386	$ 30,013
Series 2020-1 Class A-2 Notes	15,303	15,466
Series 2021-1 Class A-2 Notes	4,981	5,034
Series 2024-1 Class A-2 Notes	20,593	—
Amortization of deferred financing costs	3,497	3,419
Finance leases	1,379	1,318
Financing method sale-leaseback obligations (see Note 10)	5,363	5,793
Letter of credit fees, commitment fees and other	1,270	820
Total interest expense	$ 68,772	$ 61,863

NOTE 9 — LEASES

We occupy land and buildings under lease agreements expiring on various dates through fiscal 2046. Many leases provide for future rent escalations and renewal options. In addition, variable lease payments, such as a percentage of sales in excess of specified levels, are often required. Most leases obligate us to pay costs of maintenance, insurance and property taxes.

Company as Lessor

We lease and sublease land and buildings to others, primarily as a result of the refranchising of certain restaurants. Many of these leases provide for fixed payments, while others provide for variable rent when sales exceed certain levels or for rent based on a percentage of sales. Lessees and sublessees generally bear the cost of maintenance, insurance and property taxes. The carrying values of assets leased to others as of January 31, 2025 and 2024 are as follows:

	2025	2024
Land	$ 99,835	$ 104,028
Leasehold improvements	3,253	3,916
Buildings and improvements	65,883	68,563
	168,971	176,507
Less accumulated depreciation and amortization	(55,096)	(57,231)
Total assets leased to others	$ 113,875	$ 119,276

The components of lease income for January 31, 2025 and 2024 are as follows:

	2025	2024
Rent revenue:		
Minimum rent revenue	$ 84,812	$ 87,594
Variable lease revenue	5,149	6,334
Total rent revenue	$ 89,961	$ 93,928

We sublease to others some of our property under finance leases. These assets are recorded as lease receivables and are included in accounts receivable, net and other assets, net in our accompanying Combined Consolidated Balance Sheet. As of January 31, 2025, future minimum lease and sublease rent revenue expected to be received, are as follows:

	Finance Leases	Operating Leases	
	Subleases	Subleases	Owned Properties
Fiscal:			
2026	$ 366	$ 75,885	$ 7,719
2027	359	68,404	7,764
2028	347	60,546	7,441
2029	254	49,805	6,752
2030	218	39,494	6,485
Thereafter	2,741	98,112	38,093
Total future minimum lease and sublease rent revenue	4,285	$ 392,246	$ 74,254
Unearned interest income	(1,315)		
Present value of leases receivable	2,970		
Less current portion	(217)		
Leases receivable, less current portion	$ 2,753		

Company as Lessee

The components of lease cost for January 31, 2025 and 2024 are as follows:

	Fiscal 2025	Fiscal 2024
Finance lease cost:		
Amortization of finance lease assets	$ 1,339	$ 1,596
Interest on finance lease liabilities	1,670	1,572
Variable lease cost	9	2
Total finance lease cost	3,018	3,170
Operating lease cost	83,652	85,267
Variable lease cost	1,040	1,229
Total operating lease cost	84,692	86,496
Total lease cost	$ 87,710	$ 89,666

Minimum lease payments for all leases and the present value of minimum lease payments for operating and finance leases as of January 31, 2025 are as follows:

	Finance Leases		Operating Leases	
	Company-Operated	Franchise & Other	Company-Operated	Franchise & Other
Fiscal:				
2026	$ 1,593	$ 1,304	$ 16,542	$ 65,372
2027	1,617	1,245	15,644	57,990
2028	1,631	1,190	14,576	49,723
2029	1,642	1,049	12,897	39,030
2030	1,678	977	9,490	28,905
Thereafter	14,464	3,766	42,393	77,616
Total minimum lease payments	22,625	9,531	111,542	318,636
Less amount representing interest	(6,913)	(2,452)	(11,801)	(29,644)
Present value of minimum lease payments	15,712	7,079	99,741	288,992
Less current portion	(726)	(786)	(14,292)	(59,595)
Lease obligations, less current portion	$ 14,986	$ 6,293	$ 85,449	$ 229,397

Net rent under non-cancelable operating leases was as follows:

	Fiscal 2025	Fiscal 2024
Rent revenue:		
Minimum rent revenue	$ 84,812	$ 87,594
Variable rent revenue	5,149	6,334
Total rent revenue	89,961	93,928
Rent expense:		
Operating lease cost	(83,652)	(85,267)
Variable lease cost	(1,040)	(1,229)
Total operating lease cost	(84,692)	(86,496)
Net rent income	$ 5,269	$ 7,432

Lease Term and Discount Rate as of January 31,

Weighted-average remaining lease term:

	2025	2024
Finance leases	12.28 years	12.11 years
Operating leases	7.20 years	7.61 years

Weighted-average discount rate:

	2025	2024
Finance leases	6.2 %	6.5 %
Operating leases	2.7 %	2.4 %

NOTE 10 — SALE-LEASEBACK TRANSACTIONS

For all of our 125 restaurant property financing method sale-leaseback transactions, whether assumed by or completed by the CKE Securitization Entities, the initial minimum lease terms are 20 years and include renewal options. The leases also include provisions that provide us with the ability to repurchase the properties, which for accounting purposes, prevents sale recognition as the leased properties are real estate, and we have concluded that no two real estate assets are substantially the same.

Under the financing method, the sales proceeds received are recorded in other current liabilities and other long-term liabilities until our continuing involvement with the properties is terminated, and the associated properties are reported as owned assets and depreciated over their remaining useful lives. Rent payments for these leases are recorded as principal and interest. The net book value of the associated assets, which is included in property and equipment, net of accumulated depreciation and amortization, in our accompanying Combined Consolidated Balance Sheets was $113,775 and $115,805 as of January 31, 2025 and 2024, respectively.

During fiscal 2025, the lease agreements for one of our restaurant properties was terminated. As we no longer have involvement in the properties, we recognized a net gain of $1,086 associated with the write-off of the assets and liabilities. The net gain is included in facility action charges, net in our accompanying Combined Consolidated Statements of Income.

Closing costs and other fees related to sale-leaseback transactions are treated as deferred financing costs, which are recorded as a reduction to the liability balance and amortized to interest expense over the initial minimum lease term.

As of January 31, 2025, our future minimum lease commitments for our financing method sale-leaseback obligations are as follows:

Fiscal:	
2026	$ 16,074
2027	16,267
2028	17,099
2029	17,661
2030	17,666
Thereafter	48,094
Total minimum lease payments	132,861
Less amount representing interest	(26,955)
Residual property obligation[(1)], deferred financing costs and deferred sales proceeds	101,959
Financing method sale-leaseback liability	207,865
Less current portion	(11,658)
Financing method sale-leaseback liability, less current portion	$ 196,207

(1) Although we have legally transferred title of the sale-leaseback properties, we have included an obligation to convey, for accounting purposes, the sale-leaseback assets at the end of the primary lease term. This obligation was established in acquisition accounting and based on the estimated residual value of the sale-leaseback assets at the end of the primary lease term.

NOTE 11 — OTHER LONG-TERM LIABILITIES

Other long-term liabilities as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Financing method sale-leaseback liability, long-term portion	$ 196,207	$ 208,337
Deferred franchise and development fees	31,004	32,487
Deferred beverage income	5,391	5,721
Unfavorable lease agreements	2,714	4,132
Other	154	124
Total other long-term liabilities	$ 235,470	$ 250,801

NOTE 12 — MEMBERS' DEFICIT

During fiscal 2025 and 2024, the CKE Securitization Entities received capital contributions of $36,922 and $35,679, respectively, consisting principally of property and equipment and assets associated with the CKE Restaurants Acquisition (see Note 5). During fiscal 2025 and 2024, the CKE Securitization Entities paid total cash distributions of $144,118 and $133,746, respectively, to members.

NOTE 13 — FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents information on our financial instruments as of January 31, 2025 and 2024:

	2025		2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial liabilities:				
Series 2018-1 Class A-2-II Notes	$ —	$ —	$ 329,928	$ 315,044
Series 2018-1 Class A-2-III Notes	232,031	227,297	234,366	222,070
Series 2020-1 Class A-2 Notes	379,552	362,842	382,905	344,350
Series 2021-1 Class A-2 Notes	171,186	154,454	172,625	146,543
Series 2024-1 Class A-2 Notes	341,425	364,858	—	—

The fair value of cash and cash equivalents and restricted cash and cash equivalents each approximate their respective carrying amounts due to the short maturity of the balances. The carrying amounts of notes receivable, net (both current and non-current) of related allowance for credit losses approximate fair value. The estimated fair values of our borrowings under the Class A-2 Notes were determined by obtaining estimated market prices from an investment banking firm as of the balance sheet dates.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Entities are required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value based on the following fair value hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities;

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Our non-financial long-lived assets, including intangible assets and property and equipment, are reported at carrying value and are not required to be measured at fair value on a recurring basis. However, on a periodic basis, or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, we assess our long-lived assets for impairment. When impairment has occurred, such long-lived assets are written down to fair value. See Note 16 for further information regarding impairment charges.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2025:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 1,273
Assets to be held and used (Level 3)[2]	$ —	$ 1,667

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.
(2) Represents impairment recorded for five domestic company-operated restaurants.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2024:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 3,311
Assets to be held and used (Level 3)[2]	$ —	$ 1,044

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.
(2) Represents impairment recorded for two domestic company-operated restaurants.

NOTE 14 — COMMITMENTS AND CONTINGENT LIABILITIES

Lease Commitments

Many of the restaurants we have sold to franchisees are on leased sites, and we have entered into sublease agreements with these franchisees but remained principally liable for the lease obligations. We account for the sublease payments received as rent revenue in franchised restaurants and other revenue, and the payments on the leases as rent expense in franchised restaurants and other expense, in our accompanying Combined Consolidated Statements of Income. As of January 31, 2025, the nominal value of the lease obligations under the remaining master leases' primary terms is $400,271.

Letters of Credit

Pursuant to our Series 2018-1 Variable Funding Notes, we may borrow up to $125,000 for senior secured revolving facility loans, swingline loans and letters of credit (see Note 8). As of January 31, 2025, we had several standby letters of credit outstanding under our Series 2018-1 Variable Funding Notes totaling $24,245, expiring at various dates through October 2025. The outstanding letters of credit consist of a $15,150 letter of credit for benefit of the holders of the Senior Notes as an interest

reserve as required by the Indenture and letters of credit of $9,095, which primarily secure our potential workers' compensation, general liability and auto liability obligations.

Unconditional Purchase Obligations

As of January 31, 2025, we had unconditional purchase obligations in the amount of $63,767, which consisted primarily of contracts for goods and services related to restaurant operations. Our unconditional purchase obligations for fiscal 2026, 2027, 2028, 2029 and 2030 are estimated to be $60,523, $937, $937 , $838 and $532, respectively.

Litigation

We are currently involved in legal disputes related to employment, franchising, real estate and other business matters. We intend to vigorously defend against all claims in these lawsuits, and are unable to predict the ultimate outcome of these actions. Although the outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company, based on currently available information, including legal defenses available to the Company and its legal reserves and insurance coverages, the Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter. In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated or unrelated to possible outcomes, and as such may not be meaningful indicators of our potential liability or financial exposure. We regularly review contingencies to determine the adequacy of our accruals and related disclosures. The ultimate amount of loss may differ from these estimates.

NOTE 15 — FRANCHISE OPERATIONS

Franchised restaurants and other revenue consisted of the following:

	Fiscal 2025	Fiscal 2024
Royalties	$ 190,783	$ 190,123
Rent and other occupancy	91,956	97,506
Franchise fees	5,395	5,084
Total franchised restaurants and other revenue	$ 288,134	$ 292,713

Franchised restaurants and other expense consisted of the following:

	Fiscal 2025	Fiscal 2024
Rent and other occupancy	$ 72,585	$ 75,723
Amortization of franchise agreements	16,483	16,857
Other	2,498	1,046
Total franchised restaurants and other expense	$ 91,566	$ 93,626

NOTE 16 — FACILITY ACTION CHARGES, NET

The components of facility action charges, net, are as follows:

	Fiscal 2025	Fiscal 2024
Closed store expenses	$ 2,176	$ 2,148
Impairment of assets to be held and used	1,667	1,044
Impairment of assets to be disposed of	1,273	3,311
Other losses, net	29	—
Gain on disposal of other property and equipment	(3,869)	(3,503)
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property (see Note 10)	(1,086)	—
Gain on refranchising transaction	—	(817)
Total facility action charges, net	$ 190	$ 2,183

Impairment charges recorded against property and equipment of 2,940 and $4,355 were recognized in facility action charges, net in fiscal 2025 and 2024, respectively.

NOTE 17 — EMPLOYEE RETIREMENT PLAN

We and CKE Restaurants sponsor a contributory plan ("401(k) Plan") to provide retirement benefits under the provisions of Section 401(k) of the Internal Revenue Code ("IRC"). Participants may elect to contribute a portion of their annual salaries on a pre-tax basis to the 401(k) Plan, subject to the maximum contribution allowed by the IRC. During fiscal 2025 and 2024, our matching contributions to the 401(k) Plan were $129 and $113, respectively.

NOTE 18 — RELATED PARTY TRANSACTIONS

Transactions with CKE Restaurants and its Subsidiaries

The CKE Securitization Entities have a management agreement with CKE Restaurants (the "Management Agreement"), pursuant to which CKE Restaurants, as Manager, is required to manage and service the assets of the CKE Securitization Entities in accordance with the terms set forth in the Management Agreement. The primary responsibilities of Manager are to administer collections on behalf of the CKE Securitization Entities, and to perform certain activities pertaining to franchising, marketing, real estate management, intellectual property matters, operations and reporting on behalf of the CKE Securitization Entities. The CKE Securitization Entities are obligated to pay Manager a management fee using a formula provided within the Management Agreement, which is calculated using a base fee of $10,300 per annum and a variable fee based upon retained collections for the last four quarterly collection periods. Prior to April 4, 2024, the CKE Securitization Entities were obligated to pay Manager a management fee using a formula provided within a prior management agreement, which was calculated using a base fee of $15,000 per annum and a variable fee based upon retained collections for the last four quarterly collection periods, subject to annual increases for inflation.

During fiscal 2025 and 2024, the CKE Securitization Entities incurred management fee expenses of $43,422 and $49,252, respectively, which are included in general and administrative expense in our accompanying Combined Consolidated Statements of Income.

As of January 31, 2025, we had outstanding receivables from affiliates of $2,458 and payables to affiliates of $2,141. As of January 31, 2024, we had outstanding receivables from affiliates of $425 and payables to affiliates of $1,989.

NOTE 19 — INCOME TAXES

For fiscal 2025 and 2024, income tax expense consisted of current foreign taxes of $6,346 and $5,914, respectively.

As a direct result of our corporate structure, the CKE Securitization Entities are each a limited liability company that is disregarded as an entity separate from its indirect owners, CKE and CKE Restaurants, for federal and state income tax purposes, and are not jointly and severally liable for any income taxes owed by the parent corporate entities. Further, no tax sharing agreement exists, or is expected to exist, between the CKE Securitization Entities and their indirect parent companies that would require the CKE Securitization Entities to directly or indirectly reimburse their indirect parent companies for taxes related to the operations of the CKE Securitization Entities.

NOTE 20 — SUPPLEMENTAL CASH FLOW INFORMATION

	Fiscal 2025	Fiscal 2024
Cash paid for:		
Interest, net of amounts capitalized	$ 64,855	$ 59,155
Income taxes	6,390	5,737
Non-cash activities:		
Operating lease assets obtained in exchange for new operating lease liabilities	53,232	65,562
Contributed property and equipment[(1)]	30,130	28,511
Contributed other assets[(1)]	6,681	3,730
Contributed assets for the CKE Restaurants Acquisition (see Note 5)[(1)]	111	3,438

(1) Contributed property and equipment, contributed other assets and contributed assets for the CKE Restaurants Acquisition represent assets purchased by CKE Restaurants and certain of its wholly owned subsidiaries on behalf of the CKE Securitization Entities pursuant to the Management Agreement. For accounting purposes, these purchases are treated as non-cash contributions to the CKE Securitization Entities.

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING BALANCE SHEET
(In thousands)

	January 31, 2025							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
ASSETS								
Current assets:								
Cash and cash equivalents	$ 1,347	$ 2,452	$ —	$ 3,397	$ 3,385	$ —	$ —	$ 10,581
Cash and cash equivalents - restricted	—	18,147	—	—	—	—	—	18,147
Accounts receivable, net	11,088	—	—	12,702	—	—	—	23,790
Due from affiliates	13,088	18,528	—	57,488	225	—	(86,871)	2,458
Inventories	528	—	—	2,459	—	—	—	2,987
Prepaid expenses	148	17	—	539	17	—	—	721
Other current assets	—	—	—	—	—	—	—	—
Total current assets	26,199	39,144	—	76,585	3,627	—	(86,871)	58,684
Property and equipment, net	83,854	—	—	259,388	—	—	—	343,242
Operating lease assets	283,395	—	—	87,023	—	—	—	370,418
Intangible assets, net	372,047	—	—	388,702	—	—	—	760,749
Other assets, net	16,104	—	—	22,269	—	—	—	38,373
Total assets	$ 781,599	$ 39,144	$ —	$ 833,967	$ 3,627	$ —	$ (86,871)	$ 1,571,466
LIABILITIES AND MEMBERS' DEFICIT								
Current liabilities:								
Current portion of long-term debt	$ —	$ 5,900	$ —	$ —	$ 5,900	$ —	$ —	$ 11,800
Current portion of finance leases	591	—	—	921	—	—	—	1,512
Current portion of operating leases	58,041	—	—	15,846	—	—	—	73,887
Accounts payable	1,597	3	—	1,470	3	—	—	3,073
Due to affiliates	437	56,756	—	7,533	24,286	—	(86,871)	2,141
Other current liabilities	10,380	3,195	—	19,945	3,180	—	—	36,700
Total current liabilities	71,046	65,854	—	45,715	33,369	—	(86,871)	129,113
Long-term debt, less current portion	—	556,197	—	—	556,197	—	—	1,112,394
Finance leases, less current portion	5,496	—	—	15,783	—	—	—	21,279
Operating leases, less current portion	237,778	—	—	77,068	—	—	—	314,846
Other long-term liabilities	63,918	—	—	171,552	—	—	—	235,470
Total liabilities	378,238	622,051	—	310,118	589,566	—	(86,871)	1,813,102
Members' equity (deficit):								
Members' equity (deficit)	403,361	(582,907)	—	523,849	(585,939)	—	—	(241,636)
Total liabilities and members' deficit	$ 781,599	$ 39,144	$ —	$ 833,967	$ 3,627	$ —	$ (86,871)	$ 1,571,466

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING BALANCE SHEET
(In thousands)

	January 31, 2024							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
ASSETS								
Current assets:								
Cash and cash equivalents	$ 2,117	$ 3,996	$ —	$ 3,685	$ 2,542	$ —	$ —	$ 12,340
Cash and cash equivalents - restricted	—	15,942	—	—	—	—	—	15,942
Accounts receivable, net	11,160	—	—	10,588	—	—	—	21,748
Due from affiliates	11,625	20,328	—	56,241	238	—	(88,007)	425
Inventories	559	—	—	2,293	—	—	—	2,852
Prepaid expenses	112	22	—	314	22	—	—	470
Other current assets	79	—	—	—	—	—	—	79
Total current assets	25,652	40,288	—	73,121	2,802	—	(88,007)	53,856
Property and equipment, net	83,156	—	—	270,737	—	—	—	353,893
Operating lease assets	304,577	—	—	91,121	—	—	—	395,698
Intangible assets, net	378,456	—	—	399,082	—	—	—	777,538
Other assets, net	16,259	—	—	15,599	—	—	—	31,858
Total assets	$ 808,100	$ 40,288	$ —	$ 849,660	$ 2,802	$ —	$ (88,007)	$ 1,612,843
LIABILITIES AND MEMBERS' DEFICIT								
Current liabilities:								
Current portion of long-term debt	$ —	$ 5,900	$ —	$ —	$ 5,900	$ —	$ —	$ 11,800
Current portion of finance leases	698	—	—	817	—	—	—	1,515
Current portion of operating leases	57,919	—	—	15,854	—	—	—	73,773
Accounts payable	2,676	—	—	1,791	—	—	—	4,467
Due to affiliates	658	57,049	—	5,579	26,710	—	(88,007)	1,989
Other current liabilities	9,737	2,847	—	19,637	2,832	—	—	35,053
Total current liabilities	71,688	65,796	—	43,678	35,442	—	(88,007)	128,597
Long-term debt, less current portion	—	554,012	—	—	554,012	—	—	1,108,024
Finance leases, less current portion	6,663	—	—	16,706	—	—	—	23,369
Operating leases, less current portion	259,057	—	—	80,623	—	—	—	339,680
Other long-term liabilities	66,746	(1)	—	184,056	—	—	—	250,801
Total liabilities	404,154	619,807	—	325,063	589,454	—	(88,007)	1,850,471
Members' equity (deficit):								
Members' equity (deficit)	403,946	(579,519)	—	524,597	(586,652)	—	—	(237,628)
Total liabilities and members' deficit	$ 808,100	$ 40,288	$ —	$ 849,660	$ 2,802	$ —	$ (88,007)	$ 1,612,843

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING STATEMENTS OF INCOME
(In thousands)

	Fiscal 2025							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
Revenue:								
Company-operated restaurants	$ 111,187	$ —	$ —	$ 272,117	$ —	$ —	$ —	$ 383,304
Franchised restaurants and other	173,988	5,573	—	114,147	13,626	—	(19,200)	288,134
Total revenue	285,175	5,573	—	386,264	13,626	—	(19,200)	671,438
Operating costs and expenses:								
Company-operated restaurants:								
Food and packaging	26,976	—	—	71,775	—	—	—	98,751
Payroll and other employee benefits	38,263	—	—	91,414	—	—	—	129,677
Occupancy and other	37,063	—	—	90,856	—	—	(19,200)	108,719
Total company-operated restaurants	102,302	—	—	254,045	—	—	(19,200)	337,147
Franchised restaurants and other	68,453	—	—	23,113	—	—	—	91,566
Advertising	6,775	—	—	14,988	—	—	—	21,763
General and administrative	63	22,295	—	(281)	21,633	—	—	43,710
Facility action charges, net	(1,686)	—	—	1,876	—	—	—	190
Total operating costs and expenses	175,907	22,295	—	293,741	21,633	—	(19,200)	494,376
Operating income (loss)	109,268	(16,722)	—	92,523	(8,007)	—	—	177,062
Interest expense	(1,422)	(31,032)	—	(5,319)	(30,999)	—	—	(68,772)
Other income (loss), net	1,143	104,400	60,034	517	86,881	47,162	(298,893)	1,244
Income (loss) before income taxes	108,989	56,646	60,034	87,721	47,875	47,162	(298,893)	109,534
Income tax expense	4,966	—	—	1,380	—	—	—	6,346
Net income (loss)	$ 104,023	$ 56,646	$ 60,034	$ 86,341	$ 47,875	$ 47,162	$ (298,893)	$ 103,188

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING STATEMENTS OF INCOME
(In thousands)

	Fiscal 2024							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
Revenue:								
Company-operated restaurants	$ 112,928	$ —	$ —	$ 255,914	$ —	$ —	$ —	$ 368,842
Franchised restaurants and other	175,402	5,643	—	117,311	12,594	—	(18,237)	292,713
Total revenue	288,330	5,643	—	373,225	12,594	—	(18,237)	661,555
Operating costs and expenses:								
Company-operated restaurants:								
Food and packaging	28,645	—	—	69,234	—	—	—	97,879
Payroll and other employee benefits	34,371	—	—	88,269	—	—	—	122,640
Occupancy and other	36,600	—	—	86,253	—	—	(18,237)	104,616
Total company-operated restaurants	99,616	—	—	243,756	—	—	(18,237)	325,135
Franchised restaurants and other	68,884	—	—	24,742	—	—	—	93,626
Advertising	6,889	—	—	13,837	—	—	—	20,726
General and administrative	(2,038)	24,442	—	213	25,336	—	—	47,953
Facility action charges, net	(1,128)	—	—	3,311	—	—	—	2,183
Total operating costs and expenses	172,223	24,442	—	285,859	25,336	—	(18,237)	489,623
Operating income (loss)	116,107	(18,799)	—	87,366	(12,742)	—	—	171,932
Interest expense	(1,460)	(27,431)	—	(5,652)	(27,320)	—	—	(61,863)
Other income (loss), net	3,589	112,499	61,153	406	81,860	36,915	(291,632)	4,790
Income (loss) before income taxes	118,236	66,269	61,153	82,120	41,798	36,915	(291,632)	114,859
Income tax expense	4,453	—	—	1,461	—	—	—	5,914
Net income (loss)	$ 113,783	$ 66,269	$ 61,153	$ 80,659	$ 41,798	$ 36,915	$ (291,632)	$ 108,945

Carl's Jr. SPV Guarantor LLC and subsidiaries, and Hardee's SPV Guarantor LLC and subsidiaries (the "CKE Securitization Entities")

Combined Consolidated Financial Statements
for the fiscal years ended January 29, 2024 and January 30, 2023

(With Independent Auditors' Report Thereon)

KPMG LLP
1201 Demonbreun Street
Suite 1100
Nashville, TN 37203

Independent Auditors' Report

Managing Member
Carl's Jr. SPV Guarantor LLC and Hardee's SPV Guarantor LLC:

Opinion

We have audited the combined consolidated financial statements of Carl's Jr. SPV Guarantor LLC and its subsidiaries, and Hardee's SPV Guarantor LLC and its subsidiaries (the Company), which comprise the combined consolidated balance sheets as of January 29, 2024 and January 30, 2023, and the related combined consolidated statements of income, members' deficit, and cash flows for each of the fiscal years then ended, and the related notes to the combined consolidated financial statements.

In our opinion, the accompanying combined consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 29, 2024 and January 30, 2023, and the results of its operations and its cash flows for each of the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

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 Auditors' Responsibilities for the Audit of the Combined Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Consolidated Financial Statements

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

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

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Auditors' Responsibilities for the Audit of the Combined Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined consolidated 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 combined consolidated 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 combined consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Other Information

Management is responsible for the other information included in the supplemental schedules. The other information comprises the combining consolidating balance sheets and combining consolidating statements of operations included in the supplemental schedules, but does not include the combined consolidated financial statements and our auditors' report thereon. Our opinion on the combined consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the combined consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the combined consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

KPMG LLP

Nashville, Tennessee
April 10, 2024

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED BALANCE SHEETS
(In thousands)

	January 31, 2024	January 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 12,340	$ 7,320
Cash and cash equivalents - restricted	15,942	16,053
Accounts receivable, net	21,748	20,699
Due from affiliates	425	539
Inventories	2,852	2,973
Prepaid expenses	470	173
Other current assets	79	83
Total current assets	53,856	47,840
Property and equipment, net	353,893	349,888
Operating lease assets	395,698	411,456
Intangible assets, net	777,538	793,030
Other assets, net	31,858	28,810
Total assets	$ 1,612,843	$ 1,631,024
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities:		
Current portion of long-term debt	$ 11,800	$ 11,800
Current portion of finance leases	1,515	1,268
Current portion of operating leases	73,773	76,242
Accounts payable	4,467	6,207
Due to affiliates	1,989	5,077
Other current liabilities	35,053	35,316
Total current liabilities	128,597	135,910
Long-term debt, less current portion	1,108,024	1,116,405
Finance leases, less current portion	23,369	14,428
Operating leases, less current portion	339,680	350,277
Other long-term liabilities	250,801	262,510
Total liabilities	1,850,471	1,879,530
Commitments and contingencies (Notes 8, 9, 10 and 14)		
Members' deficit:		
Members' deficit	(237,628)	(248,506)
Total liabilities and members' deficit	$ 1,612,843	$ 1,631,024

See Accompanying Notes to Combined Consolidated Financial Statements

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED STATEMENTS OF INCOME
(In thousands)

	Fiscal 2024	Fiscal 2023
Revenue:		
Company-operated restaurants	$ 368,842	$ 354,253
Franchised restaurants and other	292,713	290,831
Total revenue	661,555	645,084
Operating costs and expenses:		
Company-operated restaurants:		
Food and packaging	97,879	98,441
Payroll and other employee benefits	122,640	113,363
Occupancy and other	104,616	100,143
Total company-operated restaurants	325,135	311,947
Franchised restaurants and other	93,626	91,006
Advertising	20,726	19,276
General and administrative	47,953	55,948
Facility action charges, net	2,183	3,589
Total operating costs and expenses	489,623	481,766
Operating income	171,932	163,318
Interest expense	(61,863)	(62,752)
Other income, net	4,790	2,057
Income before income taxes	114,859	102,623
Income tax expense	5,914	4,826
Net income	$ 108,945	$ 97,797

See Accompanying Notes to Combined Consolidated Financial Statements

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED STATEMENTS OF MEMBERS' DEFICIT
(In thousands)

	Members' Deficit
Balance as of January 31, 2022	$ (251,817)
Capital contributions	45,394
Distributions to members	(139,428)
Net income	97,797
Cumulative effect of change in accounting principle (Note 9)	(452)
Balance as of January 31, 2023	(248,506)
Capital contributions	35,679
Distributions to members	(133,746)
Net income	108,945
Balance as of January 31, 2024	$ (237,628)

See Accompanying Notes to Combined Consolidated Financial Statements

THE CKE SECURITIZATION ENTITIES
COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal 2024	Fiscal 2023
Cash flows from operating activities:		
Net income	$ 108,945	$ 97,797
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	46,692	44,580
Amortization of deferred financing costs	3,419	3,352
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property	—	(1,285)
Gain on refranchising transaction	(817)	—
(Gain) loss on disposal of other property and equipment	(602)	512
Provision for losses on impairments, accounts receivable and other items, net	4,806	318
Net changes in operating assets and liabilities:		
Receivables, inventories, prepaid expenses and other current and non-current assets	(1,985)	4,247
Accounts payable and other current and long-term liabilities	(3,089)	(13,013)
Operating lease assets and liabilities, net	1,096	511
Net cash provided by operating activities	158,465	137,019
Cash flows from investing activities:		
Proceeds from refranchising transactions	2,092	—
Proceeds from sale of other property and equipment	2,412	1,957
Other investing activities	154	215
Net cash provided by investing activities	4,658	2,172
Cash flows from financing activities:		
Net change in book overdraft	(1,260)	(1,952)
Repayments of Class A-2 Notes	(11,800)	(11,800)
Payment for deferred financing costs of Series 2018-1 VFN Notes	—	(861)
Repayments of finance leases	(1,520)	(1,231)
Repayments of financing method sale-leaseback obligations	(10,164)	(8,836)
Distributions to members	(133,746)	(139,428)
Net advances from affiliates	276	(312)
Net cash used in financing activities	(158,214)	(164,420)
Net increase (decrease) in cash, cash equivalents and restricted cash	4,909	(25,229)
Cash, cash equivalents and restricted cash at beginning of period	23,373	48,602
Cash, cash equivalents and restricted cash at end of period	$ 28,282	$ 23,373

See Accompanying Notes to Combined Consolidated Financial Statements

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC own, operate and franchise the Carl's Jr.®, Hardee's®, Green Burrito® and Red Burrito® concepts. Domestic Carl's Jr. restaurants are predominantly located in the Western United States, primarily in California. International Carl's Jr. restaurants are located primarily in Mexico, with a growing presence in the rest of Latin America, Asia and Europe. Domestic Hardee's restaurants are predominantly located throughout the Southeastern and Midwestern United States. International Hardee's restaurants have an established and growing presence in the Middle East and Central Asia. The Green Burrito concept is located in dual-branded Carl's Jr. restaurants. The Red Burrito concept is located in dual-branded Hardee's restaurants. As of January 31, 2024, our system-wide restaurant portfolio consisted of:

Company-operated	253
Domestic franchised	2,408
International franchised[(1)]	1,114
Total restaurants	3,775

(1) As of July 7, 2022, we ceased providing any and all services to our master franchisee for the country of Russia. Our master franchisee has one franchised and sixteen subfranchised restaurants in Russia. Additionally, we have ceased collecting any royalties or fees of any type from the operation of these locations and do not approve or authorize additional locations.

Basis of Presentation and Fiscal Year

These Combined Consolidated Financial Statements include the combined accounts of Carl's Jr. SPV Guarantor LLC and its consolidated subsidiaries, consisting of Carl's Jr. Funding LLC and Carl's Jr. Restaurants LLC, and Hardee's SPV Guarantor LLC and its consolidated subsidiaries, consisting of Hardee's Funding LLC and Hardee's Restaurants LLC (collectively, the "CKE Securitization Entities"). The indirect corporate parent of Carl's Jr. SPV Guarantor LLC and Hardee's SPV Guarantor LLC is CKE Restaurants Holdings, Inc. ("CKE Restaurants"), and the indirect corporate parent of CKE Restaurants is CKE Holding Corporation ("CKE"). All of the CKE Securitization Entities are limited liability companies established on January 30, 2013 and were organized in the state of Delaware. The CKE Securitization Entities are special purpose, bankruptcy remote entities that hold substantially all of the restaurant businesses, franchising assets, real estate and other productive assets of CKE Restaurants and its subsidiaries. CKE Restaurants, together with certain other non-securitization entities, acts as the manager ("Manager") by managing and servicing the assets, performing certain franchising, marketing, real estate, intellectual property and operating and reporting services on behalf of the CKE Securitization Entities. References to "we", "us", "our" and the "Company" may relate to any or all of the CKE Securitization Entities, as may be applicable, but do not relate to CKE or CKE Restaurants.

The CKE Securitization Entities were formed in connection with a contemplated financing (the "Securitization Transaction"), which was completed on April 1, 2013. In conjunction with the Securitization Transaction, Carl's Jr. Funding LLC and Hardee's Funding LLC (collectively, the "Co-Issuers") issued $1,050,000 Series 2013-1 4.474% Class A-2 Senior Secured Notes with an anticipated repayment date of March 2020 and a legal final maturity date of March 2043 (the "Class A-2 Notes") and $100,000 Series 2013-1 Variable Funding Class A-1 Senior Secured Notes due September 2018 (the "Variable Funding Notes" and together with the Class A-2 Notes, the "Senior Notes"). In June 2018, the Senior Notes were refinanced. In December 2020, the Series 2018-1 Class A-2-I Notes were refinanced. In June 2021, the Co-Issuers issued $180,000 Series 2021-1 Class A-2 Notes. See Note 8 for further discussion.

These Combined Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). All significant intercompany balances and transactions are eliminated in combination and consolidation.

We operate on a retail accounting calendar, ending on the last Monday in January. For clarity of presentation, we generally label all years presented as if the fiscal year ended January 31. The fiscal year ended January 29, 2024 is referred to

herein as fiscal 2024 or the fiscal year ended January 31, 2024. The fiscal year ended January 30, 2023 is referred to herein as fiscal 2023 or the fiscal year ended January 31, 2023. The first quarter of our fiscal year has four periods, or 16 weeks. All other quarters generally have three periods, or 12 weeks.

Our restaurant sales, and therefore our profitability, are subject to seasonal fluctuations and are traditionally higher during the spring and summer months because of factors such as increased travel during school vacations and improved weather conditions, which affect the public's dining habits.

Inflation and Middle East Conflict

Inflationary pressures on labor and commodity price increases directly impacted our results of operations during the year ended January 31, 2024 and January 31, 2023. We attempt to manage any inflationary costs and commodity price increases through selective menu price increases and changes in product mix. Competitive pressures, consumer spending levels and other factors may limit our ability to recover such costs increases in the future.

Beginning October 2023, certain of our Hardee's international markets began being impacted by a military conflict in the Middle East. As a result, international franchised restaurants same-store sales were impacted to varying degrees within the Middle East. Further continuation of this conflict could have an adverse impact on our business and results of operations.

Variable Interest Entities

We do not maintain ownership interests in our franchisees, and none of our assets serve as collateral for the creditors of our franchisees. Under the terms of their franchise agreements, franchise entities hold the power to direct the activities that most significantly impact their economic performance. As a result, we do not consider ourselves the primary beneficiary of any franchise entity that might be a variable interest entity.

Estimations

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Our most significant areas of estimation are:

- estimation of future cash flows used to assess the recoverability of long-lived assets, including intangible assets, finance lease assets and operating lease assets;
- determination of appropriate estimated liabilities for loss contingencies;
- determination of appropriate assumptions to use in evaluating leases for finance versus operating lease treatment, establishing depreciable lives for leasehold improvements and establishing straight-line rent expense periods; and
- estimation of the appropriate allowances associated with franchise and other receivables.

Cash and Cash Equivalents

For purposes of reporting cash and cash equivalents, highly liquid investments purchased with original maturities of three months or less are considered cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents of $15,942 and $16,053 as of January 31, 2024 and 2023, respectively, consisted of cash and cash equivalents that are held by the trustee of our Senior Notes (as defined in Note 8) to be used for debt service payments on our Series 2018-1, Series 2020-1 and Series 2021-1 Senior Notes.

Inventories

Inventories are stated at the lower of cost (on a first-in, first-out basis) or net realizable value and consist primarily of restaurant food, packaging and supplies.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method based on the assets' estimated useful lives, which generally range from three to 40 years.

Leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the related lease terms. The amortization period for leasehold improvements includes renewal option periods only in instances in which the exercise of the renewal option is reasonably certain at the acquisition date because failure to exercise such option would result in an economic penalty.

We capitalize direct costs and interest costs associated with construction projects that have a future benefit. If we subsequently make a determination that a site for which development costs have been capitalized will not be acquired or developed, any previously capitalized development costs are expensed and included in general and administrative expenses.

Leases

Lessor Accounting

We recognize lease payments for operating leases as property revenue on a straight-line basis over the lease term. We recognize variable lease payment income for operating leases in the period when changes in facts and circumstances on which the variable lease payments are based occur. We recognize variable lease payment income for operating and financing leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Lessee Accounting

We recognize an operating lease asset and lease liability at lease commencement, which are measured by discounting lease payments using the estimated risk free rate as the discount rate. We made an accounting policy election to use the risk-free rate as our discount rate to determine the initial and subsequent measurement of operating lease liabilities. Subsequent amortization of the operating lease asset and accretion of the lease liability for an operating lease is recognized as a single lease cost, on a straight-line basis, over the lease term. Reductions to the operating lease asset and the change in the lease liability are included in changes in operating lease assets and liabilities, net in the Combined Consolidated Statement of Cash Flows.

A finance lease asset is depreciated on a straight-line basis over the lesser of the useful life of the leased asset or lease term. Interest on each finance lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability. Operating lease and finance lease assets are assessed for impairment in accordance with our long-lived asset impairment policy.

We reassess lease classification and remeasure assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate contract or upon certain other events that require reassessment. We recognize variable lease cost for operating and finance leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Intangible Assets

Our indefinite-lived intangible assets consist of trademarks / tradenames. We test trademarks / tradenames for impairment on an annual basis or more frequently if events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable. We first assess qualitative factors to determine whether it is more likely than not that the fair value of the indefinite-lived intangible asset is less than its carrying amount. If we conclude that it is more likely than not that the indefinite-lived intangible asset is impaired, we then perform a quantitative test to determine whether the carrying amount is less than the fair value of the indefinite-lived intangible asset and measure the amount of impairment, if any.

Our definite-lived intangible assets consist of franchise agreements and favorable lease agreements and are amortized on a straight-line basis over their estimated useful lives. Our definite-lived intangible assets are tested for impairment when events or circumstances indicate the carrying value may be impaired. Refer to discussion of facility action charges for a discussion of impairment of restaurant-level long-lived assets.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized, utilizing the effective interest method, as a component of interest expense over the terms of the respective financing arrangements. See Note 8 for further discussion.

Book Overdraft

Book overdraft liabilities are included within accounts payable in our accompanying Combined Consolidated Balance Sheets. As of January 31, 2024 and 2023, our book overdraft liability was $367 and $1,627, respectively. We classify changes in book overdraft balances as a financing activity in our accompanying Combined Consolidated Statements of Cash Flows.

Loss Contingencies

We routinely assess loss contingencies to develop estimates of likelihood of loss and range of possible settlement. We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. We do not record liabilities for losses we believe are only reasonably possible to result in an adverse outcome. See Note 14 for further discussion.

Revenue Recognition

Company-operated restaurants revenue is recognized upon the sale of food or beverage to a customer in the restaurant, which is when our obligation to perform is satisfied.

Franchised restaurants and other revenue includes royalties, franchise fees and rent revenue. Royalties from franchised restaurants are based on a percentage of net sales of the franchised restaurant and are recognized as earned. Royalties are typically billed and paid monthly and are usually 4% to 5% per restaurant. Franchise development and commitment fees are deferred when received, allocated to each agreed upon restaurant, and recognized as revenue over the contractual term of each respective franchise agreement, once the restaurant has opened. Initial franchise fees, training fees, renewal fees and transfer fees are recognized as revenue over the contractual term of the franchise agreements, once the restaurant has opened. Upfront franchise fees are typically billed and paid when a new franchise agreement becomes effective or when an existing agreement is transferred to another franchisee. These franchise fees are considered highly dependent upon and interrelated with the franchise right granted in the franchise agreement. Further, franchise fees are forfeited and recognized as revenue upon the termination of the related commitments to open new franchised restaurants, the franchised restaurants closing prior to the end of the contractual agreement or the franchised restaurants being acquired by the Company. Property revenues consist of rental income from properties we lease or sublease to franchisees. Property revenues are accounted for in accordance with applicable accounting guidance for leases (see Leases above). We present all revenue net of sales tax.

Franchise Operations and Credit Risk

Franchised restaurants and other expense includes rent and occupancy costs related to our franchised restaurants, amortization of franchise agreements, credit losses and other miscellaneous expenses directly related to our franchise operations. These costs are expensed as incurred.

Accounts receivable consists primarily of amounts due from franchisees for royalties, franchise fees and rent. In addition, we have notes and other receivables from certain of our franchisees. The financial condition of our franchisees is, in part, dependent upon the underlying business trends of our brand. This concentration of credit risk is mitigated, in part, by the large number of franchisees and the short-term nature of the receivables.

We record provisions for estimated losses on receivables when we believe our franchisees are unable to make their required payments. We cease accruing royalties and rent revenue from franchisees during the fiscal quarter in which we determine that collectibility of such amounts is not reasonably assured. There are a number of different actions we and/or our

franchisees may take to resolve or mitigate franchise collection issues. These actions may include a reduction or deferral of future royalties, a reduction or deferral of future rent for which we are the landlord or the primary obligor to the landlord, or if necessary, acquiring the restaurants or terminating the franchise agreement.

Advertising

Domestic Carl's Jr. restaurants contribute to a national advertising fund (the "Carl's Jr. Fund") that is administered by Manager. Domestic Hardee's restaurants contribute to Hardee's National Advertising Fund ("HNAF") that is administered by Manager and co-operative advertising funds that are administered by a third party (collectively, the "Hardee's Funds"), but consolidated by Manager since Manager is the primary beneficiary of the Hardee's Funds. Further, both international Carl's Jr. restaurants and Hardee's restaurants contribute to certain international advertising funds that are administered by Manager.

We expense advertising costs for company-operated restaurants' contributions to the Carl's Jr. Fund and the Hardee's Funds as company-operated restaurants revenue is earned since we are obligated to share ratably in the cost of the related advertising programs. The cost of local and incremental advertising that is not funded by the Carl's Jr. Fund or the Hardee's Funds is expensed as incurred.

Facility Action Charges

From time to time, we identify restaurants that have carrying values in excess of their fair values and, as a result, we may record impairment charges. We may also close or refranchise these or other restaurants and lease or sublease the restaurant property to a franchisee or to a business other than one of our restaurant concepts. The financial statement impact resulting from these and similar actions are recorded in our accompanying Combined Consolidated Statements of Income as facility action charges, net and include:

(i) impairment of restaurant-level long-lived assets for restaurants to be disposed of or held and used;
(ii) store closure costs, including rent, taxes, depreciation and other costs incurred for closing a store; and
(iii) gain or loss on the sale of restaurants, including refranchising transactions.

Considerable management judgment is necessary to estimate future cash flows, including cash flows from continuing use, terminal value, closure costs, expected sublease income and refranchising proceeds. Accordingly, actual results could vary significantly from our estimates.

(i) Impairment of Restaurant-Level Long-Lived Assets

Whenever events or circumstances indicate that the carrying value of assets may be impaired, we evaluate our restaurant-level long-lived assets for impairment. For purposes of impairment testing, assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities, which is generally the individual restaurant level for fixed assets, finance lease assets and operating lease assets. For each asset group, we evaluate whether there are indicators of impairment such as sequential annual cash flow losses or adverse changes in the physical condition or expected use of the asset group. When indicators of impairment exist, we evaluate whether the assets are recoverable by comparing the undiscounted future cash flows that we expect to generate from their use and disposal to their carrying value. Restaurant-level assets that are not deemed to be recoverable are written down to their estimated fair value, which is determined by assessing the highest and best use of the assets and the amounts that would be received for such assets in an orderly transaction between market participants.

Our impairment analyses rely upon a number of estimates, assumptions and measurements with significant Level 2 and Level 3 unobservable inputs (see Note 13), including estimates of future cash flows, assumptions of future same-store sales and projected operating expenses for each of our restaurants over their estimated remaining useful lives in order to evaluate recoverability and estimate fair value. Future cash flows are estimated based upon experience gained, current intentions about refranchising or closing restaurants, recent and expected sales trends, internal plans, the period of time since the restaurant was opened or remodeled, the maturity of the related market and other relevant information. We generally estimate the useful life of restaurants on owned property to be 20 to 40 years and estimate the useful life of restaurants subject to leases to range from the end of the lease term then in effect to the end of such lease term including option periods. If our future cash flows or same-store sales do not meet or exceed our forecasted levels, or if restaurant operating cost increases exceed our forecast and we are unable

to recover such costs through price increases, the carrying value of certain of our restaurants may prove to be unrecoverable, and we may incur additional impairment charges in the future.

(ii) Store Closure Costs

We typically make decisions to close restaurants based on prospects for estimated future profitability. However, sometimes we are forced to close restaurants due to circumstances beyond our control (e.g., a landlord's refusal to negotiate a new lease). When restaurants continue to perform poorly, we consider a number of factors, including the demographics of the location and the likelihood of being able to improve an unprofitable restaurant. Based on the operators' judgment and a financial review, we estimate the future cash flows. If we determine that the restaurant will not, within a reasonable period of time, operate at break-even cash flow or be profitable, and we are not contractually obligated to continue operating the restaurant, we may decide to close the restaurant.

(iii) Gain or Loss on the Sale of Restaurants, Including Refranchising Transactions

We record gains and losses on the sale of restaurants as the difference between the net proceeds received and net carrying values of the net assets of the restaurants sold. If we sublease a restaurant to a franchisee on terms that result in a probable loss, then we will establish a lease subsidy allowance and record a loss at the time we enter into the lease arrangement. As further described above, the amount of the estimated liability for the lease subsidy is the present value of our estimated future payments, net of the present value of the expected sublease income.

Contract Liabilities - Deferred Franchise Fees

The following table provides information about contract liabilities, specifically deferred franchise fees, received from contracts with customers:

	2024	2023
Deferred franchise fees, beginning of year	$ 36,129	$ 37,586
Revenue recognized during the period	(5,084)	(6,120)
New deferrals due to cash received	4,919	4,663
Deferred franchise fees, end of year	$ 35,964	$ 36,129

The following table reflects the estimated franchise fees to be recognized in the future related to performance obligations that are unsatisfied at the end of the period:

Fiscal:	
2025	$ 3,477
2026	3,016
2027	2,801
2028	2,665
2029	2,546
Thereafter	21,459
Total estimated future amortization income	$ 35,964

Deferred franchise fees are recorded in other current liabilities and other long-term liabilities in our accompanying Consolidated Balance Sheets as of January 31, 2024 and January 31, 2023, respectively.

Distributor Concentration Risk

We currently rely on a limited number of distributors to deliver food, packaging and supplies to our restaurants. Although we could use alternative distributors, an unforeseen change in distributor could cause a delay in receipt of food, packaging or supplies and possibly result in unfavorable costs and loss of sales.

Comprehensive Income

We did not have any items of other comprehensive income during fiscal 2024 and 2023.

Reclassification

Certain prior year amounts in the accompanying Combined Consolidated Statements of Income have been reclassified in order to be comparable with the current year classification. These consist of the reclassification for the year ended January 31, 2023 of certain workers compensation expense of $2,846 from Payroll and other employee benefits to Occupancy and other expense. This reclassification did not arise as a result of any changes to accounting policies and relate entirely to presentation with no effect on previously reported net income.

Subsequent Events

We have evaluated subsequent events through April 10, 2024, the date our Combined Consolidated Financial Statements were available to be issued and except as discussed in Note 8, have determined that no material subsequent events occurred after the balance sheet date.

NOTE 2 — ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS AND ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

New Accounting Standards Adopted

Credit Impairment

In June 2016, the Financial Accounting Standards Board ("FASB") issued a standard that requires measurement and recognition of expected versus incurred credit losses for financial assets held, including trade receivables. The standard is effective for interim and annual reporting periods beginning after December 15, 2019 for public entities. For other entities, the standard is effective for interim and annual reporting periods beginning after December 15, 2022. The Company adopted this amendment during the first quarter of 2024. The adoption of this guidance did not have a material impact on our Combined Consolidated Financial Statements.

New Accounting Standards Not Yet Adopted

Income Tax Disclosures

In December 2023, the FASB issued guidance that enhances income tax disclosures including expanded qualitative effective tax rate reconciliation. The standard also requires annual disclosure of income taxes paid disaggregated by federal, state and foreign taxes. The standard is effective for annual reporting periods beginning after December 15, 2024 for public entities. For other entities, the standard is effective for annual reporting periods beginning after December 15, 2025. Early adoption of the guidance is permitted. We are currently evaluating the impact the adoption of this standard will have on our Combined Consolidated Financial Statements.

NOTE 3 — ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Trade receivables	$ 21,364	$ 20,671
Leases receivable	181	206
Notes receivable	2,096	1,372
Allowance for credit losses	(1,893)	(1,550)
Total accounts receivable, net	$ 21,748	$ 20,699

The following table summarizes the activity in the allowance for credit losses:

	Fiscal 2024	Fiscal 2023
Allowance for credit losses, beginning of year	$ 1,550	$ 2,734
Provision	1,316	799
Recoveries	(540)	(1,099)
Charge-offs	(433)	(884)
Allowance for credit losses, end of year	$ 1,893	$ 1,550

NOTE 4 — PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consisted of the following as of January 31, 2024 and 2023:

	Estimated Useful Life	2024	2023
Land		$ 191,712	$ 194,610
Leasehold improvements	3-25 years	98,777	97,064
Buildings and improvements	3-40 years	189,373	189,040
Equipment, furniture and fixtures	3-8 years	108,475	89,836
Finance leases	5-33 years	18,174	9,264
		606,511	579,814
Less accumulated depreciation and amortization[(1)]		(252,618)	(229,926)
Total property and equipment, net		$ 353,893	$ 349,888

(1) The accumulated amortization related to finance leases was $333 and $1,375 as of January 31, 2024 and 2023, respectively.

Depreciation and amortization expense related to property and equipment for fiscal 2024 and 2023 was $31,280 and $30,537, respectively. Amortization of property under finance leases is included within depreciation and amortization expense.

During fiscal 2024 and 2023, we capitalized interest costs in the amounts of $155 and $274, respectively.

NOTE 5 — ACQUISITIONS AND REFRANCHISING ACTIVITY

CKE Restaurants Acquisition

During the year ended January 31, 2024, CKE Restaurants acquired nineteen Hardee's restaurants and one Carl's Jr. restaurant from franchisees and contributed these restaurants to the CKE Securitization Entities (the "CKE Restaurants Acquisition"). In connection with the acquisition of these restaurants, the CKE Securitization Entities recorded the following:

	Fiscal 2024
Net working capital	$ 55
Property and equipment	12,281
Operating lease assets	5,048
Reacquired franchise rights	1,810
Operating leases	(5,048)
Finance leases	(10,708)
Net assets acquired and liabilities assumed	$ 3,438

The resulting acquisitions result in no goodwill.

Refranchising Transaction

During fiscal 2024, CKE Restaurants sold one Hardee's restaurant and certain related inventory and fixed assets with a net book value of $1,265. In connection with the sale of this restaurant, we received aggregate consideration of $2,082, and recognized a net gain of $817, which is included in facility action charges, net, in our accompanying Combined Consolidated Statements of Income. In connection with the refranchising transaction, the franchisee acquired real property and equipment related to the restaurant location.

NOTE 6 — INTANGIBLE ASSETS, NET

The table below presents our intangible assets as of January 31, 2024 and 2023:

		2024			2023		
	Weighted-Average Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks / tradenames	Indefinite	$ 614,400	$ —	$ 614,400	$ 614,400	$ —	$ 614,400
Franchise agreements	20	321,665	(160,157)	161,508	319,855	(143,300)	176,555
Favorable lease agreements	17	5,875	(4,245)	1,630	9,350	(7,275)	2,075
Total intangible assets		$ 941,940	$ (164,402)	$ 777,538	$ 943,605	$ (150,575)	$ 793,030

Amortization expense related to these intangible assets for fiscal 2024 and 2023 was $17,302 and $17,132, respectively. Our future amortization expense related to these intangible assets is set forth as follows:

Fiscal:	
2025	$ 16,785
2026	16,611
2027	16,532
2028	16,333
2029	16,273
Thereafter	80,604
Total estimated future amortization expense	$ 163,138

NOTE 7 — OTHER CURRENT LIABILITIES

Other current liabilities as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Financing method sale-leaseback liability, current portion	$ 11,287	$ 10,170
Accrued interest	5,663	5,933
Deferred franchise and development fees	3,477	3,399
Salaries, wages and other benefits	3,231	3,484
Accrued property taxes	2,952	4,449
State sales tax	1,938	2,229
Utilities	1,004	1,028
Income taxes payable	545	368
Other accrued liabilities	4,956	4,256
Total other current liabilities	$ 35,053	$ 35,316

NOTE 8 — LONG-TERM DEBT

Long-term debt as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Series 2018-1 Class A-2 Notes:		
Series 2018-1 Class A-2-II Notes	$ 331,625	$ 335,125
Series 2018-1 Class A-2-III Notes	236,875	239,375
Series 2020-1 Class A-2 Notes	388,000	392,000
Series 2021-1 Class A-2 Notes	175,500	177,300
Unamortized deferred financing costs on Senior Notes	(12,176)	(15,595)
Long-term debt	1,119,824	1,128,205
Less current portion	(11,800)	(11,800)
Long-term debt, less current portion	$ 1,108,024	$ 1,116,405

As of January 31, 2024, the aggregate maturities of our long-term debt, based on the anticipated repayment date and excluding the effects of amortization of the deferred financing costs on the Series 2018-1, Series 2020-1 Senior Notes and Series 2021-1 Senior Notes are as follows:

Fiscal:	
2025	$ 11,800
2026	336,425
2027	8,300
2028	380,300
2029	395,175
Thereafter	—
Total long-term debt	$ 1,132,000

Series 2018-1 Senior Notes, Series 2020-1 Senior Notes and Series 2021-1 Senior Notes

On June 20, 2018, we completed a company-wide refinancing transaction (the "Series 2018-1 Refinancing"). In connection with the Series 2018-1 Refinancing, the Co- Issuers, our indirect wholly-owned subsidiaries, issued an aggregate principal amount of $1,000,000 Series 2018-1 Fixed Rate Senior Secured Notes, Class A-2, ("Series 2018-1 Class A-2 Notes") and $70,000 Series 2018-1 Class A-1 Variable Funding Senior Secured Notes ("Series 2018-1 Variable Funding Notes", and together with the Series 2018-1 Class A-2 Notes, the "Series 2018-1 Senior Notes"). The indenture governing the Series 2018-1 Senior Notes (the "Indenture") allows the Co-Issuers to issue additional series of notes in the future subject to certain conditions.

The Series 2018-1 Class A-2 Notes were issued in three tranches: (i) $400,000 of Series 2018-1 4.250% Fixed Rate Senior Secured Notes, Class A-2-I, with an anticipated repayment date of June 2022; (ii) $350,000 of Series 2018-1 4.959% Fixed Rate Senior Secured Notes, Class A-2-II, with an anticipated repayment date of June 2025; and (iii) $250,000 of Series 2018-1 5.710% Fixed Rate Senior Secured Notes, Class A-2-III, with an anticipated repayment date of June 2028. The Series 2018-1 Class A-2 Notes have a legal final maturity date of June 2048. The Series 2018-1 Class A-2 Notes require scheduled quarterly principal payments of $2,500 with the first principal payment due December 20, 2018. The interest payments for the Series 2018-1 Class A-2 Notes are due quarterly in arrears on the 20th day of each March, June, September and December.

The Series 2018-1 Variable Funding Notes provide for senior secured revolving facility loans, and subfacilities for swingline loans and letters of credit, in an aggregate amount of $70,000. On October 26, 2022, the Series 2018-1 Variable Funding Notes were amended to extend the maturity date to September 2027, including options for renewal for two additional twelve-month terms (subject to certain conditions, including a minimum debt service coverage ratio). The Series 2018-1 Variable Funding Notes bear interest at a variable interest rate equal to (a) a commercial paper rate plus 3.00%, (b) the term SOFR rate plus 3.00% or (c) 2.00% plus the greater of (i) the Prime Rate, (ii) the Federal Funds rate plus 0.50%,

or (iii) term SOFR plus 1.00%. The actual interest rate incurred is determined by how the borrowings were funded by participating investors, but in any event, will fall under one of the three scenarios described above. The Series 2018-1 Variable Funding Notes require us to pay a commitment fee of 0.50% per annum for unused commitments and letter of credit fees of 3.00% per annum on our outstanding non-cash collateralized letters of credit. Interest and other fees on the Series 2018-1 Variable Funding Notes are due quarterly in arrears on the 20th day of each March, June, September and December. As of January 31, 2024, we had no outstanding loan borrowings, $22,647 of outstanding letters of credit and remaining availability of $47,353 under our Series 2018-1 Variable Funding Notes.

On December 21, 2020, we paid down the entire outstanding principal balance of our Series 2018-1 Class A-2-I Notes with the issuance of an aggregate principal amount of $400,000 of Series 2020-1 3.981% Fixed Rate Senior Secured Notes, Class A-2 (the "Series 2020-1 Class A-2 Notes"). Our Series 2018-1 4.959% Fixed Rate Senior Secured Notes, Class A-2-II and Series 2018-1 5.710% Fixed Rate Senior Secured Notes, Class A-2-III remain outstanding. The Series 2020-1 Class A-2 Notes were issued pursuant to an amendment to the Indenture and have an anticipated repayment date of December 2027. The Series 2020-1 Class A-2 Notes have a legal final maturity date of December 2050. The Series 2020-1 Class A-2 Notes require scheduled quarterly principal payments of $1,000 with the first principal payment due March 22, 2021. The interest payments for the Series 2020-1 Class A-2 Notes are due quarterly in arrears on the 20th day of each March, June, September and December.

On June 24, 2021, we issued an aggregate principal amount of $180,000 of Series 2021-1 2.865% Fixed Rate Senior Secured Notes, Class A-2 (the "Series 2021-1 Class A-2 Notes", and together with the "Series 2020-1 Class A-2 Notes" and the remaining Series 2018-1 Class A-2 Notes, all of which remain outstanding, the "Class A-2 Notes" and, collectively with the Series 2018-1 Variable Funding Notes, the "Senior Notes"). The Series 2021-1 Class A-2 Notes were issued pursuant to an amendment to the Indenture and have an anticipated repayment date of June 2028. The Series 2021-1 Class A-2 Notes have a legal final maturity date of June 2051. The Series 2021-1 Class A-2 Notes require scheduled quarterly principal payments of $450 with the first principal payment due September 20, 2021. The interest payments for the Series 2021-1 Class A-2 Notes are due quarterly in arrears on the 20th day of each March, June, September and December. The remaining outstanding tranches of the Series 2021-1 Class A-2 Notes, the Series 2020-1 Class A-2 Notes and the Series 2018-1 Class A-2 Notes collectively require quarterly principal payments of $2,500.

The Senior Notes are secured by substantially all assets of the CKE Securitization Entities, but are not guaranteed by or secured with the assets of CKE or its other subsidiaries, including CKE Restaurants. The Indenture requires the CKE Securitization Entities to report and remit weekly cash flows of the CKE Securitization Entities to the trustee of the Senior Notes. The weekly cash flows are subject to a priority of payments that provides for the payment of funds to specific trust accounts for debt service and other specified purposes set forth in the Indenture. The amount of weekly cash flow, if any, that exceeds the amounts required by the priorities of payment is remitted to CKE Restaurants in the form of an equity distribution.

We expect to repay or refinance each tranche of the Class A-2 Notes at or before its respective anticipated repayment date. However, in the event that we do not repay any tranche of Class A-2 Notes in full by its anticipated repayment date, such tranche of the Class A-2 Notes would be subject to additional interest at an interest rate of at least 5% per annum, and principal payments on all outstanding Senior Notes would accelerate until the debt is paid in full. If certain conditions are met, including a maximum leverage ratio for the CKE Securitization Entities of 5.0x of total net indebtedness to net cash flow, each as defined in the Indenture, we may elect not to make the scheduled principal payments on the Class A-2 Notes. We may optionally prepay up to 35% of the original principal amount of each tranche of the Series 2018-1 Class A-2 Notes (but not the Series 2020-1 Class A-2 Notes or the Series 2021-1 Class A-2 Notes) at any time at par, other than with proceeds from indebtedness. Generally, any optional (and certain mandatory) prepayments in excess of such amount would be subject to a make-whole premium as defined in the Indenture. Beginning eighteen months prior to the anticipated repayment date for the Series 2018-1 Class A-2-II Notes, thirty months prior to the anticipated repayment date for the Series 2018-1 Class A-2-III Notes, thirty-six months prior to the anticipated repayment date for the Series 2020-1 Class A-2 Notes and forty-two months prior to the anticipated repayment date for the Series 2021-1 Class A-2 Notes, we may repay all or a portion of the remaining principal amount of such applicable tranche of Class A-2 Notes at par.

The Senior Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) required actions to perfect the security interest in certain collateral upon the occurrence of certain performance-related events, (ii) application of certain disposition proceeds as note prepayments, subject to certain exceptions, (iii) maintenance of specified reserve accounts, (iv) maintenance of certain debt service coverage ratios, (v) mandatory prepayments with indemnification payments for defective or ineffective collateral, and (vi) covenants relating to record

keeping, access to information and similar matters. If certain covenants or restrictions are not satisfied or complied with, the Senior Notes are subject to accelerated repayment events and events of default. Although management does not anticipate an event of default, if any such event occurred and was not cured within any applicable cure period, the unpaid amounts outstanding could become immediately due and payable.

In connection with the amendment of the 2018-1 Variable Funding Notes in fiscal year 2023, we incurred debt issuance costs of $861 which were capitalized. These deferred financing costs will be amortized using the effective interest method over the expected term of the 2018-1 Variable Funding Notes.

In the first quarter of fiscal 2025, the Co-Issuers issued an aggregate principal amount of $350,000 of Series 2024-1 7.253% Fixed Rate Senior Secured Notes, Class A-2 (the "Series 2024-1 Class A-2 Term Notes"). The Series 2024-1 Class A-2 Term Notes have an anticipated repayment date of March 2031 and a legal final maturity date of March 2054. The Series 2024-1 Class A-2 Term Notes require scheduled quarterly principal payments of $875 with the first principal payment due June 20, 2024. The interest payments for the Series 2024-1 Class A-2 Term Notes are due quarterly in arrears on the 20th day of each March, June, September and December. A portion of the proceeds of the issuance of the Series 2024-1 Class A-2 Term Notes were used to repay the Series 2018-1 Class A-2-II Term Notes in full, including accrued interest.

Interest Expense

Interest expense consisted of the following:

	Fiscal 2024	Fiscal 2023
Series 2018-1 Class A-2 Notes	$ 30,013	$ 30,364
Series 2020-1 Class A-2 Notes	15,466	15,643
Series 2021-1 Class A-2 Notes	5,034	5,092
Amortization of deferred financing costs	3,419	3,352
Finance leases	1,318	1,302
Financing method sale-leaseback obligations (see Note 10)	5,793	6,276
Letter of credit fees, commitment fees and other	820	723
Total interest expense	$ 61,863	$ 62,752

NOTE 9 — LEASES

We occupy land and buildings under lease agreements expiring on various dates through fiscal 2046. Many leases provide for future rent escalations and renewal options. In addition, variable lease payments such as a percentage of sales in excess of specified levels, is often required. Most leases obligate us to pay costs of maintenance, insurance and property taxes.

Company as Lessor

We lease and sublease land and buildings to others, primarily as a result of the refranchising of certain restaurants. Many of these leases provide for fixed payments, while others provide for variable rent when sales exceed certain levels or for rent based on a percentage of sales. Lessees and sublessees generally bear the cost of maintenance, insurance and property taxes. The carrying values of assets leased to others as of January 31, 2024 and 2023 are as follows:

	2024	2023
Land	$ 104,028	$ 118,052
Leasehold improvements	3,916	8,147
Buildings and improvements	68,563	86,423
	176,507	212,622
Less accumulated depreciation and amortization	(57,231)	(71,465)
Total assets leased to others	$ 119,276	$ 141,157

The components of lease income for January 31, 2024 and 2023 are as follows:

	2024	2023
Rent revenue:		
Minimum rent revenue	$ 87,594	$ 91,482
Variable lease revenue	6,334	6,622
Total rent revenue	$ 93,928	$ 98,104

We sublease to others some of our property under finance leases. These assets are recorded as lease receivables and are included in accounts receivable, net and other assets, net in our accompanying Combined Consolidated Balance Sheet. As of January 31, 2024, future minimum lease and sublease rent revenue expected to be received, are as follows:

	Finance Leases	Operating Leases	
	Subleases	Subleases	Owned Properties
Fiscal:			
2025	$ 246	$ 77,732	$ 7,595
2026	245	69,733	8,191
2027	213	60,351	8,202
2028	190	52,474	7,853
2029	97	41,874	7,129
Thereafter	202	119,002	45,439
Total future minimum lease and sublease rent revenue	1,193	$ 421,166	$ 84,409
Unearned interest income	(229)		
Present value of leases receivable	964		
Less current portion	(180)		
Leases receivable, less current portion	$ 784		

Company as Lessee

The components of lease cost for January 31, 2024 and 2023 are as follows:

	Fiscal 2024	Fiscal 2023
Finance lease cost:		
Amortization of finance lease assets	$ 1,596	$ 2,432
Interest on finance lease liabilities	1,572	1,302
Variable lease cost	2	155
Total finance lease cost	3,170	3,889
Operating lease cost	85,267	84,890
Variable lease cost	1,229	1,135
Total operating lease cost	86,496	86,025
Total lease cost	$ 89,666	$ 89,914

Minimum lease payments for all leases and the present value of minimum lease payments for operating and finance leases as of January 31, 2024 are as follows:

	Finance Leases		Operating Leases	
	Company-Operated	Franchise & Other	Company-Operated	Franchise & Other
Fiscal:				
2025	$ 1,573	$ 1,501	$ 15,730	$ 67,153
2026	1,629	1,426	14,906	59,669
2027	1,658	1,358	13,995	50,431
2028	1,672	1,302	12,851	42,140
2029	1,684	1,161	11,193	31,607
Thereafter	16,147	5,032	49,311	86,809
Total minimum lease payments	24,363	11,780	117,986	337,809
Less amount representing interest	(8,010)	(3,249)	(12,640)	(29,702)
Present value of minimum lease payments	16,353	8,531	105,346	308,107
Less current portion	(634)	(881)	(13,375)	(60,398)
Lease obligations, less current portion	$ 15,719	$ 7,650	$ 91,971	$ 247,709

Net rent under non-cancelable operating leases was as follows:

	Fiscal 2024	Fiscal 2023
Rent revenue:		
Minimum rent revenue	$ 87,594	$ 91,482
Variable rent revenue	6,334	6,622
Total rent revenue	93,928	98,104
Rent expense:		
Operating lease cost	(85,267)	(84,890)
Variable lease cost	(1,229)	(1,135)
Total operating lease cost	(86,496)	(86,025)
Net rent income	$ 7,432	$ 12,079

Lease Term and Discount Rate as of January 31,

Weighted-average remaining lease term:

	2024	2023
Finance leases	12.11 years	10.19 years
Operating leases	7.61 years	7.83 years

Weighted-average discount rate:

	2024	2023
Finance leases	6.5 %	8.1 %
Operating leases	2.4 %	1.8 %

NOTE 10 — SALE-LEASEBACK TRANSACTIONS

For all of our 126 restaurant property financing method sale-leaseback transactions, whether assumed by or completed by the CKE Securitization Entities, the initial minimum lease terms are 20 years and include renewal options. The leases also include provisions that provide us with the ability to repurchase the properties, which for accounting purposes, prevents sale recognition as the leased properties are real estate, and we have concluded that no two real estate assets are substantially the same.

Under the financing method, the sales proceeds received are recorded in other current liabilities and other long-term liabilities until our continuing involvement with the properties is terminated, and the associated properties are reported as owned assets and depreciated over their remaining useful lives. Rent payments for these leases are recorded as principal and interest. The net book value of the associated assets, which is included in property and equipment, net of accumulated depreciation and amortization, in our accompanying Combined Consolidated Balance Sheets was $115,805 and $117,126 as of January 31, 2024 and 2023, respectively.

During fiscal 2023, the lease agreements for two of our restaurant properties were terminated. As we no longer have involvement in the properties, we recognized a net gain of $1,160 associated with the write-off of the assets and liabilities. The net gain is included in facility action charges, net in our accompanying Combined Consolidated Statement of Income for fiscal 2023.

Closing costs and other fees related to sale-leaseback transactions are treated as deferred financing costs, which are recorded as a reduction to the liability balance and amortized to interest expense over the initial minimum lease term.

As of January 31, 2024, our future minimum lease commitments for our financing method sale-leaseback obligations are as follows:

Fiscal:	
2025	$ 16,202
2026	16,212
2027	16,410
2028	17,250
2029	17,813
Thereafter	66,043
Total minimum lease payments	149,930
Less amount representing interest	(32,652)
Residual property obligation[(1)], deferred financing costs and deferred sales proceeds	102,346
Financing method sale-leaseback liability	219,624
Less current portion	(11,287)
Financing method sale-leaseback liability, less current portion	$ 208,337

(1) Although we have legally transferred title of the sale-leaseback properties, we have included an obligation to convey, for accounting purposes, the sale-leaseback assets at the end of the primary lease term. This obligation was established in acquisition accounting and based on the estimated residual value of the sale-leaseback assets at the end of the primary lease term.

NOTE 11 — OTHER LONG-TERM LIABILITIES

Other long-term liabilities as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Financing method sale-leaseback liability, long-term portion	$ 208,337	$ 219,707
Deferred franchise and development fees	32,487	32,730
Deferred beverage income	5,721	3,645
Unfavorable lease agreements	4,132	6,320
Other	124	108
Total other long-term liabilities	$ 250,801	$ 262,510

NOTE 12 — MEMBERS' DEFICIT

During fiscal 2024 and 2023, the CKE Securitization Entities received capital contributions of $35,679 and $45,394, respectively, consisting principally of property and equipment and assets associated with the CKE Restaurants Acquisition (see Note 5). During fiscal 2024 and 2023, the CKE Securitization Entities paid total cash distributions of $133,746 and $139,428, respectively, to members.

NOTE 13 — FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents information on our financial instruments as of January 31, 2024 and 2023:

	2024		2023	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial liabilities:				
Series 2018-1 Class A-2-II Notes	$ 329,928	$ 315,044	$ 332,363	$ 319,515
Series 2018-1 Class A-2-III Notes	234,366	222,070	236,353	227,945
Series 2020-1 Class A-2 Notes	382,905	344,350	385,688	346,802
Series 2021-1 Class A-2 Notes	172,625	146,543	173,801	146,485

The fair value of cash and cash equivalents and restricted cash and cash equivalents each approximate their respective carrying amounts due to the short maturity of the balances. The carrying amounts of notes receivable, net (both current and non-current) of related allowance for credit losses approximate fair value. The estimated fair value of our borrowings under the Series 2018-1 Variable Funding Notes approximates the carrying value due to the expected short maturity of the borrowings. The estimated fair values of our borrowings under the Series 2018-1, Series 2020-1 and Series 2021-1 Class A-2 Notes were determined by obtaining estimated market prices from an investment banking firm as of the balance sheet dates.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Entities are required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value based on the following fair value hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities;

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Our non-financial long-lived assets, including intangible assets and property and equipment, are reported at carrying value and are not required to be measured at fair value on a recurring basis. However, on a periodic basis, or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, we assess our long-lived assets for impairment. When impairment has occurred, such long-lived assets are written down to fair value. See Note 16 for further information regarding impairment charges.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2024:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 3,311
Assets to be held and used (Level 3)[2]	$ —	$ 1,044

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.
(2) Represents impairment recorded for two underperforming domestic company-operated restaurants.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2023:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 2,483
Assets to be held and used (Level 3)[2]	$ —	$ 444

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.
(2) Represents impairment recorded for two underperforming domestic company-operated restaurants.

NOTE 14 — COMMITMENTS AND CONTINGENT LIABILITIES

Lease Commitments

Many of the restaurants we have sold to franchisees are on leased sites, and we have entered into sublease agreements with these franchisees but remained principally liable for the lease obligations. We account for the sublease payments received as rent revenue in franchised restaurants and other revenue, and the payments on the leases as rent expense in franchised restaurants and other expense, in our accompanying Combined Consolidated Statements of Income. As of January 31, 2024, the nominal value of the lease obligations under the remaining master leases' primary terms is $422,539.

Letters of Credit

Pursuant to our Series 2018-1 Variable Funding Notes, we may borrow up to $70,000 for senior secured revolving facility loans, swingline loans and letters of credit (see Note 8). As of January 31, 2024, we had several standby letters of credit outstanding under our Series 2018-1 Variable Funding Notes totaling $22,647, expiring at various dates through October 2024. The outstanding letters of credit consist of a $13,100 letter of credit for benefit of the holders of the Senior Notes as an interest

reserve as required by the Series 2021-1 Indenture and letters of credit of $9,547, which primarily secure our potential workers' compensation, general liability and auto liability obligations.

Unconditional Purchase Obligations

As of January 31, 2024, we had unconditional purchase obligations in the amount of $54,516, which consisted primarily of contracts for goods and services related to restaurant operations. Our unconditional purchase obligations for fiscal 2025, 2026, 2027, 2028 and 2029 are estimated to be $51,179, $937, $937 , $937 and $526, respectively.

Litigation

We are currently involved in legal disputes related to employment, franchising, real estate and other business matters. We intend to vigorously defend against all claims in these lawsuits, and are unable to predict the ultimate outcome of these actions. Although the outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company, based on currently available information, including legal defenses available to the Company and its legal reserves and insurance coverages, the Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter. In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated or unrelated to possible outcomes, and as such may not be meaningful indicators of our potential liability or financial exposure. We regularly review contingencies to determine the adequacy of our accruals and related disclosures. The ultimate amount of loss may differ from these estimates.

NOTE 15 — FRANCHISE OPERATIONS

Franchised restaurants and other revenue consisted of the following:

	Fiscal 2024	Fiscal 2023
Royalties	$ 190,123	$ 182,353
Rent and other occupancy	97,506	102,358
Franchise fees	5,084	6,120
Total franchised restaurants and other revenue	$ 292,713	$ 290,831

Franchised restaurants and other expense consisted of the following:

	Fiscal 2024	Fiscal 2023
Rent and other occupancy	$ 75,723	$ 74,326
Amortization of franchise agreements	16,857	16,857
Other	1,046	(177)
Total franchised restaurants and other expense	$ 93,626	$ 91,006

NOTE 16 — FACILITY ACTION CHARGES, NET

The components of facility action charges, net, are as follows:

	Fiscal 2024	Fiscal 2023
Impairment of assets to be disposed of	$ 3,311	$ 2,483
Closed store expenses	2,148	194
Impairment of assets to be held and used	1,044	444
(Gain) loss on disposal of other property and equipment	(3,503)	512
Gain on refranchising transaction	(817)	—
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property (see Note 10)	—	(1,160)
Other losses, net	—	1,116
Total facility action charges, net	$ 2,183	$ 3,589

Impairment charges recorded against property and equipment of 4,355 and $2,927 were recognized in facility action charges, net in fiscal 2024 and 2023, respectively.

NOTE 17 — EMPLOYEE RETIREMENT PLAN

We and CKE Restaurants sponsor a contributory plan ("401(k) Plan") to provide retirement benefits under the provisions of Section 401(k) of the Internal Revenue Code ("IRC"). Participants may elect to contribute a portion of their annual salaries on a pre-tax basis to the 401(k) Plan, subject to the maximum contribution allowed by the IRC. During fiscal 2024 and 2023, our matching contributions to the 401(k) Plan were $113 and $94, respectively.

NOTE 18 — RELATED PARTY TRANSACTIONS

Transactions with CKE Restaurants and its Subsidiaries

The CKE Securitization Entities have a management agreement with CKE Restaurants (the "Management Agreement"), pursuant to which CKE Restaurants, as Manager, is required to manage and service the assets of the CKE Securitization Entities in accordance with the terms set forth in the Management Agreement. The primary responsibilities of Manager are to administer collections on behalf of the CKE Securitization Entities, and to perform certain activities pertaining to franchising, marketing, real estate management, intellectual property matters, operations and reporting on behalf of the CKE Securitization Entities. The CKE Securitization Entities are obligated to pay Manager a management fee using a formula provided within the Management Agreement, which is calculated using a base fee of $15,000 per annum and a variable fee based upon retained collections for the last four quarterly collection periods, subject to certain adjustments, including annual increases for inflation. During fiscal 2024 and 2023, the CKE Securitization Entities incurred management fee expenses of $49,252 and $49,271, respectively, which are included in general and administrative expense in our accompanying Combined Consolidated Statements of Income.

In late fiscal 2019, CKE Restaurants completed the purchase of all remaining non-controlling interests in a joint venture in Shanghai, China. These restaurants paid royalties and franchise fees to us on the same terms and conditions as our other franchisees. During fiscal 2023, total revenue generated from the Shanghai business was $91, which is included in franchised restaurants and other revenue in our accompanying Combined Consolidated Statements of Income. During fiscal year ended January 31, 2023, CKE Restaurants closed all restaurants operated in Shanghai, China.

As of January 31, 2024, we had outstanding receivables from affiliates of $425 and payables to affiliates of $1,989. As of January 31, 2023, we had outstanding receivables from affiliates of $539 and payables to affiliates of $5,077.

NOTE 19 — INCOME TAXES

For fiscal 2024 and 2023, income tax expense consisted of current foreign taxes of $5,914 and $4,826, respectively.

As a direct result of our corporate structure and the Securitization Transaction, the CKE Securitization Entities are each a limited liability company that is disregarded as an entity separate from its indirect owners, CKE and CKE Restaurants, for federal and state income tax purposes, and are not jointly and severally liable for any income taxes owed by the parent corporate entities. Further, no tax sharing agreement exists, or is expected to exist, between the CKE Securitization Entities and their indirect parent companies that would require the CKE Securitization Entities to directly or indirectly reimburse their indirect parent companies for taxes related to the operations of the CKE Securitization Entities.

NOTE 20 — SUPPLEMENTAL CASH FLOW INFORMATION

	Fiscal 2024	Fiscal 2023
Cash paid for:		
Interest, net of amounts capitalized	$ 59,155	$ 60,073
Income taxes	5,737	5,053
Non-cash activities:		
Operating lease assets obtained in exchange for new operating lease liabilities	65,562	46,212
Contributed property and equipment[(1)]	28,511	45,394
Contributed other assets[(1)]	3,730	—
Contributed assets for the CKE Restaurants Acquisition (see Note 5)[(1)]	3,438	—

(1) Contributed property and equipment, contributed other assets and contributed assets for the CKE Restaurants Acquisition represent assets purchased by CKE Restaurants and certain of its wholly owned subsidiaries on behalf of the CKE Securitization Entities pursuant to the Management Agreement. For accounting purposes, these purchases are treated as non-cash contributions to the CKE Securitization Entities.

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING BALANCE SHEET
(In thousands)

	January 31, 2024							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
ASSETS								
Current assets:								
Cash and cash equivalents	$ 2,117	$ 3,996	$ —	$ 3,685	$ 2,542	$ —	$ —	$ 12,340
Cash and cash equivalents - restricted	—	15,942	—	—	—	—	—	15,942
Accounts receivable, net	11,160	—	—	10,588	—	—	—	21,748
Due from affiliates	11,625	20,328	—	56,241	238	—	(88,007)	425
Inventories	559	—	—	2,293	—	—	—	2,852
Prepaid expenses	112	22	—	314	22	—	—	470
Other current assets	79	—	—	—	—	—	—	79
Total current assets	25,652	40,288	—	73,121	2,802	—	(88,007)	53,856
Property and equipment, net	83,156	—	—	270,737	—	—	—	353,893
Operating lease assets	304,577	—	—	91,121	—	—	—	395,698
Intangible assets, net	378,456	—	—	399,082	—	—	—	777,538
Other assets, net	16,259	—	—	15,599	—	—	—	31,858
Total assets	$ 808,100	$ 40,288	$ —	$ 849,660	$ 2,802	$ —	$ (88,007)	$ 1,612,843
LIABILITIES AND MEMBERS' DEFICIT								
Current liabilities:								
Current portion of long-term debt	$ —	$ 5,900	$ —	$ —	$ 5,900	$ —	$ —	$ 11,800
Current portion of finance leases	698	—	—	817	—	—	—	1,515
Current portion of operating leases	57,919	—	—	15,854	—	—	—	73,773
Accounts payable	2,676	—	—	1,791	—	—	—	4,467
Due to affiliates	658	57,049	—	5,579	26,710	—	(88,007)	1,989
Other current liabilities	9,737	2,847	—	19,637	2,832	—	—	35,053
Total current liabilities	71,688	65,796	—	43,678	35,442	—	(88,007)	128,597
Long-term debt, less current portion	—	554,012	—	—	554,012	—	—	1,108,024
Finance leases, less current portion	6,663	—	—	16,706	—	—	—	23,369
Operating leases, less current portion	259,057	—	—	80,623	—	—	—	339,680
Other long-term liabilities	66,746	(1)	—	184,056	—	—	—	250,801
Total liabilities	404,154	619,807	—	325,063	589,454	—	(88,007)	1,850,471
Members' equity (deficit):								
Members' equity (deficit)	403,946	(579,519)	—	524,597	(586,652)	—	—	(237,628)
Total liabilities and members' deficit	$ 808,100	$ 40,288	$ —	$ 849,660	$ 2,802	$ —	$ (88,007)	$ 1,612,843

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING BALANCE SHEET
(In thousands)

	January 31, 2023							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
ASSETS								
Current assets:								
Cash and cash equivalents	$ 1,627	$ 1,161	$ —	$ 3,555	$ 977	$ —	$ —	$ 7,320
Cash and cash equivalents - restricted	—	16,053	—	—	—	—	—	16,053
Accounts receivable, net	10,663	—	—	10,036	—	—	—	20,699
Due from affiliates	6,860	20,696	—	52,060	215	—	(79,292)	539
Inventories	562	—	—	2,411	—	—	—	2,973
Prepaid expenses	—	16	—	137	20	—	—	173
Other current assets	83	—	—	—	—	—	—	83
Total current assets	19,795	37,926	—	68,199	1,212	—	(79,292)	47,840
Property and equipment, net	83,427	—	—	266,461	—	—	—	349,888
Operating lease assets	317,666	—	—	93,790	—	—	—	411,456
Intangible assets, net	384,915	—	—	408,115	—	—	—	793,030
Other assets, net	13,000	—	—	15,810	—	—	—	28,810
Total assets	$ 818,803	$ 37,926	$ —	$ 852,375	$ 1,212	$ —	$ (79,292)	$ 1,631,024
LIABILITIES AND MEMBERS' DEFICIT								
Current liabilities:								
Current portion of long-term debt	$ —	$ 5,900	$ —	$ —	$ 5,900	$ —	$ —	$ 11,800
Current portion of finance leases	627	—	—	641	—	—	—	1,268
Current portion of operating leases	59,930	—	—	16,312	—	—	—	76,242
Accounts payable	2,849	—	—	3,358	—	—	—	6,207
Due to affiliates	(564)	55,477	—	3,779	25,677	—	(79,292)	5,077
Other current liabilities	10,931	2,982	—	18,435	2,968	—	—	35,316
Total current liabilities	73,773	64,359	—	42,525	34,545	—	(79,292)	135,910
Long-term debt, less current portion	—	558,203	—	—	558,202	—	—	1,116,405
Finance leases, less current portion	5,269	—	—	9,159	—	—	—	14,428
Operating leases, less current portion	269,290	—	—	80,987	—	—	—	350,277
Other long-term liabilities	68,431	(1)	—	194,080	—	—	—	262,510
Total liabilities	416,763	622,561	—	326,751	592,747	—	(79,292)	1,879,530
Members' equity (deficit):								
Members' equity (deficit)	402,040	(584,635)	—	525,624	(591,535)	—	—	(248,506)
Total liabilities and members' deficit	$ 818,803	$ 37,926	$ —	$ 852,375	$ 1,212	$ —	$ (79,292)	$ 1,631,024

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING STATEMENT OF OPERATIONS
(In thousands)

	Fiscal 2024							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
Revenue:								
Company-operated restaurants	$ 112,928	$ —	$ —	$ 255,914	$ —	$ —	$ —	$ 368,842
Franchised restaurants and other	175,402	5,643	—	117,311	12,594	—	(18,237)	292,713
Total revenue	288,330	5,643	—	373,225	12,594	—	(18,237)	661,555
Operating costs and expenses:								
Company-operated restaurants:								
Food and packaging	28,645	—	—	69,234	—	—	—	97,879
Payroll and other employee benefits	34,371	—	—	88,269	—	—	—	122,640
Occupancy and other	36,600	—	—	86,253	—	—	(18,237)	104,616
Total company-operated restaurants	99,616	—	—	243,756	—	—	(18,237)	325,135
Franchised restaurants and other	68,884	—	—	24,742	—	—	—	93,626
Advertising	6,889	—	—	13,837	—	—	—	20,726
General and administrative	(2,038)	24,442	—	213	25,336	—	—	47,953
Facility action charges, net	(1,128)	—	—	3,311	—	—	—	2,183
Total operating costs and expenses	172,223	24,442	—	285,859	25,336	—	(18,237)	489,623
Operating income (loss)	116,107	(18,799)	—	87,366	(12,742)	—	—	171,932
Interest expense	(1,460)	(27,431)	—	(5,652)	(27,320)	—	—	(61,863)
Other income (loss), net	3,589	112,499	61,153	406	81,860	36,915	(291,632)	4,790
Income (loss) before income taxes	118,236	66,269	61,153	82,120	41,798	36,915	(291,632)	114,859
Income tax expense	4,453	—	—	1,461	—	—	—	5,914
Net income (loss)	$ 113,783	$ 66,269	$ 61,153	$ 80,659	$ 41,798	$ 36,915	$ (291,632)	$ 108,945

SUPPLEMENTAL SCHEDULE

THE CKE SECURITIZATION ENTITIES
COMBINING CONSOLIDATING STATEMENT OF OPERATIONS
(In thousands)

	Fiscal 2023							
	Carl's Jr. Restaurants LLC	Carl's Jr. Funding LLC	Carl's Jr. SPV Guarantor LLC	Hardee's Restaurants LLC	Hardee's Funding LLC	Hardee's SPV Guarantor LLC	Eliminations	The CKE Securitization Entities
Revenue:								
Company-operated restaurants	$ 111,433	$ —	$ —	$ 242,820	$ —	$ —	$ —	$ 354,253
Franchised restaurants and other	168,244	5,579	—	122,587	11,835	—	(17,414)	290,831
Total revenue	279,677	5,579	—	365,407	11,835	—	(17,414)	645,084
Operating costs and expenses:								
Company-operated restaurants:								
Food and packaging	28,226	—	—	70,215	—	—	—	98,441
Payroll and other employee benefits	32,897	—	—	80,466	—	—	—	113,363
Occupancy and other	35,240	—	—	82,317	—	—	(17,414)	100,143
Total company-operated restaurants	96,363	—	—	232,998	—	—	(17,414)	311,947
Franchised restaurants and other	66,917	—	—	24,089	—	—	—	91,006
Advertising	6,774	—	—	12,502	—	—	—	19,276
General and administrative	6,694	23,462	1	(724)	26,515	—	—	55,948
Facility action charges, net	526	—	—	3,063	—	—	—	3,589
Total operating costs and expenses	177,274	23,462	1	271,928	26,515	—	(17,414)	481,766
Operating income (loss)	102,403	(17,883)	(1)	93,479	(14,680)	—	—	163,318
Interest expense	(1,557)	(27,649)	—	(6,021)	(27,525)	—	—	(62,752)
Other income (loss), net	1,131	96,478	60,645	690	80,449	33,389	(270,725)	2,057
Income (loss) before income taxes	101,977	50,946	60,644	88,148	38,244	33,389	(270,725)	102,623
Income tax expense	3,282	—	—	1,544	—	—	—	4,826
Net income (loss)	$ 98,695	$ 50,946	$ 60,644	$ 86,604	$ 38,244	$ 33,389	$ (270,725)	$ 97,797

CKE RESTAURANTS HOLDINGS, INC.

Consolidated Financial Statements
for the fiscal years ended January 27, 2025 and January 29, 2024

(With Independent Auditors' Report Thereon)

KPMG LLP
1201 Demonbreun Street
Suite 1100
Nashville, TN 37203

Independent Auditors' Report

The Board of Directors
CKE Restaurants Holdings, Inc.:

Opinion

We have audited the consolidated financial statements of CKE Restaurants Holdings, Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of January 27, 2025 and January 29, 2024, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 27, 2025 and January 29, 2024, and the results of its operations and its cash flows for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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 consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

KPMG LLP

Nashville, Tennessee
April 2, 2025

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except shares and par values)

	January 31, 2025	January 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 52,718	$ 130,566
Cash and cash equivalents - restricted	18,147	15,942
Accounts receivable, net	44,799	38,438
Inventories	3,386	3,029
Prepaid expenses	9,843	13,562
Other current assets	—	80
Total current assets	128,893	201,617
Property and equipment, net	371,065	377,436
Operating lease assets	394,542	424,719
Goodwill	539,421	539,421
Intangible assets, net	760,749	777,538
Other assets, net	39,316	40,485
Total assets	$ 2,233,986	$ 2,361,216
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 11,800	$ 11,800
Current portion of finance leases	1,512	1,515
Current portion of operating leases	77,505	79,623
Accounts payable	24,652	23,855
Other current liabilities	67,186	71,641
Total current liabilities	182,655	188,434
Long-term debt, less current portion	1,112,394	1,108,022
Finance leases, less current portion	21,279	23,370
Operating leases, less current portion	338,608	366,233
Deferred income tax liabilities, net	159,524	171,393
Other long-term liabilities	246,968	263,631
Total liabilities	2,061,428	2,121,083
Commitments and contingencies (Notes 8, 9, 10 and 14)		
Equity:		
Common stock, $0.01 par value; 100 shares authorized, issued and outstanding as of January 31, 2025 and 2024	—	—
Additional paid-in capital	736,970	736,438
Accumulated deficit	(564,357)	(495,148)
Accumulated other comprehensive loss	(55)	(1,157)
Total equity	172,558	240,133
Total liabilities and equity	$ 2,233,986	$ 2,361,216

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	Fiscal 2025	Fiscal 2024
Revenue:		
Company-operated restaurants	$ 383,304	$ 368,842
Franchised restaurants and other	298,274	299,954
Advertising funds revenue	168,060	172,032
Total revenue	849,638	840,828
Operating costs and expenses:		
Company-operated restaurants:		
Food and packaging	98,751	97,879
Payroll and other employee benefits	129,677	122,640
Occupancy and other	110,857	106,650
Total company-operated restaurants	339,285	327,169
Franchised restaurants and other	102,304	96,654
Advertising funds expense	197,885	184,744
General and administrative	121,416	118,797
Facility action charges, net	210	2,852
Total operating costs and expenses	761,100	730,216
Operating income	88,538	110,612
Interest expense	(68,902)	(62,089)
Other income, net	5,421	13,108
Income before income taxes	25,057	61,631
Income tax expense	4,266	16,502
Net income	$ 20,791	$ 45,129

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Fiscal 2025	Fiscal 2024
Net income	$ 20,791	$ 45,129
Other comprehensive income (loss):		
Foreign currency translation adjustments	(17)	(22)
Amounts reclassified to earnings for Shanghai business liquidation	1,119	—
Other comprehensive income (loss)	1,102	(22)
Comprehensive income	$ 21,893	$ 45,107

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except shares)

	CKE Restaurants Holdings, Inc. Stockholder's Equity					
	Common Stock					
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
Balance as of January 31, 2023	100	$ —	$ 734,314	$ (540,277)	$ (1,135)	$192,902
Share-based compensation	—	—	2,124	—	—	2,124
Other comprehensive loss	—	—	—	—	(22)	(22)
Net Income	—	—	—	45,129	—	45,129
Balance as of January 31, 2024	100	—	736,438	(495,148)	(1,157)	240,133
Share-based compensation	—	—	444	—	—	444
Other comprehensive income	—	—	—	—	1,102	1,102
Other loss	—	—	88	—	—	88
Cash dividends to CKE Holding Corporation	—	—	—	(90,000)	—	(90,000)
Net income	—	—	—	20,791	—	20,791
Balance as of January 31, 2025	100	$ —	$ 736,970	$ (564,357)	$ (55)	$172,558

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal 2025	Fiscal 2024
Cash flows from operating activities:		
Net income	$ 20,791	$ 45,129
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	52,776	51,372
Amortization of deferred financing costs	3,499	3,417
Loss on early extinguishment of Series 2018-1 Class A-2-II Notes	1,283	—
Share-based compensation	444	2,124
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property	(1,386)	—
Gain on refranchising transaction	—	(153)
Gain on disposal of other property and equipment	(2,635)	(602)
Deferred income taxes	(11,869)	(3,738)
Provision for losses on impairments, accounts receivable and other items, net	11,625	508
Net changes in operating assets and liabilities:		
Receivables, inventories, prepaid expenses and other current and non-current assets	(15,444)	(14,140)
Estimated liability for self-insurance	(1,009)	(1,253)
Accounts payable and other current and long-term liabilities	(2,264)	7,604
Operating lease asset and liabilities, net	(241)	581
Net cash provided by operating activities	55,570	90,849
Cash flows from investing activities:		
Purchases of property and equipment	(36,620)	(35,514)
Acquisitions of restaurants, net of cash received	(111)	(3,019)
Proceeds from refranchising transactions	—	2,092
Proceeds from sale of other property and equipment	8,128	2,346
Other investing activities	219	(7,346)
Net cash used in investing activities	(28,384)	(41,441)
Cash flows from financing activities:		
Net change in book overdraft	(298)	(1,472)
Repayments of Class A-2 Notes	(11,800)	(11,800)
Payments for deferred financing costs of Series 2018-1 VFN Notes	(2,068)	—
Payments for deferred financing costs of Series 2024-1 Class A-2 Notes	(5,792)	—
Payments for early extinguishment of Series 2018-1 Class A-2-II Notes	(330,750)	—
Issuance of Series 2024-1 Class A-2 Notes	350,000	—
Repayments of other notes	—	(1,900)
Repayments of finance leases	(1,571)	(1,519)
Repayments of financing method sale-leaseback obligations	(10,582)	(10,164)
Cash dividends to CKE Holding Corporation	(90,000)	—
Net cash used in financing activities	(102,861)	(26,855)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	32	49
Net (decrease) increase in cash, cash equivalents and restricted cash	(75,643)	22,602
Cash, cash equivalents and restricted cash at beginning of period	146,508	123,906
Cash, cash equivalents and restricted cash at end of period	$ 70,865	$ 146,508

See Accompanying Notes to Consolidated Financial Statements

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business

CKE Restaurants Holdings, Inc. ("CKE Restaurants") is not a franchisor and conducts substantially all of its restaurant activities and operations through its subsidiaries. Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC own, operate and franchise the Carl's Jr.®, Hardee's®, Green Burrito® and Red Burrito® concepts. References to "we", "us", "our" and the "Company" may relate to CKE Restaurants and/or its subsidiaries, as may be applicable.

Domestic Carl's Jr. restaurants are predominantly located in the Western United States, primarily in California. International Carl's Jr. restaurants are located primarily in Mexico, with a growing presence in the rest of Latin America, Asia, Canada and Europe. Domestic Hardee's restaurants are predominantly located throughout the Southeastern and Midwestern United States. International Hardee's restaurants have an established and growing presence in the Middle East and Central Asia. The Green Burrito concept is located in dual-branded Carl's Jr. restaurants. The Red Burrito concept is located in dual-branded Hardee's restaurants. As of January 31, 2025, our system-wide restaurant portfolio consisted of:

Company-operated	252
Domestic franchised	2,351
International franchised	1,160
Total restaurants	3,763

Basis of Presentation and Fiscal Year

Our accompanying Consolidated Financial Statements include the accounts of CKE Restaurants, its consolidated subsidiaries and its consolidated variable interest entities ("VIEs"). CKE Restaurants does not have any non-controlling interests in other entities. These Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). All significant intercompany balances and transactions are eliminated in consolidation.

We operate on a retail accounting calendar, ending on the last Monday in January. For clarity of presentation, we generally label all years presented as if the fiscal year ended January 31. The fiscal year ended January 27, 2025 is referred to herein as fiscal 2025 or the fiscal year ended January 31, 2025. The fiscal year ended January 29, 2024 is referred to herein as fiscal 2024 or the fiscal year ended January 31, 2024. The first quarter of our fiscal year has four periods, or 16 weeks. All other quarters generally have three periods, or 12 weeks.

Our restaurant sales, and therefore our profitability, are subject to seasonal fluctuations and are traditionally higher during the spring and summer months because of factors such as increased travel during school vacations and improved weather conditions, which affect the public's dining habits.

Inflation and Middle East Conflict

Inflationary pressures on labor and commodity price increases directly impacted our results of operations during the years ended January 31, 2025 and January 31, 2024. We attempt to manage any inflationary costs and commodity price increases through selective menu price increases and changes in product mix. Competitive pressures, consumer spending levels and other factors may limit our ability to recover such costs increases in the future.

Beginning October 2023, certain of our Hardee's international markets began being impacted by a military conflict in the Middle East. As a result, international franchised restaurants same-store sales were impacted to varying degrees within the Middle East. Further continuation of this conflict could have an adverse impact on our business and results of operations.

Variable Interest Entities

Hardee's Funds consideration

We consolidate the Hardee's National Advertising Fund ("HNAF") and approximately 73 Hardee's local co-operative advertising funds ("Hardee's Co-ops") (collectively, the "Hardee's Funds") since we have determined that the Hardee's Funds are VIEs and that we are the primary beneficiary. We considered a variety of factors in identifying the primary beneficiary of the Hardee's Funds including, but not limited to, who holds the power to direct the activities that most significantly impact the economic performance of the Hardee's Funds, as well as what party has the obligation to absorb any losses of the Hardee's Funds. Based upon these considerations, we concluded that we are the primary beneficiary.

The Hardee's Co-ops are consolidated as of December 31, 2024. Any potential difference between the calendar year presentation and our fiscal year calendar is not considered material to the Consolidated Financial Statements. We have included $26,600 and $28,066 of total assets and total liabilities and equity related to Hardee's Funds in our accompanying Consolidated Balance Sheets as of January 31, 2025 and 2024, respectively. We have no rights to the assets, other than those disclosed above, nor do we have any obligation with respect to the liabilities, of the Hardee's Funds, and none of our assets serve as collateral for the creditors of these VIEs.

Franchisee consideration

We do not maintain ownership interests in our franchisees, and none of our assets serve as collateral for the creditors of our franchisees. Under the terms of their franchise agreements, franchise entities hold the power to direct the activities that most significantly impact their economic performance. As a result, we do not consider ourselves the primary beneficiary of any franchise entity that might be a VIE.

Shanghai Business

The Shanghai, China business ("Shanghai business") was established for the purpose of locating, developing and operating Carl's Jr. restaurants within the municipality of Shanghai, China and certain nearby provinces. During the fiscal year ended January 31, 2023, the Company closed all restaurants operated by our Shanghai business. During the fiscal year ended January 31, 2025, the Company liquidated the Shanghai business.

Estimations

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Our most significant areas of estimation are:

- estimation of future cash flows used to assess the recoverability of long-lived assets, including intangible assets, goodwill, finance lease assets and operating lease assets;
- estimation, using actuarially determined methods, of our self-insured claim losses under our workers' compensation, general liability and auto liability insurance programs;
- determination of appropriate estimated liabilities for loss contingencies;
- determination of appropriate assumptions to use in evaluating leases for finance versus operating lease treatment, establishing depreciable lives for leasehold improvements and establishing straight-line rent expense periods;
- estimation of the appropriate allowances associated with franchise and other receivables;
- determination of the appropriate assumptions to estimate gift card breakage;

- determination of the appropriate assumptions to estimate the fair value of share-based compensation; and
- estimation of our deferred income tax asset valuation allowance, liabilities related to uncertain tax positions and effective tax rate.

Cash and Cash Equivalents

For purposes of reporting cash and cash equivalents, highly liquid investments purchased with original maturities of three months or less are considered cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents of $18,147 and $15,942 as of January 31, 2025 and 2024, respectively, consisted of cash and cash equivalents that are held by the trustee of our Series 2018-1 Senior Notes, Series 2020-1 Senior Notes, Series 2021-1 Senior Notes and Series 2024-1 Senior Notes (as defined in Note 8) to be used for debt service payments on our Senior Notes.

Inventories

Inventories are stated at the lower of cost (on a first-in, first-out basis) or net realizable value and consist primarily of restaurant food, packaging and supplies.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method based on the assets' estimated useful lives, which generally range from three to 40 years.

Leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the related lease terms. The amortization period for leasehold improvements includes renewal option periods only in instances in which the exercise of the renewal option is reasonably certain at the acquisition date because failure to exercise such option would result in an economic penalty.

We capitalize direct costs associated with construction projects that have a future benefit. If we subsequently make a determination that a site for which development costs have been capitalized will not be acquired or developed, any previously capitalized development costs are expensed and included in general and administrative expenses.

Leases

Lessor Accounting

We recognize lease payments for operating leases as property revenue on a straight-line basis over the lease term. We recognize variable lease payment income for operating leases in the period when changes in facts and circumstances on which the variable lease payments are based occur. We recognize variable lease payment income for operating and financing leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Lessee Accounting

We recognize an operating lease asset and lease liability at lease commencement, which are measured by discounting lease payments using the estimated risk free rate as the discount rate. We made an accounting policy election to use the risk-free rate as our discount rate to determine the initial and subsequent measurement of operating lease liabilities. Subsequent amortization of the operating lease asset and accretion of the lease liability for an operating lease is recognized as a single lease cost, on a straight-line basis, over the lease term. Reductions to the operating lease asset and the change in the lease liability are included in changes in operating lease assets and liabilities, net in the Consolidated Statements of Cash Flows.

A finance lease asset is depreciated on a straight-line basis over the lesser of the useful life of the leased asset or lease term. Interest on each finance lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability. Operating lease and finance lease assets are assessed for impairment in accordance with our long-lived asset impairment policy.

We reassess lease classification and remeasure assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate contract or upon certain other events that require reassessment. We recognize variable lease cost for operating and finance leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Goodwill and Intangible Assets

Goodwill represents the excess, if any, of the purchase price over the fair value of identifiable net assets acquired in an acquisition. As of January 31, 2025, our goodwill balance primarily consisted of goodwill recorded in connection with the acquisition of CKE Inc., the Company's sole stockholder, that occurred on December 24, 2013. Goodwill may also be recorded in connection with the acquisition of restaurants from franchisees.

We test goodwill for impairment on an annual basis, or more frequently if events and/or circumstances indicate that goodwill might be impaired. The impairment test is performed at the reporting unit level, and an impairment loss is recognized to the extent that the carrying amount of the reporting unit exceeds its fair value. We consider our reporting units to be company-operated restaurants, domestic franchised restaurants and international franchised restaurants as the components (e.g., restaurants) within each reporting unit have similar economic characteristics, including products and services, production processes, types or classes of customers and distribution methods.

We perform our annual goodwill impairment test on the last day of the first accounting period in our fiscal fourth quarter, which was December 2, 2024 for fiscal 2025. In accordance with authoritative guidance, we first assess qualitative factors to determine whether it is more likely than not that the fair values of our reporting units are less than their carrying amounts. If we conclude that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we then conduct a single-step quantitative goodwill impairment test, consisting of a comparison of the fair values of the reporting units to the carrying values of the reporting units. If the carrying value of a reporting unit exceeds its fair value, then an impairment charge will be recognized for the amount by which the carrying value exceeds the reporting unit's fair value, not to exceed the total amount of goodwill allocated to that reporting unit.

When we sell restaurants to franchisees, we remove the related goodwill, which is based on the relative fair value of the restaurants sold and the reporting unit as a whole, from our company-operated restaurants reporting unit. A portion of the goodwill, representing the cash flows disposed, is included in the carrying amount of the restaurants in determining the gain or loss on refranchising. The portion of the goodwill disposed is generally based on the price paid to the Company to acquire the restaurants in relation to the fair value of the reporting unit as a whole. The fair value of the reporting unit is based upon the price a willing buyer would pay for the reporting unit. The remaining goodwill related to the divested restaurants, which is attributable to retained cash flows, is transferred from our company-operated restaurants reporting unit to our domestic franchised restaurants reporting unit.

Our indefinite-lived intangible assets consist of trademarks / tradenames. We test trademarks / tradenames for impairment on an annual basis or more frequently if events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable. We first assess qualitative factors to determine whether it is more likely than not that the fair value of the indefinite-lived intangible asset is less than its carrying amount. If we conclude that it is more likely than not that the indefinite-lived intangible asset is impaired, we then perform a quantitative test to determine whether the carrying amount is less than the fair value of the indefinite-lived intangible asset and measure the amount of impairment, if any.

Our definite-lived intangible assets consist of franchise agreements and favorable lease agreements and are amortized on a straight-line basis over their estimated useful lives. Our definite-lived intangible assets are tested for impairment when events or circumstances indicate the carrying value may be impaired. Refer to discussion of facility action charges (see Note 16) for a discussion of impairment of restaurant-level long-lived assets.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized, utilizing the effective interest method, as a component of interest expense over the terms of the respective financing arrangements. See Note 8 for further discussion.

Book Overdraft

Book overdraft liabilities are included within accounts payable in our accompanying Consolidated Balance Sheets. As of January 31, 2025 and 2024, our book overdraft liability was $118 and $416, respectively. We classify changes in book overdraft balances as a financing activity in our accompanying Consolidated Statements of Cash Flows.

Self-Insurance

We are self-insured for a portion of losses related to workers' compensation, general liability and auto liability claims. We establish liabilities for self-insurance, with the assistance of actuaries, using assumptions based on the average historical losses on claims we have incurred, actuarial observations of historical claim loss development and actuarial estimates of unpaid losses for each loss category. Our workers' compensation, general liability and auto liability claims are discounted using an estimated risk-free interest rate of 3.5% as of January 31, 2025. As of January 31, 2025 and 2024, our estimated liability for self-insurance was $12,134 and $13,113, respectively.

Loss Contingencies

We routinely assess loss contingencies to develop estimates of likelihood of loss and range of possible settlement. We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. We do not record liabilities for losses we believe are only reasonably possible to result in an adverse outcome. See Note 14 for further discussion.

Revenue Recognition

Company-operated restaurants revenue is recognized upon the sale of food or beverage to a customer in the restaurant, which is when our obligation to perform is satisfied.

Franchised restaurants and other revenue includes royalties, franchise fees, and rent revenue. Royalties from franchised restaurants are based on a percentage of net sales of the franchised restaurant and are recognized as earned. Royalties are typically billed and paid monthly and are usually 4% to 5% per restaurant. Franchise development and commitment fees are deferred when received, allocated to each agreed upon restaurant, and recognized as revenue over the contractual term of each respective franchise agreement, once the restaurant has opened. Initial franchise fees, training fees, renewal fees and transfer fees are recognized as revenue over the contractual term of the franchise agreements, once the restaurant has opened. Upfront franchise fees are typically billed and paid when a new franchise agreement becomes effective or when an existing agreement is transferred to another franchisee. These franchise fees are considered highly dependent upon and interrelated with the franchise right granted in the franchise agreement. Further, franchise fees are forfeited and recognized as revenue upon the termination of the related commitments to open new franchised restaurants, the franchised restaurants closing prior to the end of the contractual agreement or the franchised restaurants being acquired by the Company. Property revenues consist of rental income from properties we lease or sublease to franchisees. Property revenues are accounted for in accordance with applicable accounting guidance for leases (see Leases above). We present all revenue net of sales tax.

Advertising funds revenue includes contributions to HNAF, Hardee's Co-ops, the Carl's Jr. national advertising fund (the "Carl's Jr. Fund") and certain international advertising funds (collectively, the "Advertising Funds") by franchisees. Revenue related to these contributions is based on a percentage of sales of the franchised restaurants and is recognized as earned.

Our company-operated restaurants and franchised restaurants sell gift cards within the restaurants and through independent retailers that are redeemable for products in our Carl's Jr. and Hardee's restaurants. The Company manages the gift card program for the domestic system and collects all funds from the activation of gift cards. We recognize revenue when cards are redeemed in our company-operated restaurants and reimburse franchisees for the redemption of gift cards in their

restaurants. A liability for unredeemed gift cards is included in other current liabilities in our accompanying Consolidated Balance Sheets (see Note 7).

There are no expiration dates on our gift cards, and we do not charge any service fees. While our company-operated restaurants and franchisees continue to honor all gift cards presented for payment, we may determine the likelihood of redemption to be remote for certain cards due to long periods of inactivity. In these circumstances, we may recognize income from unredeemed gift cards ("breakage revenue") if they are not subject to unclaimed property laws. Breakage revenue on all Carl's Jr. and Hardee's gift cards is estimated and recognized over time in proportion to actual gift card redemptions, based on historical redemption rates. We account for breakage revenue in franchised restaurants and other revenue in our accompanying Consolidated Statement of Operations (see Note 15).

Franchise Operations and Credit Risk

Franchised restaurants and other expense includes rent and occupancy costs related to our franchised restaurants, amortization of franchise agreements, credit losses, and other miscellaneous expenses directly related to our franchise operations. These costs are expensed as incurred.

Accounts receivable consists primarily of amounts due from franchisees for royalties, advertising, franchise fees, and rent. In addition, we have notes and other receivables from certain of our franchisees. The financial condition of our franchisees is, in part, dependent upon the underlying business trends of our brand. This concentration of credit risk is mitigated, in part, by the large number of franchisees and the short-term nature of the receivables.

We record provisions for estimated credit losses on receivables when we believe our franchisees are unable to make their required payments. We cease accruing royalties and rent revenue from franchisees during the fiscal quarter in which we determine that collectibility of such amounts is not reasonably assured. There are a number of different actions we and/or our franchisees may take to resolve or mitigate franchise collection issues. These actions may include a reduction or deferral of future royalties, a reduction or deferral of future rent for which we are the landlord or the primary obligor to the landlord, invoking personal guarantees, or if necessary, acquiring the restaurants or terminating the franchise agreement.

Advertising

Company-operated and franchised restaurants jointly share in the cost of various advertising and marketing programs. Advertising and marketing contributions for both company-operated and franchised restaurants are generally determined based on a percentage of revenue and contributed to the applicable funds ratably throughout the year. We administer internally the Carl's Jr. Fund advertising and marketing programs, certain international advertising funds and HNAF. A third party administers the Hardee's Co-ops.

Advertising costs for company-operated restaurants' contributions to the Advertising Funds is eliminated in consolidation. Advertising contributions by company-operated restaurants totaled $19,626 and $18,735 for fiscal 2025 and fiscal 2024, respectively. The cost of local and incremental advertising that is not funded by the Advertising Funds is expensed as incurred.

Share-Based Compensation

We issue equity-based awards to our executive management team, certain key employees, and directors under our equity-based compensation plans. Under the fair value recognition provisions of the authoritative guidance for equity-based compensation awards, we measure the fair value of equity-based awards at the grant date and the fair value is recognized as expense over the requisite service period.

Our equity-based compensation structure includes both time vesting and performance vesting profit sharing interests. We recognize compensation expense relating to time vesting profit sharing interests ratably over the requisite service period for the entire award. Performance vesting profit sharing interests vest through meeting performance and service conditions. We record compensation expense for performance vesting profit sharing interests when we deem the achievement of the performance goals to be probable. We recognize compensation expense for each separately vesting portion of performance vesting profit sharing interests ratably over the requisite service period that is determined to be the most likely outcome. We

record reversals of share-based compensation expense for forfeitures as they occur. Our share-based compensation structure is described more fully in Note 17.

Facility Action Charges

From time to time, we identify restaurants that have carrying values in excess of their fair values and, as a result, we may record impairment charges. We may also close or refranchise these or other restaurants and lease or sublease the restaurant property to a franchisee or to a business other than one of our restaurant concepts. The financial statement impact resulting from these and similar actions are recorded in our accompanying Consolidated Statements of Operations as facility action charges, net and include:

(i) impairment of restaurant-level long-lived assets for restaurants to be disposed of or held and used;
(ii) store closure costs, including rent, taxes, depreciation and other costs incurred for closing a store; and
(iii) gain or loss on the sale of restaurants, including refranchising transactions.

Considerable management judgment is necessary to estimate future cash flows, including cash flows from continuing use, terminal value, closure costs, expected sublease income and refranchising proceeds. Accordingly, actual results could vary significantly from our estimates.

(i) Impairment of Restaurant-Level Long-Lived Assets

Whenever events or circumstances indicate that the carrying value of assets may be impaired, we evaluate our restaurant-level long-lived assets for impairment. For purposes of impairment testing, assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities, which is generally the individual restaurant level for fixed assets, finance lease assets and operating lease assets. For each asset group, we evaluate whether there are indicators of impairment such as sequential annual cash flow losses or adverse changes in the physical condition or expected use of the asset group. When indicators of impairment exist, we evaluate whether the assets are recoverable by comparing the undiscounted future cash flows that we expect to generate from their use and disposal to their carrying value. Restaurant-level assets that are not deemed to be recoverable are written down to their estimated fair value, which is determined by assessing the highest and best use of the assets and the amounts that would be received for such assets in an orderly transaction between market participants.

Our impairment analyses rely upon a number of estimates, assumptions and measurements with significant Level 2 and Level 3 unobservable inputs (see Note 13), including estimates of future cash flows, assumptions of future same-store sales and projected operating expenses for each of our restaurants over their estimated remaining useful lives in order to evaluate recoverability and estimate fair value. Future cash flows are estimated based upon experience gained, current intentions about refranchising or closing restaurants, recent and expected sales trends, internal plans, the period of time since the restaurant was opened or remodeled, the maturity of the related market and other relevant information. We generally estimate the useful life of restaurants on owned property to be 20 to 40 years and estimate the useful life of restaurants subject to leases to range from the end of the lease term then in effect to the end of such lease term including option periods. If our future cash flows or same-store sales do not meet or exceed our forecasted levels, or if restaurant operating cost increases exceed our forecast and we are unable to recover such costs through price increases, the carrying value of certain of our restaurants may prove to be unrecoverable, and we may incur additional impairment charges in the future.

(ii) Store Closure Costs

We typically make decisions to close restaurants based on prospects for estimated future profitability. However, sometimes we are forced to close restaurants due to circumstances beyond our control (e.g., a landlord's refusal to negotiate a new lease). When restaurants perform poorly for an extended period of time, we consider a number of factors, including the demographics of the location and the likelihood of being able to improve an unprofitable restaurant. Based on the operators' judgment and a financial review, we estimate the future cash flows. If we determine that the restaurant will not, within a reasonable period of time, operate at break-even cash flow or be profitable, and we are not contractually obligated to continue operating the restaurant, we may decide to close the restaurant.

(iii) Gain or Loss on the Sale of Restaurants, Including Refranchising Transactions

We record gains and losses on the sale of restaurants as the difference between the net proceeds received and net carrying values of the net assets of the restaurants sold. As discussed within the section "Goodwill and Intangible Assets" in this Note 1, we include goodwill in the carrying amount of the restaurants in determining the gain or loss on disposal. If we sublease a restaurant to a franchisee on terms that result in a probable loss, then we will establish a lease subsidy allowance and record a loss at the time we enter into the lease arrangement. As further described above, the amount of the estimated liability for the lease subsidy is the present value of our estimated future payments, net of the present value of the expected sublease income.

Contract Liabilities - Deferred Franchise Fees

The following table provides information about contract liabilities, specifically deferred franchise fees, received from contracts with customers:

	2025	2024
Deferred franchise fees, beginning of year	$ 35,941	$ 35,942
Revenue recognized during the period	(5,395)	(4,917)
New deferrals due to cash received	3,798	4,916
Deferred franchise fees, end of year	$ 34,344	$ 35,941

The following table reflects the estimated franchise fees to be recognized in the future related to performance obligations that are unsatisfied at the end of the period:

Fiscal:	
2026	$ 3,340
2027	2,961
2028	2,815
2029	2,693
2030	2,551
Thereafter	19,984
Total estimated future amortization income	$ 34,344

Deferred franchise fees are recorded in other current liabilities and other long-term liabilities in our accompanying Consolidated Balance Sheets as of January 31, 2025 and January 31, 2024, respectively.

Income Taxes

We are included in the consolidated federal income tax returns and combined state income tax returns of CKE Holding Corporation ("CKE"). For the purpose of determining the income taxes attributable to CKE Restaurants and its subsidiaries, we prepare our income tax provision as if we were a separate taxpayer. As a result of this treatment, we make income tax payments to our corporate parent based upon our separate return taxable income. We additionally make income tax payments directly to federal, state, local and foreign taxing jurisdictions.

Our current provision for income taxes is based on our estimated taxable income in each of the jurisdictions in which we operate, after considering the impact on our taxable income of temporary differences resulting from disparate treatment of items, such as depreciation, interest expense, advertising funds, sale-leaseback transactions, various reserves, tax credits and net operating losses ("NOL"), for tax and financial reporting purposes. We record deferred income taxes for the estimated future income tax effect of temporary differences between the financial and tax bases of assets and liabilities using the asset and liability method. Deferred income tax assets are also recorded for NOL and income tax credit carryforwards. A valuation allowance to reduce the carrying amount of deferred income tax assets is established when it is more likely than not that we will

not realize some portion or all of the tax benefit of our deferred income tax assets. We evaluate, on a quarterly basis, whether it is more likely than not that our deferred income tax assets are realizable. In performing this analysis, we consider all available evidence, both positive and negative, including historical operating results, the estimated timing of future reversals of existing taxable temporary differences, estimated future taxable income exclusive of reversing temporary differences and carryforwards and potential tax planning strategies that may be employed to prevent NOL or tax credit carryforwards from expiring unused. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

From time to time, we may take positions in filing our income tax returns that differ from the treatment of the same items for financial reporting purposes. The ultimate outcome of these items will not be known until the Internal Revenue Service, or similar state taxing authority, has completed its examination or until the statute of limitations has expired.

We maintain a liability for underpayment of income taxes and related interest and penalties, if any, related to uncertain income tax positions. The tax benefit from an uncertain tax position is recognized either upon the expiration of the statutory audit period or when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Our policy on the classification of interest and penalties related to the underpayment of income taxes and uncertain tax positions is to record interest in interest expense, and to record penalties, if any, in general and administrative expense, in our accompanying Consolidated Statements of Operations. Accrued interest and penalties are included in our liability for uncertain tax positions.

Distributor Concentration Risk

We currently rely on a limited number of distributors to deliver food, packaging and supplies to our restaurants. Although we could use alternative distributors, an unforeseen change in distributor could cause a delay in receipt of food, packaging or supplies and possibly result in unfavorable costs and loss of sales.

Foreign Currency

The functional currency of our foreign entities is the currency of the primary economic environment in which the entity operates. Functional currency determinations are made based upon a number of economic factors, including but not limited to cash flows and financing transactions. The operations, assets and liabilities of our entities outside the United States are initially measured using the functional currency of that entity. The income and expense accounts are then translated into U.S. dollars at the average exchange rates prevailing during the period. The assets and liabilities are translated into U.S. dollars at exchange rates in effect at the balance sheet date.

Comprehensive Income

We present comprehensive income in our accompanying Consolidated Statements of Comprehensive Income. Comprehensive income includes, in addition to net income, changes in equity that are excluded from our Consolidated Statements of Operations and are recorded directly into a separate section of equity on our Consolidated Balance Sheets. Accumulated other comprehensive income is comprised of foreign currency translation adjustments attributable to CKE Restaurants Holdings, Inc. and the Shanghai business liquidation in fiscal year 2025.

Subsequent Events

We have evaluated subsequent events through April 2, 2025, the date our Consolidated Financial Statements were available to be issued. We concluded that no subsequent events required disclosure in these financial statements.

NOTE 2 — ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

Income Tax Disclosures

In December 2023, the FASB issued guidance that enhances income tax disclosures including expanded qualitative effective tax rate reconciliation. The standard also requires annual disclosure of income taxes paid disaggregated by federal, state and foreign taxes. The standard is effective for annual reporting periods beginning after December 15, 2024 for public entities. For other entities, the standard is effective for annual reporting periods beginning after December 15, 2025. Early adoption of the guidance is permitted. We are currently evaluating the impact the adoption of this standard will have on our Consolidated Financial Statements.

NOTE 3 — ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Trade receivables	$ 45,755	$ 37,850
Leases receivable	217	180
Taxes receivable	964	24
Notes receivable	2,542	2,759
Allowance for credit losses	(4,679)	(2,375)
Total accounts receivable, net	$ 44,799	$ 38,438

The following table summarizes the activity in the allowance for credit losses:

	Fiscal 2025	Fiscal 2024
Allowance for credit losses, beginning of year	$ 2,375	$ 2,033
Provision	3,246	2,133
Recoveries	(526)	(894)
Charge-offs	(416)	(897)
Allowance for credit losses, end of year	$ 4,679	$ 2,375

NOTE 4 — PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consisted of the following as of January 31, 2025 and 2024:

	Estimated Useful Life	2025	2024
Land	Indefinite	$ 190,599	$ 192,390
Leasehold improvements	3-25 years	115,242	105,359
Buildings and improvements	3-40 years	171,355	191,141
Equipment, furniture and fixtures	3-8 years	160,079	140,630
Finance leases	5-33 years	15,173	18,174
		652,448	647,694
Less accumulated depreciation and amortization[(1)]		(281,383)	(270,258)
Total property and equipment, net		$ 371,065	$ 377,436

(1) The accumulated amortization related to finance leases was $1,195 and $333 as of January 31, 2025 and 2024, respectively.

Depreciation and amortization expense related to property and equipment for fiscal 2025 and 2024 was $36,183 and $36,202, respectively. Amortization of property under finance leases is included within depreciation and amortization expense.

NOTE 5 — ACQUISITIONS AND REFRANCHISING ACTIVITY

Acquisition of Restaurants

During the fiscal year ended January 31, 2025, we purchased one Carl's Jr. restaurant from a franchisee for the purchase price of $111. During the fiscal year ended January 31, 2024, we purchased nineteen Hardee's restaurants and one Carl's Jr. restaurant from franchisees for purchase price consideration of $3,342, which in combination with certain assets subject to pre-existing relations with these franchisees, results in aggregate consideration transferred for $3,438. As a result of these transactions, we recorded the following:

	Fiscal 2025	Fiscal 2024
Net working capital	$ 5	$ 55
Property and equipment	106	12,281
Operating lease assets	—	5,048
Reacquired franchise rights	—	1,810
Operating leases	—	(5,048)
Finance leases	—	(10,708)
Net assets acquired and liabilities assumed	$ 111	$ 3,438

The acquisitions result in no goodwill. Legal, travel and other expenses related to these acquisitions for fiscal 2025 and 2024 were $101 and $1,075, respectively, which are included in general and administrative expense in the Consolidated Statements of Operations.

Refranchising Transaction

During fiscal 2024, we sold one Hardee's restaurant and certain related inventory and fixed assets with a net book value of $1,267 and disposed of its allocated goodwill of $662. In connection with the sale of this restaurant, we received aggregate consideration of $2,082, and recognized a net gain of $153, which is included in facility action charges, net, in our

accompanying Consolidated Statements of Operations. In connection with the refranchising transaction, the franchisee acquired real property and equipment related to the restaurant location.

NOTE 6 — GOODWILL AND INTANGIBLE ASSETS, NET

During the fourth quarter of fiscal 2025 and 2024, we performed our annual impairment tests for goodwill and indefinite-lived intangible assets using a qualitative approach and determined that it is more likely than not that the fair value is greater than the carrying value. Accordingly, no impairment losses were recorded in fiscal 2025 or 2024.

The table below presents our intangible assets as of January 31, 2025 and 2024:

		2025			2024		
	Weighted-Average Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks / tradenames	Indefinite	$ 614,400	$ —	$ 614,400	$ 614,400	$ —	$ 614,400
Franchise agreements	20	321,665	(176,641)	145,024	321,665	(160,157)	161,508
Favorable lease agreements	17	5,429	(4,104)	1,325	5,875	(4,245)	1,630
Total intangible assets		$ 941,494	$ (180,745)	$ 760,749	$ 941,940	$ (164,402)	$ 777,538

Amortization expense related to these intangible assets for fiscal 2025 and 2024 was $16,789 and $17,302, respectively. Our estimated future amortization expense related to these intangible assets is set forth as follows:

Fiscal:	
2026	$ 16,611
2027	16,532
2028	16,333
2029	16,273
2030	16,245
Thereafter	64,355
Total estimated future amortization expense	$ 146,349

NOTE 7 — OTHER CURRENT LIABILITIES

Other current liabilities as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Income taxes payable	$ 13,131	$ 13,955
Financing method sale-leaseback liability, current portion	11,658	11,287
Salaries, wages and other benefits	10,627	15,610
Accrued interest	6,358	5,663
Accrued property taxes	4,321	3,089
Estimated liability for self-insurance, current portion	3,577	3,545
Deferred franchise and development fees	3,340	3,454
Gift card and gift certificate liabilities	3,145	4,479
State sales tax	1,670	2,017
Utilities	992	1,004
Other accrued liabilities	8,367	7,538
Total other current liabilities	$ 67,186	$ 71,641

NOTE 8 — LONG-TERM DEBT

Long-term debt as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Class A-2 Notes:		
4.959% Series 2018-1 Class A-2-II Notes, repaid in April 2024	$ —	$ 331,625
5.710% Series 2018-1 Class A-2-III Notes, anticipated repayment date June 2028	234,375	236,875
3.981% Series 2020-1 Class A-2 Notes, anticipated repayment date December 2027	384,000	388,000
2.865% Series 2021-1 Class A-2 Notes, anticipated repayment date June 2028	173,700	175,500
7.253% Series 2024-1 Class A-2 Notes, anticipated repayment date March 2031	347,375	—
Unamortized deferred financing costs on Senior Notes	(15,256)	(12,178)
Total debt, net	1,124,194	1,119,822
Less current portion	(11,800)	(11,800)
Long-term debt, less current portion	$ 1,112,394	$ 1,108,022

As of January 31, 2025, the aggregate maturities of our long-term debt, based on the anticipated repayment date and excluding the effects of amortization of the deferred financing costs on the Class A-2 Notes are as follows:

Fiscal:	
2026	$ 11,800
2027	11,800
2028	383,800
2029	398,675
2030	3,500
Thereafter	329,875
Total long-term debt	$ 1,139,450

Senior Notes

In April 2013, Carl's Jr. Funding LLC and Hardee's Funding LLC (collectively, the "Co- Issuers"), our indirect wholly-owned subsidiaries, issued outstanding senior secured notes under securitized facility loans. The indenture governing the facility loans (the "Indenture") allows the Co-Issuers to issue additional series of notes in the future subject to certain conditions.

As of January 31, 2025, the Co-Issuers had issued the following outstanding series of fixed rate senior secured notes: (i) 2018-1 Class A-2-III Notes with an initial principal amount of $250,000; (ii) 2020-1 Class A-2 Notes with an initial principal amount of $400,000; (iii) 2021-1 Class A-2 Notes with an initial principal amount of $180,000 and (iv) 2024-1 Class A-2 Notes with an initial principal amount of $350,000 (collectively, the notes described in (i) to (iv) are referred to herein as the "Class A-2 Notes").

The Series 2018-1 Variable Funding Notes provide for senior secured revolving facility loans, including subfacilities for swingline loans and letters of credit, in an aggregate amount of $125,000. On April 5, 2024, the Series 2018-1 Variable Funding Notes were amended to increase the borrowing capacity from $70,000 to $125,000 and extend the maturity date to March 2029, including options for renewal for two additional twelve-month terms (subject to certain conditions, including a minimum debt service coverage ratio). The Series 2018-1 Variable Funding Notes bear interest at a variable interest rate equal to (a) a commercial paper rate plus 3.00%, (b) the term SOFR rate plus 3.00% or (c) 2.00% plus the greater of (i) the Prime Rate, (ii) the Federal Funds rate plus 0.50%, or (iii) term SOFR plus 1.00%. The actual interest rate incurred is determined by how the borrowings were funded by participating investors, but in any event, will fall under one of the three scenarios described above. The Series 2018-1 Variable Funding Notes require us to pay a commitment fee of 0.50% per annum for unused commitments and letter of credit fees of 3.00% per annum on our outstanding non-cash collateralized letters of credit. Interest and other fees on the Series 2018-1 Variable Funding Notes are due quarterly in arrears on the 20th day of each March, June, September and December. As of January 31, 2025, the Co-Issuers had zero outstanding loan borrowings, $24,245 of outstanding letters of credit and remaining availability of $100,755 under our Series 2018-1 Variable Funding Notes. The Class A-2 Notes and the 2018-1 Variable Funding Notes are collectively referred to as the "Senior Notes."

The Senior Notes are secured by substantially all assets of the Co-Issuers and their subsidiaries and immediate holding companies (collectively, the "CKE Securitization Entities"), but are not guaranteed by or secured with the assets of CKE or its other subsidiaries, including CKE Restaurants. The Indenture requires the CKE Securitization Entities to report and remit weekly cash flows of the CKE Securitization Entities to the trustee of the Senior Notes. The weekly cash flows are subject to a priority of payments that provides for the payment of funds to specific trust accounts for debt service and other specified purposes set forth in the Indenture. The amount of weekly cash flow, if any, that exceeds the amounts required by the priorities of payment is remitted to CKE Restaurants in the form of an equity distribution.

Interest and principal payments on the Class A-2 Notes are payable on a quarterly basis. The Class A-2 Notes require scheduled quarterly principal payments of $2,950 that are due on the 20th of each March, June, September and December. The requirement to make such quarterly principal payments on the Class A-2 Notes is subject to certain financial conditions set forth in the Indenture. The legal final maturity dates for the Class A-2 Notes range from 2048-2054. If the Co-Issuers have not repaid or refinanced the Class A-2 Notes prior to their respective anticipated repayment dates, which range from 2027-2031, additional interest will accrue pursuant to the Indenture.

We expect that the Co-Issuers will repay or refinance each tranche of the Class A-2 Notes at or before its respective anticipated repayment date. However, in the event that the Co-Issuers do not repay any tranche of Class A-2 Notes in full by its anticipated repayment date, such tranche of the Class A-2 Notes would be subject to additional interest at an interest rate of at least 5% per annum on the outstanding principal amount, and principal payments on all outstanding Senior Notes would accelerate until the debt is paid in full. If certain conditions are met, including a maximum leverage ratio for the CKE Securitization Entities of 5.0x of total net indebtedness to net cash flow, each as defined in the Indenture, the Co-Issuers may elect not to make the scheduled principal payments on the Class A-2 Notes. The Co-Issuers may optionally prepay up to 35% of the original principal amount of the Series 2018-1 Class A-2-III Note at any time at par, other than with proceeds from indebtedness. Generally, any optional (and certain mandatory) prepayments in excess of such amount would be subject to a make-whole premium as defined in the Indenture. Beginning thirty months prior to the anticipated repayment date for the Series 2018-1 Class A-2-III Notes, thirty-six months prior to the anticipated repayment date for the Series 2020-1 Class A-2 Notes, forty-two months prior to the anticipated repayment date for the Series 2021-1 Class A-2 Notes and twenty-four months prior to

the anticipated repayment date for the Series 2024-1 Class A-2 Notes, the Co-Issuers may repay all or a portion of the remaining principal amount of such applicable tranche of Class A-2 Notes at par.

Covenants and Restrictions

The Senior Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) required actions to protect the security interest in certain collateral upon the occurrence of certain performance-related events, (ii) application of certain disposition proceeds as note prepayments, subject to certain exceptions, (iii) maintenance of specified reserve accounts, (iv) maintenance of certain debt service coverage ratios, (v) mandatory prepayments with indemnification payments for defective or ineffective collateral, and (vi) covenants relating to record keeping, access to information and similar matters. If certain covenants or restrictions are not satisfied or complied with, the Senior Notes are subject to accelerated repayment events and events of default. Although management does not anticipate an event of default, if any such event occurred and was not cured within any applicable cure period, the unpaid amounts outstanding could become immediately due and payable.

Refinancing Transaction

In April 2024, the Co-Issuers completed a refinancing transaction (the "Series 2024-1 Refinancing") under which the Co-Issuers issued the Series 2024-1 Class A-2 Notes. A portion of the net proceeds from the sale of the Series 2024-1 Class A-2 Notes were used to repay in full the Co-Issuer's outstanding Series 2018-1 Class A-2-II Notes, including transaction costs. As a result of the refinancing, the Company recorded a loss on early extinguishment of debt of $1,283 during fiscal 2025, which was comprised of the write-off of the Series 2018-1 Class A-2-II Notes unamortized deferred financing costs. The loss is included in other income, net in the Consolidated Statements of Operations.

Debt issuance costs

In connection with the Series 2024-1 Refinancing and the amendment of the Series 2018-1 Variable Funding Notes, we incurred debt issuance costs of $7,860, which were capitalized and allocated between the Series 2024-1 Class A-2 Notes and the Series 2018-1 Variable Funding Notes. These deferred financing costs will be amortized to interest expense within the Consolidated Statements of Operations using the effective interest method over the expected term of the Series 2024-1 Class A-2 Notes of seven years and five years for the Series 2018-1 Variable Funding Notes.

Other Notes

In connection with the acquisition of Hardee's restaurants from a franchisee, we assumed a $2,100 unsecured note. On November 20, 2020, we paid down $200. On July 25, 2023, we paid down the remaining $1,900.

Interest Expense

Interest expense consisted of the following:

	Fiscal 2025	Fiscal 2024
Series 2018-1 Class A-2-III Notes	$ 16,386	$ 30,013
Series 2020-1 Class A-2 Notes	15,303	15,466
Series 2021-1 Class A-2 Notes	4,981	5,034
Series 2024-1 Class A-2 Notes	20,593	—
Amortization of deferred financing costs	3,499	3,417
Finance leases	1,379	1,318
Financing method sale-leaseback obligations (see Note 10)	5,363	5,793
Letter of credit fees, commitment fees and other	1,398	1,048
Total interest expense	$ 68,902	$ 62,089

NOTE 9 — LEASES

We occupy land and buildings under lease agreements expiring on various dates through fiscal 2046. Many leases provide for future rent escalations and renewal options. In addition, variable lease payments, such as a percentage of sales in excess of specified levels, are often required. Most leases obligate us to pay costs of maintenance, insurance and property taxes.

Company as Lessor

We lease and sublease land and buildings to others, primarily as a result of the refranchising of certain restaurants. Many of these leases provide for fixed payments, while others provide for variable rent when sales exceed certain levels or for rent based on a percentage of sales. Lessees and sublessees generally bear the cost of maintenance, insurance and property taxes. The carrying values of assets leased to others as of January 31, 2025 and 2024 are as follows:

	2025	2024
Land	$ 99,835	$ 104,028
Leasehold improvements	3,253	3,916
Buildings and improvements	65,883	68,563
	168,971	176,507
Less accumulated depreciation and amortization	(55,096)	(57,231)
Total assets leased to others	$ 113,875	$ 119,276

The components of lease income for January 31, 2025 and 2024 are as follows:

	2025	2024
Rent revenue:		
Minimum rent revenue	$ 86,996	$ 90,450
Variable lease payments	5,713	6,700
Total rent revenue	$ 92,709	$ 97,150

We sublease to others some of our property under finance leases. These assets are recorded as lease receivables and are included in accounts receivable, net and other assets, net in our accompanying Consolidated Balance Sheets. As of January 31, 2025, future minimum lease and sublease rent revenue expected to be received, are as follows:

	Finance Leases	Operating Leases	
	Subleases	Subleases	Owned Properties
Fiscal:			
2026	$ 366	$ 75,885	$ 7,719
2027	359	68,404	7,764
2028	347	60,546	7,441
2029	254	49,805	6,752
2030	218	39,494	6,485
Thereafter	2,741	98,112	38,093
Total future minimum lease and sublease rent revenue	4,285	$ 392,246	$ 74,254
Unearned interest income	(1,315)		
Present value of leases receivable	2,970		
Less current portion	(217)		
Leases receivable, less current portion	$ 2,753		

Company as Lessee

The components of lease cost for January 31, 2025 and are as follows:

	Fiscal 2025	Fiscal 2024
Finance lease cost:		
Amortization of finance lease assets	$ 1,339	$ 1,596
Interest on finance lease liabilities	1,670	1,572
Variable lease cost	9	2
Total finance lease cost	3,018	3,170
Operating lease cost	88,491	92,340
Variable lease cost	1,593	1,854
Total operating lease cost	90,084	94,194
Total lease cost	$ 93,102	$ 97,364

Minimum lease payments for all leases and the present value of minimum lease payments for operating and finance leases as of January 31, 2025 are as follows:

	Finance Leases		Operating Leases	
	Company-Operated	Franchise & Other	Company-Operated	Franchise & Other
Fiscal:				
2026	$ 1,593	$ 1,304	$ 16,542	$ 69,475
2027	1,617	1,245	15,644	61,728
2028	1,631	1,190	14,576	53,511
2029	1,642	1,049	12,897	42,803
2030	1,678	977	9,490	32,354
Thereafter	14,464	3,766	42,393	88,309
Total minimum lease payments	22,625	9,531	111,542	348,180
Less amount representing interest	(6,913)	(2,452)	(11,802)	(31,807)
Present value of minimum lease payments	15,712	7,079	99,740	316,373
Less current portion	(726)	(786)	(14,291)	(63,214)
Lease obligations, less current portion	$ 14,986	$ 6,293	$ 85,449	$ 253,159

Net rent under non-cancelable operating leases was as follows:

	Fiscal 2025	Fiscal 2024
Rent revenue:		
Minimum rent revenue	$ 86,996	$ 90,450
Variable lease payments	5,713	6,700
Total rent revenue	92,709	97,150
Rent expense:		
Operating lease cost	(88,491)	(92,340)
Variable lease cost	(1,593)	(1,854)
Total operating lease cost	(90,084)	(94,194)
Net rent income	$ 2,625	$ 2,956

Lease Term and Discount Rate as of January 31,

Weighted-average remaining lease term:

	2025	2024
Finance leases	12.28 years	12.11 years
Operating leases	7.25 years	7.67 years

Weighted-average discount rate:

	2025	2024
Finance leases	6.2 %	6.5 %
Operating leases	2.6 %	2.4 %

NOTE 10 — SALE-LEASEBACK TRANSACTIONS

We currently have entered into agreements with independent third parties under which we sold and leased back a total of 125 restaurant properties. The initial minimum lease terms are 20 years and include renewal options. The leases also include provisions that provide us with the ability to repurchase the properties, which for accounting purposes, prevents sale recognition as the leased properties are real estate, and we have concluded that no two real estate assets are substantially the same.

Under the financing method, the sales proceeds received are recorded in other current liabilities and other long-term liabilities until our continuing involvement with the properties is terminated, and the associated properties are reported as owned assets and depreciated over their remaining useful lives. Rent payments for these leases are recorded as principal and interest. The net book value of the associated assets, which is included in property and equipment, net of accumulated depreciation and amortization, in our accompanying Consolidated Balance Sheets was $113,775 and $115,805 as of January 31, 2025 and 2024, respectively.

During fiscal 2025, the lease agreement for one of our restaurant properties was terminated. As we no longer have continuing involvement in the properties, we recognized a net gain of $1,086 associated with the write-off of the assets and liabilities. The net gain is included in facility action charges, net in our accompanying Consolidated Statements of Operations.

Closing costs and other fees related to sale-leaseback transactions are treated as deferred financing costs, which are recorded as a reduction to the liability balance and amortized to interest expense over the initial minimum lease term.

As of January 31, 2025, our future minimum lease commitments for our financing method sale-leaseback obligations are as follows:

Fiscal:	
2026	$ 16,074
2027	16,267
2028	17,099
2029	17,661
2030	17,666
Thereafter	48,094
Total minimum lease payments	132,861
Less amount representing interest	(26,955)
Residual property obligation[(1)], deferred financing costs and deferred sales proceeds	101,959
Financing method sale-leaseback liability	207,865
Less current portion	(11,658)
Financing method sale-leaseback liability, less current portion	$ 196,207

(1) Although we have legally transferred title of the sale-leaseback properties, we have included an obligation to convey, for accounting purposes, the sale-leaseback assets at the end of the primary lease term. This obligation was established in acquisition accounting and based on the estimated residual value of the sale-leaseback assets at the end of the primary lease term.

NOTE 11 — OTHER LONG-TERM LIABILITIES

Other long-term liabilities as of January 31, 2025 and 2024 consisted of the following:

	2025	2024
Financing method sale-leaseback liability, long-term portion	$ 196,207	$ 208,337
Deferred franchise and development fees	31,004	32,487
Estimated liability for self-insurance, long-term portion	8,557	9,568
Deferred beverage income	5,391	5,721
Unfavorable lease agreements	2,975	4,480
Other	2,834	3,038
Total other long-term liabilities	$ 246,968	$ 263,631

NOTE 12 — EQUITY

As of January 31, 2025 and 2024, a total of 100 shares of $0.01 par value common stock of CKE Restaurants are issued and outstanding. Each share of common stock entitles the shareholder to one vote per share and is eligible to receive dividend payments when declared. As discussed more fully in Note 8, the Indenture governing the Senior Notes includes certain covenants and restrictions that may limit CKE Restaurants' ability to declare and pay dividends. During fiscal 2025, we paid a cash dividend of $90,000 to CKE Holding Corporation, our sole stockholder. No dividends were declared and paid in fiscal 2024.

NOTE 13 — FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents information on our financial instruments as of January 31, 2025 and 2024:

	2025		2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial liabilities:				
Series 2018-1 Class A-2-II Notes	$ —	$ —	$ 329,928	$ 315,044
Series 2018-1 Class A-2-III Notes	232,031	227,297	234,366	222,070
Series 2020-1 Class A-2 Notes	379,552	362,842	382,905	344,350
Series 2021-1 Class A-2 Notes	171,186	154,454	172,623	146,543
Series 2024-1 Class A-2 Notes	341,425	364,858	—	—

The fair value of cash and cash equivalents and restricted cash and cash equivalents each approximate their respective carrying amounts due to the short maturity of the balances. The carrying amounts of notes receivable, net (both current and non-current) of related allowance for credit losses approximate fair value. The estimated fair values of our borrowings under the Class A-2 Notes were determined by obtaining estimated market prices from an investment banking firm as of the balance sheet dates.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Entities are required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value based on the following fair value hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities;

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Our non-financial long-lived assets, including goodwill, intangible assets and property and equipment, are reported at carrying value and are not required to be measured at fair value on a recurring basis. However, on a periodic basis, or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, we assess our long-lived assets for impairment. When impairment has occurred, such long-lived assets are written down to fair value. See Note 16 for further information regarding impairment charges.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2025:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 1,273
Assets to be held and used (Level 3)[2]	—	1,667

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.

(2) Represents impairment recorded for five domestic company-operated restaurants.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2024:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 3,311
Assets to be held and used (Level 3)[2]	—	1,044

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.
(2) Represents impairment recorded for two domestic company-operated restaurants.

NOTE 14 — COMMITMENTS AND CONTINGENT LIABILITIES

Lease Commitments

Many of the restaurants we have sold to franchisees are on leased sites, and we have entered into sublease agreements with these franchisees but remained principally liable for the lease obligations. We account for the sublease payments received as rent revenue in franchised restaurants and other revenue, and the payments on the leases as rent expense in franchised restaurants and other expense, in our accompanying Consolidated Statements of Operations. As of January 31, 2025, the nominal value of the lease obligations under the remaining master leases' primary terms is $409,868.

Letters of Credit

Pursuant to our Series 2018-1 Variable Funding Notes, we may borrow up to $125,000 for senior secured revolving facility loans, swingline loans and letters of credit (see Note 8). As of January 31, 2025, we had several standby letters of credit outstanding under our Series 2018-1 Variable Funding Notes totaling $24,245, expiring at various dates through October 2025. The outstanding letters of credit consist of a $15,150 letter of credit for benefit of the holders of the Senior Notes as an interest reserve as required by the Indenture and letters of credit of $9,095, which primarily secure our potential workers' compensation, general liability and auto liability obligations.

Unconditional Purchase Obligations

As of January 31, 2025, we had unconditional purchase obligations in the amount of $68,297, which consisted primarily of contracts for goods and services related to restaurant operations and contractual commitments for marketing and sponsorship arrangements. Our unconditional purchase obligations for fiscal 2026, 2027, 2028, 2029 and 2030 are estimated to be $63,623, $2,020, $1,284, $838 and $532, respectively.

Litigation

We are currently involved in legal disputes related to employment, franchising, real estate and other business matters. We intend to vigorously defend against all claims in these lawsuits, and are unable to predict the ultimate outcome of these actions. Although the outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company, based on currently available information, including legal defenses available to the Company and its legal reserves and insurance coverages, the Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter. In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated or unrelated to possible outcomes, and as such may not be meaningful indicators of

our potential liability or financial exposure. We regularly review contingencies to determine the adequacy of our accruals and related disclosures. The ultimate amount of loss may differ from these estimates.

NOTE 15 — FRANCHISE OPERATIONS

Franchised restaurants and other revenue consisted of the following:

	Fiscal 2025	Fiscal 2024
Royalties	$ 190,783	$ 190,073
Rent and other occupancy	94,420	100,611
Franchise fees	5,395	4,917
Other	7,676	4,353
Total franchised restaurants and other revenue	$ 298,274	$ 299,954

Franchised restaurants and other expense consisted of the following:

	Fiscal 2025	Fiscal 2024
Rent and other occupancy	$ 75,110	$ 78,697
Amortization of franchise agreements	16,483	16,857
Other	10,711	1,100
Total franchised restaurants and other expense	$ 102,304	$ 96,654

NOTE 16 — FACILITY ACTION CHARGES, NET

The components of facility action charges, net, are as follows:

	Fiscal 2025	Fiscal 2024
Closed store expenses	$ 2,197	$ 2,219
Impairment of assets to be held and used	1,667	1,044
Impairment of assets to be disposed of	1,273	3,311
Other losses (gains), net	28	(66)
Gain on disposal of other property and equipment	(3,869)	(3,503)
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property (see Note 10)	(1,086)	—
Gain on refranchising transaction	—	(153)
Total facility action charges, net	$ 210	$ 2,852

Impairment charges recorded against property and equipment and operating lease assets of $2,940 and $4,355 were recognized in facility action charges, net in fiscal 2025 and 2024, respectively.

NOTE 17 — SHARE-BASED COMPENSATION

Share-based compensation consisted of the following:

	Fiscal 2025	Fiscal 2024
Share-based compensation related to profit sharing interests that contain performance conditions[(1)]	$ —	$ 1,168
Share-based compensation related to all other profit sharing interests[(1)]	444	956
Total share-based compensation expense	$ 444	$ 2,124

(1) During fiscal 2025 and fiscal 2024, we recorded reversals of $545 and $113, respectively, of share-based compensation expense in connection with the forfeiture of profit sharing interests.

Share-Based Compensation Arrangements

CKE Holdings LP, a limited partnership (the "Partnership") that was formed by Roark Capital Management, LLC ("Roark") and certain members of our senior management team and Board of Directors in December 2013, is CKE's sole stockholder as of January 31, 2025 and 2024. The Limited Partnership Agreement, as amended ("Limited Partnership Agreement"), allows for the issuance of profit sharing interests ("Units") in the Partnership in the form of "Class B" and "Class C" Units. The Units provide the holders a profit sharing interest in the Partnership as defined in the partnership agreement and the individual grant agreements. There are no income tax benefits associated with any of the Class B Units or Class C Units.

Time vesting Class B Units vest in four equal annual installments from the date of grant. Performance vesting Class B Units provide for vesting or conversion to a time vesting schedule upon achievement of certain financial or investment targets. Time vesting Class C Units vest in various installments as specified in the individual grant agreements, but in all instances have vesting periods no longer than five years from the date of grant. There are no unvested time vesting and performance vesting Class B Units as of January 31, 2025 and 2024.

As a result of a previous amendment to the Limited Partnership Agreement, all performance vesting Class B Units that had not vested or converted to a time vesting schedule prior to December 24, 2017, became fully vested and non-forfeitable Class B Units, subject to certain restrictions (the "Restricted Class B Performance Units"). The Restricted Class B Performance Units are only entitled to realize a profit sharing interest in the Partnership to the extent that certain future performance and/or market conditions are met. These conditions require the value generated or calculated as a result of a substantial initial public offering, change in control or cumulative cash distributions, each as defined in the Limited Partnership Agreement, to result in the achievement of a specified return to the Partnership.

During fiscal 2025, the Partnership granted 334,800 time vesting and 186,000 performance vesting Class C Units. The time vesting class C Units vest in either three, four or five equal annual installments from the dates of grant. The performance vesting Class C Units consists of either three, four or five equal tranches that vest upon achievement of certain annual financial targets for fiscal years 2025 through 2029 as set forth in the grant agreements.

During fiscal 2024, the Partnership granted 502,100 time vesting and 502,100 performance vesting Class C Units. The time vesting Class C Units vest in either three or five equal annual installments from the dates of grant. The performance vesting Class C Units consist of either three or five equal tranches that vest upon achievement of certain annual financial targets for fiscal years 2024 through 2030 as set forth in the grant agreements.

The following presents the time vesting and performance vesting Unit activity for fiscal 2025:

	Time Vesting Units	Performance Vesting Units	Total Units	Weighted-Average Grant Date Fair Value
Unvested Units outstanding as of January 31, 2024	731,282	743,733	1,475,015	$ 5.79
Granted Units	334,800	186,000	520,800	5.77
Forfeited Units	(498,538)	(517,633)	(1,016,171)	5.79
Vested Units	(135,386)	—	(135,386)	5.72
Unvested Units outstanding as of January 31, 2025	432,158	412,100	844,258	5.78
Vested Units outstanding as of January 31, 2025			4,991,816	

As of January 31, 2025, there was $5,076 of maximum unrecognized compensation costs for the unvested Units which have the potential for recognition over a weighted average amortization period of 2.06 years.

NOTE 18 — EMPLOYEE RETIREMENT PLAN

We sponsor a contributory plan ("401(k) Plan") to provide retirement benefits under the provisions of Section 401(k) of the Internal Revenue Code ("IRC"). Participants may elect to contribute a portion of their annual salaries on a pre-tax basis to the 401(k) Plan, subject to the maximum contribution allowed by the IRC. During fiscal 2025 and 2024, our matching contributions to the 401(k) Plan were $702 and $630, respectively.

NOTE 19 — RELATED PARTY TRANSACTIONS

Transactions with Roark Capital Management, LLC

We have a management advisory and consulting services agreement with Roark. In exchange for advice concerning management, finance, marketing, strategic planning and other advisory and consulting services provided to us by Roark and its affiliates, Roark receives consulting fees and reimbursement of reasonable expenses. The current annual consulting fee of $3,461 is payable in equal quarterly installments and subject to an increase of three percent per year during the ten year term of the agreement. We recorded $3,358 and $3,249 of consulting fees, which are included in general and administrative expense in our accompanying Consolidated Statements of Operations for fiscal 2025 and 2024, respectively.

The management advisory and consulting services agreement also provides that Roark may earn future fees in connection with certain business acquisition transactions, an initial public offering or a change of control transaction. The management advisory and consulting services agreement includes customary exculpation and indemnification provisions in favor of Roark and its affiliates.

NOTE 20 — INCOME TAXES

Income tax expense consisted of the following:

	Fiscal 2025	Fiscal 2024
Current:		
Federal	$ 7,282	$ 11,248
State	2,449	3,066
Foreign	6,404	5,926
	16,135	20,240
Deferred:		
Federal	(8,988)	(4,512)
State	(2,857)	714
Foreign	(24)	60
	(11,869)	(3,738)
Total income tax expense	$ 4,266	$ 16,502

The following is a reconciliation of income tax expense at the federal statutory rate of 21.0% to our income tax expense for fiscal 2025 and 2024, respectively:

	Fiscal 2025	Fiscal 2024
Income tax expense at statutory rate	$ 5,262	$ 12,942
State income taxes, net of federal income tax effect	(322)	2,986
Nondeductible share-based compensation	93	446
General business credits	(379)	(640)
Nondeductible foreign losses	2,010	230
Uncertain tax positions	(383)	591
Foreign derived intangible income deduction	(1,975)	(2,003)
Other, net	(40)	1,950
Total income tax expense	$ 4,266	$ 16,502

Deferred income tax liabilities, net consisted of the following at January 31, 2025 and 2024:

	2025	2024
Deferred income tax assets:		
Operating lease liabilities	$ 107,272	$ 115,175
Financing method sale-leaseback obligations	27,325	32,229
Interest limitation carryforward	18,511	13,345
Reserves and allowances	9,049	5,546
Franchise fees	7,767	7,803
Net operating loss carryforwards	290	4,749
Federal and state tax credits	129	4,536
Valuation allowance	(204)	(8,747)
Total deferred income tax assets	170,139	174,636
Deferred income tax liabilities:		
Goodwill and other intangible assets	(193,715)	(198,306)
Operating lease assets	(101,711)	(110,061)
Basis difference in property and equipment	(22,829)	(24,477)
Advertising funds	(5,618)	(8,234)
Other items	(5,790)	(4,951)
Total deferred income tax liabilities	(329,663)	(346,029)
Deferred income tax liabilities, net	$ (159,524)	$ (171,393)

We are included in the consolidated federal income tax returns and combined state income tax returns of CKE Holding Corporation. For the purpose of determining the income taxes attributable to CKE Restaurants and its subsidiaries, we prepare our income tax provision as if we were a separate taxpayer. As a result of this treatment, we make income tax payments to our corporate parent based upon our separate return taxable income. We additionally make income tax payments directly to federal, state, local and foreign taxing jurisdictions. As of January 31, 2025 and 2024, our income tax payable to our corporate parent was $13,459 and $13,269, respectively. During fiscal 2025 and 2024, we did not make any income tax payments to CKE Holding Corporation and made $17,342 and $15,426 in income tax payments net of refunds directly to taxing authorities.

As of January 31, 2025 and 2024, we maintained a valuation allowance of $204 and $8,747, respectively, for a portion of our state income tax credits and certain state and foreign net operating loss NOL carryforwards because we had concluded that realization of the tax benefit of such deferred income tax assets was not more likely than not. As of fiscal 2025, we only maintain a valuation against state NOL carryforwards as state enterprise zone credits expired after fiscal 2024 and we liquidated our Shanghai entity, removing the need for a valuation allowance against foreign NOL carryforwards. In evaluating the need for a valuation allowance, we consider all available evidence, positive and negative, including cumulative historical earnings in recent years, future reversals of existing temporary differences, estimated future taxable income exclusive of reversing temporary differences on a jurisdictional basis and statutory expiration dates of NOL and income tax credit carryforwards. During fiscal 2025, we decreased our valuation allowance by $8,543.

As of January 31, 2025, we have state tax credit carryforwards of $129, that will expire, if unused, in fiscal 2043. As of January 31, 2025, we have state NOL carryforwards in the amount of approximately $24,752, which expire in varying amounts from fiscal 2026 through 2034. As of January 31, 2025, we have $81 of net deferred income tax assets related to our state NOL carryforwards, which represent our expected future tax savings from such carryforwards, after considering the impact of past ownership changes on our ability to utilize such carryforwards. The utilization of our NOL carryforwards to offset future taxable income may be subject to an annual limitation as a result of past or future ownership changes. As of January 31, 2025, we have recognized a nominal amount of deferred income tax assets associated with foreign operations.

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits:

	Fiscal 2025	Fiscal 2024
Unrecognized tax benefits, beginning of year	$ 3,347	$ 3,628
Gross increases related to tax positions taken in prior years	55	529
Gross decreases related to tax positions taken in prior years	(657)	(1,002)
Gross increases related to tax positions taken in the current year	293	478
Reductions to tax positions due to settlements with taxing authorities and lapses of statutes of limitations	(380)	(286)
Unrecognized tax benefits, end of year	$ 2,658	$ 3,347

Included in the balance of unrecognized tax benefits as of January 31, 2025, are $1,626 of tax benefits that, if recognized, would affect the effective tax rate. Also included in the balance of unrecognized tax benefits as of January 31, 2025, are $1,032 of tax benefits that, if recognized, would result in adjustments to other tax accounts, primarily deferred income taxes, income taxes payable and valuation allowance. Amounts recorded for interest and penalties in connection with the unrecognized tax benefits noted above were not significant as of January 31, 2025 and 2024.

We believe that it is reasonably possible that decreases in unrecognized tax benefits of up to $811 may be necessary within the coming fiscal year as a result of statutes closing on such items. In addition, we believe that it is reasonably possible that our unrecognized tax benefits may increase as a result of tax positions that may be taken in fiscal 2025.

We file income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. We have carried forward various state NOL and income tax credits to income tax years that remain open by statute. As a result, such NOL and income tax credit carryforwards remain subject to adjustment by the respective tax authorities. Our federal income tax returns from fiscal 2022 and subsequent years are open for examination. In addition, our state income tax returns generally have statutes of limitations ranging from three to four years from the filing date.

NOTE 21 — SUPPLEMENTAL CASH FLOW INFORMATION

The following table presents supplemental cash flow information:

	Fiscal 2025	Fiscal 2024
Cash paid for:		
Interest, net of amounts capitalized	$ 64,857	$ 59,155
Income taxes, net of refunds received	17,342	15,426
Non-cash operating and investing activities:		
Operating lease assets obtained in exchange for new operating lease liabilities	53,737	65,610
Accrued property and equipment purchases	902	928
Accounts receivable settled in purchase price consideration	—	323
Other settlements associated with acquisition of restaurants	—	97

CKE RESTAURANTS HOLDINGS, INC.

Consolidated Financial Statements
for the fiscal years ended January 29, 2024 and January 30, 2023

(With Independent Auditors' Report Thereon)

KPMG LLP
1201 Demonbreun Street
Suite 1100
Nashville, TN 37203

Independent Auditors' Report

The Board of Directors
CKE Restaurants Holdings, Inc.:

Opinion

We have audited the consolidated financial statements of CKE Restaurants Holdings, Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of January 29, 2024 and January 30, 2023, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the fiscal years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 29, 2024 and January 30, 2023, and the results of its operations and its cash flows for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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 consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

KPMG LLP

Nashville, Tennessee
April 10, 2024

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except shares and par values)

	January 31, 2024	January 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 130,566	$ 107,853
Cash and cash equivalents - restricted	15,942	16,053
Accounts receivable, net	38,438	37,541
Inventories	3,029	2,999
Prepaid expenses	13,562	6,183
Other current assets	80	83
Total current assets	201,617	170,712
Property and equipment, net	377,436	371,572
Operating lease assets	424,719	448,064
Goodwill	539,421	540,083
Intangible assets, net	777,538	793,030
Other assets, net	40,485	29,806
Total assets	$ 2,361,216	$ 2,353,267
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 11,800	$ 13,700
Current portion of finance leases	1,515	1,268
Current portion of operating leases	79,623	85,529
Accounts payable	23,855	28,159
Other current liabilities	71,641	66,753
Total current liabilities	188,434	195,409
Long-term debt, less current portion	1,108,022	1,116,405
Finance leases, less current portion	23,370	14,428
Operating leases, less current portion	366,233	381,495
Deferred income tax liabilities, net	171,393	175,131
Other long-term liabilities	263,631	277,497
Total liabilities	2,121,083	2,160,365
Commitments and contingencies (Notes 8, 9, 10 and 14)		
Equity:		
Common stock, $0.01 par value; 100 shares authorized, issued and outstanding as of January 31, 2024 and 2023	—	—
Additional paid-in capital	736,438	734,314
Accumulated deficit	(495,148)	(540,277)
Accumulated other comprehensive loss	(1,157)	(1,135)
Total equity	240,133	192,902
Total liabilities and equity	$ 2,361,216	$ 2,353,267

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	Fiscal 2024	Fiscal 2023
Revenue:		
Company-operated restaurants	$ 368,842	$ 356,810
Franchised restaurants and other	299,954	302,674
Advertising funds revenue	172,032	172,854
Total revenue	840,828	832,338
Operating costs and expenses:		
Company-operated restaurants:		
Food and packaging	97,879	99,374
Payroll and other employee benefits	122,640	114,508
Occupancy and other	106,650	103,929
Total company-operated restaurants	327,169	317,811
Franchised restaurants and other	96,654	94,432
Advertising funds expense	184,744	200,436
General and administrative	118,797	119,083
Facility action charges, net	2,852	4,802
Total operating costs and expenses	730,216	736,564
Operating income	110,612	95,774
Interest expense	(62,089)	(62,900)
Other income, net	13,108	3,751
Income before income taxes	61,631	36,625
Income tax expense	16,502	8,865
Net income	$ 45,129	$ 27,760

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Fiscal 2024	Fiscal 2023
Net income	$ 45,129	$ 27,760
Other comprehensive loss:		
Foreign currency translation adjustments	(22)	(250)
Other comprehensive loss	(22)	(250)
Comprehensive income	$ 45,107	$ 27,510

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except shares)

	CKE Restaurants Holdings, Inc. Stockholder's Equity						
	Common Stock		Additional Paid-In Capital	Notes Receivable from CKE Inc.	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Equity
	Shares	Amount					
Balance as of January 31, 2022	100	$ —	$ 733,537	$(441,866)	$(125,600)	$ (885)	$165,186
Share-based compensation	—	—	777	—	—	—	777
Other comprehensive loss	—	—	—	—	—	(250)	(250)
CKE Inc. merger with CKE Restaurants Holdings, Inc.	—	—	—	441,866	(441,866)	—	—
Net Income	—	—	—	—	27,760	—	27,760
Cumulative effect of change in accounting principle	—	—	—	—	(571)	—	(571)
Balance as of January 31, 2023	100	—	734,314	—	(540,277)	(1,135)	192,902
Share-based compensation	—	—	2,124	—	—	—	2,124
Other comprehensive loss	—	—	—	—	—	(22)	(22)
Net income	—	—	—	—	45,129	—	45,129
Balance as of January 31, 2024	100	$ —	$ 736,438	$ —	$(495,148)	$ (1,157)	$240,133

See Accompanying Notes to Consolidated Financial Statements

CKE RESTAURANTS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal 2024	Fiscal 2023
Cash flows from operating activities:		
Net income	$ 45,129	$ 27,760
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	51,372	49,302
Amortization of deferred financing costs	3,417	3,352
Share-based compensation	2,124	777
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property	—	(1,285)
Gain on refranchising transaction	(153)	—
(Gain) loss on disposal of other property and equipment	(602)	512
Deferred income taxes	(3,738)	(178)
Provision for losses on impairments, accounts receivable and other items, net	508	(9,704)
Net changes in operating assets and liabilities:		
Receivables, inventories, prepaid expenses and other current and non-current assets	(14,140)	14,470
Estimated liability for closed restaurants and estimated liability for self-insurance	(1,253)	(1,709)
Accounts payable and other current and long-term liabilities	7,604	(33,356)
Operating lease asset and liabilities, net	581	530
Net cash provided by operating activities	90,849	50,471
Cash flows from investing activities:		
Purchases of property and equipment	(35,514)	(50,837)
Acquisitions of restaurants, net of cash received	(3,019)	—
Proceeds from refranchising transactions	2,092	—
Proceeds from sale of other property and equipment	2,346	1,957
CKE Inc. Merger with CKE Restaurants	—	316
Other investing activities	(7,346)	215
Net cash used in investing activities	(41,441)	(48,349)
Cash flows from financing activities:		
Net change in book overdraft	(1,472)	(1,912)
Repayments of Class A-2 Notes	(11,800)	(11,800)
Repayments of other notes	(1,900)	—
Payment for deferred financing costs of Series 2018-1 VFN Notes	—	(861)
Repayments of finance leases	(1,519)	(1,231)
Repayments of financing method sale-leaseback obligations	(10,164)	(8,836)
Net cash used in financing activities	(26,855)	(24,640)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	49	(143)
Net increase (decrease) in cash, cash equivalents and restricted cash	22,602	(22,661)
Cash, cash equivalents and restricted cash at beginning of period	123,906	146,567
Cash, cash equivalents and restricted cash at end of period	$ 146,508	$ 123,906

See Accompanying Notes to Consolidated Financial Statements

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Business

CKE Restaurants Holdings, Inc. ("CKE Restaurants") is not a franchisor and conducts substantially all of its restaurant activities and operations through its subsidiaries. Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC own, operate and franchise the Carl's Jr.®, Hardee's®, Green Burrito® and Red Burrito® concepts. References to "we", "us", "our" and the "Company" may relate to CKE Restaurants and/or its subsidiaries, as may be applicable.

Domestic Carl's Jr. restaurants are predominantly located in the Western United States, primarily in California. International Carl's Jr. restaurants are located primarily in Mexico, with a growing presence in the rest of Latin America, Asia and Europe. Domestic Hardee's restaurants are predominantly located throughout the Southeastern and Midwestern United States. International Hardee's restaurants have an established and growing presence in the Middle East and Central Asia. The Green Burrito concept is located in dual-branded Carl's Jr. restaurants. The Red Burrito concept is located in dual-branded Hardee's restaurants. As of January 31, 2024, our system-wide restaurant portfolio consisted of:

Company-operated	253
Domestic franchised	2,408
International franchised [1]	1,114
Total restaurants	3,775

(1) As of July 7, 2022, we ceased providing any and all services to our master franchisee for the country of Russia. Our master franchisee has one franchised and sixteen subfranchised restaurants in Russia. Additionally, we have ceased collecting any royalties or fees of any type from the operation of these locations and do not approve or authorize additional locations.

Basis of Presentation and Fiscal Year

Our accompanying Consolidated Financial Statements include the accounts of CKE Restaurants, its consolidated subsidiaries and its consolidated variable interest entities ("VIEs"). CKE Restaurants does not have any non-controlling interests in other entities. These Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). All significant intercompany balances and transactions are eliminated in consolidation.

We operate on a retail accounting calendar, ending on the last Monday in January. For clarity of presentation, we generally label all years presented as if the fiscal year ended January 31. The fiscal year ended January 29, 2024 is referred to herein as fiscal 2024 or the fiscal year ended January 31, 2024. The fiscal year ended January 30, 2023 is referred to herein as fiscal 2023 or the fiscal year ended January 31, 2023. The first quarter of our fiscal year has four periods, or 16 weeks. All other quarters generally have three periods, or 12 weeks.

Our restaurant sales, and therefore our profitability, are subject to seasonal fluctuations and are traditionally higher during the spring and summer months because of factors such as increased travel during school vacations and improved weather conditions, which affect the public's dining habits.

Inflation and Middle East Conflict

Inflationary pressures on labor and commodity price increases directly impacted our results of operations during the year ended January 31, 2024 and January 31, 2023. We attempt to manage any inflationary costs and commodity price increases through selective menu price increases and changes in product mix. Competitive pressures, consumer spending levels and other factors may limit our ability to recover such costs increases in the future.

Beginning October 2023, certain of our Hardee's international markets began being impacted by a military conflict in the Middle East. As a result, international franchised restaurants same-store sales were impacted to varying degrees within the Middle East. Further continuation of this conflict could have an adverse impact on our business and results of operations.

Variable Interest Entities

We consolidate the Hardee's National Advertising Fund ("HNAF") and approximately 80 local co-operative advertising funds (collectively, the "Hardee's Funds") since we have determined that the Hardee's Funds are VIEs and that we are the primary beneficiary. We considered a variety of factors in identifying the primary beneficiary of the Hardee's Funds including, but not limited to, who holds the power to direct the activities that most significantly impact the economic performance of the Hardee's Funds, as well as what party has the obligation to absorb any losses of the Hardee's Funds. Based upon these considerations, we concluded that we are the primary beneficiary. We have included $28,066 and $24,713 of total assets and total liabilities and equity in our accompanying Consolidated Balance Sheets as of January 31, 2024 and 2023, respectively. We have no rights to the assets, other than those disclosed below, nor do we have any obligation with respect to the liabilities, of the Hardee's Funds, and none of our assets serve as collateral for the creditors of these VIEs.

We do not maintain ownership interests in our franchisees, and none of our assets serve as collateral for the creditors of our franchisees. Under the terms of their franchise agreements, franchise entities hold the power to direct the activities that most significantly impact their economic performance. As a result, we do not consider ourselves the primary beneficiary of any franchise entity that might be a VIE.

Shanghai Business

The Shanghai, China business ("Shanghai business") was established for the purpose of locating, developing and operating Carl's Jr. restaurants within the municipality of Shanghai, China and certain nearby provinces. During the fiscal year ended January 31, 2023, the Company closed all restaurants operated by our Shanghai business.

Estimations

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Our most significant areas of estimation are:

- estimation of future cash flows used to assess the recoverability of long-lived assets, including intangible assets, goodwill, finance lease assets and operating lease assets;
- estimation, using actuarially determined methods, of our self-insured claim losses under our workers' compensation, general liability and auto liability insurance programs;
- determination of appropriate estimated liabilities for loss contingencies;
- determination of appropriate assumptions to use in evaluating leases for finance versus operating lease treatment, establishing depreciable lives for leasehold improvements and establishing straight-line rent expense periods;
- estimation of the appropriate allowances associated with franchise and other receivables;
- determination of the appropriate assumptions to estimate gift card breakage;
- determination of the appropriate assumptions to estimate the fair value of share-based compensation; and
- estimation of our deferred income tax asset valuation allowance, liabilities related to uncertain tax positions and effective tax rate.

Cash and Cash Equivalents

For purposes of reporting cash and cash equivalents, highly liquid investments purchased with original maturities of three months or less are considered cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents of $15,942 and $16,053 as of January 31, 2024 and 2023, respectively, consisted of cash and cash equivalents that are held by the trustee of our Series 2018-1 Senior Notes, Series 2020-1 Senior Notes and Series 2021-1 Senior Notes (as defined in Note 8) to be used for debt service payments on our Senior Notes.

Inventories

Inventories are stated at the lower of cost (on a first-in, first-out basis) or net realizable value and consist primarily of restaurant food, packaging and supplies.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method based on the assets' estimated useful lives, which generally range from three to 40 years.

Leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the related lease terms. The amortization period for leasehold improvements includes renewal option periods only in instances in which the exercise of the renewal option is reasonably certain at the acquisition date because failure to exercise such option would result in an economic penalty.

We capitalize direct costs and interest costs associated with construction projects that have a future benefit. If we subsequently make a determination that a site for which development costs have been capitalized will not be acquired or developed, any previously capitalized development costs are expensed and included in general and administrative expenses.

Leases

Lessor Accounting

We recognize lease payments for operating leases as property revenue on a straight-line basis over the lease term. We recognize variable lease payment income for operating leases in the period when changes in facts and circumstances on which the variable lease payments are based occur. We recognize variable lease payment income for operating and financing leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Lessee Accounting

We recognize an operating lease asset and lease liability at lease commencement, which are measured by discounting lease payments using the estimated risk free rate as the discount rate. We made an accounting policy election to use the risk-free rate as our discount rate to determine the initial and subsequent measurement of operating lease liabilities. Subsequent amortization of the operating lease asset and accretion of the lease liability for an operating lease is recognized as a single lease cost, on a straight-line basis, over the lease term. Reductions to the operating lease asset and the change in the lease liability are included in changes in operating lease assets and liabilities, net in the Consolidated Statement of Cash Flows.

A finance lease asset is depreciated on a straight-line basis over the lesser of the useful life of the leased asset or lease term. Interest on each finance lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability. Operating lease and finance lease assets are assessed for impairment in accordance with our long-lived asset impairment policy.

We reassess lease classification and remeasure assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate contract or upon certain other events that require reassessment. We recognize variable lease cost for operating and finance leases in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Goodwill and Intangible Assets

Goodwill represents the excess, if any, of the purchase price over the fair value of identifiable net assets acquired in an acquisition. As of January 31, 2024, our goodwill balance primarily consisted of goodwill recorded in connection with the acquisition of CKE Inc., the Company's sole stockholder, that occurred on December 24, 2013. Goodwill may also be recorded in connection with the acquisition of restaurants from franchisees.

We test goodwill for impairment on an annual basis, or more frequently if events and/or circumstances indicate that goodwill might be impaired. The impairment test is performed at the reporting unit level, and an impairment loss is recognized to the extent that the carrying amount of the reporting unit exceeds its fair value. We consider our reporting units to be company-operated restaurants, domestic franchised restaurants and international franchised restaurants as the components (e.g., restaurants) within each reporting unit have similar economic characteristics, including products and services, production processes, types or classes of customers and distribution methods.

We perform our annual goodwill impairment test on the last day of the first accounting period in our fiscal fourth quarter, which was December 4, 2023 for fiscal 2024. In accordance with authoritative guidance, we first assess qualitative factors to determine whether it is more likely than not that the fair values of our reporting units are less than their carrying amounts. If we conclude that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we then conduct a single-step quantitative goodwill impairment test, consisting of a comparison of the fair values of the reporting units to the carrying values of the reporting units. If the carrying value of a reporting unit exceeds its fair value, then an impairment charge will be recognized for the amount by which the carrying value exceeds the reporting unit's fair value, not to exceed the total amount of goodwill allocated to that reporting unit.

When we sell restaurants to franchisees, we remove the related goodwill, which is based on the relative fair value of the restaurants sold and the reporting unit as a whole, from our company-operated restaurants reporting unit. A portion of the goodwill, representing the cash flows disposed, is included in the carrying amount of the restaurants in determining the gain or loss on refranchising. The portion of the goodwill disposed is generally based on the price paid to the Company to acquire the restaurants in relation to the fair value of the reporting unit as a whole. The fair value of the reporting unit is based upon the price a willing buyer would pay for the reporting unit. The remaining goodwill related to the divested restaurants, which is attributable to retained cash flows, is transferred from our company-operated restaurants reporting unit to our domestic franchised restaurants reporting unit.

Our indefinite-lived intangible assets consist of trademarks / tradenames. We test trademarks / tradenames for impairment on an annual basis or more frequently if events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable. We first assess qualitative factors to determine whether it is more likely than not that the fair value of the indefinite-lived intangible asset is less than its carrying amount. If we conclude that it is more likely than not that the indefinite-lived intangible asset is impaired, we then perform a quantitative test to determine whether the carrying amount is less than the fair value of the indefinite-lived intangible asset and measure the amount of impairment, if any.

Our definite-lived intangible assets consist of franchise agreements and favorable lease agreements and are amortized on a straight-line basis over their estimated useful lives. Our definite-lived intangible assets are tested for impairment when events or circumstances indicate the carrying value may be impaired. Refer to discussion of facility action charges for a discussion of impairment of restaurant-level long-lived assets.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized, utilizing the effective interest method, as a component of interest expense over the terms of the respective financing arrangements. See Note 8 for further discussion.

Book Overdraft

Book overdraft liabilities are included within accounts payable in our accompanying Consolidated Balance Sheets. As of January 31, 2024 and 2023, our book overdraft liability was $416 and $1,888, respectively. We classify changes in book overdraft balances as a financing activity in our accompanying Consolidated Statements of Cash Flows.

Self-Insurance

We are self-insured for a portion of losses related to workers' compensation, general liability and auto liability claims. We establish liabilities for self-insurance, with the assistance of actuaries, using assumptions based on the average historical losses on claims we have incurred, actuarial observations of historical claim loss development and actuarial estimates of unpaid losses for each loss category. Our workers' compensation, general liability and auto liability claims are discounted using an estimated risk-free interest rate of 2.5% as of January 31, 2024. As of January 31, 2024 and 2023, our estimated liability for self-insurance was $13,113 and $17,996, respectively.

Loss Contingencies

We routinely assess loss contingencies to develop estimates of likelihood of loss and range of possible settlement. We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. We do not record liabilities for losses we believe are only reasonably possible to result in an adverse outcome. See Note 14 for further discussion.

Revenue Recognition

Company-operated restaurants revenue is recognized upon the sale of food or beverage to a customer in the restaurant, which is when our obligation to perform is satisfied.

Franchised restaurants and other revenue includes royalties, franchise fees, and rent revenue. Royalties from franchised restaurants are based on a percentage of net sales of the franchised restaurant and are recognized as earned. Royalties are typically billed and paid monthly and are usually 4% to 5% per restaurant. Franchise development and commitment fees are deferred when received, allocated to each agreed upon restaurant, and recognized as revenue over the contractual term of each respective franchise agreement, once the restaurant has opened. Initial franchise fees, training fees, renewal fees and transfer fees are recognized as revenue over the contractual term of the franchise agreements, once the restaurant has opened. Upfront franchise fees are typically billed and paid when a new franchise agreement becomes effective or when an existing agreement is transferred to another franchisee. These franchise fees are considered highly dependent upon and interrelated with the franchise right granted in the franchise agreement. Further, franchise fees are forfeited and recognized as revenue upon the termination of the related commitments to open new franchised restaurants, the franchised restaurants closing prior to the end of the contractual agreement or the franchised restaurants being acquired by the Company. Property revenues consist of rental income from properties we lease or sublease to franchisees. Property revenues are accounted for in accordance with applicable accounting guidance for leases (see Leases above). We present all revenue net of sales tax.

Advertising funds revenue includes contributions to HNAF, Hardee's Co-ops, the Carl's Jr. national advertising fund (the "Carl's Jr. Fund") and certain international advertising funds (collectively, the "Advertising Funds") by franchisees. Revenue related to these contributions is based on a percentage of sales of the franchised restaurants and is recognized as earned.

Our company-operated restaurants and franchised restaurants sell gift cards within the restaurants and through independent retailers that are redeemable for products in our Carl's Jr. and Hardee's restaurants. The Company manages the gift card program and collects all funds from the activation of gift cards. We recognize revenue when cards are redeemed in our company-operated restaurants and reimburse franchisees for the redemption of gift cards in their restaurants. A liability for unredeemed gift cards is included in other current liabilities in our accompanying Consolidated Balance Sheets (see Note 7).

There are no expiration dates on our gift cards, and we do not charge any service fees. While our company-operated restaurants and franchisees continue to honor all gift cards presented for payment, we may determine the likelihood of redemption to be remote for certain cards due to long periods of inactivity. In these circumstances, we may recognize income from unredeemed gift cards ("breakage revenue") if they are not subject to unclaimed property laws. Breakage revenue on all Carl's Jr. and Hardee's gift cards is estimated and recognized over time in proportion to actual gift card redemptions, based on historical redemption rates. We account for breakage revenue in franchised restaurants and other revenue in our accompanying Consolidated Statement of Operations (see Note 15).

Franchise Operations and Credit Risk

Franchised restaurants and other expense includes rent and occupancy costs related to our franchised restaurants, amortization of franchise agreements, credit losses, and other miscellaneous expenses directly related to our franchise operations. These costs are expensed as incurred.

Accounts receivable consists primarily of amounts due from franchisees for royalties, advertising, franchise fees, and rent. In addition, we have notes and other receivables from certain of our franchisees. The financial condition of our franchisees is, in part, dependent upon the underlying business trends of our brand. This concentration of credit risk is mitigated, in part, by the large number of franchisees and the short-term nature of the receivables.

We record provisions for estimated losses on receivables when we believe our franchisees are unable to make their required payments. We cease accruing royalties and rent revenue from franchisees during the fiscal quarter in which we determine that collectibility of such amounts is not reasonably assured. There are a number of different actions we and/or our franchisees may take to resolve or mitigate franchise collection issues. These actions may include a reduction or deferral of future royalties, a reduction or deferral of future rent for which we are the landlord or the primary obligor to the landlord, invoking personal guarantees, or if necessary, acquiring the restaurants or terminating the franchise agreement.

Advertising

Company-operated and franchised restaurants jointly share in the cost of various advertising and marketing programs. Advertising and marketing contributions for both company-operated and franchised restaurants are generally determined based on a percentage of revenue and contributed to the applicable funds ratably throughout the year. We administer internally the Carl's Jr. Fund advertising and marketing programs, certain international advertising funds and HNAF. A third party administers the Hardee's local co-operative advertising funds.

Advertising costs for company-operated restaurants' contributions to the Advertising Funds is eliminated in consolidation. Advertising contributions by company-operated restaurants totaled $18,735 and $17,934 for fiscal 2024 and fiscal 2023, respectively. The cost of local and incremental advertising that is not funded by the Advertising Funds is expensed as incurred.

Share-Based Compensation

We issue equity-based awards to our executive management team, certain key employees, and directors under our equity-based compensation plans. Under the fair value recognition provisions of the authoritative guidance for equity-based compensation awards, we measure the fair value of equity-based awards at the grant date and the fair value is recognized as expense over the requisite service period.

Our equity-based compensation structure includes both time vesting and performance vesting profit sharing interests. We recognize compensation expense relating to time vesting profit sharing interests ratably over the requisite service period for the entire award. Performance vesting profit sharing interests vest through meeting performance and service conditions. We record compensation expense for performance vesting profit sharing interests when we deem the achievement of the performance goals to be probable. We recognize compensation expense for each separately vesting portion of performance vesting profit sharing interests ratably over the requisite service period that is determined to be the most likely outcome. We record reversals of share-based compensation expense for forfeitures as they occur. Our share-based compensation structure is described more fully in Note 17.

Facility Action Charges

From time to time, we identify restaurants that have carrying values in excess of their fair values and, as a result, we may record impairment charges. We may also close or refranchise these or other restaurants and lease or sublease the restaurant property to a franchisee or to a business other than one of our restaurant concepts. The financial statement impact resulting from these and similar actions are recorded in our accompanying Consolidated Statements of Operations as facility action charges, net and include:

(i) impairment of restaurant-level long-lived assets for restaurants to be disposed of or held and used;

(ii) store closure costs, including rent, taxes, depreciation and other costs incurred for closing a store; and
(iii) gain or loss on the sale of restaurants, including refranchising transactions.

Considerable management judgment is necessary to estimate future cash flows, including cash flows from continuing use, terminal value, closure costs, expected sublease income and refranchising proceeds. Accordingly, actual results could vary significantly from our estimates.

(i) Impairment of Restaurant-Level Long-Lived Assets

Whenever events or circumstances indicate that the carrying value of assets may be impaired, we evaluate our restaurant-level long-lived assets for impairment. For purposes of impairment testing, assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities, which is generally the individual restaurant level for fixed assets, finance lease assets and operating lease assets. For each asset group, we evaluate whether there are indicators of impairment such as sequential annual cash flow losses or adverse changes in the physical condition or expected use of the asset group. When indicators of impairment exist, we evaluate whether the assets are recoverable by comparing the undiscounted future cash flows that we expect to generate from their use and disposal to their carrying value. Restaurant-level assets that are not deemed to be recoverable are written down to their estimated fair value, which is determined by assessing the highest and best use of the assets and the amounts that would be received for such assets in an orderly transaction between market participants.

Our impairment analyses rely upon a number of estimates, assumptions and measurements with significant Level 2 and Level 3 unobservable inputs (see Note 13), including estimates of future cash flows, assumptions of future same-store sales and projected operating expenses for each of our restaurants over their estimated remaining useful lives in order to evaluate recoverability and estimate fair value. Future cash flows are estimated based upon experience gained, current intentions about refranchising or closing restaurants, recent and expected sales trends, internal plans, the period of time since the restaurant was opened or remodeled, the maturity of the related market and other relevant information. We generally estimate the useful life of restaurants on owned property to be 20 to 40 years and estimate the useful life of restaurants subject to leases to range from the end of the lease term then in effect to the end of such lease term including option periods. If our future cash flows or same-store sales do not meet or exceed our forecasted levels, or if restaurant operating cost increases exceed our forecast and we are unable to recover such costs through price increases, the carrying value of certain of our restaurants may prove to be unrecoverable, and we may incur additional impairment charges in the future.

(ii) Store Closure Costs

We typically make decisions to close restaurants based on prospects for estimated future profitability. However, sometimes we are forced to close restaurants due to circumstances beyond our control (e.g., a landlord's refusal to negotiate a new lease). When restaurants continue to perform poorly, we consider a number of factors, including the demographics of the location and the likelihood of being able to improve an unprofitable restaurant. Based on the operators' judgment and a financial review, we estimate the future cash flows. If we determine that the restaurant will not, within a reasonable period of time, operate at break-even cash flow or be profitable, and we are not contractually obligated to continue operating the restaurant, we may decide to close the restaurant.

(iii) Gain or Loss on the Sale of Restaurants, Including Refranchising Transactions

We record gains and losses on the sale of restaurants as the difference between the net proceeds received and net carrying values of the net assets of the restaurants sold. As discussed within the section “Goodwill and Intangible Assets” in this Note 1, we include goodwill in the carrying amount of the restaurants in determining the gain or loss on disposal. If we sublease a restaurant to a franchisee on terms that result in a probable loss, then we will establish a lease subsidy allowance and record a loss at the time we enter into the lease arrangement. As further described above, the amount of the estimated liability for the lease subsidy is the present value of our estimated future payments, net of the present value of the expected sublease income.

Contract Liabilities - Deferred Franchise Fees

The following table provides information about contract liabilities, specifically deferred franchise fees, received from contracts with customers:

	2024	2023
Deferred franchise fees, beginning of year	$ 35,942	$ 37,420
Revenue recognized during the period	(4,917)	(6,142)
New deferrals due to cash received	4,916	4,664
Deferred franchise fees, end of year	$ 35,941	$ 35,942

The following table reflects the estimated franchise fees to be recognized in the future related to performance obligations that are unsatisfied at the end of the period:

Fiscal:	
2025	$ 3,454
2026	3,018
2027	2,801
2028	2,665
2029	2,546
Thereafter	21,457
Total estimated future amortization income	$ 35,941

Deferred franchise fees are recorded in other current liabilities and other long-term liabilities in our accompanying Consolidated Balance Sheets as of January 31, 2024 and January 31, 2023, respectively.

Income Taxes

We are included in the consolidated federal income tax returns and combined state income tax returns of CKE Holding Corporation ("CKE"). For the purpose of determining the income taxes attributable to CKE Restaurants and its subsidiaries, we prepare our income tax provision as if we were a separate taxpayer. As a result of this treatment, we make income tax payments to our corporate parent based upon our separate return taxable income. We additionally make income tax payments directly to federal, state, local and foreign taxing jurisdictions.

Our current provision for income taxes is based on our estimated taxable income in each of the jurisdictions in which we operate, after considering the impact on our taxable income of temporary differences resulting from disparate treatment of items, such as depreciation, interest expense, advertising funds, sale-leaseback transactions, various reserves, tax credits and net operating losses ("NOL"), for tax and financial reporting purposes. We record deferred income taxes for the estimated future income tax effect of temporary differences between the financial and tax bases of assets and liabilities using the asset and liability method. Deferred income tax assets are also recorded for NOL and income tax credit carryforwards. A valuation allowance to reduce the carrying amount of deferred income tax assets is established when it is more likely than not that we will not realize some portion or all of the tax benefit of our deferred income tax assets. We evaluate, on a quarterly basis, whether it is more likely than not that our deferred income tax assets are realizable. In performing this analysis, we consider all available evidence, both positive and negative, including historical operating results, the estimated timing of future reversals of existing taxable temporary differences, estimated future taxable income exclusive of reversing temporary differences and carryforwards and potential tax planning strategies that may be employed to prevent NOL or tax credit carryforwards from expiring unused. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

From time to time, we may take positions in filing our income tax returns that differ from the treatment of the same items for financial reporting purposes. The ultimate outcome of these items will not be known until the Internal Revenue Service, or similar state taxing authority, has completed its examination or until the statute of limitations has expired.

We maintain a liability for underpayment of income taxes and related interest and penalties, if any, related to uncertain income tax positions. The tax benefit from an uncertain tax position is recognized either upon the expiration of the statutory audit period or when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Our policy on the classification of interest and penalties related to the underpayment of income taxes and uncertain tax positions is to record interest in interest expense, and to record penalties, if any, in general and administrative expense, in our accompanying Consolidated Statements of Operations. Accrued interest and penalties are included in our liability for uncertain tax positions.

Distributor Concentration Risk

We currently rely on a limited number of distributors to deliver food, packaging and supplies to our restaurants. Although we could use alternative distributors, an unforeseen change in distributor could cause a delay in receipt of food, packaging or supplies and possibly result in unfavorable costs and loss of sales.

Foreign Currency

The functional currency of our foreign entities is the currency of the primary economic environment in which the entity operates. Functional currency determinations are made based upon a number of economic factors, including but not limited to cash flows and financing transactions. The operations, assets and liabilities of our entities outside the United States are initially measured using the functional currency of that entity. The income and expense accounts are then translated into U.S. dollars at the average exchange rates prevailing during the period. The assets and liabilities are translated into U.S. dollars at exchange rates in effect at the balance sheet date.

Comprehensive Income

We present comprehensive income in our accompanying Consolidated Statements of Comprehensive Income. Comprehensive income includes, in addition to net income, changes in equity that are excluded from our Consolidated Statements of Operations and are recorded directly into a separate section of equity on our Consolidated Balance Sheets. Accumulated other comprehensive income is comprised entirely of foreign currency translation adjustments attributable to CKE Restaurants Holdings, Inc.

Reclassification

Certain prior year amounts in the Consolidated Statements of Operations have been reclassified in order to be comparable with the current year classification. These consist of the reclassification for the year ended January 31, 2023 certain workers compensation expense of $2,846 from Payroll and other employee benefits to Occupancy and other expense. These reclassifications did not arise as a result of any changes to accounting policies and relate entirely to presentation with no effect on previously reported net income.

Subsequent Events

We have evaluated subsequent events through April 10, 2024, the date our Consolidated Financial Statements were available to be issued and except as discussed in Note 8, have determined that no material subsequent events occurred after the balance sheet date.

NOTE 2 — ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS AND ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

New Accounting Standards Adopted

Credit Impairment

In June 2016, the Financial Accounting Standards Board ("FASB") issued a standard that requires measurement and recognition of expected versus incurred credit losses for financial assets held, including trade receivables. The standard is effective for interim and annual reporting periods beginning after December 15, 2019 for public entities. For other entities, the standard is effective for interim and annual reporting periods beginning after December 15, 2022. The Company adopted this amendment during the first quarter of 2024. The adoption of this guidance did not have a material impact on our Consolidated Financial Statements.

New Accounting Standards Not Yet Adopted

Income Tax Disclosures

In December 2023, the FASB issued guidance that enhances income tax disclosures including expanded qualitative effective tax rate reconciliation. The standard also requires annual disclosure of income taxes paid disaggregated by federal, state and foreign taxes. The standard is effective for annual reporting periods beginning after December 15, 2024 for public entities. For other entities, the standard is effective for annual reporting periods beginning after December 15, 2025. Early adoption of the guidance is permitted. We are currently evaluating the impact the adoption of this standard will have on our Consolidated Financial Statements.

NOTE 3 — ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Trade receivables	$ 37,850	$ 37,474
Leases receivable	180	206
Taxes receivable	24	183
Notes receivable	2,759	1,711
Allowance for credit losses	(2,375)	(2,033)
Total accounts receivable, net	$ 38,438	$ 37,541

The following table summarizes the activity in the allowance for credit losses:

	Fiscal 2024	Fiscal 2023
Allowance for credit losses, beginning of year	$ 2,033	$ 3,413
Provision	2,133	1,270
Recoveries	(894)	(1,701)
Charge-offs	(897)	(949)
Allowance for credit losses, end of year	$ 2,375	$ 2,033

NOTE 4 — PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consisted of the following as of January 31, 2024 and 2023:

	Estimated Useful Life	2024	2023
Land		$ 192,390	$ 195,288
Leasehold improvements	3-25 years	105,359	103,637
Buildings and improvements	3-40 years	191,141	190,542
Equipment, furniture and fixtures	3-8 years	140,630	115,486
Finance leases	5-33 years	18,174	9,264
		647,694	614,217
Less accumulated depreciation and amortization[(1)]		(270,258)	(242,645)
Total property and equipment, net		$ 377,436	$ 371,572

(1) The accumulated amortization related to finance leases was $333 and $1,375 as of January 31, 2024 and 2023, respectively.

Depreciation and amortization expense related to property and equipment for fiscal 2024 and 2023 was $36,202 and $35,375, respectively. Amortization of property under finance leases is included within depreciation and amortization expense.

During fiscal 2024 and 2023, we capitalized interest costs in the amounts of $180 and $325, respectively.

NOTE 5 — ACQUISITIONS AND REFRANCHISING ACTIVITY

Acquisition of Restaurants

During the fiscal year ended January 31, 2024, we purchased nineteen Hardee's restaurants and one Carl's Jr. restaurant from franchisees for purchase price consideration of $3,342, which in combination with certain assets subject to pre-existing relations with these franchisees, results in aggregate consideration transferred for $3,438. As a result of these transactions, we recorded the following:

	Fiscal 2024
Net working capital	$ 55
Property and equipment	12,281
Operating lease assets	5,048
Reacquired franchise rights	1,810
Operating leases	(5,048)
Finance leases	(10,708)
Net assets acquired and liabilities assumed	$ 3,438

The resulting acquisitions result in no goodwill. Legal, travel and other expenses related to theses acquisitions totaled $1,075 during the fiscal year ended January 31, 2024.

Refranchising Transaction

During fiscal 2024, we sold one Hardee's restaurant and certain related inventory and fixed assets with a net book value of $1,267 and disposed of its allocated goodwill of $662. In connection with the sale of this restaurant, we received aggregate consideration of $2,082, and recognized a net gain of $153, which is included in facility action charges, net, in our

accompanying Consolidated Statements of Operations. In connection with the refranchising transaction, the franchisee acquired real property and equipment related to the restaurant location.

NOTE 6 — GOODWILL AND INTANGIBLE ASSETS, NET

During the fourth quarter of fiscal 2024 and 2023, we performed our annual impairment tests for goodwill and indefinite-lived intangible assets using a qualitative approach and determined that it is more likely than not that the fair value is greater than the carrying value. Accordingly, no impairment losses were recorded in fiscal 2024 or 2023.

The table below presents our intangible assets as of January 31, 2024 and 2023:

		2024			2023		
	Weighted-Average Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks / tradenames	Indefinite	$ 614,400	$ —	$ 614,400	$ 614,400	$ —	$ 614,400
Franchise agreements	20	321,665	(160,157)	161,508	319,855	(143,300)	176,555
Favorable lease agreements	17	5,875	(4,245)	1,630	9,688	(7,613)	2,075
Total intangible assets		$ 941,940	$ (164,402)	$ 777,538	$ 943,943	$ (150,913)	$ 793,030

Amortization expense related to these intangible assets for fiscal 2024 and 2023 was $17,302 and $17,132, respectively. Our estimated future amortization expense related to these intangible assets is set forth as follows:

Fiscal:	
2025	$ 16,785
2026	16,611
2027	16,532
2028	16,333
2029	16,273
Thereafter	80,604
Total estimated future amortization expense	$ 163,138

NOTE 7 — OTHER CURRENT LIABILITIES

Other current liabilities as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Salaries, wages and other benefits	$ 15,610	$ 8,802
Income taxes payable	13,955	9,887
Financing method sale-leaseback liability, current portion	11,287	10,170
Accrued interest	5,663	5,934
Gift card and gift certificate liabilities	4,479	4,651
Estimated liability for self-insurance, current portion	3,545	5,813
Deferred franchise and development fees	3,454	3,376
Accrued property taxes	3,089	4,573
State sales tax	2,017	2,288
Utilities	1,004	1,028
Other accrued liabilities	7,538	10,231
Total other current liabilities	$ 71,641	$ 66,753

NOTE 8 — LONG-TERM DEBT

Long-term debt as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Series 2018-1 Class A-2 Notes:		
Series 2018-1 Class A-2-II Notes	$ 331,625	$ 335,125
Series 2018-1 Class A-2-III Notes	236,875	239,375
Series 2020-1 Class A-2 Notes	388,000	392,000
Series 2021-1 Class A-2 Notes	175,500	177,300
Other Notes	—	1,900
Unamortized deferred financing costs on Senior Notes	(12,178)	(15,595)
Long-term debt	1,119,822	1,130,105
Less current portion	(11,800)	(13,700)
Long-term debt, less current portion	$ 1,108,022	$ 1,116,405

As of January 31, 2024, the aggregate maturities of our long-term debt, based on the anticipated repayment date and excluding the effects of amortization of the deferred financing costs on the Series 2018-1 Senior Notes, Series 2020-1 Senior Notes, Series 2021-1 Senior Notes and Other Notes are as follows:

Fiscal:	
2025	$ 11,800
2026	336,425
2027	8,300
2028	380,300
2029	395,175
Thereafter	—
Total long-term debt	$ 1,132,000

Series 2018-1 Senior Notes, Series 2020-1 Senior Notes and Series 2021-1 Senior Notes

On June 20, 2018, we completed a company-wide refinancing transaction (the "Series 2018-1 Refinancing"). In connection with the Series 2018-1 Refinancing, Carl's Jr. Funding LLC and Hardee's Funding LLC (collectively, the "Co-Issuers"), our indirect wholly-owned subsidiaries, issued an aggregate principal amount of $1,000,000 Series 2018-1 Fixed Rate Senior Secured Notes, Class A-2, ("Series 2018-1 Class A-2 Notes") and $70,000 Series 2018-1 Class A-1 Variable Funding Senior Secured Notes ("Series 2018-1 Variable Funding Notes", and together with the Series 2018-1 Class A-2 Notes, the "Series 2018-1 Senior Notes"). The indenture governing the Series 2018-1 Senior Notes (the "Indenture") allows the Co-Issuers to issue additional series of notes in the future subject to certain conditions.

The Series 2018-1 Class A-2 Notes were issued in three tranches: (i) $400,000 of Series 2018-1 4.250% Fixed Rate Senior Secured Notes, Class A-2-I, with an anticipated repayment date of June 2022; (ii) $350,000 of Series 2018-1 4.959% Fixed Rate Senior Secured Notes, Class A-2-II, with an anticipated repayment date of June 2025; and (iii) $250,000 of Series 2018-1 5.710% Fixed Rate Senior Secured Notes, Class A-2-III, with an anticipated repayment date of June 2028. The Series 2018-1 Class A-2 Notes have a legal final maturity date of June 2048. The Series 2018-1 Class A-2 Notes require scheduled quarterly principal payments of $2,500 with the first principal payment due December 20, 2018. The interest payments for the Series 2018-1 Class A-2 Notes are due quarterly in arrears on the 20th day of each March, June, September and December.

The Series 2018-1 Variable Funding Notes provide for senior secured revolving facility loans, and subfacilities for swingline loans and letters of credit, in an aggregate amount of $70,000. On October 26, 2022, the Series 2018-1 Variable Funding Notes were amended to extend the maturity date to September 2027, including options for renewal for two additional twelve-month terms (subject to certain conditions, including a minimum debt service coverage ratio). The Series 2018-1 Variable Funding Notes bear interest at a variable interest rate equal to (a) a commercial paper rate plus 3.00%, (b) the term SOFR rate plus 3.00% or (c) 2.00% plus the greater of (i) the Prime Rate, (ii) the Federal Funds rate plus 0.50%, or (iii) term SOFR plus 1.00%. The actual interest rate incurred is determined by how the borrowings were funded by participating investors, but in any event, will fall under one of the three scenarios described above. The Series 2018-1 Variable Funding Notes require us to pay a commitment fee of 0.50% per annum for unused commitments and letter of credit fees of 3.00% per annum on our outstanding non-cash collateralized letters of credit. Interest and other fees on the Series 2018-1 Variable Funding Notes are due quarterly in arrears on the 20th day of each March, June, September and December. As of January 31, 2024, we had no outstanding loan borrowings, $22,647 of outstanding letters of credit and remaining availability of $47,353 under our Series 2018-1 Variable Funding Notes.

On December 21, 2020, the Co-Issuers paid down the entire outstanding principal balance of our Series 2018-1 Class A-2-I Notes with the issuance of an aggregate principal amount of $400,000 of Series 2020-1 3.981% Fixed Rate Senior Secured Notes, Class A-2 (the "Series 2020-1 Class A-2 Notes"). Our Series 2018-1 4.959% Fixed Rate Senior Secured Notes, Class A-2-II and Series 2018-1 5.710% Fixed Rate Senior Secured Notes, Class A-2-III remain outstanding. The Series 2020-1 Class A-2 Notes were issued pursuant to an amendment to the Indenture and have an anticipated repayment date of December 2027. The Series 2020-1 Class A-2 Notes have a legal final maturity date of December 2050. The Series 2020-1 Class A-2 Notes require scheduled quarterly principal payments of $1,000 beginning March 22, 2021. The interest payments for the Series 2020-1 Class A-2 Notes are due quarterly in arrears on the 20th day of each March, June, September and December.

On June 24, 2021, the Co-Issuers issued an aggregate principal amount of $180,000 of Series 2021-1 2.865% Fixed Rate Senior Secured Notes, Class A-2 (the "Series 2021-1 Class A-2 Notes", and together with the "Series 2020-1 Class A-2 Notes" and the remaining Series 2018-1 Class A-2 Notes, all of which remain outstanding, the "Class A-2 Notes" and, collectively with the Series 2018-1 Variable Funding Notes, the "Senior Notes"). The Series 2021-1 Class A-2 Notes were issued pursuant to an amendment to the Indenture and have an anticipated repayment date of June 2028. The Series 2021-1 Class A-2 Notes have a legal final maturity date of June 2051. The Series 2021-1 Class A-2 Notes require scheduled quarterly principal payments of $450 with the first principal payment due September 20, 2021. The interest payments for the Series 2021-1 Class A-2 Notes are due quarterly in arrears on the 20th day of each March, June, September and December. The remaining outstanding tranches of the Series 2021-1 Class A-2 Notes, the Series 2020-1 Class A-2 Notes and the Series 2018-1 Class A-2 Notes collectively require quarterly principal payments of $2,500.

The Senior Notes are secured by substantially all assets of the Co-Issuers and their subsidiaries and immediate holding companies (collectively, the "CKE Securitization Entities"), but are not guaranteed by or secured with the assets of CKE or its other subsidiaries, including CKE Restaurants. The Indenture requires the CKE Securitization Entities to report and remit weekly cash flows of the CKE Securitization Entities to the trustee of the Senior Notes. The weekly cash flows are subject to a priority of payments that provides for the payment of funds to specific trust accounts for debt service and other specified purposes set forth in the Indenture. The amount of weekly cash flow, if any, that exceeds the amounts required by the priorities of payment is remitted to CKE Restaurants in the form of an equity distribution.

We expect that the Co-Issuers will repay or refinance each tranche of the Class A-2 Notes at or before its respective anticipated repayment date. However, in the event that the Co-Issuers do not repay any tranche of Class A-2 Notes in full by its anticipated repayment date, such tranche of the Class A-2 Notes would be subject to additional interest at an interest rate of at least 5% per annum, and principal payments on all outstanding Senior Notes would accelerate until the debt is paid in full. If certain conditions are met, including a maximum leverage ratio for the CKE Securitization Entities of 5.0x of total net indebtedness to net cash flow, each as defined in the Indenture, the Co-Issuers may elect not to make the scheduled principal payments on the Class A-2 Notes. The Co-Issuers may optionally prepay up to 35% of the original principal amount of each tranche of the Series 2018-1 Class A-2 Notes (but not the Series 2020-1 Class A-2 Notes or the Series 2021-1 Class A-2 Notes) at any time at par, other than with proceeds from indebtedness. Generally, any optional (and certain mandatory) prepayments in excess of such amount would be subject to a make-whole premium as defined in the Indenture. Beginning eighteen months prior to the anticipated repayment date for the Series 2018-1 Class A-2-II Notes, thirty months prior to the anticipated repayment date for the Series 2018-1 Class A-2-III Notes, thirty-six months prior to the anticipated repayment date for the Series 2020-1 Class A-2 Notes and forty-two months prior to the anticipated repayment date for the Series 2021-1 Class A-2 Notes, the Co-Issuers may repay all or a portion of the remaining principal amount of such applicable tranche of Class A-2 Notes at par.

The Senior Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) required actions to perfect the security interest in certain collateral upon the occurrence of certain performance-related events, (ii) application of certain disposition proceeds as note prepayments, subject to certain exceptions, (iii) maintenance of specified reserve accounts, (iv) maintenance of certain debt service coverage ratios, (v) mandatory prepayments with indemnification payments for defective or ineffective collateral, and (vi) covenants relating to record keeping, access to information and similar matters. If certain covenants or restrictions are not satisfied or complied with, the Senior Notes are subject to accelerated repayment events and events of default. Although management does not anticipate an event of default, if any such event occurred and was not cured within any applicable cure period, the unpaid amounts outstanding could become immediately due and payable.

In connection with the amendment of the 2018-1 Variable Funding Notes in fiscal year 2023, we incurred debt issuance costs of $861 which were capitalized. These deferred financing costs will be amortized using the effective interest method over the expected term of the 2018-1 Variable Funding Notes.

In the first quarter of fiscal 2025, the Co-Issuers issued an aggregate principal amount of $350,000 of Series 2024-1 7.253% Fixed Rate Senior Secured Notes, Class A-2 (the "Series 2024-1 Class A-2 Term Notes"). The Series 2024-1 Class A-2 Term Notes have an anticipated repayment date of March 2031 and a legal final maturity date of March 2054. The Series 2024-1 Class A-2 Term Notes require scheduled quarterly principal payments of $875 with the first principal payment due June 20, 2024. The interest payments for the Series 2024-1 Class A-2 Term Notes are due quarterly in arrears on the 20th day of

each March, June, September and December. A portion of the proceeds of the issuance of the Series 2024-1 Class A-2 Term Notes were used to repay the Series 2018-1 Class A-2-II Term Notes in full, including accrued interest.

Other Notes

In connection with the acquisition of Hardee's restaurants from a franchisee, we assumed a $2,100 unsecured note. On November 20, 2020, we paid down $200. On July 25, 2023, we paid down the remaining $1,900.

Interest Expense

Interest expense consisted of the following:

	Fiscal 2024	Fiscal 2023
Series 2018-1 Class A-2 Notes	$ 30,013	$ 30,364
Series 2020-1 Class A-2 Notes	15,466	15,643
Series 2021-1 Class A-2 Notes	5,034	5,092
Amortization of deferred financing costs	3,417	3,352
Finance leases	1,318	1,302
Financing method sale-leaseback obligations (see Note 10)	5,793	6,276
Letter of credit fees, commitment fees and other	1,048	871
Total interest expense	$ 62,089	$ 62,900

NOTE 9 — LEASES

We occupy land and buildings under lease agreements expiring on various dates through fiscal 2046. Many leases provide for future rent escalations and renewal options. In addition, variable lease payments such as a percentage of sales in excess of specified levels, is often required. Most leases obligate us to pay costs of maintenance, insurance and property taxes.

Company as Lessor

We lease and sublease land and buildings to others, primarily as a result of the refranchising of certain restaurants. Many of these leases provide for fixed payments, while others provide for variable rent when sales exceed certain levels or for rent based on a percentage of sales. Lessees and sublessees generally bear the cost of maintenance, insurance and property taxes. The carrying values of assets leased to others as of January 31, 2024 and 2023 are as follows:

	2024	2023
Land	$ 104,028	$ 118,730
Leasehold improvements	3,916	8,285
Buildings and improvements	68,563	88,190
	176,507	215,205
Less accumulated depreciation and amortization	(57,231)	(72,873)
Total assets leased to others	$ 119,276	$ 142,332

The components of lease income for January 31, 2024 and 2023 are as follows:

	2024	2023
Rent revenue:		
Minimum rent revenue	$ 90,450	$ 94,426
Variable lease payments	6,700	6,875
Total rent revenue	$ 97,150	$ 101,301

We sublease to others some of our property under finance leases. These assets are recorded as lease receivables and are included in accounts receivable, net and other assets, net in our accompanying Consolidated Balance Sheets. As of January 31, 2024, future minimum lease and sublease rent revenue expected to be received, are as follows:

	Finance Leases	Operating Leases	
	Subleases	Subleases	Owned Properties
Fiscal:			
2025	$ 246	$ 79,579	$ 7,595
2026	245	71,374	8,191
2027	213	61,550	8,202
2028	190	53,678	7,853
2029	97	42,996	7,129
Thereafter	202	123,329	45,439
Total future minimum lease and sublease rent revenue	1,193	$ 432,506	$ 84,409
Unearned interest income	(229)		
Present value of leases receivable	964		
Less current portion	(180)		
Leases receivable, less current portion	$ 784		

Company as Lessee

The components of lease cost for January 31, 2024 and are as follows:

	Fiscal 2024	Fiscal 2023
Finance lease cost:		
Amortization of finance lease assets	$ 1,596	$ 2,432
Interest on finance lease liabilities	1,572	1,302
Variable lease cost	2	173
Total finance lease cost	3,170	3,907
Operating lease cost	92,340	93,249
Variable lease cost	1,854	1,391
Total operating lease cost	94,194	94,640
Total lease cost	$ 97,364	$ 98,547

Minimum lease payments for all leases and the present value of minimum lease payments for operating and finance leases as of January 31, 2024 are as follows:

	Finance Leases		Operating Leases	
	Company-Operated	Franchise & Other	Company-Operated	Franchise & Other
Fiscal:				
2025	$ 1,573	$ 1,501	$ 15,730	$ 70,729
2026	1,629	1,426	14,906	63,671
2027	1,658	1,358	13,995	54,043
2028	1,672	1,302	12,851	45,818
2029	1,684	1,161	11,193	35,269
Thereafter	16,147	5,032	49,311	103,314
Total minimum lease payments	24,363	11,780	117,986	372,844
Less amount representing interest	(8,010)	(3,248)	(12,640)	(32,334)
Present value of minimum lease payments	16,353	8,532	105,346	340,510
Less current portion	(634)	(881)	(13,375)	(66,248)
Lease obligations, less current portion	$ 15,719	$ 7,651	$ 91,971	$ 274,262

Net rent under non-cancelable operating leases was as follows:

	Fiscal 2024	Fiscal 2023
Rent revenue:		
Minimum rent revenue	$ 90,450	$ 94,426
Variable lease payments	6,700	6,875
Total rent revenue	97,150	101,301
Rent expense:		
Operating lease cost	(92,340)	(93,249)
Variable lease cost	(1,854)	(1,391)
Total operating lease cost	(94,194)	(94,640)
Net rent income	$ 2,956	$ 6,661

Lease Term and Discount Rate as of January 31,

Weighted-average remaining lease term:

	2024	2023
Finance leases	12.11 years	10.19 years
Operating leases	7.67 years	7.89 years

Weighted-average discount rate:

	2024	2023
Finance leases	6.5 %	8.1 %
Operating leases	2.4 %	1.8 %

NOTE 10 — SALE-LEASEBACK TRANSACTIONS

We currently have entered into agreements with independent third parties under which we sold and leased back a total of 126 restaurant properties. The initial minimum lease terms are 20 years and include renewal options. The leases also include provisions that provide us with the ability to repurchase the properties, which for accounting purposes, prevents sale recognition as the leased properties are real estate, and we have concluded that no two real estate assets are substantially the same.

Under the financing method, the sales proceeds received are recorded in other current liabilities and other long-term liabilities until our continuing involvement with the properties is terminated, and the associated properties are reported as owned assets and depreciated over their remaining useful lives. Rent payments for these leases are recorded as principal and interest. The net book value of the associated assets, which is included in property and equipment, net of accumulated depreciation and amortization, in our accompanying Consolidated Balance Sheets was $115,805 and $117,126 as of January 31, 2024 and 2023, respectively.

During fiscal 2023, the lease agreements for two of our restaurant properties were terminated. As we no longer have continuing involvement in the properties, we recognized a net gain of $1,160 associated with the write-off of the assets and liabilities. The net gain is included in facility action charges, net in our accompanying Consolidated Statement of Operations for fiscal 2023.

Closing costs and other fees related to sale-leaseback transactions are treated as deferred financing costs, which are recorded as a reduction to the liability balance and amortized to interest expense over the initial minimum lease term.

As of January 31, 2024, our future minimum lease commitments for our financing method sale-leaseback obligations are as follows:

Fiscal:	
2025	$ 16,202
2026	16,212
2027	16,410
2028	17,250
2029	17,813
Thereafter	66,043
Total minimum lease payments	149,930
Less amount representing interest	(32,652)
Residual property obligation[(1)], deferred financing costs and deferred sales proceeds	102,346
Financing method sale-leaseback liability	219,624
Less current portion	(11,287)
Financing method sale-leaseback liability, less current portion	$ 208,337

(1) Although we have legally transferred title of the sale-leaseback properties, we have included an obligation to convey, for accounting purposes, the sale-leaseback assets at the end of the primary lease term. This obligation was established in acquisition accounting and based on the estimated residual value of the sale-leaseback assets at the end of the primary lease term.

NOTE 11 — OTHER LONG-TERM LIABILITIES

Other long-term liabilities as of January 31, 2024 and 2023 consisted of the following:

	2024	2023
Financing method sale-leaseback liability, long-term portion	$ 208,337	$ 219,707
Deferred franchise and development fees	32,487	32,566
Estimated liability for self-insurance, long-term portion	9,568	12,183
Deferred beverage income	5,721	3,645
Unfavorable lease agreements	4,480	6,911
Other	3,038	2,485
Total other long-term liabilities	$ 263,631	$ 277,497

NOTE 12 — EQUITY

As of January 31, 2024 and 2023, a total of 100 shares of $0.01 par value common stock of CKE Restaurants are issued and outstanding. Each share of common stock entitles the shareholder to one vote per share and is eligible to receive dividend payments when declared. As discussed more fully in Note 8, the Indenture governing the Senior Notes includes certain covenants and restrictions that may limit CKE Restaurants' ability to declare and pay dividends. No dividends were declared and paid in fiscal 2024 and 2023.

During fiscal 2023, CKE Inc. merged with CKE Restaurants which survives the merger. As a result of the merger, all assets, liabilities and debts of CKE, Inc. transferred to CKE Restaurants. The intercompany note agreements between the entities were cancelled, and the CKE Restaurants note receivable from CKE Inc. in the amount of $441,866 was reclassified to accumulated deficit. In addition, $316 of cash held by CKE Inc. was consolidated into CKE Restaurants.

NOTE 13 — FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents information on our financial instruments as of January 31, 2024 and 2023:

	2024		2023	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial liabilities:				
Series 2018-1 Class A-2-II Notes	$ 329,928	$ 315,044	$ 332,363	$ 319,515
Series 2018-1 Class A-2-III Notes	234,366	222,070	236,353	227,945
Series 2020-1 Class A-2 Notes	382,905	344,350	385,688	346,802
Series 2021-1 Class A-2 Notes	172,623	146,543	173,801	146,485
Other Notes	—	—	1,900	1,900

The fair value of cash and cash equivalents and restricted cash and cash equivalents each approximate their respective carrying amounts due to the short maturity of the balances. The carrying amounts of notes receivable, net (both current and non-current) of related allowance for credit losses approximate fair value. The estimated fair values of our borrowings under the Series 2018-1, Series 2020-1 and Series 2021-1 Class A-2 Notes were determined by obtaining estimated market prices from an investment banking firm as of the balance sheet dates. The carrying amount of the other notes approximates fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market

participants on the measurement date. Entities are required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value based on the following fair value hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities;

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Our non-financial long-lived assets, including goodwill, intangible assets and property and equipment, are reported at carrying value and are not required to be measured at fair value on a recurring basis. However, on a periodic basis, or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, we assess our long-lived assets for impairment. When impairment has occurred, such long-lived assets are written down to fair value. See Note 16 for further information regarding impairment charges.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2024:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 3,311
Assets to be held and used (Level 3)[2]	—	1,044

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants.
(2) Represents impairment recorded for two underperforming domestic company-operated restaurants.

The following table presents long-lived assets measured at fair value on a non-recurring basis during fiscal 2023:

	Fair Value Measurements	Impairment Charges
Assets to be disposed of (Level 2)[1]	$ —	$ 3,657
Assets to be held and used (Level 3)[2]	—	444

(1) Represents the impairment of long-lived assets including property & equipment, net and operating lease assets for multiple domestic company-operated closed restaurants as well as multiple restaurants operated by the Shanghai business.
(2) Represents impairment recorded for two underperforming domestic company-operated restaurants.

NOTE 14 — COMMITMENTS AND CONTINGENT LIABILITIES

Lease Commitments

Many of the restaurants we have sold to franchisees are on leased sites, and we have entered into sublease agreements with these franchisees but remained principally liable for the lease obligations. We account for the sublease payments received as rent revenue in franchised restaurants and other revenue, and the payments on the leases as rent expense in franchised restaurants and other expense, in our accompanying Consolidated Statements of Operations. As of January 31, 2024, the nominal value of the lease obligations under the remaining master leases' primary terms is $434,638.

Letters of Credit

Pursuant to our Series 2018-1 Variable Funding Notes, we may borrow up to $70,000 for senior secured revolving facility loans, swingline loans and letters of credit (see Note 8). As of January 31, 2024, we had several standby letters of credit outstanding under our Series 2018-1 Variable Funding Notes totaling $22,647, expiring at various dates through October 2024. The outstanding letters of credit consist of a $13,100 letter of credit for benefit of the holders of the Senior Notes as an interest reserve as required by the Series 2021-1 Indenture and letters of credit of $9,547, which primarily secure our potential workers' compensation, general liability and auto liability obligations.

Unconditional Purchase Obligations

As of January 31, 2024, we had unconditional purchase obligations in the amount of $59,462, which consisted primarily of contracts for goods and services related to restaurant operations and contractual commitments for marketing and sponsorship arrangements. Our unconditional purchase obligations for fiscal 2025, 2026, 2027, 2028 and 2029 are estimated to be $55,863, $1,199, $937, $937 and $526, respectively.

Litigation

We are currently involved in legal disputes related to employment, franchising, real estate and other business matters. We intend to vigorously defend against all claims in these lawsuits, and are unable to predict the ultimate outcome of these actions. Although the outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company, based on currently available information, including legal defenses available to the Company and its legal reserves and insurance coverages, the Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

We accrue those loss contingencies that are deemed to be probable, and for which the amount of expected loss is reasonably estimable. Because litigation is inherently unpredictable, assessing contingencies is highly subjective and requires judgments about future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and/or the ongoing discovery and development of information important to the matter. In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated or unrelated to possible outcomes, and as such may not be meaningful indicators of our potential liability or financial exposure. We regularly review contingencies to determine the adequacy of our accruals and related disclosures. The ultimate amount of loss may differ from these estimates.

NOTE 15 — FRANCHISE OPERATIONS

Franchised restaurants and other revenue consisted of the following:

	Fiscal 2024	Fiscal 2023
Royalties	$ 190,073	$ 182,255
Rent and other occupancy	100,611	105,248
Franchise fees	4,917	6,142
Other	4,353	9,029
Total franchised restaurants and other revenue	$ 299,954	$ 302,674

Franchised restaurants and other expense consisted of the following:

	Fiscal 2024	Fiscal 2023
Rent and other occupancy	$ 78,697	$ 77,492
Amortization of franchise agreements	16,857	16,857
Other	1,100	83
Total franchised restaurants and other expense	$ 96,654	$ 94,432

NOTE 16 — FACILITY ACTION CHARGES, NET

The components of facility action charges, net, are as follows:

	Fiscal 2024	Fiscal 2023
Impairment of assets to be disposed of	$ 3,311	$ 3,657
Closed store expenses	2,219	219
Impairment of assets to be held and used	1,044	444
(Gain) loss on disposal of other property and equipment	(3,503)	512
Gain on refranchising transaction	(153)	—
Other (gains) losses, net	(66)	1,130
Gain on early termination of lease agreement associated with a financing method sale-leaseback restaurant property (see Note 10)	—	(1,160)
Total facility action charges, net	$ 2,852	$ 4,802

Impairment charges recorded against property and equipment and operating lease assets of $4,355 and $4,101 were recognized in facility action charges, net in fiscal 2024 and 2023, respectively.

NOTE 17 — SHARE-BASED COMPENSATION

Share-based compensation consisted of the following:

	Fiscal 2024	Fiscal 2023
Share-based compensation related to profit sharing interests that contain performance conditions[(1)]	$ 1,168	$ —
Share-based compensation related to all other profit sharing interests[(1)]	956	777
Total share-based compensation expense	$ 2,124	$ 777

(1) During fiscal 2024 and fiscal 2023, we recorded reversals of $113 and $123, respectively, of share-based compensation expense in connection with the forfeiture of profit sharing interests.

Share-Based Compensation Arrangements

CKE Holdings LP, a limited partnership (the "Partnership") that was formed by Roark Capital Management, LLC ("Roark") and certain members of our senior management team and Board of Directors in December 2013, is CKE's sole stockholder as of January 31, 2024 and 2023. The Limited Partnership Agreement, as amended ("Limited Partnership Agreement"), allows for the issuance of profit sharing interests ("Units") in the Partnership in the form of "Class B" and "Class C" Units. The Units provide the holders a profit sharing interest in the Partnership as defined in the partnership agreement and the individual grant agreements. There are no income tax benefits associated with any of the Class B Units or Class C Units.

Time vesting Class B Units vest in four equal annual installments from the date of grant. Performance vesting Class B Units provide for vesting or conversion to a time vesting schedule upon achievement of certain financial or investment targets. Time vesting Class C Units vest in various installments as specified in the individual grant agreements, but in all instances have vesting periods no longer than five years from the date of grant. There are no unvested time vesting and performance vesting Class B Units as of January 31, 2024 and 2023.

As a result of a previous amendment to the Limited Partnership Agreement, all performance vesting Class B Units that had not vested or converted to a time vesting schedule prior to December 24, 2017, became fully vested and non-forfeitable Class B Units, subject to certain restrictions (the "Restricted Class B Performance Units"). The Restricted Class B Performance Units are only entitled to realize a profit sharing interest in the Partnership to the extent that certain future performance and/or market conditions are met. These conditions require the value generated or calculated as a result of a substantial initial public offering, change in control or cumulative cash distributions, each as defined in the Limited Partnership Agreement, to result in the achievement of a specified return to the Partnership.

During fiscal 2024, the Partnership granted 502,100 time vesting and 502,100 performance vesting Class C Units. The time vesting class C Units vest in either three or five equal annual installments from the dates of grant. the performance vesting Class C Units consists of either three or five equal tranches that vest upon achievement of certain annual financial targets for fiscal years 2024 through 2030 as set forth in the grant agreements.

During fiscal 2023, the Partnership granted 358,335 time vesting and 358,331 performance vesting Class C Units. The time vesting Class C Units vest in either three or five equal annual installments from the dates of grant. The performance vesting Class C Units consist of either three or five equal tranches that vest upon achievement of certain annual financial targets for fiscal years 2023 through 2027 as set forth in the grant agreements.

The following presents the time vesting and performance vesting Unit activity for fiscal 2024:

	Time Vesting Units	Performance Vesting Units	Total Units	Weighted-Average Grant Date Fair Value
Unvested Units outstanding as of January 31, 2023	525,417	598,383	1,123,800	$ 5.25
Granted Units	502,100	502,100	1,004,200	5.79
Forfeited Units	(162,500)	(176,750)	(339,250)	5.79
Vested Units	(133,735)	(180,000)	(313,735)	5.79
Unvested Units outstanding as of January 31, 2024	731,282	743,733	1,475,015	5.79
Vested Units outstanding as of January 31, 2024			4,856,429	

As of January 31, 2024, there was $8,534 of maximum unrecognized compensation costs for the unvested Units which have the potential for recognition over a weighted average amortization period of 2.26 years.

NOTE 18 — EMPLOYEE RETIREMENT PLAN

We sponsor a contributory plan ("401(k) Plan") to provide retirement benefits under the provisions of Section 401(k) of the Internal Revenue Code ("IRC"). Participants may elect to contribute a portion of their annual salaries on a pre-tax basis to the 401(k) Plan, subject to the maximum contribution allowed by the IRC. During fiscal 2024 and 2023, our matching contributions to the 401(k) Plan were $630 and $622, respectively.

NOTE 19 — RELATED PARTY TRANSACTIONS

Transactions with Roark Capital Management, LLC

We have a management advisory and consulting services agreement with Roark. In exchange for advice concerning management, finance, marketing, strategic planning and other advisory and consulting services provided to us by Roark and its affiliates, Roark receives consulting fees and reimbursement of reasonable expenses. The current annual consulting fee of $3,360 is payable in equal quarterly installments and subject to an increase of three percent per year during the ten year term of the agreement. We recorded $3,249 and $3,197 of consulting fees, which are included in general and administrative expense in our accompanying Consolidated Statements of Operations for fiscal 2024 and 2023, respectively.

The management advisory and consulting services agreement also provides that Roark may earn future fees in connection with certain business acquisition transactions, an initial public offering or a change of control transaction. The management advisory and consulting services agreement includes customary exculpation and indemnification provisions in favor of Roark and its affiliates.

NOTE 20 — INCOME TAXES

Income tax expense consisted of the following:

	Fiscal 2024	Fiscal 2023
Current:		
Federal	$ 11,248	$ 3,424
State	3,066	858
Foreign	5,926	4,866
	20,240	9,148
Deferred:		
Federal	(4,512)	(1,016)
State	714	765
Foreign	60	(32)
	(3,738)	(283)
Total income tax expense	$ 16,502	$ 8,865

The following is a reconciliation of income tax expense at the federal statutory rate of 21.0% to our income tax expense for fiscal 2024 and 2023, respectively:

	Fiscal 2024	Fiscal 2023
Income tax expense at statutory rate	$ 12,942	$ 7,691
State income taxes, net of federal income tax effect	2,986	1,281
Nondeductible share-based compensation	446	163
General business credits	(640)	(503)
Nondeductible foreign losses	230	1,010
Uncertain tax positions	591	52
Intercompany interest	—	211
Foreign derived intangible income deduction	(2,003)	(1,527)
Other, net	1,950	487
Total income tax expense	$ 16,502	$ 8,865

Deferred income tax liabilities, net consisted of the following at January 31, 2024 and 2023:

	2024	2023
Deferred income tax assets:		
Operating lease liabilities	$ 115,175	$ 120,996
Financing method sale-leaseback obligations	32,229	34,819
Interest limitation carryforward	13,345	10,245
Reserves and allowances	5,546	8,512
Franchise fees	7,803	8,023
Net operating loss carryforwards	4,749	5,982
Federal and state tax credits	4,536	4,624
Valuation allowance	(8,747)	(9,405)
Total deferred income tax assets	174,636	183,796
Deferred income tax liabilities:		
Goodwill and other intangible assets	(198,306)	(202,837)
Operating lease assets	(110,061)	(115,773)
Basis difference in property and equipment	(24,477)	(29,351)
Advertising funds	(8,234)	(6,640)
Other items	(4,951)	(4,326)
Total deferred income tax liabilities	(346,029)	(358,927)
Deferred income tax liabilities, net	$ (171,393)	$ (175,131)

We are included in the consolidated federal income tax returns and combined state income tax returns of CKE Holding Corporation. For the purpose of determining the income taxes attributable to CKE Restaurants and its subsidiaries, we prepare our income tax provision as if we were a separate taxpayer. As a result of this treatment, we make income tax payments to our corporate parent based upon our separate return taxable income. We additionally make income tax payments directly to federal, state, local and foreign taxing jurisdictions. As of January 31, 2024 and 2023, our income tax payable to our corporate parent was $13,269 and $13,318, respectively. During fiscal 2024 and 2023, we did not make any income tax payments to CKE Holding Corporation and made $15,426 and $11,325 in income tax payments net of refunds directly to taxing authorities.

As of January 31, 2024 and 2023, we maintained a valuation allowance of $8,747 and $9,405, respectively, for a portion of our state income tax credits and certain state and foreign net operating loss NOL carryforwards because we had concluded that realization of the tax benefit of such deferred income tax assets was not more likely than not. In evaluating the need for a valuation allowance, we consider all available evidence, positive and negative, including cumulative historical earnings in recent years, future reversals of existing temporary differences, estimated future taxable income exclusive of reversing temporary differences on a jurisdictional basis and statutory expiration dates of NOL and income tax credit carryforwards. During fiscal 2024, we decreased our valuation allowance by $658.

As of January 31, 2024, we have foreign tax credit carryforwards of $406, that will expire, if unused, in fiscal 2034. As of January 31, 2024, we have state tax credit carryforwards of $4,130 that are projected to expire if unused after fiscal 2024. As of January 31, 2024, we have state NOL carryforwards in the amount of approximately $32,402, which expire in varying amounts from fiscal 2025 through 2034. As of January 31, 2024, we have $125 of net deferred income tax assets related to our state NOL carryforwards, which represent our expected future tax savings from such carryforwards, after considering the impact of past ownership changes on our ability to utilize such carryforwards. The utilization of our NOL carryforwards to offset future taxable income may be subject to an annual limitation as a result of past or future ownership changes. As of January 31, 2024, we have recognized a nominal amount of deferred income tax assets associated with foreign operations.

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits:

	Fiscal 2024	Fiscal 2023
Unrecognized tax benefits, beginning of year	$ 3,628	$ 4,424
Gross increases related to tax positions taken in prior years	529	37
Gross decreases related to tax positions taken in prior years	(1,002)	(768)
Gross increases related to tax positions taken in the current year	478	417
Reductions to tax positions due to settlements with taxing authorities and lapses of statutes of limitations	(286)	(482)
Unrecognized tax benefits, end of year	$ 3,347	$ 3,628

Included in the balance of unrecognized tax benefits as of January 31, 2024, are $2,004 of tax benefits that, if recognized, would affect the effective tax rate. Also included in the balance of unrecognized tax benefits as of January 31, 2024, are $1,343 of tax benefits that, if recognized, would result in adjustments to other tax accounts, primarily deferred income taxes, income taxes payable and valuation allowance. Amounts recorded for interest and penalties in connection with the unrecognized tax benefits noted above were not significant as of January 31, 2024 and 2023.

We believe that it is reasonably possible that decreases in unrecognized tax benefits of up to $380 may be necessary within the coming fiscal year as a result of statutes closing on such items. In addition, we believe that it is reasonably possible that our unrecognized tax benefits may increase as a result of tax positions that may be taken in fiscal 2024.

We file income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. We have carried forward various state NOL and income tax credits to income tax years that remain open by statute. As a result, such NOL and income tax credit carryforwards remain subject to adjustment by the respective tax authorities. Our federal income tax returns from fiscal 2021 and subsequent years are open for examination. In addition, our state income tax returns generally have statutes of limitations ranging from three to four years from the filing date.

NOTE 21 — SUPPLEMENTAL CASH FLOW INFORMATION

The following table presents supplemental cash flow information:

	Fiscal 2024	Fiscal 2023
Cash paid for:		
Interest, net of amounts capitalized	$ 59,155	$ 60,073
Income taxes, net of refunds received	15,426	11,325
Non-cash operating and investing activities:		
Operating lease assets obtained in exchange for new operating lease liabilities	65,610	50,875
Accrued property and equipment purchases	928	217
Accounts receivable settled in purchase price consideration	323	—
Other settlements associated with acquisition of restaurants	97	—

GUARANTEE OF PERFORMANCE

For value received, Carl's Jr. Funding LLC, a Delaware limited liability company, (the "Guarantor"), located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067, absolutely and unconditionally guarantees to assume the duties and obligations of **Hardee's Restaurants LLC, a Delaware limited liability company, located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067** (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Franklin, Tennessee on the 24th day of May, 2025.

Guarantor: CARL'S JR. FUNDING LLC

By: _____

Print Name: Kerry Olson

Print Title: General Counsel & Chief Legal Officer

GUARANTEE OF PERFORMANCE

For value received, Carl's Jr. Restaurants LLC, a Delaware limited liability company, (the "Guarantor"), located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067, absolutely and unconditionally guarantees to assume the duties and obligations of **Hardee's Restaurants LLC, a Delaware limited liability company, located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067** (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Franklin, Tennessee on the 24th day of May, 2025.

Guarantor: CARL'S JR. RESTAURANTS LLC

By: _____

Print Name: Kerry Olson

Print Title: General Counsel & Chief Legal Officer

GUARANTEE OF PERFORMANCE

For value received, Carl's Jr. SPV Guarantor LLC, a Delaware limited liability company, (the "Guarantor"), located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067, absolutely and unconditionally guarantees to assume the duties and obligations of **Hardee's Restaurants LLC, a Delaware limited liability company, located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067** (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Franklin, Tennessee on the 24th day of May, 2025.

Guarantor: CARL'S JR. SPV GUARANTOR LLC

By: _____

Print Name: Kerry Olson

Print Title: General Counsel & Chief Legal Officer

GUARANTEE OF PERFORMANCE

For value received, Hardee's Funding LLC, a Delaware limited liability company, (the "Guarantor"), located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067, absolutely and unconditionally guarantees to assume the duties and obligations of **Hardee's Restaurants LLC, a Delaware limited liability company, located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067** (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Franklin, Tennessee on the 24th day of May, 2025.

Guarantor: HARDEE'S FUNDING LLC

By: _____

Print Name: Kerry Olson

Print Title: General Counsel & Chief Legal Officer

GUARANTEE OF PERFORMANCE

For value received, Hardee's SPV Guarantor LLC, a Delaware limited liability company, (the "Guarantor"), located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067, absolutely and unconditionally guarantees to assume the duties and obligations of **Hardee's Restaurants LLC, a Delaware limited liability company, located at 6700 Tower Circle, Suite 1000, Franklin, Tennessee 37067** (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Franklin, Tennessee on the 24th day of May, 2025.

Guarantor: HARDEE'S SPV GUARANTOR LLC

By: _____

Print Name: Kerry Olson

Print Title: General Counsel & Chief Legal Officer

EXHIBIT L

DEVELOPMENT INCENTIVE PROGRAM
ADDENDUM TO FRANCHISE AGREEMENT

STANDARD DEVELOPMENT INCENTIVE PROGRAM ADDENDUM

DEVELOPMENT INCENTIVE PROGRAM ADDENDUM
TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS ADDENDUM to the Hardee's Restaurant Franchise Agreement dated as of _____, ____ ("Franchise Agreement") between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the Franchise Agreement.

RECITALS

A. In order to stimulate the development of new franchised Hardee's Restaurants and the continued expansion of the System at eligible travel center and goas and convenience locations, HR has established the 2025 HR development incentive program ("Program").

B. To be eligible for the Program, the following requirements must be satisfied: (i) Franchisee must sign a Development Agreement by no later than May 24, 2026 or Franchisee must sign a Franchise Agreement for the development of a newly constructed Hardee's Restaurant pursuant to the terms of a Development Agreement dated no later than May 24, 2026, (ii) Franchisee must open the newly-constructed Hardee's Restaurant(s) by the date(s) outlined in the corresponding Development Agreement or Franchise Agreement, (iii) Franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (iv) Franchisee must be approved for growth by HR and its affiliates, (vi) Franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (v) Franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the Program.

C. Franchisee and the Franchised Restaurant are eligible to participate in the Program.

D. Consequently, HR and Franchisee are entering into this Addendum to modify the Franchise Agreement to reflect the Franchisee's participation in the Program incentives.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties, intending to be legally bound, agree to amend the Franchise Agreement as follows:

1. Reduced Royalty and APO for Limited Period of Time. Notwithstanding anything to the contrary contained in the Franchise Agreement, HR agrees that each of the royalty fee and APO to be paid by Franchisee for the Franchised Restaurant will be reduced by: **(A)** 3% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's first 12 months of operation under the Franchise Agreement; **(B)** 2% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's second 12 months of operation under the Franchise Agreement; and **(C)** 1% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's third 12 months of operation under the Franchise Agreement. Thereafter and during the remaining Initial Term of the Franchise Agreement the royalty fee will revert to 4% of Gross Sales and the APO will revert to 5.5% of Gross Sales. The royalty fee and APO to be paid pursuant to this Addendum are set forth in Exhibit 1.

2. Other Development Incentive Programs. Franchisee acknowledges and agrees that, by signing this Addendum, it will not be entitled, with respect to the Franchised Restaurant, to any other incentive that have been or may be offered by HR.

3. Termination of Program Incentives. This Addendum and the Program will terminate following written notice to Franchisee if:

A. Franchisee fails to open the Franchised Restaurant on or before 120 days after the contractual opening date pursuant to the terms of the Franchisee's Development Agreement or Franchise Agreement; or

B. Franchisee or any affiliate of Franchisee receives, during the first three years of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between Franchisee or any affiliate of Franchisee and HR or any affiliate of HR and fails to cure the default within the applicable cure period, if any.

4. Effect of Termination. If this Addendum is terminated during the first three years of the Franchised Restaurant's operation under the Franchise Agreement, the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

5. Capitalized Terms. Any capitalized term that is not defined in this Addendum will have the meaning given it in the Franchise Agreement.

6. Limited Modification. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT 1

Royalty Fee and APO Due (Section 1 of the Addendum):

During the first three years of operation of the Franchised Restaurant, Franchisee will pay HR the following for Royalty and APO:

Royalty Fee:

Dates of Operation of the Franchised Restaurant	Royalty Fee Percentage of Gross Sales
First 12 months	1.00%
Second 12 months	2.00%
Third 12 months	3.00%
Year 4 and beyond	4.00%

APO Allocation*:

APO Allocation by Period	Total APO	HNAF	Regional Co-op	LSM Allocation
Year 1: First 12 months	2.50%			
Year 2: Second 12 months	3.50%			
Year 3: Third 12 months	4.50%			
Years 4 and beyond	5.50%			

***APO allocation is dependent on whether new Franchised Restaurant is located within a DMA that has a regional co-op**

CONVERSION RESTAURANTS STANDARD DEVELOPMENT INCENTIVE PROGRAM ADDENDUM

DEVELOPMENT INCENTIVE PROGRAM ADDENDUM
TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT
(CONVERSION RESTAURANTS)

THIS ADDENDUM to the Hardee's Restaurant Franchise Agreement dated as of _____, _____ ("Franchise Agreement") between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the Franchise Agreement.

RECITALS

E. In order to stimulate the development of new franchised Hardee's Restaurants and the continued expansion of the System at eligible travel center and gas and convenience locations, HR has established the 2025 HR Development Incentive Program for Conversion Restaurants (the "Conversion Restaurant Program").

F. To be eligible for the Conversion Restaurant Program, the following requirements must be satisfied: (i) the travel center location or gas and convenience location must be opened pursuant to a Development Agreement dated no later than May 24, 2026, (ii) Franchisee must open the Franchise Restaurants from a travel center location or gas and convenience location by the date(s) outlined in the corresponding Development Agreement, (iii) Franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (iv) Franchisee must be approved for growth by HR and its affiliates, (v) Franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (vi) Franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the Travel Center Program.

G. Franchisee and HR are parties to a Development Agreement dated as of _____, ____.

H. Franchisee and the Franchised Restaurant are eligible to participate in the Conversion Restaurant Program.

I. The Franchised Restaurant opened pursuant to this Franchise Agreement qualifies as a "Conversion Restaurant" as determined by HR.

J. Consequently, HR and Franchisee are entering into this Addendum to modify the Franchise Agreement to reflect the Franchisee's participation in the Program incentives.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties, intending to be legally bound, agree to amend the Franchise Agreement as follows:

1. Reduced Royalty and APO for Limited Period of Time. Notwithstanding anything to the contrary contained in the Franchise Agreement, HR agrees that each of the royalty fee and APO to be paid by Franchisee for the Franchised Restaurant will be reduced by: **(A)** 3% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's first 12 months of operation under the Franchise Agreement; **(B)** 2% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's second 12 months of operation under the Franchise Agreement; and **(C)** 1% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's third 12 months of operation under the Franchise Agreement. Thereafter and

during the remaining Initial Term of the Franchise Agreement the royalty fee will revert to 4% of Gross Sales and the APO will revert to 5.5% of Gross Sales. The royalty fee and APO to be paid pursuant to this Addendum are set forth in Exhibit 1.

2. Initial Franchise Fee. If the Franchised Restaurant opens six (6) months prior to the "Opening Date" identified in the Development Agreement, then HR will waive collection of the remaining $15,000 Initial Franchise Fee.

3. Conversion Cash Incentive. If the Franchised Restaurant developed pursuant to this Franchise Agreement qualifies as a "Conversion Restaurant" as determined by HR, and the Franchised Restaurant opens within 12 months of signing the Franchise Agreement, then HR will pay Franchisee a $50,000 cash incentive (the "Cash Incentive"). HR will pay Franchisee the Cash Incentive thirty (30) days after the Franchised Restaurant opens for business.

4. Other Development Incentive Programs. Franchisee acknowledges and agrees that, by signing this Addendum, it will not be entitled, with respect to the Franchised Restaurant, to any other incentive that have been or may be offered by HR.

5. Termination of Program Incentives. This Addendum and the Program will terminate following written notice to Franchisee if:

A. Franchisee fails to open the Franchised Restaurant on or before 120 days after the contractual opening date pursuant to the terms of the Franchisee's Development Agreement; or

B. Franchisee or any affiliate of Franchisee receives, during the first three years of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between Franchisee or any affiliate of Franchisee and HR or any affiliate of HR and fails to cure the default within the applicable cure period, if any.

6. Effect of Termination. If this Addendum is terminated the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

7. Capitalized Terms. Any capitalized term that is not defined in this Addendum will have the meaning given it in the Franchise Agreement.

8. Limited Modification. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT 1

Royalty Fee and APO Due (Section 1 of the Addendum):

During the first three years of operation of the Franchised Restaurant, Franchisee will pay HR the following for Royalty and APO:

Royalty Fee:

Dates of Operation of the Franchised Restaurant	Royalty Fee Percentage of Gross Sales
First 12 months	1.00%
Second 12 months	2.00%
Third 12 months	3.00%
Year 4 and beyond	4.00%

APO Allocation*:

APO Allocation by Period	Total APO	HNAF	Regional Co-op	LSM Allocation
Year 1: First 12 months	2.50%			
Year 2: Second 12 months	3.50%			
Year 3: Third 12 months	4.50%			
Years 4 and beyond	5.50%			

***APO allocation is dependent on whether new Franchised Restaurant is located within a DMA that has a regional co-op**

TRAVEL CENTER CONVERSION DEVELOPMENT INCENTIVE PROGRAM ADDENDUM

TRAVEL CENTER DEVELOPMENT INCENTIVE PROGRAM ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS ADDENDUM to the Hardee's Restaurant Franchise Agreement dated as of _____, _____ ("Franchise Agreement") between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the Franchise Agreement.

RECITALS

A. In order to stimulate the development of new franchised Hardee's Restaurants and the continued expansion of the System at eligible travel center and gas and convenience locations, HR has established the 2025 HR Travel Center Development Incentive Program (the "Travel Center Program").

B. To be eligible for the Travel Center Program, the following requirements must be satisfied: (i) the Hardee's Restaurant must be located at a travel center location or gas and convenience location that is within ½ mile of an interstate or limited access highway and must include a combination of high rise pylon sign, billboard or other highway sign, (ii) the travel center location or gas and convenience location must be opened pursuant to a Development Agreement dated no later than May 24, 2026, (iii) Franchisee must open the Franchise Restaurants from a travel center location or gas and convenience location by the date(s) outlined in the corresponding Development Agreement, (iv) Franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (v) Franchisee must be approved for growth by HR and its affiliates, (vi) Franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (vii) Franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the Travel Center Program.

C. Franchisee and HR are parties to a Development Agreement dated as of _____, _____,.

D. Franchisee and the Franchised Restaurant are eligible to participate in the Travel Center Program.

E. The Franchised Restaurant opened pursuant to this Franchise Agreement qualifies as a "Conversion Restaurant" as determined by HR.

F. Consequently, HR and Franchisee are entering into this Addendum to modify the Franchise Agreement to reflect the Franchisee's participation in the Program incentives.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties, intending to be legally bound, agree to amend the Franchise Agreement as follows:

1. Reduced Royalty and APO for Limited Period of Time. Notwithstanding anything to the contrary contained in the Franchise Agreement, HR agrees that the royalty fee to be paid by Franchisee for the Franchised Restaurant will be reduced by: **(A)** 3% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's first 12 months of operation under the Franchise Agreement; **(B)** 2% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's second 12 months of operation under the Franchise Agreement; and **(C)** 1% of Gross Sales for Gross Sales accruing during the Franchised

Restaurant's third 12 months of operation under the Franchise Agreement. Thereafter and during the remaining Initial Term of the Franchise Agreement, the royalty fee will revert to 5% of Gross Sales. Additionally, the APO fee will be reduced to 2% of Gross Sales during the Initial Term of the Franchise Agreement. The royalty fee and APO to be paid pursuant to this Addendum are set forth in Exhibit 1.

2. Initial Franchise Fee. If the Franchised Restaurant opens six (6) months prior to the "Opening Date" identified in the Development Agreement, then HR will waive collection of the remaining $15,000 Initial Franchise Fee.

3. Conversion Cash Incentive. If the Franchised Restaurant developed pursuant to this Franchise Agreement qualifies as a "Conversion Restaurant" as determined by HR, and the Franchised Restaurant opens within 12 months of signing the Franchise Agreement, then HR will pay Franchisee a $50,000 cash incentive (the "Cash Incentive"). HR will pay Franchisee the Cash Incentive thirty (30) days after the Franchised Restaurant opens for business.

4. Other Development Incentive Programs. Franchisee acknowledges and agrees that, by signing this Addendum, it will not be entitled, with respect to the Franchised Restaurant, to any other incentive that have been or may be offered by HR.

5. Termination of Program Incentives. This Addendum and the Program will terminate following written notice to Franchisee if:

A. Franchisee fails to open the Franchised Restaurant on or before 120 days after the contractual opening date pursuant to the terms of the Franchisee's Development Agreement; or

B. Franchisee or any affiliate of Franchisee receives, during the first three years of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between Franchisee or any affiliate of Franchisee and HR or any affiliate of HR and fails to cure the default within the applicable cure period, if any.

6. Effect of Termination. If this Addendum is terminated the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

7. Capitalized Terms. Any capitalized term that is not defined in this Addendum will have the meaning given it in the Franchise Agreement.

8. Limited Modification. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT 1

Royalty Fee and APO Due (Section 1 of the Addendum):

During the first three years of operation of the Franchised Restaurant, Franchisee will pay HR the following for Royalty and APO:

Royalty Fee:

Dates of Operation of the Franchised Restaurant	Royalty Fee Percentage of Gross Sales
First 12 months	1.00%
Second 12 months	2.00%
Third 12 months	3.00%
Year 4 and beyond	5.00%

APO Allocation*:

APO Allocation by Period	Total APO	HNAF	Regional Co-op	LSM Allocation
Initial Term	2.00%			

***APO allocation is dependent on whether new Franchised Restaurant is located within a DMA that has a regional co-op**

TRAVEL CENTER DEVELOPMENT INCENTIVE PROGRAM ADDENDUM

3 TO 9 OBLIGATIONS

TRAVEL CENTER DEVELOPMENT INCENTIVE PROGRAM ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS ADDENDUM to the Hardee's Restaurant Franchise Agreement dated as of _____, _____ ("Franchise Agreement") between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the Franchise Agreement.

RECITALS

A. In order to stimulate the development of new franchised Hardee's Restaurants and the continued expansion of the System at eligible travel center and gas and convenience locations, HR has established the 2025 HR Travel Center Development Incentive Program (the "Travel Center Program").

B. To be eligible for the Travel Center Program, the following requirements must be satisfied: (i) the Hardee's Restaurant must be located at a travel center location or gas and convenience location that is within ½ mile of an interstate or limited access highway and must include a combination of high rise pylon sign, billboard or other highway sign, (ii) the travel center location or gas and convenience location must be opened pursuant to a Development Agreement dated no later than May 24, 2026, that includes the development of at least three (3) newly-constructed Hardee's Restaurant(s), (iii) Franchisee must open the Franchise Restaurants from a travel center location or gas and convenience location by the date(s) outlined in the corresponding Development Agreement, (iv) Franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (v) Franchisee must be approved for growth by HR and its affiliates, (vi) Franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (vii) Franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the Travel Center Program.

C. Franchisee and HR are parties to a Development Agreement dated as of _____,_____, pursuant to which Franchisee agreed to open at least three (3) and up to nine (9) newly-constructed Hardee's Restaurant(s).

D. Franchisee and the Franchised Restaurant are eligible to participate in the Travel Center Program.

E. Consequently, HR and Franchisee are entering into this Addendum to modify the Franchise Agreement to reflect the Franchisee's participation in the Program incentives.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties, intending to be legally bound, agree to amend the Franchise Agreement as follows:

1. Reduced Royalty and APO for Limited Period of Time. Notwithstanding anything to the contrary contained in the Franchise Agreement, HR agrees that the royalty fee to be paid by Franchisee for the Franchised Restaurant will be reduced by: **(A)** 3% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's first 12 months of operation under the Franchise Agreement; **(B)** 2% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's second 12 months of operation under the Franchise Agreement; and **(C)** 1% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's third 12 months of operation under the Franchise Agreement. Thereafter and during the remaining Initial Term of the Franchise Agreement, the royalty fee will revert to 5% of Gross Sales.

Additionally, the APO fee will be reduced to 3% of Gross Sales during the Initial Term of the Franchise Agreement. The royalty fee and APO to be paid pursuant to this Addendum are set forth in Exhibit 1.

2. Initial Franchise Fee. If the Franchised Restaurant opens six (6) months prior to the "Opening Date" identified in the Development Agreement, then HR will waive collection of the remaining $15,000 Initial Franchise Fee.

3. Other Development Incentive Programs. Franchisee acknowledges and agrees that, by signing this Addendum, it will not be entitled, with respect to the Franchised Restaurant, to any other incentive that have been or may be offered by HR.

4. Termination of Program Incentives. This Addendum and the Program will terminate following written notice to Franchisee if:

A. Franchisee fails to open the Franchised Restaurant on or before 120 days after the contractual opening date pursuant to the terms of the Franchisee's Development Agreement; or

B. Franchisee or any affiliate of Franchisee receives, during the first three years of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between Franchisee or any affiliate of Franchisee and HR or any affiliate of HR and fails to cure the default within the applicable cure period, if any.

5. Effect of Termination. If this Addendum is terminated the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

6. Capitalized Terms. Any capitalized term that is not defined in this Addendum will have the meaning given it in the Franchise Agreement.

7. Limited Modification. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT 1

Royalty Fee and APO Due (Section 1 of the Addendum):

During the first three years of operation of the Franchised Restaurant, Franchisee will pay HR the following for Royalty and APO:

Royalty Fee:

Dates of Operation of the Franchised Restaurant	Royalty Fee Percentage of Gross Sales
First 12 months	1.00%
Second 12 months	2.00%
Third 12 months	3.00%
Year 4 and beyond	5.00%

APO Allocation*:

APO Allocation by Period	Total APO	HNAF	Regional Co-op	LSM Allocation
Initial Term	3.00%			

***APO allocation is dependent on whether new Franchised Restaurant is located within a DMA that has a regional co-op**

TRAVEL CENTER DEVELOPMENT INCENTIVE PROGRAM ADDENDUM

10 OR MORE OBLIGATIONS

TRAVEL CENTER DEVELOPMENT INCENTIVE PROGRAM ADDENDUM TO THE HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS ADDENDUM to the Hardee's Restaurant Franchise Agreement dated as of _____, _____ ("Franchise Agreement") between Hardee's Restaurants LLC ("HR") and _____ ("Franchisee") is entered into simultaneously with the Franchise Agreement.

RECITALS

A. In order to stimulate the development of new franchised Hardee's Restaurants and the continued expansion of the System at eligible travel center and gas and convenience locations, HR has established the 2025 HR Travel Center Development Incentive Program (the "Travel Center Program").

B. To be eligible for the Travel Center Program, the following requirements must be satisfied: (i) the Hardee's Restaurant must be located at a travel center location or gas and convenience location that is within ½ mile of an interstate or limited access highway and must include a combination of high rise pylon sign, billboard or other highway sign, (ii) the travel center location or gas and convenience location must be opened pursuant to a Development Agreement dated no later than May 24, 2026, that includes the development of at least ten (10 newly-constructed Hardee's Restaurant(s), (iii) Franchisee must open the Franchise Restaurants from a travel center location or gas and convenience location by the date(s) outlined in the corresponding Development Agreement, (iv) Franchisee may not be in default of its obligations under its existing franchise agreements or related agreements with HR or its affiliates, (v) Franchisee must be approved for growth by HR and its affiliates, (vi) Franchisee must satisfy HR's then-current financial and operational requirements for new restaurant development, and (vii) Franchisee and the Hardee's Restaurant(s) otherwise meet the requirements of the Travel Center Program.

C. Franchisee and HR are parties to a Development Agreement dated as of _____,_____, pursuant to which Franchisee agreed to open at least ten (10) newly-constructed Hardee's Restaurant(s).

D. Franchisee and the Franchised Restaurant are eligible to participate in the Travel Center Program.

E. Consequently, HR and Franchisee are entering into this Addendum to modify the Franchise Agreement to reflect the Franchisee's participation in the Program incentives.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, the parties, intending to be legally bound, agree to amend the Franchise Agreement as follows:

1. Reduced Royalty and APO for Limited Period of Time. Notwithstanding anything to the contrary contained in the Franchise Agreement, HR agrees that the royalty fee to be paid by Franchisee for the Franchised Restaurant will be reduced by: **(A)** 3% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's first 12 months of operation under the Franchise Agreement; **(B)** 2% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's second 12 months of operation under the Franchise Agreement; and **(C)** 1% of Gross Sales for Gross Sales accruing during the Franchised Restaurant's third 12 months of operation under the Franchise Agreement. Thereafter and during the remaining Initial Term of the Franchise Agreement, the royalty fee will revert to 5% of Gross Sales.

Additionally, the APO fee will be reduced to 2% of Gross Sales during the Initial Term of the Franchise Agreement. The royalty fee and APO to be paid pursuant to this Addendum are set forth in Exhibit 1.

2. Initial Franchise Fee. If the Franchised Restaurant opens six (6) months prior to the "Opening Date" identified in the Development Agreement, then HR will waive collection of the remaining $15,000 Initial Franchise Fee.

3. Other Development Incentive Programs. Franchisee acknowledges and agrees that, by signing this Addendum, it will not be entitled, with respect to the Franchised Restaurant, to any other incentive that have been or may be offered by HR.

4. Termination of Program Incentives. This Addendum and the Program will terminate following written notice to Franchisee if:

A. Franchisee fails to open the Franchised Restaurant on or before 120 days after the contractual opening date pursuant to the terms of the Franchisee's Development Agreement; or

B. Franchisee or any affiliate of Franchisee receives, during the first three years of operation of the Franchised Restaurant under the Franchise Agreement, a written notice of default under any agreement between Franchisee or any affiliate of Franchisee and HR or any affiliate of HR and fails to cure the default within the applicable cure period, if any.

5. Effect of Termination. If this Addendum is terminated the royalty fee and APO for the Franchised Restaurant will immediately revert to the applicable amounts set forth in the Franchise Agreement.

6. Capitalized Terms. Any capitalized term that is not defined in this Addendum will have the meaning given it in the Franchise Agreement.

7. Limited Modification. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*Signatures on following page.*]

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the day and year first above written.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

EXHIBIT 1

Royalty Fee and APO Due (Section 1 of the Addendum):

During the first three years of operation of the Franchised Restaurant, Franchisee will pay HR the following for Royalty and APO:

Royalty Fee:

Dates of Operation of the Franchised Restaurant	Royalty Fee Percentage of Gross Sales
First 12 months	1.00%
Second 12 months	2.00%
Third 12 months	3.00%
Year 4 and beyond	5.00%

APO Allocation*:

APO Allocation by Period	Total APO	HNAF	Regional Co-op	LSM Allocation
Initial Term	2.00%			

***APO allocation is dependent on whether new Franchised Restaurant is located within a DMA that has a regional co-op**

EXHIBIT M

RENEWAL ADDENDUM

(AA RENEWAL)

RENEWAL ADDENDUM TO
HARDEE'S RESTAURANT FRANCHISE AGREEMENT

THIS ADDENDUM to the Hardee's Restaurant Franchise Agreement dated as of _____ _____("Franchise Agreement") by and between Hardee's Restaurants LLC ("HR") and _____ _____("Franchisee") and _____ and _____ (collectively, "Guarantors") is entered into simultaneously with the Franchise Agreement.

RECITALS

A. HR and Franchisee have entered into a Franchise Agreement pursuant to which Franchisee is authorized to operate a franchised Hardee's Restaurant at the Franchised Location.

B. Franchisee has been operating a franchised Hardee's Restaurant at the Franchised Location pursuant to one or more consecutive franchise agreements ("Prior Agreement"), the Initial Term of which has expired or will soon expire.

C. HR and Franchisee have executed the Franchise Agreement to renew the franchise granted to Franchisee pursuant to the terms of the Prior Agreement.

D. Those individuals identified above as "Guarantors", if any, have guaranteed Franchisee's obligations under the Franchise Agreement.

E. HR, Franchisee, and Guarantors desire to modify certain provisions of the Franchise Agreement as reflected in this Addendum.

AGREEMENT

NOW THEREFORE, in consideration of the covenants and agreements set forth below and other good and valuable consideration, the parties agree as follows:

1. In connection with the execution of the Franchise Agreement and the renewal of the Franchise previously granted to Franchisee, Franchisee has agreed to timely satisfy the conditions, if any, listed in attached Appendix 1. Franchisee acknowledges that its failure to timely satisfy the conditions identified in Appendix 1 shall constitute a default under the Franchise Agreement.

2. Franchisee agrees that HR's execution of the Franchise Agreement does not constitute a waiver of any monies owed by Franchisee to HR or its affiliates under the Prior Agreement.

3. If the Franchised Restaurant is leased or subleased from a third party ("Landlord"), Franchisee shall provide HR a copy of the fully-executed lease or sublease, together with any amendments to the lease or sublease (collectively, "Lease") simultaneously with the execution of this Addendum. The term of the Lease shall continue for at least the Renewal Term of the Franchise Agreement. If the Lease does not contain the language required by HR to be included in the Lease, or if Franchisee has not previously provided HR with a fully-signed Lease Addendum as required by the Prior Agreement and the Franchise Agreement, Franchisee shall use its best efforts to obtain the Landlord's signature on HR's Lease

Addendum, in the form attached to the Franchise Agreement, and provide HR with a fully signed Lease Addendum within 60 days after the commencement date of the Renewal Term.

4. Franchisee represents and warrants that it has the right to remain in possession of the Franchised Restaurant for the Renewal Term.

5. The first two sentences in the first paragraph of Section 2.A. is deleted and replaced by the following:

> **A. Renewal Term**
>
> The term of this Agreement ("Renewal Term") and the Franchise granted by this Agreement shall be for a period set forth in Appendix 1 attached to the Renewal Addendum, unless this Agreement is terminated at an earlier date pursuant to Section 23. All references to the "Term" or the "Initial Term" shall mean and refer to the Renewal Term.

6. Section 8.A. is deleted and replaced by the following:

> **A. Renewal Fee**
>
> Franchisee shall pay a Renewal Fee of: **(1)** $5,000 for a Renewal Term of 5 years or less; or **(2)** $10,000 for a Renewal Term greater than 5 years, not to exceed 10 years. The Renewal Fee paid by Franchisee is set forth in attached Appendix 1. The Renewal Fee is paid in consideration of HR granting this renewal Franchise Agreement to Franchisee, it was fully earned at the time paid and it is not refundable for any reason whatsoever. All references to "Initial Franchise Fee" shall mean and refer to the Renewal Fee.

7. Section 21 is amended by adding the following sentence at the end of the Section:

> Without limiting the extent of the foregoing release, Franchisee, all individuals who execute this Agreement and all guarantors of Franchisee's obligations under this Agreement acknowledge and agree that the foregoing release includes, without limitation, a release of all claims arising out of, or related to, the Prior Agreement.

8. Item 2 in Appendix A to the Franchise Agreement is deleted.

9. Franchisee's indemnification obligations under the Prior Agreement survive termination of the Prior Agreement and Franchisee's indemnification obligations under the Franchise Agreement will survive termination of the Franchise Agreement.

10. All capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

11. Except as modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum simultaneously with the Franchise Agreement.

HR:
HARDEE'S RESTAURANTS LLC

By: _____

Print Name: Danell Caron

Title: Vice President, Legal

Date: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX 1

1. Renewal Fee:

☐ **5-year term:** The Renewal Term shall commence on _____ and expire at midnight on _____. Renewal Fee: $5,000

☐ **10-year term:** The Renewal Term shall commence on _____ and expire at midnight on _____. Renewal Fee: $10,000

2. Conditions to be Satisfied by Franchisee:

Reimage & Deferred Maintenance Requirements	Deadline to Complete Deferred Maintenance Item

EXHIBIT N

CONFIDENTIALITY AGREEMENT

CONFIDENTIALITY AGREEMENT

In consideration of the willingness of Hardee's Restaurants LLC ("HR") to permit me to review the confidential Operation Procedures Manual ("OPM") before entering into a Development Agreement or a Franchise Agreement, I agree, individually and as an officer or partner of any corporation or partnership that may enter into an agreement with HR, as follows:

1. As used in this Agreement, the term "Confidential Information" means all information contained in the OPM and all other information relating to the Hardee's System disclosed to me except: information which is now or hereafter becomes generally known (other than by unauthorized disclosure, whether deliberate or inadvertent, by myself or by any other person, firm or corporation with which I am affiliated); information that was in my possession at the time of receipt of the OPM; and information that comes into my possession after the date of this Agreement from a source not under an obligation of secrecy to HR.

2. I agree not to make any use of the Confidential Information, not to make any copies of the Confidential Information and not to reveal any of the Confidential Information to any person who has not signed a Confidentiality Agreement with HR. In the event I want to disclose the Confidential Information to my partners, employees, advisors or other representatives, I will ensure that such partner, employee, advisor or other representative: **(A)** has a reasonable need to know the Confidential Information in connection with the evaluation of the franchise opportunity; and **(B)** has been advised of the confidential nature of the Confidential Information and has agreed to maintain the confidential nature.

3. If I do not enter into a Development or Franchise Agreement with HR, or at any time upon request of HR, I will: **(A)** return all copies of the OPM to HR (and/or certify that I have destroyed or deleted all electronic copies of the OPM); **(B)** immediately cease to use the Confidential Information; and **(C)** certify in writing that all of my partners, employees, advisors or other representatives to whom I have disclosed the Confidential Information have complied with this Section.

4. This Agreement will be governed and construed in accordance with the laws of the state in which I reside.

_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____	Date: _____
Address:_____	Address: _____
_____	_____

EXHIBIT O

STATE EFFECTIVE DATES PAGE

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	EXEMPT
Illinois	EXEMPT
Indiana	[PENDING]
Maryland	[PENDING]
Michigan	[PENDING]
Minnesota	[PENDING]
New York	EXEMPT
North Dakota	[PENDING]
South Dakota	[PENDING]
Virginia	[PENDING]
Washington	[PENDING]
Wisconsin	[PENDING]

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If HR offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires HR to give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If HR does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state administrator listed in Exhibit A.

Franchise Seller Information: Name - John Mayes; Address - 6700 Tower Circle, Suite 1000, Franklin, TN 37067; and Telephone Number - (615) 538-9152.

We authorize the respective state agencies identified on Exhibit B to receive service of process for us in the particular state.

Issuance Date: May 24, 2025

I have received a disclosure document issued on May 24, 2025. This disclosure document included the following exhibits: A. List of State Administrators; B. Agents for Service of Process; C. Development Agreement; D. Franchise Agreement; E. Preliminary Agreement; F-1. Software Support Agreement for PAR Brink and CrunchTime; F-2. OLO Authorized Operator Agreement; G. Operation Procedures Manual Table of Contents; H. List of Franchisees That Closed/Transferred Franchised Restaurants in Last Fiscal Year; I. List of Franchisees and Franchised Locations; J. Addenda Required by Certain States; K. Financial Statements; L. Development Incentive Program Addenda to Franchise Agreement; M. Renewal Addendum; N. Confidentiality Agreement; and O. State Effective Dates Page.

_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date

To be retained by you

RECEIPT

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_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date
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Signature	Signature
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Print Name	Print Name
_____	_____
Date	Date
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
_____	_____
Date	Date

To be returned to Hardee's Restaurants LLC